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Report No: PAD5576

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED GRANT
IN THE AMOUNT OF SDR 112.8 MILLION
(US\$150 MILLION EQUIVALENT)

AND A

PROPOSED GRANT
IN THE AMOUNT OF US\$7 MILLION

FROM THE

GLOBAL FINANCING FACILITY FOR WOMEN, CHILDREN AND ADOLESCENTS

TO THE

REPUBLIC OF ZAMBIA

FOR A

GIRLS' EDUCATION AND WOMEN'S EMPOWERMENT AND LIVELIHOODS
FOR HUMAN CAPITAL PROJECT

March 7, 2024

Social Protection and Jobs Global Practice
Eastern and Southern Africa Region

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CURRENCY EQUIVALENTS

(Exchange Rate Effective January 31, 2024)

Currency Unit = Zambian Kwacha (ZMW)

ZMW 27.08 = US\$1

US\$1.33 = SDR 1

FISCAL YEAR

January 1 – December 31

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ABBREVIATIONS AND ACRONYMS

8NDP	Eighth National Development Plan
AM	Accountability Mechanism
BCP	Business Continuity and Disaster Recovery Plan
CBV	Community-Based Volunteer
CDF	Constituency Development Fund
CMS	Case Management System
COVID-19	Coronavirus Disease-2019
CPF	Country Partnership Framework
CWAC	Community Welfare Assistance Committee
DCDO	District Community Development Officer
DCT	Donor Coordination Team
DDCC	District Development Coordinating Committee
DEBS	District Education Board Secretary
DHS	Demographic and Health Survey
DPI	Department of Planning and Information
DSWO	District Social Welfare Officer
DWAC	District Welfare Assistance Committee
EFA	Education for All
E&S	Environmental and Social
FM	Financial Management
FSP	Food Security Pack
GBV	Gender-Based Violence
GDP	Gross Domestic Product
GEWEL	Girls' Education and Women's Empowerment and Livelihoods
GEWEL 2	Girls' Education and Women's Empowerment and Livelihoods for Human Capital Project
GFF	Global Financing Facility for Women, Children and Adolescents
GMP	Growth Monitoring and Promotion
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
GRZ	Government of the Republic of Zambia
HGSM	Home-Grown School Meals
ICT	Information and Communication Technology
IDA	International Development Association
IFR	Interim Financial Report
IMF	International Monetary Fund
IPF	Investment Project Financing
IRR	Internal Rate of Return
ISM	Implementation Support Mission
ISSB	Institutional Strengthening and Systems Building for Cash 'Plus' Delivery
IT	Information Technology
KGS	Keeping Girls in School and Beyond
LBS	Life and Business Skills

LCMS	Living Conditions and Monitoring Survey
M&E	Monitoring and Evaluation
MCDSS	Ministry of Community Development and Social Services
MDTF	Multi-donor Trust Fund
MIS	Management Information System
MLGRD	Ministry of Local Government and Rural Development
MMS	Multiple Micronutrient Supplementation
MNP	Micronutrient Powder
MoA	Ministry of Agriculture
MoE	Ministry of Education
MoH	Ministry of Health
MSME	Ministry of Small and Medium Enterprises Development
NDC	Nationally Determined Contribution
NFNC	National Food and Nutrition Commission
NGO	Nongovernmental Organization
NHSP	National Health Strategic Plan
NPV	Net Present Value
OAG	Office of Auditor General
OHS	Occupational Health and Safety
PA	Paris Alignment
PDO	Project Development Objective
PHC	Primary Health Care
PIU	Project Implementation Unit
PLR	Performance and Learning Review
PPM	Pay Point Managers
PS	Permanent Secretary
PSC	Project Steering Committee
PTC	Project Technical Committee
PWDs	Persons with Disabilities
RMNCAH-N	Reproductive Maternal, Newborn, Child and Adolescent Health - Nutrition
SCT	Social Cash Transfer
SEA/SH	Sexual Exploitation and Abuse/Sexual Harassment
SEP	Stakeholder Engagement Plan
SP	Social Protection
SRGBV	School-Related Gender-Based Violence
SSRSP	Scaling Up Shock Responsive Social Protection
SWL	Supporting Women's Livelihoods for Climate Smart Productive Inclusion
TA	Technical Assistance
ToR	Terms of Reference
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UN-JPSP	United Nations Joint Programme on Social Protection
WASH	Water, Sanitation, and Hygiene
ZAMSTAT	Zambian Statistics Agency
ZMW	Zambian Kwacha
ZISPIS	Zambia Integrated Social Protection Information System



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DATASHEET

BASIC INFORMATION

Country(ies)	Project Name	
Zambia	Girls' Education and Women's Empowerment and Livelihoods for Human Capital Project	
Project ID	Financing Instrument	Environmental and Social Risk Classification
P181391	Investment Project Financing	Moderate

Financing & Implementation Modalities

<input type="checkbox"/> Multiphase Programmatic Approach (MPA)	<input type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made Disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Enhanced Implementation Support (HEIS)

Expected Approval Date	Expected Closing Date
28-Mar-2024	30-Jun-2028

Bank/IFC Collaboration

No

Proposed Development Objective(s)

To promote human capital development and productivity among poor and vulnerable girls and women, while strengthening adaptive social protection delivery systems.

Components

Component Name	Cost (US\$, millions)
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Component 1: Foundational Social Cash Transfer and Nutrition	80.00
Component 2: Keeping Girls in School and Beyond	35.00
Component 3: Supporting Women's Livelihoods for Climate Smart Productive Inclusion	35.00
Component 4: Institutional Strengthening and Systems Building for Cash 'Plus' Delivery	7.00

Organizations

Borrower:	Republic of Zambia
Implementing Agency:	Gender Division under the Office of the President Ministry of Community Development and Social Services Ministry of Education Ministry of Health

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	157.00
Total Financing	157.00
of which IBRD/IDA	150.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	150.00
IDA Grant	150.00

Non-World Bank Group Financing

Trust Funds	7.00
Global Financing Facility	7.00

IDA Resources (in US\$, Millions)

	Credit Amount	Grant Amount	SML Amount	Guarantee Amount	Total Amount
Zambia	0.00	150.00	0.00	0.00	150.00
National Performance-Based Allocations (PBA)	0.00	150.00	0.00	0.00	150.00
Total	0.00	150.00	0.00	0.00	150.00

Expected Disbursements (in US\$, Millions)

WB Fiscal Year	2024	2025	2026	2027	2028
Annual	0.00	55.50	59.90	29.30	5.30
Cumulative	0.00	55.50	115.40	144.70	150.00

INSTITUTIONAL DATA

Practice Area (Lead)

Social Protection & Jobs

Contributing Practice Areas

Agriculture and Food, Education, Finance, Competitiveness and Innovation, Health, Nutrition & Population

Climate Change and Disaster Screening

This operation has been screened for short and long-term climate change and disaster risks

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category	Rating
1. Political and Governance	Moderate
2. Macroeconomic	Substantial
3. Sector Strategies and Policies	Low
4. Technical Design of Project or Program	Substantial
5. Institutional Capacity for Implementation and Sustainability	Substantial
6. Fiduciary	Moderate

7. Environment and Social	● Moderate
8. Stakeholders	● Moderate
9. Other	
10. Overall	● Substantial

COMPLIANCE

Policy

Does the project depart from the CPF in content or in other significant respects?

Yes No

Does the project require any waivers of Bank policies?

Yes No

Environmental and Social Standards Relevance Given its Context at the Time of Appraisal

E & S Standards	Relevance
Assessment and Management of Environmental and Social Risks and Impacts	Relevant
Stakeholder Engagement and Information Disclosure	Relevant
Labor and Working Conditions	Relevant
Resource Efficiency and Pollution Prevention and Management	Relevant
Community Health and Safety	Relevant
Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant
Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Not Currently Relevant
Cultural Heritage	Not Currently Relevant
Financial Intermediaries	Not Currently Relevant

NOTE: For further information regarding the World Bank's due diligence assessment of the Project's potential environmental and social risks and impacts, please refer to the Project's Appraisal Environmental and Social Review Summary (ESRS).

Legal Covenants

Sections and Description

The Recipient shall, no later than three (3) months after the Effective Date establish and thereafter (a) maintain throughout Project implementation, the Project Implementation Unit for Part 1.2 of the Project within MOH ("MOH PIU") with terms of reference and staffing satisfactory to the Association, and with adequate resources to carry out its responsibilities under the Project as set out in the Project Implementation Manual; and (b) maintain throughout Project implementation within the MOH PIU, a project coordinator, a nutrition specialist and a monitoring and evaluation specialist, all with experience, and terms of reference satisfactory to the Association, as set out in Section I.A.4(b) of Schedule 2 of the Financing Agreement.

Sections and Description

The Recipient shall, no later than three (3) months after the Effective Date, establish and thereafter: (i) maintain throughout Project implementation, the Project Implementation Unit within the Gender Division ("Gender Division

PIU") with terms of reference and staffing satisfactory to the Association and with adequate resources to carry out its responsibilities under the Project as set out in the Project Implementation Manual; and (ii) maintain throughout Project implementation within the Gender Division PIU, a project coordinator, a procurement specialist, a communications specialist, and a monitoring and evaluation specialist, all with experience, and terms of reference satisfactory to the Association, as set out in Section I.A.6(b) of Schedule 2 of the Financing Agreement.

Sections and Description

The Recipient shall, no later than three (3) months after the Effective Date finalize and disclose the Environmental and Social Management Plan in accordance with the Environmental and Social Commitment Plan, as set out in Section I.G of Schedule 2 of the Financing Agreement.

Conditions

Type	Financing source	Description
Effectiveness	IBRD/IDA	The Grant Agreement has been signed and delivered by all the parties to such agreement, and all conditions precedent to its effectiveness have been fulfilled, as set out in Article IV.4.01(a) of the Financing Agreement.
Effectiveness	IBRD/IDA	The Recipient has prepared and adopted a Project Implementation Manual in form and substance satisfactory to the Association, and in accordance with the project Financing Agreement, as set out in Article IV.4.01(b) of the Financing Agreement.
Effectiveness	Trust Funds	Evidence satisfactory to the Bank has been furnished to the Bank that the following condition has been satisfied: the IDA Financing Agreement has been signed and delivered by all the parties to such agreement, and all conditions precedent to its effectiveness have been fulfilled, as set out in Article IV.4.01 of the GFF Grant Agreement.

I. STRATEGIC CONTEXT

A. Country Context

1. **Zambia in recent years has experienced significant macroeconomic downturn, reducing its growth prospects.** Between 2000 and 2010, the country's gross domestic product (GDP) experienced an average annual growth rate of 7.1 percent, which declined the following decade to an average of 3.6 percent. In November 2020, Zambia entered a recession, and inflation soared from 7.6 percent in 2019 to 27.6 percent in 2021. While inflation levels dropped to 9.9 percent in 2022, they are still expected to remain higher than the targeted bound of 6-8 percent over the next two years.¹ Further, the Zambian kwacha (ZMW) depreciated by over 50 percent against the US dollar in 2020, and total expenditures increased from 32.2 percent of GDP in 2019 to 37.1 percent in 2022, largely from coronavirus disease-2019 (COVID-19) related expenditures, fuel and agriculture subsidies, and grain market interventions.² However, in a recent positive turn, Zambia successfully agreed on a debt restructuring process with the International Monetary Fund (IMF), a critical step toward fostering sustainable growth and safeguarding the well-being of its citizens. Going forward, the economic outlook remains positive and is expected to strengthen but is subject to elevated risks.

2. **Weak economic performance has reversed income gains and exacerbated already high poverty rates and inequality in the country.** Zambia's strong performance following 2010 led to a reduction in poverty levels from 61 to 54 percent between 2010 and 2015. However, following COVID-19 in 2020, combined with more recent price shocks, the poverty rate has been estimated to have returned to 2010 levels of 60 percent in 2022, with 48 percent of the population experiencing extreme poverty.³ About 79 percent of Zambia's rural population live below the poverty line, stemming largely from low levels of economic growth and agricultural productivity, lack of value addition, and limited employment opportunities. Poverty incidence is 2.5 times as high in rural areas as in urban, demonstrating spatial divides in prosperity.⁴

3. **Zambia is highly vulnerable to climate-induced and other shocks, further deepening poverty and vulnerabilities.** It is among the countries highest in vulnerability and lowest in resilience to climate change,⁵ increasingly experiencing more frequent and acute weather events. These have a significant negative impact on agriculture—the main source of livelihood for over 60 percent of the population—reducing crop yields and resulting in decreased incomes and food shortages, including of nutrient-diverse foods that can lead to child undernutrition and stunting, among other adverse impacts. It is estimated that climate-induced floods and droughts have already cost the country US\$13 billion (equivalent to 0.4 percent loss of annual economic growth) over the past three decades⁶ and that climate change could further reduce Zambia's GDP by approximately 6 percent by 2050.⁷ Assessments carried out by the World Bank also estimate that about 58 percent of the population would require additional assistance in the event of a shock, rising to 94 percent in rural areas, with only 4.1 percent of adults in Zambia having had risk insurance in 2020.⁸ Unfortunately, the poor have limited capacity to cope with these shocks, which can threaten their food security and force them to resort to climate-harmful coping mechanisms, such as cutting down trees to make and sell charcoal to meet basic food and consumption needs.

¹ International Monetary Fund. 2023. *World Economic Outlook*.

² Ibid.

³ ZAMSTAT (Zambian Statistics Agency). 2023. *Zambia Living Conditions and Monitoring Survey (LCMS) 2022*.

⁴ Ibid.

⁵ Notre Dame Global Adaptation Index (ND-GAIN). <https://gain.nd.edu/our-work/country-index/rankings/>.

⁶ World Bank. 2009. *Managing Water for Sustainable Growth and Poverty Reduction: A Country Water Resources Assistance Strategy for Zambia*.

⁷ Mirzabaev, Alisher, et al. 2023. "Severe Climate Change Risks to Food Security and Nutrition." *Climate Risk Management*, Volume 39.

⁸ Zambia FinScope 2020.

4. **Consequently, human capital accumulation and human development outcomes remain low in the country.** Zambia's Human Capital Index is 0.4, implying that children born today will only be 40 percent as productive as they would be if they enjoyed full education and health.⁹ Although the country achieved close to universal access to primary education, the quality of education has not improved commensurately, and secondary school coverage is much lower at 45 percent.¹⁰ Moreover, about 98 percent of poor households in Zambia are considered food insecure. Unsurprisingly, the country's human development index value decreased by 1.8 percent from 0.575 to 0.565 between 2019 and 2021, largely due to inequality in health, education, and income.¹¹

5. **Of particular concern is the low nutrition status of the poorest children and mothers in Zambia for human capital accumulation, exacerbated by climate-induced shocks that negatively affect food security and nutrition outcomes.** In 2022, 70.6 percent of Zambian children experienced multidimensional poverty due to inadequate access to water and sanitation, education, health, and nutrition, among others.¹² The 2018 Zambia Demographic and Health Survey (DHS) revealed that average stunting rate among children below five years of age stood at 35 percent, worsening to 40 percent for the lowest wealth quintile, and minimum dietary diversity among all children ages 6-23 months stood at 23 percent nationally, worsening to 11 percent for the poorest. In addition, 10 percent of women in the reproductive age group were underweight, which can lead to low-birth-weight babies and poor maternal outcomes, including maternal mortality.¹³

6. **Women and girls in Zambia continue to be disproportionately affected by worsening poverty and vulnerability.** Zambia ranks 138 out of 170 countries on the Gender Inequality Index in 2021.¹⁴ Although Zambia has reached gender parity in primary school enrollment, completion remains a challenge for girls, with teenage pregnancy as one of the major contributing factors.¹⁵ At the secondary school level, only 31.4 percent of girls enroll and graduate from secondary schools compared to 36.4 percent of boys, due to early pregnancy (47 percent), economic constraints (18 percent), and early marriage (13 percent), with only 41 percent of primary school students who dropped out due to pregnancy being readmitted.¹⁶ Not surprisingly then, female-headed households have higher poverty levels than their male counterparts, at 63.4 percent and 58.8 percent, respectively.¹⁷ Men also have an advantage over women in financial inclusion, such that it is much harder for women to access credit. The lack of access to land and assets and input and output markets, as well as to quality business development services, are the key constraints.¹⁸

7. **Going forward, Zambia must prioritize investments in human capital to minimize the impact on vulnerable populations.** The recently brokered IMF Extended Credit Facility and debt restructuring process is expected to further stabilize the macroeconomic environment and improve the Government's fiscal space, but requires Zambia to take a contractionary fiscal approach, which could have an adverse impact on the most vulnerable populations in the short term. There is therefore an urgent need in the immediate term to maintain investments in human capital to protect and bolster the well-being of the most vulnerable.

⁹ World Bank. 2020. *Human Capital Project*.

¹⁰ Ministry of Education. 2020. *Zambia Education Statistics Bulletin*.

¹¹ UNDP (United Nations Development Programme). 2022. *Human Development Report 2021–2022: Uncertain Times, Unsettled Lives: Shaping our Future in a Transforming World*.

¹² ZAMSTAT. 2023. *LCMS 2022*.

¹³ ZAMSTAT and Ministry of Health. 2020. *Zambia DHS Survey 2018*.

¹⁴ UNDP. 2023. *Gender Social Norms Index. Breaking Down Gender Bias: Shifting Social Norms towards Gender Equality*.

¹⁵ For example, of the total pregnancies recorded among the learners, 83 percent were at primary school level. *Calculations based on a review of the Education Statistical Bulletins on the number of pregnancies over a 19-year period (2002 – 2020)*.

¹⁶ World Bank. 2023. *Zambia Gender Assessment Report*.

¹⁷ ZAMSTAT. 2023. *LCMS 2022*.

¹⁸ World Bank. 2019. *Zambia Enterprise Survey*.

B. Sectoral and Institutional Context

8. **Zambia has a strong enabling policy environment and commitment to human capital in recognition of its strategic role in addressing poverty and vulnerability and promoting economic development and growth.** The National Social Protection Policy (2014–2018) highlights the key role social protection (SP) plays in reducing poverty, inequality, and vulnerabilities, boosting food security, and building human capital, a review and update of which is underway and is taking a life-cycles approach to SP. In 2019, the Integrated Framework of Basic Social Protection Programs prioritized layering basic social assistance with livelihoods and empowerment for greater impact. The foundation of this cash ‘plus’ approach is the Social Cash Transfer (SCT) program, which provides regular cash transfers to smooth the consumption of poor and vulnerable households for food security, while enabling them to make human capital and livelihoods investments for resilience. The Seventh National Development Plan sets targets to increase social assistance coverage from 40 to 70 percent of the poor and spending from 0.7 to 1.7 percent of GDP, which the Eighth National Development Plan (8NDP) for 2022–2026 reinforces by outlining SP and human development as key pillars of the Government’s development strategy.

9. **A key aspect of the Government’s commitment to human capital is its focus on nutrition, particularly for children and mothers, in terms of ensuring a strong legal framework and coordination mechanism.** Proper nutrition is crucial, as it protects against malnourishment, helps maintain a healthy immune system, prevents obesity, reduces the risk of chronic disease, and supports developmental growth and reproductive health. In 2020, the Food and Nutrition Act was enacted, replacing the previous Act of 1967 and focusing on the implementation of a national food and nutrition program, as well as continuing the National Food and Nutrition Commission¹⁹ (NFNC) and redefining its functions and financing. The NFNC has the mandate to coordinate nutrition plans and actions across multiple relevant government institutions and nongovernmental organizations (NGOs). The act clearly defines children under five years of age, adolescents, pregnant women and breastfeeding mothers, the elderly, and individuals with special nutritional needs as vulnerable groups at risk of nutritional deficiencies.

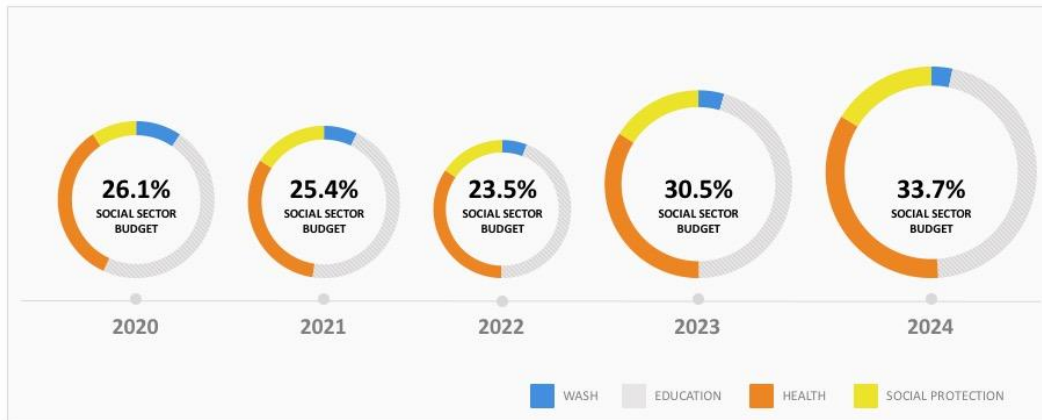
10. **The Government’s commitment to human capital has translated to increased budget allocations for SP since 2014, especially to cash assistance, although nutrition has been largely invisible.** The Government has been increasing budget allocation to the social sector in recent years, reaching one-third of the national budget in 2024, as shown in Figure 1. Within the social sector, the share of social assistance increased from 0.14 to 0.8 percent of GDP between 2014 and 2022, with the share of the SP budget increasing from 4.9 percent of the total budget in 2023 to 5.4 percent in 2024. That being said, SP financing comprises the smallest portion of overall human development (education, health, and SP)²⁰ and has in fact been declining in real terms due to the rising inflation.²¹ Further, SP funding continues to be dominated by social assistance, namely the SCT, and financing for nutrition and related expenditures (i.e., water, sanitation, and hygiene [WASH]) is largely invisible in the 2024 national budget, even though nutrition is identified as a key priority in the NHSP for Zambia 2022–2026 and the Reproductive Maternal, Newborn, Child and Adolescent Health – Nutrition (RMNCAH-N) Investment Case 2022-2024. In fact, the NHSP commits to allocating about 14.8 percent of its total budget to RMNCAH-N among the priority areas, representing the third largest share of its total planned expenditure.

¹⁹ The NFNC is a statutory body, established in 1967 by an Act of Parliament under the Ministry of Health (MoH), is responsible for advising the Government on matters concerning food and nutrition. Its broad objective is to promote and oversee nutrition activities in the country, primarily focusing on vulnerable groups such as children and women. See National Health Strategic Plan (NHSP) for Zambia 2022–2026.

²⁰ Education represented 15.4 percent of the total 2024 budget, while health was 11.8 percent, and SP was 5.4 percent. See *2024 Government of Republic of Zambia National Budget. 2023.*

²¹ For example, the nominal and real value of the SCT budget was ZMW 3.7 billion in 2023, while the nominal value of the SCT budget is ZMW 4.1 billion in 2024, with the real value declining to ZMW 3.6 billion, when adjusted for inflation. See UNICEF. 2023. *2024 National Budget Presentation.*

Figure 1. Overview of the Social Sector Budget in the 2024 National Budget



Source: United Nations Children's Fund (UNICEF) 2023.

11. **The International Development Association (IDA) has been progressively increasing its investment in the SP sector in Zambia, together with donors and cooperating partners.** Through the Girls' Education and Women's Empowerment and Livelihoods (GEWEL) Project (P151451) and the Scaling Up Shock Responsive Social Protection (SSRSP) Project (P179095), IDA, and bilateral donors through a multi-donor trust fund (MDTF),²² have provided approximately US\$519 million²³ to the SP sector. IDA support to the SP sector is complemented by the United Nations Joint Programme on Social Protection (UN-JPSP), led by UNICEF. Box 1 below provides the results achieved under the two projects.

Box 1. Achievements of the GEWEL and SSRSP Projects

GEWEL supports four key interventions under a cash 'plus' approach, whereby complementary activities are layered on a foundational social assistance program for leveraged welfare impacts. These include: (a) the SCT; (b) the Keeping Girls in School (KGS); (c) the Supporting Women's Livelihoods (SWL) intervention; and (d) the Institutional Strengthening and Systems Building (ISSB). In addition, the SSRSP supports the SCT to become more adaptive in response to climate-induced and other shocks. As of early February 2024, the GEWEL project is 95 percent disbursed with a current closing date of December 2024,²⁴ while the SSRSP is 57.25 percent disbursed following effectiveness in November 2022.

A. SCT. The GEWEL and SSRSP have contributed significantly to the SP sector in Zambia. The SCT has been scaled up to a little over 1.3 million households nationwide by 2023, exceeding the SSRSP end project target of 1.026 million and representing about 34 percent of the population and 57 percent of the poor,²⁵ one of the best safety net coverages in the region with strong pro-poor elements. In fact, expansion of the caseload and increase in the transfer value are estimated to have reduced poverty by six percentage points in 2021, largely by strengthening household resilience through predictable and reliable cash assistance to cope with climate and other shocks. The SCT has also been successfully utilized to respond to climate and other shocks, namely to COVID in 2020 and drought in 2022. Preparations are now underway to utilize the SCT in 2024 to respond to price shocks and droughts impacts.

B. KGS. The KGS has thus far enrolled 148,616 girls in secondary schools across 65 districts, exceeding the end-project target by 86 percent. It has also made significant strides in addressing school-related gender-based violence (SRGBV), a key reason for adolescent

²² The GEWEL MDTF comprises the United Kingdom Foreign, Commonwealth and Development Office, Swedish International Development Cooperation Agency, Irish Aid, German Development Cooperation through the *Kreditanstalt für Wiederaufbau*, and the Swiss Agency for Development and Cooperation.

²³ Of the US\$519 million, US\$467 million is IDA credit and about US\$51.54 million is MDTF grant.

²⁴ The Government submitted a request letter dated October 16, 2023 for an extension of the GEWEL closing date from April 2024 to December 2024 to enable them to fully utilize IDA financing and complete all project activities, particularly those related to systems building. The GEWEL project restructuring has been approved by the World Bank and the legal amendment is expected to be signed by mid-April 2024.

²⁵ Calculations by the World Bank based on 2022 census data and 2022 LCMS survey.

girls dropping out. Specifically, the KGS piloted SRGBV Clubs in schools to provide a safe space for boys and girls to discuss gender norms and GBV issues, trained teachers and administrators in SRGBV, and engaged with communities to facilitate gender transformative dialogue and promote positive mindsets and behaviors. It also piloted and scaled up the Case Management System (CMS) to identify KGS girls at risk of dropping out and retain them in schools, as well as bring those that have dropped out back. The success²⁶ of these pilots has led the Government to allocate its own resources to also expand these initiatives across non-KGS schools.²⁷

C. SWL. The SWL has also demonstrated strong results, particularly in terms of its potential to serve as a graduation model. To date, some 139,351 poor rural women in 81 districts have been supported with a livelihood package, with an additional 4,000 women expected to be reached by project closure, resulting in total beneficiaries supported to be above the end-project target of 129,400. A recent impact evaluation revealed that the SWL interventions increased overall consumption by 38 percent, household income by 62 percent, business profits by 80 percent, and savings by 234 percent.²⁸

D. ISSB. Lastly, investments for enhanced SP systems have led to better beneficiary management and digital payments with beneficiary choice model under the Zambia Integrated Social Protection Information System (ZISPIS),²⁹ as well as more timely and responsive grievance redress and strengthened GBV prevention, mitigation, and response mechanisms.

12. Effort is now required to not only protect human capital gains to date against emerging risks but also advance the sector to enable a 'big push' to unleash girls' and women's potential for growth and development. As GEWEL ends, there is a critical need to protect the human capital gains made to date, particularly against the deteriorating poverty and vulnerability context. At the same time, opportunities exist to move the SP sector toward more social and productive inclusion activities aimed at strengthening girls' and women's empowerment and human capital in support of their sustainable climate-smart pathways out of poverty for longer term development outcomes. In particular, there is a need for an investment for nutrition targeted at poor and vulnerable Zambians who disproportionately experience low nutrition outcomes, a critical determinant of human capital accumulation throughout life.

C. Relevance to Higher Level Objectives

13. The proposed Girls' Education and Women's Empowerment and Livelihoods for Human Capital Project (GEWEL 2) is closely aligned with the Government's development priorities, in recognition of the interrelation between human capital and economic productivity. The National Long-Term Vision 2030 sets the goal for Zambia to become a prosperous middle-income nation by 2030 by, among others, improving gender-responsive sustainable development and strengthening SP to protect the poor and vulnerable from risks and shocks. The 8NDP acknowledges that the expansion of SP programs has contributed to poverty and vulnerability reduction and emphasizes that human development is crucial for inclusive development and the transformation of the country.

14. GEWEL 2 is also in line with the World Bank's current Country Partnership Framework (CPF, FY19–23)³⁰ for Zambia, extended through FY24 in its Performance and Learning Review (PLR),³¹ as well as the upcoming CPF (FY25–30)

²⁶ For example, early results found SRGBV Club participants making greater attempts to help others that have faced issues of violence. Teacher mentors who received training have also reported increased awareness of and ability to respond to reports of SRGBV. In recognition, the Government has already utilized its own funds to train 30,000 new teachers on GBV issues, in addition to those trained in KGS schools.

²⁷ Currently, the CMS is in 62 districts, supported by both IDA and funding by the Government of the Republic of Zambia (GRZ), and will be expanded to 16 more schools in 2024 exclusively under GRZ funding.

²⁸ World Bank. 2023. *Zambia Girls' Education and Women's Empowerment and Livelihoods Project: Supporting Women's Livelihoods Impact Evaluation Endline Survey Report*. Draft.

²⁹ The ZISPIS supports A-Z business processes of the SCT delivery, including targeting, enrollment, grievance redress and payments with a beneficiary choice model through an embedded digital platform. It also includes other SP programs, such as the 1,000 Days Nutrition Pilot and COVID Emergency Cash Transfer, serving as a potential foundation for a Social Registry.

³⁰ Report No. 128476-ZA, discussed by the World Bank's Board of Executive Directors on September 20, 2018

³¹ Report No. 181836-ZM, dated May 7, 2023.

under preparation. Specifically, the proposed project contributes to the achievement of CPF Objective 2.1 under Focus Area II “Improve access to secondary education, health services, nutrition and social protection, with attention to girls and women in selected rural areas.” This objective has been streamlined in the PLR to “Objective 3: Increased access to health, education and social protection.” GEWEL 2 will directly contribute to these goals by protecting the poor and building their resilience to climate and other shocks, enhancing girls’ access to education, and promoting greater women’s productivity, while serving as an entry point on nutrition and strengthening accountable and effective SP delivery systems for institutional sustainability. GEWEL 2 is expected to be also aligned with the upcoming CPF expected at the end of FY24 given its anticipated strong focus on human capital growth and climate adaptation for poverty reduction and growth.

15. **The GEWEL 2 is aligned with the World Bank’s new mission and regional strategies.** It is broadly aligned with the World Bank’s mission, focusing on evolution priorities of food and nutrition security and climate change adaptation and mitigation. GEWEL 2 is also fully aligned with the World Bank Eastern and Southern Africa priorities in terms of investments in people, digital economies, , and climate change mitigation and adaptation. Moreover, the project will support corporate commitments in the global World Bank Group Gender Strategy (2024-2030) to be formally launched in 2024 related to gender gaps in endowments, inclusion, resilience and GBV.

16. **The project will contribute to the New World Bank Group Scorecard FY24–FY30 in the following focus areas:** Outcome Area 1 - Protection for the Poorest; Outcome Area 5 - Greener Planet and Resilient Population; Outcome Area 7 - Sustainable Food Systems; and the Outcome Area 12 - Women and Youth Inclusion. GEWEL 2 will contribute to Outcome Area 1 by supporting an estimated 7.8 million poor people with safety net assistance; to Outcome Area 5 by providing productivity grants to women-headed SCT households to enhance resilience to climate risk and diversify their livelihoods; to Outcome Area 7 by providing nutrition cash top-ups and related complementary measures to increase food utilization and nutrition service uptake, and to Outcome Area 12 through enhanced education and productivity among girls and women. The project includes results indicators to monitor progress toward these outcomes.

17. **Likewise, GEWEL 2 aligns with Zambia’s climate change strategy and the country’s Nationally Determined Contribution (NDC) to Paris Agreement.** Zambia aims to become a prosperous low-carbon and climate-resilient middle-income country by 2030. The updated NDC in 2021 sets a mitigation goal of reducing greenhouse gas emissions by 25 percent by 2030, with the potential for a 47 percent reduction with substantial international support.³² Thus, adaptation to climate change, including through safety nets, is a priority for enhanced resilience in population, ecosystems, infrastructure, and health systems. GEWEL 2 will contribute to these goals by maintaining the national safety net program, while strengthening girls’ and women’s resilience, as they are often most vulnerable to climate change impacts, by facilitating climate resilient and diversified livelihoods and increased income to avoid climate-harmful coping mechanisms.

II. PROJECT DESCRIPTION

A. Project Development Objective

Project Development Objective (PDO) Statement

18. To promote human capital development and productivity among poor and vulnerable girls and women, while strengthening adaptive social protection delivery systems.

³² Zambia. 2022. *Revised and Updated Nationally Determined Contributions*. https://unfccc.int/sites/default/files/NDC/2022-06/Final%20Zambia_Revised%20and%20Updated_NDC_2021_.pdf.

19. The human capital development aspect of the PDO will be measured through results in three interrelated areas: (a) the SCT as the foundational national social assistance program as an enabler for human capital development, with complementary activities aimed at (b) enhanced educational attainment at the upper primary and secondary school level by vulnerable adolescent girls and (c) improved nutrition outcomes among poor children and women in selected districts. Productivity will be measured through activities aimed at increasing earnings and economic inclusion of adult women to build climate adaptation and shock resilience, while strengthened adaptive SP systems will track results in ensuring effective and accountable delivery of services, with response to climate-induced and other shocks in mind.

PDO Level Indicators

20. The progress toward achievement of the PDO will be specifically measured by the following outcome indicators:
- (a) Promote human capital development.
 - Percentage of children living in households receiving the SCT nutrition cash top-up that achieve a minimum dietary diversity.
 - Percentage of KGS girls retained in school.
 - (b) Promote productivity among women.
 - Percentage of eligible SWL beneficiaries with an ongoing income-generating activity one year after SWL has ended.
 - (c) Strengthened adaptive social protection delivery systems.
 - Dynamic Social Registry established and institutionalized.

B. Project Components

21. **GEWEL 2 is a US\$157 million equivalent financing in support of four components, to be implemented over a four-year period.** The components are: (a) Foundational Social Cash Transfer and Nutrition; (b) Keeping Girls in School and Beyond; (c) Supporting Women's Livelihoods for Climate-Smart Productive Inclusion; and (d) Institutional Strengthening and Systems Building for Cash 'Plus' Delivery. Of the total project amount, US\$150 million will be from IDA and US\$7 million will be from the Global Financing Facility for Women, Children and Adolescents (GFF).³³

22. **The proposed project will build on the results achieved and lessons learned from the design and implementation experience of the first phase of GEWEL to promote greater productivity and human capital growth.** It will use a life-cycle approach with a focus on girls' and women's empowerment, in recognition of persistent significant gender gaps in Zambia and girls' and women's potential to drive transformative development. It will serve as an anchor for a more comprehensive multi-sectoral human capital program in the future by providing a foundation with national scope upon which additional activities can be layered and expanded should additional funding become available.

23. **Project implementation will follow a gradual approach based on prioritization, sequencing, and convergence of activities, starting small and scaling up based on evidence.** Considering that poverty, vulnerability, and girls' and women's empowerment are highly interconnected and multidimensional, a holistic and integrated approach based on multi-

³³ The GFF is a country-led multi-stakeholder partnership housed at the World Bank committed to ensuring all women, children, and adolescents can survive and thrive. The GFF is supporting investments to strengthen essential health and nutrition services at community and primary care levels, as well as enhance service quality and resilience, with a focus on data, quality, equity, results, and domestic resources for health.

sectoral coordination and collaboration is needed to realize impact. In recognition, GEWEL 2 activities are ambitious in nature and will follow a gradual implementation approach based on prioritization and sequencing of activities, complemented by capacity-building plans. This is expected to help avoid overburdening the institutional structures and systems and enable learning and refinement of activity design and delivery modalities, while capacities are progressively strengthened. Further, efforts will be made to ensure that new activities are converged across the same communities and households, particularly those on nutrition, for leveraged results to maximize development impacts. Thus, the early stage of implementation will focus on scaling up existing activities nationally to realize the full potential of a cash 'plus' approach, followed by implementation of the proposed innovations and new activities in the latter years when adequate delivery systems and arrangements are established, and knowledge and capacities are strengthened.

Component 1: Foundational Social Cash Transfer and Nutrition (US\$80 million equivalent - US\$73 million IDA and US\$7 million GFF)

24. **This component will ensure the continuity of the foundational SCT program for a cash 'plus' approach, with complementary activities for improved nutrition outcomes.** It will invest in the SCT as the national social assistance program to continue strengthening household food security and resilience to climate and other shocks, with complementary activities layered on under a cash 'plus' approach for improved nutrition among poor households in the *first 1,000 days of a child's life*, building on ongoing efforts.³⁴ Implementation will follow an integrated approach focusing on both nutrition-sensitive and nutrition-specific activities for improved purchasing power, as well as demand creation and service provision. Currently, no IDA-supported-project exists for nutrition outcomes in Zambia, and the SCT serves as a useful entry point to support the poor that have the worst nutrition status. While the SCT delivery will be nationwide, nutrition activities will be implemented in a limited manner in a few districts, starting small and learning from implementation experience due to the complexity inherent in engaging on nutrition given the multiple actors and interconnected activities. The aim will be to demonstrate proof of concept of a multi-sectoral convergence approach and serve as a catalyst for future IDA-supported-project and scale-up based on evidence. Nutrition activities will be jointly financed by IDA and the GFF.

Subcomponent 1.1: Nutrition-Sensitive Foundational Social Cash Transfer (US\$70 million IDA grant equivalent)

25. **This subcomponent will ensure predictable and reliable cash transfers to the SCT, including scaling up in response to climate and other shocks, with gradual phase-out for full government financing within the project period.** IDA-support has been critical in stabilizing the predictability and reliability of SCT delivery to poor and vulnerable households. The Government increased allocation to the SCT by eightfold in 2015, recognizing the program's demonstrated impacts on welfare, productivity, and poverty reduction. Nonetheless, it has faced difficulties in recent years in financing the SCT, particularly during COVID-19, so that about half the beneficiaries received only four out of the twelve months of transfers in 2020. The World Bank began funding the SCT in 2020, with donors providing support through the World Bank-administered GEWEL MDTF. Since, the delivery of the SCT has been stable, with government financing progressively increasing. For example, the Government financed 65 percent of the total SCT caseload in 2023, with budget allocation increasing to 70 percent in 2024. Assuming continued strong Government commitment to the SCT, GEWEL 2 aims to scale up the SCT to 1.5 million households, while retaining the flexibility to scale up vertically and/or horizontally in response to climate and other shocks. It is anticipated that the SCT will be fully financed by the GRZ by 2027 (third year

³⁴ Ongoing work includes, but is not limited to, the 1,000 Days Nutrition Pilot implemented by the Ministry of Community Development and Social Services (MCDSS), supported by UNICEF and bilateral donors; the First 1000 Most Critical Days Program Phase 2; Scaling Up Nutrition Phase 2; Food and Nutrition Security; Enhanced Resilience program; and Scaling Sustainable Nutrition for All, among others.

of project implementation, barring worsening macroeconomic and domestic revenue environment).³⁵ That being said, it is noteworthy that during the first two years of SCT under IDA support, it is estimated that some US\$15 million of external financing will be required above the current available IDA financing.

26. **This component will also provide additional support to enable eligible households to invest in their nutrition through increased purchasing power and enhanced awareness of the role of nutrition in human capital growth.** A nutrition cash top-up³⁶ will complement the regular SCT payments to an estimated 25,000 eligible households, recognizing that buying nutritious food and accessing nutrition services incur additional costs that may be outside a household's capacity. This is intended to strengthen a household's climate adaptation capabilities for enhanced resilience, given the links between climate shocks, food insecurity, and availability of nutritious food. The nutrition cash top-up will be complemented by regular SMS-based nutrition-sensitive messaging at relevant stages of the SCT delivery, for example, during community mobilization and payments, learning from the nutrition messaging pilot planned under the SSRSP.

Subcomponent 1.2: Nutrition-Specific Activities for Demand Creation and Service Provision (US\$10 million - US\$3 million IDA grant and US\$7 million GFF grant)

27. **With a view toward demand creation for nutrition services and prevention of malnutrition, focus will also be given to enhancing the understanding of good nutrition practices by poor households to promote positive behaviors.** Activities will include in-depth training and social and behavioral change interventions by community-based volunteers (CBVs)³⁷ on relevant nutrition issues.³⁸ Family visits and nutrition counseling will also be undertaken by CBVs to identify those at risk of malnutrition, who will then be referred to relevant primary health care (PHC) facilities for additional services. While demand creation activities under GEWEL 2 will be undertaken with communities at large, SCT households that receive the nutrition cash top-ups will be prioritized as an entry point to specifically support poor households at higher risk of malnutrition, in close coordination with the District Social Welfare Officers (DSWOs) and Community Welfare Assistance Committees (CWACs) responsible for delivering the SCT on the ground.

28. **In complement, efforts will be made to improve health service provision at the community and PHC facility levels for enhanced preventative and therapeutic nutrition services.** At the community level, capacity-building measures will be undertaken to identify and adequately train CBVs in the selected implementing districts, in close collaboration with MCDSS. Related, all relevant guidelines, protocols, and communication and training materials necessary for the implementation of the demand creation activities above will be reviewed and updated, as necessary. Based on assessments undertaken of PHC facilities and surrounding areas in the targeted districts, investments will also be made to complement gaps in the national Growth Monitoring and Promotion (GMP) service package delivered through PHC facilities, with specific focus the provision of Micronutrient Powders (MNP) to infants to address anemia and other micronutrient deficiencies. In addition, Multiple Micronutrient Supplementation (MMS) for pregnant women will also be

³⁵ GEWEL 2 design assumes that the GRZ will support 80 percent of the SCT program delivery in 2025, 90 percent in 2026, and 100 percent in 2027 and includes an expansion of the caseload, with priority given to scaling up in climate-induced drought prone areas, given that only about 5 percent of the caseload currently resides in these areas. Further, it is assumed that the SCT value will be increased by ZMW 100 monthly to maintain adequacy of the transfers, which may be further increased based on economic conditions.

³⁶ The nutrition cash top-up amount is planned to be ZMW 100 per household per month.

³⁷ CBVs are part of the MoH's existing delivery network, responsible for supporting delivery of health services at the community level and are overseen by CBV focal points at the community PHC facilities.

³⁸ These include infant and young child feeding and care practices, caloric intake requirements for pregnant and lactating women, parenting, nutrition and dietary diversification, hygiene and sanitation, and food safety, among others.

provided to improve maternal outcomes.³⁹ Further, PHC facilities will be supported with anthropometric equipment, supplies, and commodities that may be required, such as height measuring boards, weight measuring scales, and ready-to-use therapeutic food, among others. Support will also be given to improving sanitation at PHC facilities and surrounding areas with the provision of WASH services, minor renovation/rehabilitation of WASH facilities, and access to clean water. Lastly, attention will be given to strengthening of delivery systems, with particular focus on establishing digital solutions for improved reporting by CBVs at the community level to the MoH at national level and enhancing coordination at all levels, in line with established government structures in the selected implementing districts.

Component 2: Keeping Girls in School and Beyond (US\$35 million equivalent)

29. **Focusing on adolescent years, this component will support human capital and economic aspirations of young girls by supporting their educational attainment and transition from secondary school to tertiary education or work.** This is in recognition that adolescence is a pivotal juncture during which human capital is accumulated, while preparing for working age, and when decisions on education and family formation are made.

30. **GEWEL 2 will scale up KGS nationally through financial assistance to eligible adolescent girls for associated education costs to enable their enrollment in upper primary and secondary schools.** Zambia expanded the Education for All (EFA) policy to secondary school in 2022, abolishing tuition fees to enable greater access to education at the secondary level for poor girls, while primary schools continue to be free. However, other costs remain, such as school uniforms, books, stationary, and transportation, which can prevent financially constrained girls from attending school. The KGS component targets poor and vulnerable girls from SCT households in a cash 'plus' approach and provides them with an annual education grant,⁴⁰ as well as covers their boarding facility, examination fees, and other costs, as necessary. Through its support, KGS has not only improved access to secondary school by most disadvantaged girls but is also expected to have supported foundational skills and knowledge critical for enhanced climate resilience and adaptation.

31. **Under GEWEL 2, KGS will be gradually expanded to meet the increased demand for education generated by EFA,** with the ambition of supporting 262,444 girls over the project duration, 63,000 of whom will have transitioned from the first phase of GEWEL, while 199,444 will be new enrollments in upper primary (grades 4–6) and secondary school (grades 7–12) levels.⁴¹ In complement, efforts will continue to be given to scaling digital solutions for more effective delivery of the education grant and other payments, which is expected to have a knock-on positive impact on broader education delivery beyond KGS, and will include digitization of enrollment verification lists and digitally authenticated payments mechanisms. It is important to note that the ambition to reach nearly 200,000 new girls nationally will require a total of US\$66 million, exceeding the available financing by US\$31 million. Initial implementation will therefore focus on targeting 44,321 new girls with current funding, with scale-up to follow based on the availability of additional financing.

³⁹ While different cooperating partners are supporting several aspects of the GMP package, none are currently supporting the delivery of MNP and MMS that are critical for the nutrition outcomes in infants and pregnant women and are often lacking in the diet of poor households, particularly those in drought prone areas due to frequent food shortages, including of nutritious foods rich in micronutrients.

⁴⁰ The education grant amount will be increased from ZMW 600 to ZMW 800 under GEWEL 2 in response to the impact of inflation on the grant adequacy, with an option for increasing the amount during project implementation based on an assessment of prevailing economic conditions.

⁴¹ Recognizing that increased enrollment will put pressure on the education infrastructure, KGS expansion will continue to be closely coordinated with the ongoing World Bank-funded Zambia Education Enhancement Project (P170513), which is constructing additional schools and classrooms, among other activities. It will also be complemented by government financing of construction and/or renovation of boarding facilities, noting that no IDA financing will be utilized for educational facility construction and/or renovations and rehabilitation.

32. **To address high dropout rates among adolescent girls in Zambia, this component will continue to scale up⁴² the KGS CMS across all KGS schools nationally.** Given that a key cause of dropout is low academic performance, attention will be given to intensifying academic clinics by increasing their frequency to promote continuous academic improvement throughout the school year. Collaboration with key stakeholders, such as the Church, NGOs, traditional leaders, parent-teacher committees, and influential community members, will be strengthened to support efforts to bring back girls that have already dropped out. Attention will also be given to link the CMS with the Home-Grown School Meals (HGSM) program of the Ministry of Education (MoE), to strengthen adolescent nutrition and serve as an incentive for the participation and retention of learners. Lastly, reusable sanitary pads will continue to be provided to all KGS girls, as limited access to menstrual hygiene materials can be a significant barrier to attendance among adolescent girls.

33. **It will also continue to strengthen and scale up ongoing efforts to address key drivers of school dropout and early marriages, such as regressive gender norms and SRGBV.** Specifically, continued investments will be made to gradually scale up the SRGBV Clubs across all KGS schools to strengthen awareness of SRGBV issues, including using these clubs as platforms for trainings on sexual reproductive, GBV, and adolescent nutrition and health issues,⁴³ as well as strengthen school-based structures (i.e., school administration and parent-teacher committees) to better address SRGBV issues. Efforts will also include broader community sensitization and awareness raising to facilitate gender-transformative dialogue and promote mindset changes.

34. **Lastly, GEWEL 2 will extend the KGS component to establish referral mechanisms in support of the transition from secondary school to tertiary education or work.** This activity will be demand-based and will be provided to current and former KGS girls who are either graduates from secondary schools, enrolled in tertiary education, or have permanently dropped out. Activities will include establishing a referral mechanism that links participating KGS girls to appropriate training, internships, and active learning opportunities, supporting their human capital accumulation and preparing them for the labor market and or university. This will be complemented by networking and information events, such as career fairs and annual symposiums, as well as fully government-funded university scholarship for KGS girls.⁴⁴ Strong awareness-raising campaigns will be undertaken to sensitize KGS girls of the referral mechanism. The KGS CMS will be a critical in this effort by identifying potential girls relevant for this activity, with the CMS career guidance function to be strengthened to help girls explore different career options, set goals, and make informed decisions about the future. Efforts will also be made to upskill graduated KGS girls to serve as mentors and role models to support job preparedness of younger KGS girls. This will include providing information about job opportunities, conducting workshops on resumé writing and interview skills, and connecting girls with mentors in their desired fields. Lastly, options for collaboration with relevant initiatives, such as the Constituency Development Fund (CDF), will be explored as an alternate financing source for relevant interventions (i.e., boarding fees and skills training) envisioned under this component.

Component 3: Supporting Women's Livelihoods for Climate-Smart Productive Inclusion (US\$35 million equivalent)

35. **With the goal toward improving economic independence in *adulthood*, this component will aim to transform household-based subsistence activities to more productive and profitable enterprises.** Priority will be given to strengthening women's economic empowerment, key to breaking the intergenerational transmission of poverty.

⁴² Under GEWEL 2, the CMS will be scaled up to 20 new districts in 2025 and 18 new districts in 2026 to reach national coverage, while 2027–2029 will focus on consolidation and sustainability of efforts.

⁴³ Possible linkages with the School Health and Nutrition program, implemented by MoE in close collaboration with MoH, will also be explored.

⁴⁴ The program on university scholarship to KGS girls was introduced in 2022 and provided scholarships to 672 girls in 2023. Efforts are currently under way to improve awareness of this scholarship opportunity by KGS girls, which will continue to be deepened under GEWEL 2.

36. **GEWEL 2 will expand SWL nationally and make transformative enhancements through a step-and-ladder approach that can support sustainable climate-smart pathways out of poverty.** As a first step, SWL will be gradually scaled up nationally to all 116 districts, expanding also to urban areas⁴⁵ in response to rising urban poverty in Zambia. Beneficiaries will receive: (a) a productivity grant of US\$225 equivalent to serve as seed capital, with options for additional financing from the CDF and other microfinance entities to be explored; (b) training and mentorship on life and business skills (LBS), with an explicit focus on digital literacy and climate resilience and adaptation for diversification of livelihoods away from climate-harmful activities; (c) additional training on climate-smart agriculture practices⁴⁶ to support sustainable pathways out of poverty for vulnerable women, in collaboration with the Ministry of Agriculture (MoA); and (d) support on savings groups formation, with digitization of savings groups scaled up to promote financial inclusion and options for using these groups as a platform for providing nutrition training explored.⁴⁷ Moreover, support will be extended to SWL beneficiaries to engage in the production of nutrition-rich crops that can be sold to the SCT mothers (as well as other community members) supported under Component 1, thereby creating a community level ecosystem of supply and demand for nutritious food. Efforts will also be made to link SWL producers to the HGSM program so that schools can serve as guaranteed markets for SWL beneficiaries. The ambition of this component is to reach 200,000 beneficiaries, which is estimated to require US\$76 million. Initial implementation will therefore target 58,000 new beneficiaries with the allocated US\$35 million, with subsequent scale-up to follow based on the additional financing.

37. **SWL interventions aim to directly contribute to climate adaptation for resilience of climate-induced shocks by beneficiary households.** SWL operational data finds that at least 70 percent of beneficiary households have historically utilized the productivity grant to engage in agricultural production, which is highly vulnerable to climate shocks. As it is assumed that majority of SWL women will also continue to engage in agriculture under GEWEL 2, climate-smart agricultural practices will be critical in supporting these women to utilize the productivity grants for agriculture resilient activities, thereby advancing climate adaptation for strengthened resilience to climate shocks. Further, the savings groups will strengthen resilience against climate-induced and other shocks by smoothing consumption gaps to avoid engagement in climate-harmful activities during shocks such as droughts and floods.

38. **GEWEL 2 will also facilitate access to inputs through a strategic link with the Food Security Pack (FSP) program to promote the productivity of agricultural enterprises.** Once beneficiaries conclude the SWL program, those eligible⁴⁸ will be absorbed into the FSP,⁴⁹ where they will be provided with two years of in-depth support, including agricultural inputs, technical training, and extension services (see Box 2 or details on the FSP programme). As the agricultural sector is highly vulnerable to covariate shocks, beneficiaries will also be provided with weather-indexed risk insurance through the FSP to protect against climate-induced shocks, pests, and diseases. This deliberate link will ensure that, beyond SWL, vulnerable women in agriculture production will continue to receive the support needed to advance their productive activities toward becoming profitable enterprises. It will also serve as an entry point for the World Bank and cooperating partners to provide technical assistance (TA) to the FSP for improved design and delivery systems, as appropriate.

⁴⁵ Of the beneficiaries, 70 percent will continue to be from rural areas, with the remaining 30 percent targeted in urban areas. For implementation in urban areas, interventions will be adapted to unique urban contexts based on market and needs assessments undertaken prior to implementation.

⁴⁶ These will include such as minimum soil disturbance, legume rotation, drought-tolerant seeds, agroforestry, and horticulture, among others, and is expected to comprise some two-thirds of the total training provided to the SWL beneficiaries.

⁴⁷ Of the total component financing available, about 40 percent is expected to be allocated to productivity grants, about 40 percent to mentorship, LBS and other trainings, including on climate-smart agriculture, and about 20 percent to formation of savings groups.

⁴⁸ SWL women who are engaged in agricultural and livestock production, who meet the FSP eligibility requirements, and who are not already receiving support from the FSP or Farmer Input Support Programme will be eligible to transition from SWL to FSP.

⁴⁹ Given the FSP is fully funded by the GRZ, the project can leverage the existing structures in place without the need to provide additional IDA funds.

Box 2: FSP Programme Design Parameters

The FSP programme is a national initiative led by the GRZ and implemented by MCDSS, with the objective of empowering poor and vulnerable, but viable small-scale farmer households. The aim is to support: (a) improved nutrition and food security; (b) increased agricultural outputs and productivity; (c) enhanced conservation farming and climate-smart agriculture; (d) increased household incomes; and (e) the establishment of management and market hubs, as well as community food banks, to which FSP households are required to give back 10 percent equivalent of their produce, while also having the option to sell additional surplus produce, contributing to sustainable food security at the community level. To be eligible, a household must have adequate labor, with the household head not in gainful employment, and access to land between 0.5 and 2 hectares – true for most SWL households.

The core program involves the delivery of an agricultural input pack, including seeds, fertilizer, and other complementary inputs, to support enhanced agriculture production, as well as alternative, non-crop input pack, such as for livestock and poultry farming, as appropriate. Training is provided on the application of agricultural inputs, conservation farming, crop diversification, post-harvest handling, and value addition, as well as marketing and entrepreneurship. Other extension services, including access to insurance, support to join cooperatives or farmer savings groups, and market links are also available.

FSP households receive support for a maximum of two years, and are thereafter exited, unless exceptional circumstances require their continuation in the program for a third year. Through the FSP support package, it is expected that upon exit, beneficiary households will be able to meet the requirements to access the Farmer Input Support Programme, although this is not guaranteed.

39. **Efforts will also be made to support SWL women to access markets and link with value chains to grow their enterprises for increased profits, recognizing the risks otherwise of being stuck in low-equilibrium poverty trap.** Here, savings groups will be the entry point, serving as the foundation for the formation of cooperatives that can ensure better negotiating terms with aggregators and off-takers through collective action. An indicative agreement has been reached with the Ministry of Local Government and Rural Development (MLGRD) to pilot this approach in two districts under GEWEL 2, whereby SWL savings groups will be formed into cooperatives and provided with CDF grants. If successful, these savings groups could serve as a model for future collaboration between MCDSS and MLGRD for access to CDF financing by poor women for their empowerment. Finally, the component will also explore options for piloting engagement with the Ministry of Small and Medium Enterprises Development (MSME) to deepen market and value chain links by the former SWL women as they exit the FSP, results of which will inform scale-up. Such efforts will not only support SWL women through the marketing and sale of their produce for improved profitability of their businesses but also have the added benefits of facilitating enhanced coordination and collaboration between MCDSS and MSME more broadly.

Component 4: Institutional Strengthening and Systems Building for Cash ‘Plus’ Delivery (US\$7 million equivalent)

40. **To ensure continued effective and accountable delivery of SP services and achievement of project results, investments will be provided to strengthen adaptive SP systems and institutional capacities.** Focus will be concentrated on two broad strategic areas: (a) girls’ and women’s empowerment and (b) digital solutions. In addition, investments will continue to be made to support effective project implementation, particularly in terms of overall SP sector coordination through improved collaboration between GEWEL 2 and the UN-JPSP, as well as project governance and coordination of cross-cutting project activities and capacity building. This component will be jointly implemented by the Gender Division under the Office of the President as well as the MCDSS, whereby the total available component allocation of US\$7 million will be split equally among the two agencies.

41. **To enhance girls’ and women’s empowerment, attention will be given to deepening citizen engagement and addressing negative social norms that give rise to unequal gender practices and GBV.** This component will focus on strengthening social accountability by implementing the GEWEL 2 Stakeholder Engagement Plan (SEP) and enhancing the functionality of the existing project GRM. This will include harmonizing GRM approaches across all components and

developing necessary safety guidelines, enhancing beneficiaries' and stakeholders' awareness of GRM processes, improving recording of complaints, and ensuring timeliness and quality of responses and appropriate closure of cases.⁵⁰ Further, ongoing efforts to enhance GBV prevention, mitigation, and response will be scaled up, starting with in-depth stakeholder engagement to raise awareness and sensitization on GBV issues for gender-transformative dialogue for positive mindsets, engaging boys, men, and opinion leaders as well as girls and women. Focus will also be given to operationalizing and strengthening GBV referral mechanisms, including establishing a GBV information system, regularly updating the GBV service directories, and scaling up the national GBV call center. Lastly, the national gender monitoring and evaluation (M&E) system will be strengthened by operationalizing the Gender Policy and the gender M&E framework.

42. To strengthen adaptive SP delivery systems, focus will be on operationalizing digital solutions to support effective and accountable delivery of services and promote greater coordination and collaboration in SP programming. Currently, the World Bank is supporting the MCDSS to conceptualize the design of several digital information technology (IT) systems, namely the Digital Strategy for the SP Sector, Business Continuity and Disaster Recovery Plan (BCP), and a Social Registry.⁵¹ The design of these digital solutions and IT systems will be finalized and operationalized under GEWEL 2, of which the Social Registry⁵² will be particularly critical in supporting the Government's priority of establishing a digital tool that can rapidly and cost-efficiently identify and provide emergency assistance to disaster- and climate-vulnerable population in times of shocks. The Social Registry will also be useful in coordinating and linking beneficiaries to relevant SP and other social programs for improved welfare. As such, opportunities to enhance dynamism of Zambia's Social Registry will be explored, including updates to the registry through 'big data' such as mobile phone data or devolution of the registry toward making it an on-demand system. Further, close working relationships between the SP and other relevant sectors would need to be established, including with potential operational users of the Social Registry to realize its full functionality and ensure that it effectively responds to business needs of social programs. In this regard, the SCT program will serve as a useful starting point given its wide-spread national coverage of Zambia's poor,⁵³ as captured in the ZISPIS. As such, continued high-level advisory support on the ZISPIS functionality will also be provided.

43. Lastly, investments will be made to strengthen overall SP sectoral coordination and project implementation capacity, with particular focus on improved collaboration between GEWEL 2 and UN-JPSP. Recognizing the pivotal role that the United Nations provides on SP policy development, advocacy, and M&E, IDA support to the SP sector will be closely aligned to the UN-JPSP, complementing strategic gaps. Priority will be given to supporting the MCDSS to effectively coordinate the Human and Social Development Cluster under the 8NDP, operationalize the SP Coordination Strategy, and strengthen oversight and reporting capacity to update the Presidential Delivery Unit. Moreover, support will be provided to hold regular GEWEL Project Steering Committee (PSC) and Project Technical Committee (PTC) meetings, which will also

⁵⁰ Particular attention will be given to strengthening the GRM among KGS schools given that adolescent girls are disproportionately vulnerable to SRGBV and face unique challenges to accessing the GRM.

⁵¹ The Digital Strategy will provide guidance on improving the efficiency, effectiveness, and accessibility of the various SP delivery systems through digital technologies and platforms, while the BCP will set out requirements necessary for existing SP program information systems to be robust and adaptive to a crisis or disaster while remaining functional. The Single/Social Registry conceptualization will recommend the design parameters most appropriate for Zambia in terms of establishing a functional registry of existing and potential beneficiaries.

⁵² An assessment of the data privacy and security legal and regulatory framework and environment was conducted by the World Bank as part of the design and implementation of the ZISPIS and found to be adequate. The collection, use, and processing (including transfer to a third parties) of any personal data collected under GEWEL 2 will be done in accordance with the requirements and procedures set forth in existing and future national laws and regulations, including but not limited to, the National Data Privacy Act (2021), Electronic Government Act (2021), Cyber Security and Cyber Crimes Act (2021), and Electronic and Communications Transactions Act (2021). Moreover, collaboration with the World Bank's Digital Development Global Practice will be sought to ensure that synergies are realized between GEWEL 2 and the planned Digital Development project.

⁵³ In this regard, opportunities for possible recertification of the SCT caseload will also be explored.

provide updates to the proposed SP Sector Coordination Committee,⁵⁴ with a focus on coordination/collaboration between GEWEL 2 and UN-JPSP. Lastly, this component will also support effective coordination of cross-cutting project activities such as strategic communication and visibility, beneficiary outreach and engagement, project activity status and results reporting, and compliance on fiduciary and environmental and social (E&S) requirements, among others.

C. Project Beneficiaries

44. **Selection of project beneficiaries.** With the current financing, GEWEL 2 will support 1.5 million households, about 66 percent of the poor,⁵⁵ under the foundational SCT (Subcomponent 1.1), of which 25,000 will also benefit from the nutrition cash-top ups. Nutrition-Specific Activities (Subcomponent 1.2) will be more broadly targeted to all households and community members in the selected districts, with priority given to those SCT households receiving the nutrition cash top-ups. Further, 107,321 adolescent girls will be supported under KGS (Component 2), and 58,000 women will be supported under SWL (Component 3). SCT beneficiaries will include those already being supported, as well as new households selected using the targeting criteria established in the revised SCT guidelines,⁵⁶ while nutrition cash top-ups will be provided to existing SCT households with pregnant or lactating women and children under two years of age. KGS will update the existing targeting criteria to include eligible adolescent girls from SCT households in upper primary school level, while SWL will continue utilizing the existing targeting criteria and mechanisms to select working-aged women from SCT households.

45. **Selection of project locations.** Foundational SCT (Subcomponent 1.1) will continue to be implemented nationally in all 116 districts, while complementary interventions on KGS (Component 2) and SWL (Component 3) will also be gradually expanded nationally to ensure that the full potential of the cash 'plus' approach is realized. However, nutrition interventions will follow a convergence approach, such that all nutrition-sensitive and nutrition-specific activities under Component 1, along with the planned nutrition activities under Components 2 and 3, will be implemented in the same districts. Specifically, nutrition-sensitive activities (Subcomponent 1.1) will be implemented in four districts, while nutrition-specific activities (Subcomponent 1.2) will be implemented in two of those four districts, with exact districts to be determined based on pre-agreed selection criteria.⁵⁷

D. Results Chain

46. **GEWEL 2 aims “to promote human capital development and productivity among poor and vulnerable girls and women, while strengthening adaptive social protection delivery system.”** Through investments in ensuring predictable and reliable cash transfer as the foundation of the cash 'plus' approach, households will be able to meet their basic consumption needs and be in a better position to utilize complementary support for human capital development. Targeted interventions across the three pathways of nutrition outcomes (purchasing power, demand creation, and service provision) under a convergence approach are expected to generate useful learnings for improved nutrition in Zambia, as well as serve as an impetus for future IDA engagement. Similarly, expanding support to more age groups with a national

⁵⁴ This committee has not yet been established but is under discussion by the World Bank and cooperating partners to support improved coordination of activities under GEWEL 2 and UN-JPSP, learning from previous coordination experiences.

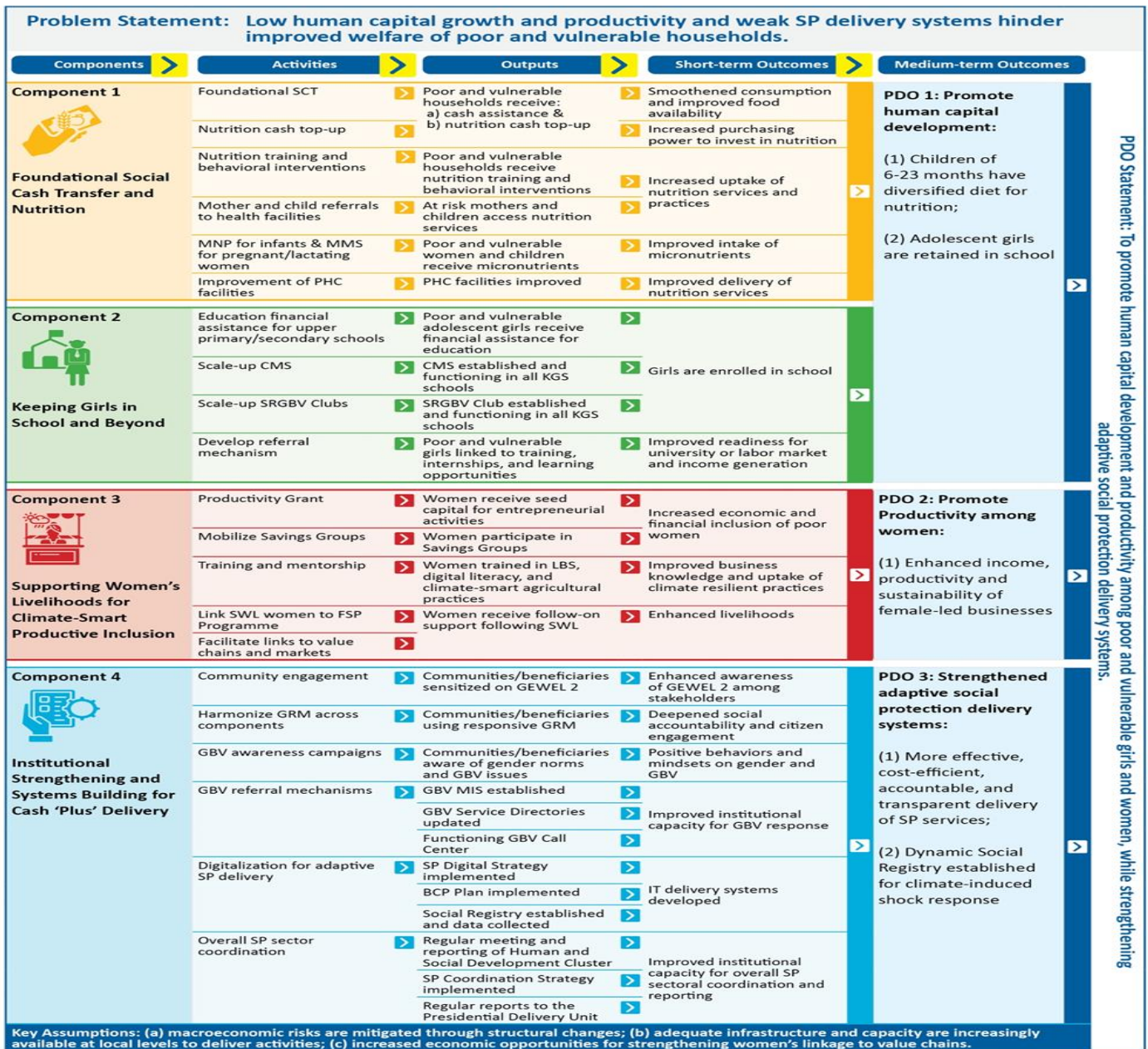
⁵⁵ Calculations by the World Bank based on 2022 census data and 2022 LCMS survey data.

⁵⁶ Beneficiaries of the SCT include poor households with (a) older persons aged 60 years and above, (b) a member who is chronically ill and on treatment, (c) pregnant or breastfeeding women/adolescent and/or with children below 2 years, a new category on the program yet to be implemented, (d) Female headed households with at least three dependents under the 18 years of age, and (e) persons with disabilities (PWD).

⁵⁷ The selection criteria will prioritize climate disaster prone (i.e., drought) areas and those with high malnutrition, with the two often geographically overlapping, as well as issues of number of facilities in good working conditions, ease of access, established delivery and coordination structures, presence of partners, and CBV capacity. Exact criteria will be agreed during implementation.

scope for enrollment, retention, and completion of secondary school is envisioned to lead to greater educational attainment among poor and vulnerable adolescent girls. Further, transformative enhancements to livelihoods support through a step-and-ladder approach to move poor women away from subsistence-based activities to more viable and profitable enterprises, in line with climate adaptation and resilience, is anticipated to improve productivity and enable sustainable graduation out of poverty. Serving as a buttress, investments in enhancing girls' and women's empowerment and digital solutions will support greater citizen engagement and social accountability and strengthened adaptive SP systems for effective and accountable delivery of results, with a focus on climate change adaptation and resilience. The GEWEL 2 Theory of Change is provided in Figure 2.

Figure 2. Theory of Change



E. Rationale for Bank Involvement and Role of Partners

47. **There is ample evidence on the positive impacts of integrated cash ‘plus’ approaches in enhancing human capital through improved consumption and productive investments.** Global evidence shows that cash transfers can not only improve consumption but also increase people’s incomes, savings, and their productive assets, in addition to enhancing human capital outcomes in schooling, nutrition, health, and employability, among others.⁵⁸ Furthermore, SP programs augmented by complementary support, such as livelihood training, insurance, and behavioral interventions, have proven to have even larger impacts. In Zambia, evaluations of select social assistance programs⁵⁹ estimate a multiplier effect of 1.68; in other words, each kwacha transferred provides an additional ZMW 0.68 to the household.⁶⁰

48. **The World Bank is well positioned to support the SP sector in Zambia given its global, regional, and national technical expertise on social assistance and cash ‘plus’ interventions for human capital growth.** It has been engaged in the SP sector in Zambia since 2016. Through its investment operations and technical and analytical work, the World Bank has proven experience supporting the GRZ to provide cash ‘plus’ assistance to the poor and most vulnerable, in close collaboration with key cooperating partners. The World Bank also brings expertise in establishing and strengthening institutional capacity and delivery systems for effective and accountable service provision.

F. Lessons Learned and Reflected in the Project Design

49. **The design of GEWEL 2 has benefitted from lessons from previous World Bank-financed SP operations, as well as from other similar projects and analytical work in Zambia and globally.** The project design is guided by the first phase of the GEWEL and the SSRSP projects, complemented by various pilots of innovations and impact evaluations, all of which have provided important operational experiences and evidence and analytical guidance on advancing the SP sector to move toward more social and productive inclusion activities for longer term development outcomes. The following are the key lessons and recommendations that have informed the current project design:

- (a) **Introduction of nutrition support.** While the ongoing GEWEL supports human capital development through the SCT and KGS, the lack of explicit focus on child development, particularly in the first 1,000 days of a child’s life, has been a weakness. This is even more relevant in Zambia with its weak nutrition status, disproportionately affecting the poor. GEWEL 2 design thus builds on the SCT as an entry point for nutrition interventions among poor and vulnerable households. The value addition of IDA engagement will be to approach nutrition outcomes across the three proven pathways of increased purchasing power, demand creation, and service provision, complementing gaps in service provisions and strengthening community and facility-level referral systems, as appropriate.
- (b) **Focus on climate-smart sustainable pathways out of poverty.** While the SWL demonstrated that it could serve as a graduation model, a pilot to link beneficiaries to value chain and markets found that additional support is required to realize results, particularly in terms of agricultural inputs which can be costly. Further, a lack of explicit focus on support to those beneficiaries engaged in agriculture has meant that they have been vulnerable to climate-induced shocks, potentially driving them deeper into poverty when a shock hits. As such, GEWEL 2 design includes trainings on climate-smart agriculture for climate resilient agriculture production, coupled with a

⁵⁸ Bastagli, Francesca, et al. 2016. *Cash Transfer: What Does the Evidence Say? A Rigorous Review of Programme Impact and of the Role of Design and Implementation Features.*

⁵⁹ Handa, Sudhanshu, Luisa Natali, David Seidenfeld, Gelson Tembo, and Benjamin Davis. 2018. “Can Unconditional Cash Transfers Raise Long-term Living Standards? Evidence from Zambia.” *Journal of Development Economics.*

⁶⁰ Ibid.



strategic link to the GRZ's FSP programme for longer term, more in-depth support, including weather-indexed insurance, for climate-smart sustainable pathways out of poverty.

- (c) **Operationalization of cash 'plus' approach for human capital development.** To realize the full potential of the complementary interventions of under a cash 'plus' approach, it would be important that they are commensurate in scope to the foundational social assistance program. However, while the SCT has national scope with wide-spread coverage, both KGS and SWL have been limited in both geographic and beneficiary scope. GEWEL 2 therefore scales up both KGS and SWL nationally, with ambitious beneficiary targets, to better leverage impacts under a cash 'plus' approach for human capital development and sustainable pathways out of development.
- (d) **Impactful adequacy of cash 'plus' interventions.** The cash 'plus' approach can only be impactful if the complementary interventions are adequate to achieve their intended objectives. Unfortunately, financial support under GEWEL has been eroding in real terms due to rising inflation, such that the SCT has been assessed to have fallen from 8.3 percent of the national poverty line in 2022 to 7.6 percent in 2023.⁶¹ Further, it has been estimated that an average Zambian girl would require about ZMW 800 to meet all the associated education costs, while the current KGS education grant is ZMW 600.⁶² Similarly, it has been estimated that the average cost of agriculture production in relation to input and other needs is about ZMW 4,181, while the latest SWL productivity Grant is about ZMW 3,600.⁶³ Consequently, the GEWEL 2 design includes an increase in the SCT value and the education grant. The SWL value will remain the same, as this has been assessed to be sufficient based on the December 2023 exchange rate. However, the SWL amount in ZMW will be adjusted every implementation year based on the prevailing exchange rate to ensure adequacy. Further, the design will allow for adjustments to all the transfers based on the assessment of the macroeconomic conditions, as appropriate.
- (e) **Continued support on climate and other shock response.** While the accompanying SSRSP project currently supports response to climate-induced and other shocks, this will end once the SSRSP closes in June 2025. As shock response is a priority for the GRZ in reducing vulnerability to poverty, GEWEL 2 ensures to maintain the scalability features of the SCT, while operationalizing the Social Registry as a primary digital tool to enable rapid and cost-effective delivery of emergency assistance in times climate and other shocks.
- (f) **Expansion of education support across more age groups.** While GEWEL focused KGS support to adolescent girls in secondary school only, the current evidence indicates that adolescent girls in upper primary school are also at high risk of dropping out due to early pregnancies and potential child marriage. In addition, the revision of the Zambia Education Curriculum Framework (2023) has removed the automatic progression from primary to secondary education, implying that there may be even more girls at risk of dropping out at grade 6 due to academic failure, weakening the link between upper primary and secondary education that KGS traditionally relied on. GEWEL 2 thus expands KGS to upper primary school to better support enrollment, retention, and progression from upper primary to secondary school onward.

⁶¹ Based on calculations by the World Bank during GEWEL and SSRSP Implementation Support Mission (ISM) in April 2023.

⁶² Based on calculations by the World Bank in October 2023 and uses data from the SCT impact evaluation baseline survey on the most common educational expenses (i.e., uniforms; transport; stationery and books; and other miscellaneous expenses and school fees).

⁶³ Based on calculations by World Bank in October 2023 and uses data from the SCT impact evaluation baseline survey on expenditures related to seeds, fertilizer and pesticides, equipment, packaging, land rental, and other associated costs for all households engaged in agriculture.

III. IMPLEMENTATION ARRANGEMENTS

A. Institutional and Implementation Arrangements

50. **GEWEL 2 will use existing institutional and implementation arrangements from the current phase of GEWEL, with adjustments based on learning and new activities.** The GEWEL PSC will provide strategic guidance and oversight, while the PTC will support project-specific governance, coordination, technical, and operational issues, report to the PSC on key GEWEL 2 progress and challenges, and update the proposed SP Sector Coordination Committee, as appropriate. Existing Project Implementation Units (PIUs) within MCDSS will implement the Nutrition-Sensitive SCT (Subcomponent 1.1) and SWL (Component 3). The MoH will be newly engaged as an implementing agency for Nutrition-Specific Activities (Subcomponent 1.2) and will have a lean PIU that will not only be responsible for implementation, but also for updating the NFNC and nutrition partners on GEWEL 2-specific nutrition activities. The current KGS PIU within the MoE will implement KGS (Component 2), and the Gender Division will take the lead on ISSB (Component 4) related to girls' and women's empowerment, as well as support project-specific governance, coordination, and cross-cutting activities. MCDSS Department of Planning and Information (DPI) will support overall SP sector coordination under ISSB (Component 4), while the MCDSS Department of Information, Communication and Technology (ICT) will support digital systems strengthening (Component 4). The current institutional arrangements at the provincial, district, and community levels will remain unchanged, with districts to be capacitated to take on a more effective implementation role. Specific TA and capacity-building support may be provided by the World Bank during implementation, in collaboration with cooperating partners. The institutional and implementation arrangements are detailed in Annex 1.

51. **Given the multi-sectoral nature of the proposed GEWEL 2 activities, implementation will prioritize close collaboration and coordination with key government institutions and cooperating partners.** For example, engagement with partners, such as the NFNC, UNICEF, World Food Programme and other key implementers, donors, and stakeholders, will be critical for the implementation of nutrition activities, as well as for SCT, KGS and SWL activities. In addition, close collaboration with relevant ministries such as MLGRD, MoA, and MSME will be key, as will be collaboration with the private sector, among others. Lastly, established relationships with current bilateral donors that are co-financing the first phase of GEWEL will still be maintained, given their expressed interest to supporting GEWEL 2 and provisionally indicating a total amount of approximately US\$36.8 million equivalent to the management and implementation of the project.⁶⁴

B. Results Monitoring and Evaluation Arrangements

52. **The project will develop a comprehensive M&E framework and plan, building on the existing ones under GEWEL.** Each PIU will leverage existing systems to monitor progress toward the achievement of the PDO and intermediate indicators and will continue to report on results through quarterly progress narrative reports. Efforts will be made to continue the ongoing digitization of paper-based results tracking to enable the collection of complete, accurate, and reliable data, where appropriate. Significant M&E capacity building has been undertaken at all levels of project implementation under GEWEL and will continue under GEWEL 2, as necessary.

53. **GEWEL 2 will place a strong emphasis on documenting lessons learned and generating insights for ongoing improvement of project activities.** The proposed project introduces several innovations with a human capital lens toward enhancing sustainable climate-adaptive pathways out of poverty. As these innovations are launched, the World Bank team

⁶⁴ Initial discussions with donors have noted their possible agreement to extend the current GEWEL MDTF to also co-finance GEWEL 2, potentially in support of the implementation of the SCT, nutrition activities, KGS, and SWL, as well as for World Bank's TA support and evidence generation.

will work collaboratively with the PIUs and partners to develop rigorous learning agendas to test and inform gradual scale-up. Process and impact evaluations of select project activities (i.e., nutrition activities under Component 1 or the step-and-ladder approach under Component 3) will be conducted to determine their efficacy and impact, assess performance, and document findings and lessons learned, which will be crucial to informing programming and policy development.

C. Sustainability

54. **The project design embeds sustainability considerations for GEWEL 2 from financing, design, and implementation perspectives.** From a *financing* angle, building on the demonstrated a strong commitment to the SCT by the GRZ, GEWEL 2 design assumes that the GRZ will progressively take over full financing of the SCT program delivery by 2027. Commitment has been noted for the KGS also, demonstrated by allocation of GRZ financing to train teachers on SRGBV and scale up the SRGBV Clubs and the CMS to non-KGS schools, as well as construct and renovate boarding facilities and provide university scholarships to KGS girls. Recognizing however that the GRZ has never allocated financing for the education grant, which is a critical aspect of the intervention, GEWEL 2 includes commitment to partial financing by the Government for KGS delivery by project closure. On SWL, similar GRZ commitment has been absent, with no national allocation to the program up to 2023. Budget has now been allocated for 2024, although nominal. GEWEL 2 therefore also includes commitment of partial financing by the GRZ to the SWL by the end of the project. At the same time, the GEWEL 2 SWL *design* of step-and-ladder approach in terms of links to the Government's FSP programme embeds sustainability of impacts. Moreover, work under the GEWEL 2 ISSB component supports government-led effective and accountable adaptive SP delivery systems, as exemplified by the ZISPIS, which is now fully government managed.⁶⁵ Lastly, the government-led implementation arrangements and structures support sustainability and continued delivery of results by building a cadre of qualified and experienced government staff. All implementation from the provincial-level onward is led by career civil servants, and many of the PIU staff at the national level are civil servant secondees. Efforts will be made under GEWEL 2 to ensure further capacity building and knowledge transfer from the PIU to other government staff in the respective implementing agencies.

IV. PROJECT APPRAISAL SUMMARY

A. Technical and Economic Analysis

55. **A detailed economic analysis of the development impacts was undertaken for the first three components and found strong net present value (NPV) and internal rate of return (IRR).** The economic analysis estimates a total project NPV of US\$136.8 million with an IRR of 33 percent.⁶⁶ However, the results are conservative estimates, as other similar cash 'plus' approaches have shown to have larger impacts than cash alone due to the amplified impacts arising from the mutually reinforcing interdependencies across interventions. Likewise, while project activities are expected to have wide-ranging benefits on individual and household-level well-being, the main benefit that has been analyzed is the expected increase in earnings due to project participation. The NPV and IRR of each component are detailed in Table 1.⁶⁷

⁶⁵ World Bank continues to provide advisory support on complex troubleshooting. TA is ongoing under GEWEL to ensure that that MCDSS has the pre-requisites for the World Bank to hand over the ZISPIS, ensuring the systems continued operation without major issues to their performance.

⁶⁶ The NPV and IRR are calculated based on estimated investment costs and benefits. It is measured over five years for SCT and over ten years for KGS and SWL. Nutrition activities are not considered in this economic analysis due to limited data and experimental evidence on the benefits of nutrition cash top-ups. All costs and benefits are discounted at a rate of 5 percent, in line with other similar projects.

⁶⁷ Detailed economic analysis is available upon request.

Table 1. Summary of NPV and IRR for all Components

	Component 1 (SCT)	Component 2 (KGS)	Component 3 (SWL)	Overall
Present value benefits (US\$, millions)	108.7	64.2	101.7	274.6
Present value costs (US\$, millions) ⁶⁸	68.4	34.8	34.6	137.8
NPV (US\$, millions)	40.3	29.4	67.1	136.8
IRR (%)	41	18	26	33

56. **Paris Alignment (PA).** GEWEL 2 has undergone a climate and disaster risk screening. The screening indicates ‘no to low’ risks of climate or disaster risks that may affect the project’s ability to achieve its outcomes, considering the nature of activities to be financed. GEWEL 2 is aligned with the goals of the PA, as all the activities fall within the indicative list of universally aligned activities in the World Bank operations. No specific risks have been flagged with respect to the mitigation and adaptation aspects of the PA assessment. The project activities are unlikely to have a negative impact on the country’s transition to a low greenhouse gas emission development pathway, and the adaptation risk is also ‘low’ and does not hinder the accomplishment of the PDO.

57. **Climate Co-Benefits.** GEWEL 2 design incorporates strong mechanisms for climate adaptation aimed at strengthened resilience by beneficiaries to climate and other shocks given that Zambia is highly vulnerable to climate change impacts such as droughts, floods, and extreme temperature that have direct impact on poverty and vulnerabilities through multiple transmission channels, particularly food shortages, water scarcity, and lost livelihoods. The proposed project was screened to assess its contribution to the World Bank climate change commitments and anticipates several climate co-benefits. These are detailed below:

- (a) **Building resilience of the poorest and most vulnerable people to climate change impact through SCT and nutrition:** Data from a recent SCT survey has revealed that 30 percent of SCT households have experienced drought in the past 12 months⁶⁹ and that some 75,000 household live in a district severely affected by climate change, disproportionately impacting on their food insecurity and availability of nutritious food. Investments to maintain the SCT program will be critical in continuing to strengthen the resilience of poor and vulnerable households to avoid adopting climate-harmful coping strategies (such as making and selling charcoal) in times of shocks, with expansion of the caseload prioritizing those living in disaster prone areas. Further, the SCT’s ability to effectively scale up during emergencies, as demonstrated during the drought shocks in 2022, will also contribute to strengthened household resilience under GEWEL 2. Lastly, additional nutrition support provided to SCT households through nutrition cash top-ups and services is expected to protect poor households against climate change impacts and strengthen their resilience for improved nutrition outcomes.
- (b) **Ensuring additional resilience-building investments and climate adaptation efforts through SWL:** Data from a SWL survey show that some 26 percent of SWL households experienced a climate-related shock in the past year.⁷⁰ This highlights the need for targeted interventions to support the poor female-headed households to mitigate the negative impacts of climate change on their livelihoods, particularly given that at least 70 percent of the SWL beneficiaries rely on agriculture as their main source of livelihood. In response, GEWEL 2 will train beneficiaries engaged in agriculture in climate-smart agricultural practices to enable them to undertake climate resilient agriculture production with the productivity grants. The small minority that may not be engaged in agriculture will also be trained in climate adaptation and resilience to support their diversification of livelihoods away from

⁶⁸ The cost of ISSB (US\$7 million) is spread out across the three components as follows: US\$3 million to SCT and US\$2 million to each of KGS and SWL.

⁶⁹ MCDSS. 2023. SCT Impact Evaluation Baseline Survey.

⁷⁰ World Bank. 2023. *Zambia Girls’ Education and Women’s Empowerment and Livelihoods Project: Supporting Women’s Livelihoods Impact Evaluation Midline Survey Report.*

climate-harmful activities (such as charcoal selling) toward more productive and profitable enterprises. Moreover, the formation of savings groups is also expected to support climate resilience by providing alternate sources of financing to support basic consumption needs in times of shocks. Together, these activities are anticipated to enable sustainable climate-smart pathways out of poverty, thereby preventing poor SWL households from falling into deeper poverty due to climate-induced shocks.

- (c) **Supporting the establishment of a dynamic Social Registry:** The establishment of a cost-efficient digital tool that can support effective delivery of emergency assistance in times of crises is a key priority of the GRZ, in recognition of the significant role that climate shocks play in deepening vulnerabilities of poor Zambians. Accordingly, GEWEL 2 will establish a dynamic Social Registry that can support in the identification and registration of climate vulnerable populations for shock-responsive SP, building on work under the accompanying SSRSP project. Ongoing efforts under the SSRSP include investments in improved shock-responsive SP coordination through GRZ-led multi-agency working group for cash-based emergency response, complemented by efforts toward scaling up electronic payments of cash transfers as an efficient payment platform for regular SCT benefits and emergency cash transfers following climate-related and other shocks. These mechanisms and platforms, once established, will also be adopted and utilized for shock response under GEWEL 2, as necessary.

58. **Gender.** The primary development objective of GEWEL 2 is to address gender inequality and empower poor and vulnerable girls and women in Zambia. As such, the project will: (a) provide direct support to girls, enabling them to stay in or return to school, or engage in alternative productive activities; (b) enhance women's productivity and diversify their entrepreneurial activities for greater economic and financial inclusion; and (c) prioritize pregnant or lactating women and their children to promote good nutrition practices, positive behaviors, and uptake of relevant nutrition and health services. Further, GEWEL 2 will also create institutional conditions to ensure that the project design is inclusive and addresses the specific needs and vulnerabilities of girls and women and that the implementation at all levels reaches girls and women.

59. **Citizen engagement.** GEWEL 2 will build on the strong citizen engagement established under the first phase of GEWEL based on a two-way communication and engagement approach. In addition, it will engage with the civil society organizations within communities that supports the implementation of the Zambia RMNCAH-N Investment Case. Stakeholders will be engaged throughout project design and implementation, including in monitoring of activities, as well as in-depth community mobilization, sensitization, and awareness raising. Moreover, capacity building will be undertaken during implementation to strengthen citizen feedback loop in providing input and feedback and empower communities to take ownership of the project. Various channels, such as information boards, community meetings, radio, posters, and service charters, will be used to disseminate information. Complaints will be recorded and monitored through the project GRM, and a structured social accountability process, tailored to marginalized beneficiaries, will be implemented using social accountability tools. The SCT already targets poor and vulnerable households with PWDs, representing about 16 percent of the current caseload, with additional households expected to be including under the planned GEWEL 2 expansion. Further, the SCT, KGS, and SWL will organize under GEWEL 2 targeted outreach to PWDs to increase their awareness and ensure access to project interventions by those that are assessed to be eligible. Meaningful consultations will also be organized with PWD-related organizations, particularly Zambia Agency for Persons with Disabilities. System strengthening, including the dynamic Social Registry, will help identify PWDs and monitor their access to benefits. The GEWEL harmonized communications strategy will be adapted for GEWEL 2 to guide overall citizen engagement.

B. Fiduciary

60. **Financial management (FM).** The World Bank conducted a FM capacity assessment of GEWEL 2 and noted it to be adequate. The existing implementing agencies have adequate FM arrangements in place, which will continue to be

utilized for GEWEL 2 FM arrangements. An FM assessment was also conducted for the MoH, as a new implementing agency, which verified the adequacy of planning and budgeting, accounting and FM staffing, disbursement and funds flow, compliance with the internal controls, and the quality of reporting and audits within the MoH. The FM assessment was conducted in accordance with the World Bank Directive: Financial Management Manual for World Bank Investment Project Financing (IPF) Operations issued February 10, 2017. The results of the FM assessment indicate that the overall FM arrangements satisfy the World Bank's minimum requirements under the World Bank Directive IPF. The overall residual risk after the implementation of the mitigation measures detailed in Annex 1 has been assessed as moderate.

61. **Procurement.** The procurement arrangement for GEWEL 2 will follow the World Bank Procurement Regulations for IPF Borrowers for Goods, Works, Non-Consulting and Consulting Services, dated September 2023, and the provisions of the project Financing Agreement. All procurement will also be subject to the World Bank's Anticorruption Guidelines. GEWEL 2 does not foresee complex procurement activities, and the project's residual procurement risk is moderate, based on the risk factors and after the adoption of the mitigation measures detailed in Annex 1. A Project Procurement Strategy for Development, including a draft procurement plan, has been prepared for all the implementing agencies.

C. Legal Operational Policies

	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

D. Environmental and Social

62. **The key environmental and social risks and impacts identified** include: (a) generation of biohazard waste from the use of menstrual hygiene kits, waste debris from minor rehabilitation works, and wastewater pollution from domestic and school sanitation; (b) generation of e-waste from improved service delivery; (c) occupational health and safety (OHS) risks to Pay Point Managers (PPM) during SCT payments; (d) downstream environmental risks from TA activities; (e) increased incidence of GBV/sexual exploitation abuse/sexual harassment (SEA/SH); (f) exclusion of eligible vulnerable households, including PWDs; (g) elite capture; (h) labor risks; and (i) lack of meaningful consultations. As mitigation, the Environmental and Social Management Plan will include guidelines for menstrual waste, wastewater, and e-waste management, OHS risks assessment, and SCT PPM security management plan. Other relevant mitigation measures will be documented in appropriate instruments, including the Labor Management Procedures, SEP, and GRM manual, as well as an updated GBV/SEA/SH action plan, developed under GEWEL. To further manage project risks and possible negative impacts, dedicated environmental and social and GBV/SEA experts will be recruited and/or assigned within the implementing agencies, as appropriate. In particular, the role of the current GRM officers will be extended to include GBV and E&S issues, as well as stakeholder engagement. The draft SEP was disclosed in country on January 9, 2024, and was finalized and redisclosed on February 14, 2024 and will be implemented throughout Project implementation. The risks, impacts, and mitigation measures are detailed in the Environmental and Social Review Summary disclosed on February 1, 2024, and the Environmental and Social Commitment Plan disclosed on February 22, 2024.

63. **Grievance redress.** The current GRM of the current GEWEL project will be extended to GEWEL 2, allowing stakeholders to provide feedback on project impacts and mitigation measures. It will also include a Labor GRM for project-related workers to raise workplace concerns as required under Environmental and Social Standard 2. The project grievance process will involve: (a) registration of complaints through the available mechanisms, including anonymously; (b)

registration of complaints by a focal person using a logbook; (c) referral of complaints; (d) establishment of an appeals structure; and (e) closure of the grievance following the appropriate procedure.

V. GRIEVANCE REDRESS SERVICES

64. **Grievance Redress.** Communities and individuals who believe that they are adversely affected by a project supported by the World Bank may submit complaints to existing project-level grievance mechanisms or the Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the Bank's independent Accountability Mechanism (AM). The AM houses the Inspection Panel, which determines whether harm occurred, or could occur, as a result of Bank non-compliance with its policies and procedures, and the Dispute Resolution Service, which provides communities and borrowers with the opportunity to address complaints through dispute resolution. Complaints may be submitted to the AM at any time after concerns have been brought directly to the attention of Bank Management and after Management has been given an opportunity to respond. For information on how to submit complaints to the Bank's Grievance Redress Service (GRS), please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the Bank's Accountability Mechanism, please visit <https://accountability.worldbank.org>.

VI. KEY RISKS

65. **The overall risk is Substantial.** The Macroeconomic, Technical Design of Project, and Institutional Capacity for Implementation and Sustainability risks are rated substantial.

- (a) **Macroeconomic.** Rising inflation in recent years has been eroding the real value of the cash transfers, undermining the potential development impact of project interventions. However, the GRZ has begun implementing structural reforms to promote economic diversification and bring inflation under control, as well as increase social spending and investment in human capital. As a mitigation measure, the macroeconomic and fiscal context will be closely monitored, and flexibility has been incorporated to adjust the transfer values, as necessary, to maintain adequacy.
- (b) **Technical Design of the Project.** The proposed design of GEWEL 2 follows a life-cycle approach, requiring an integrated package of mutually dependent and interconnected interventions, many of which are new innovations heretofore not implemented at scale. Strong delivery systems and technical expertise for implementation will thus be required. To address these risks, necessary TA through direct hands-on technical support to the implementation teams will be provided across components to enhance system and capacity, as required.
- (c) **Institutional Capacity for Implementation and Sustainability.** While the existing implementing agencies have already demonstrated their ability to successfully implement project activities, GEWEL 2 will require strong inter-ministerial coordination with several new ministries, such as the MoH, MLGRD, MSME, and MoA. It will also require investment in new staffing⁷¹ and skills within the PIUs to deliver services to beneficiaries, while minimizing fiduciary and E&S risks. To strengthen SP delivery systems and capacities, mapping of skills requirements and gaps will be undertaken to determine TA needs, and coordination between ministries will be institutionalized through memorandums of understanding and technical coordination committees, with clear terms of reference (ToR) and action plans, as appropriate. Close monitoring of implementation progress and TA to resolve bottlenecks will

⁷¹ Efforts will be made to ensure that new staffing (as detailed in Annex 1) that are deemed critical for project implementation is recruited within 90 days following project effectiveness.



continue to be provided by the World Bank, in collaboration with UN-JPSP. Lastly, strong commitment by the GRZ to progressively increase financing to GEWEL 2 activities, particularly the SCT, will be a key determinant of the sustainability of the project, as will be the continued delivery of the GEWEL 2 through existing government structures, particularly at the local levels. While the policy environment and political economy around the SCT are currently favorable, the constrained fiscal conditions may risk the Government's commitments to SP. As such, intensive policy dialogue and advocacy will be undertaken with GRZ leadership to ensure adequate budget allocation for the sustainability of GEWEL 2 activities beyond project closure, jointly with donors and cooperating partners.



VII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Zambia

Girls' Education and Women's Empowerment and Livelihoods for Human Capital Project

Project Development Objectives(s)

To promote human capital development and productivity among poor and vulnerable girls and women, while strengthening adaptive social protection delivery systems.

Project Development Objective Indicators

Indicator Name	PBC	Baseline	End Target
Promote human capital development			
Percentage of children living in households receiving the SCT nutrition cash top-up that achieve a minimum dietary diversity (Percentage)		11.20	18.50
Percentage of KGS girls retained in school (Percentage)		77.00	87.00
Promote productivity among women			
Percentage of eligible SWL beneficiaries with an ongoing income-generating activity one year after SWL has ended (Percentage)		0.00	75.00
Strengthened adaptive social protection systems			
Dynamic Social Registry established and institutionalized (Text)		No dynamic Social Registry established and institutionalized	Dynamic Social Registry established and institutionalized



Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	End Target
Component 1: Foundational Social Cash Transfer and Nutrition			
Number of direct SCT beneficiary households (Number)		1,300,000.00	1,500,000.00
of which are targeted under the disability criteria (Number)		169,000.00	195,000.00
Beneficiaries of social safety net programs (CRI, Number)		6,760,000.00	7,800,000.00
Beneficiaries of social safety net programs - Female (CRI, Number)		3,447,600.00	3,978,000.00
Percentage of SCT beneficiaries receiving payments on time (Percentage)		52.00	75.00
Percentage of SCT expenditure financed by GRZ (Percentage)		65.00	100.00
Number of SCT households receiving nutrition cash top-up (Number)		0.00	25,000.00
Percentage of infants who received MNP in project-supported facilities (Percentage)		0.00	50.00
Percentage of women attending antenatal care who received MMS in project-supported facilities (Percentage)		0.00	50.00
Component 2: Keeping Girls in School and Beyond			
Number of direct KGS beneficiaries (Number)		63,000.00	107,321.00
Percentage of KGS girls who received the education grant on time (Percentage)		0.00	80.00
Percentage of KGS girls who progress to the next grade (Percentage)		52.00	70.00
Percentage of KGS girls satisfied with the case management system (Percentage)		0.00	70.00
Referral mechanism established and functional (Yes/No)		No	Yes
Percentage of KGS expenditures financed by GRZ (Percentage)		0.00	15.00



Indicator Name	PBC	Baseline	End Target
Component 3: Supporting Women's Livelihoods for Climate-Smart Productive Inclusion			
Number of direct SWL beneficiaries (Number)		0.00	58,000.00
of which in urban areas (Number)		0.00	17,400.00
of which have enhanced resilience to climate risks (Number)		0.00	34,800.00
Percentage of savings groups that are still active one year after SWL support (Percentage)		0.00	75.00
Percentage of eligible project beneficiaries that are linked to the Food Security Pack programme (Percentage)		0.00	60.00
Percentage of SWL expenditure financed by GRZ (Percentage)		0.00	10.00
Component 4: Institutional Strengthening and Systems Building for Cash 'Plus' Delivery			
Percentage of complaints received resolved on time (Percentage)		39.00	75.00
Establishment of a functional national GBV Call Center (Yes/No)		No	Yes
Percentage of KGS schools with an established SRGBV Club (Percentage)		3.50	75.00
Operationalization of the SP Digital Strategy (Yes/No)		No	Yes
Percentage of SCT caseload captured in the Social Registry for shock response (Percentage)		0.00	30.00
Operationalization of the SP Coordination Strategy (Yes/No)		No	Yes



Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Percentage of children living in households receiving the SCT nutrition cash top-up that achieve a minimum dietary diversity	Denominator: Children aged 6-23 months who received the nutrition cash top-up in the two MoH districts; Numerator: Children aged 6-23 months who received the nutrition cash top-up in the two MoH districts and who consumed a minimum dietary diversity defined as receiving foods from at least five out of eight defined food groups during the previous 24 hours. Recommended food groups as defined in the World Health Organization guidelines. End target reflects the percentage in the final year of the project.	Annual	Project surveys	Quantitative analysis of survey among a randomly sampled set of beneficiaries. Methodology for measuring food groups and consumption is as described in the World Health Organization/UNICEF guidance published in 2021, on Indicators for assessing infant and young child feeding practices	MoH PIU
Percentage of KGS girls retained in school	Denominator: Number of KGS girls enrolled in grades 5-11 in the previous academic year; Numerator: Of whom are enrolled in the current academic year. End target reflects the percentage in the final year	Annual	KGS-MIS	Regular monitoring	KGS PIU



	of the project.				
Percentage of eligible SWL beneficiaries with an ongoing income-generating activity one year after SWL has ended	Denominator: Cumulative total SWL beneficiaries; Numerator: Of whom have an ongoing income-generating activity one year after receipt of the productivity grant. Ongoing is defined as engaging in the same income-generating activity one year after receipt of the productivity grant.	Annual	Survey	Annual beneficiary assessment/survey	SWL PIU
Dynamic Social Registry established and institutionalized	Established and institutionalized is defined as completing the development of a dynamic Social Registry to support response to climate-induced and other shocks, with Cabinet approval clarifying the hosting, managing, and data updating arrangements for the Social Registry. Dynamic is defined as a Social Registry which is periodically updated with data on SCT households from ZISPIS/SCT MIS.	One-time	Written confirmation by MCDSS on Cabinet approval, with evidence of approval included. Evidence of update with SCT data will be provided through demonstration of ZISPIS to the World Bank.	Regular monitoring	MCDSS Department of ICT



Monitoring & Evaluation Plan: Intermediate Results Indicators					
Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Number of direct SCT beneficiary households	Defined as the cumulative number of households enrolled in the SCT program.	Annual	ZISPIS	Regular monitoring	SCT PIU
of which are targeted under the disability criteria	Defined as the cumulative number of SCT beneficiary households which are targeted under the disability criteria	Annual	ZISPIS	Regular monitoring	SCT PIU
Beneficiaries of social safety net programs		Annual	ZISPIS	Defined as the cumulative indirect beneficiaries within the SCT households, and calculated as the number of SCT households multiplied by the average household size as defined by the DHS.	SCT PIU
Beneficiaries of social safety net programs - Female		Annual	ZISPIS	Defined as the cumulative indirect beneficiaries within the	SCT PIU



				SCT households, of which are female, as defined by the national census. This is calculated as the number of SCT households multiplied by the average household size, multiplied by the ratio of women vs. men in Zambia, as reported in the national census.	
Percentage of SCT beneficiaries receiving payments on time	Denominator: All households that receive a regular SCT payment for a given payment cycle; Numerator: Number of households which receive a regular SCT payment on time. A transfer is considered on time if it is received (i.e. reconciled) by a beneficiary within the stipulated time as defined in the Project Operations Manual. To obtain the annual value, add values for all six cycles in a year. The end target reflects the share of SCT payments received	Annual	ZISPIS	Regular monitoring and reconciliation reports	SCT PIU



	on time in the final year of the project.				
Percentage of SCT expenditure financed by GRZ	Denominator: Total annual allocated expenditure to the SCT; Numerator: Of which financed by the GRZ. The end target is the GRZ contribution in the final year of the project.	Annual	Navision records and SCT expenditure reports	Regular monitoring and budget and expenditure reports	SCT PIU
Number of SCT households receiving nutrition cash top-up	Defined as the cumulative number of SCT households enrolled and received at least four of six nutrition top-up transfers in the last 12 months.	Annual	ZISPIS	Regular monitoring and reporting	SCT PIU
Percentage of infants who received MNP in project-supported facilities	Denominator: All infants aged between 6 to 23 months who are captured in the Under-5 Clinic Register at the project-supported health facilities in the two MoH districts; Numerator: Of whom receive MNP at least once in the last 12 months, regardless of SCT status. End target reflects the percentage in the final year of the project.	Annual	MoH-MIS & reports from PHCs	Regular monitoring	MoH PIU
Percentage of women attending antenatal care who received MMS in project-supported facilities	Denominator: All pregnant women attending antenatal care at the project-supported health facilities in	Annual	MoH-MIS & reports from PHCs	Regular monitoring	MoH PIU



	the two MoH districts; Numerator: Of whom receive MMS at least once in the last 12 months, regardless of SCT status. End target reflects the percentage in the final year of the project.				
Number of direct KGS beneficiaries	The cumulative number of girls who have received (i.e. reconciled) at least one KGS Education Grant.	Annual	KGS-MIS	Regular monitoring	KGS PIU
Percentage of KGS girls who received the education grant on time	Denominator: Total annual KGS girls paid (i.e., reconciled) in the academic year; Numerator: Of whom received payments on time. A transfer is considered on time as stipulated in the Project Operations Manual. The end target reflects the share of KGS education grants received on time in the final year of the project.	Annual	KGS-MIS	Regular monitoring and reconciliation reports	KGS PIU
Percentage of KGS girls who progress to the next grade	Denominator: Number of KGS girls enrolled in grades 5-11 in the previous academic year; Numerator: Of whom are enrolled in the next grade in the current academic year. End target reflects the percentage in	Annual	KGS-MIS	Regular monitoring	KGS PIU



	the final year of the project.				
Percentage of KGS girls satisfied with the case management system	Denominator: Total survey respondents who received support through the CMS as defined in the survey; Numerator: Of whom answered satisfied. The end target reflects the percentage of KGS girls satisfied with the CMS in the final year of the project.	Annual	Survey	Annual beneficiary assessment/satisfaction survey	KGS PIU
Referral mechanism established and functional	Established and functional as defined in the Project Operations Manual.	Annual	Written confirmation by MoE with relevant evidence attached.	Regular monitoring	KGS PIU
Percentage of KGS expenditures financed by GRZ	Denominator: Total annual allocated expenditure to the KGS; Numerator: Of which financed by the GRZ. The end target is the GRZ contribution in the final year of the project.	Annual	MoE Accounts, KGS budgets & expenditure reports	Regular monitoring	KGS PIU
Number of direct SWL beneficiaries	The cumulative number of SWL beneficiaries who received (i.e. reconciled) two tranches of the productivity grant.	Annual	SWL-MIS	Regular monitoring and reconciliation reports	SWL PIU



of which in urban areas	The cumulative number of SWL beneficiaries who received (i.e. reconciled) two tranches of the productivity grant, who live in urban localities as defined in the national census.	Annual	SWL-MIS	Regular monitoring and reconciliation reports	SWL PIU
of which have enhanced resilience to climate risks	The cumulative number of SWL beneficiaries who received (i.e. reconciled) two tranches of the productivity grant, who are engaged in agricultural production.	Annual	SWL-MIS	Regular monitoring and reconciliation reports	SWL PIU
Percentage of savings groups that are still active one year after SWL support	Denominator: Total cumulative SWL savings groups formed up to 2027; Numerator: Of which are active one year after the productivity grant has been disbursed. Active is defined as those savings groups that continue to save. This indicator will be calculated as cumulatively over the project duration.	Annual	SWL-MIS	Regular monitoring	SWL PIU
Percentage of eligible project beneficiaries that are linked to the Food Security Pack programme	Denominator: Total cumulative SWL beneficiaries eligible for the FSP programme; Numerator: Of whom were enrolled in the FSP	Annual	SWL-MIS	Regular monitoring	SWL PIU



	programme. Eligible is defined as those SWL beneficiaries who are a) engaged in agricultural production and b) not already benefiting from FSP or Farmer Input Support Programme, determined at the time of enrollment. This indicator will be calculated cumulatively over the project duration.				
Percentage of SWL expenditure financed by GRZ	Denominator: Total annual allocated expenditure to the SWL; Numerator: Of which financed by the GRZ. The end target is the GRZ contribution in the final year of the project.	Annual	MCDSS Accounts, SWL budgets & expenditure reports	Regular monitoring	SWL PIU
Percentage of complaints received resolved on time	Denominator: Total annual complaints submitted; Numerator: Of which resolved. Resolved is defined as a complaint having been received, investigated, and a response given to the complainant and/or recorded closed within the stipulated period of time as defined in the GRM manual. This is an aggregated indicator across	Annual	SCT, KGS, & SWL MIS - GRM Module & MoH PIU	Regular monitoring	Final reporting responsibility is with Gender Division PIU, with data provided by SCT PIU, KGS PIU, SWL PIU, & MoH PIU.



	all components. End target reflects the value in the final project year.				
Establishment of a functional national GBV Call Center	Functional is defined as fully staffed with trained call center operators and is receiving and referring calls.	Annual	Written confirmation by Gender Division, with relevant evidence attached.	Regular monitoring	Gender Division PIU
Percentage of KGS schools with an established SRGBV Club	Denominator: Total number of KGS schools; Numerator: Of which have an established SRGBV Club. Established defined as the SRGBV clubs meeting at least once a year. End target reflects the final year of the project.	Annual	KGS-MIS	Regular monitoring	KGS PIU
Operationalization of the SP Digital Strategy	Operationalization defined as 75 percent of the activities of the SP Digital Strategy, as detailed in its implementation plan, is implemented.	One-time	Written confirmation by MCDSS with relevant evidence attached.	Regular monitoring	MCDSS Department of ICT
Percentage of SCT caseload captured in the Social Registry for shock response	Denominator: The total number of SCT households; Numerator: Of whom are captured in the Social Registry. End target reflects	Annual	Social Registry	Regular monitoring	MCDSS Department of ICT



	the final year of the project.				
Operationalization of the SP Coordination Strategy	Operationalization defined as 75% of the activities of the SP Coordination Strategy, as detailed in its implementation plan, is implemented.	One-time	Written confirmation by MCDSS with relevant evidence attached.	Regular monitoring	MCDSS DPI



ANNEX 1: Implementation Arrangements and Support Plan

COUNTRY: Zambia

Girls' Education and Women's Empowerment and Livelihoods for Human Capital Project

Institutional and Implementation Arrangements

- 1. GEWEL 2 will use the existing institutional and implementation arrangements from the current phase of GEWEL, with adjustments based on learning and new activities.** The project institutional arrangements will include a PSC to provide strategic guidance and oversight, as well as a PTC to promote coordination and technical support at the project level. The PTC will be responsible for also updating the PSC on GEWEL results and challenges, as well as informing the proposed SP Sector Coordination Committee on GEWEL issues. The project implementing agencies are MCDSS, MoH, MoE, and Gender Division, with project implementation embedded within existing government structures and coordination platforms for longer term sustainability of efforts. Thus, many of the PIU staff are civil servant secondees, and all implementation from the provincial-level onward is led by career civil servants. This annex details the function of three committees, overall coordination structure, and the roles and responsibilities of each agency in the implementation of project activities.
- 2. The PSC** will consist of the Permanent Secretaries (PSs) of the four implementing agencies, as well as other relevant ministries such as Ministry of Finance and National Planning, MLGRD, MSME, MoA, and others, as appropriate. It will be chaired by the Secretary to the Cabinet and will meet quarterly. The ToR for the PSC will be revised by the Gender Division and submitted to the World Bank for review and No Objection.
- 3. An SP Sector Coordination Committee** has been proposed by the cooperating partners to better coordinate the GEWEL 2 and the UN-JPSP, as well as other programs in the SP sector, as relevant. It is envisioned that this committee will provide broader coordination on key strategic issues relevant to the SP sector, as they relate to GEWEL 2 and the UN-JPSP activities and have a wide multi-sectoral membership from the GRZ, cooperating partners, and NGOs, chaired by the PS MCDSS. The GEWEL 2 PTC would be responsible for informing this committee on GEWEL issues, and it is expected that the same will be done by the UN-JPSP Technical Consultative Forum. The development of the ToR for this committee is anticipated to be led by UNICEF as the lead for the UN-JPSP, in close collaboration with other United Nations agencies relevant to the SP sector, as well as the World Bank, MCDSS, and relevant government institutions and cooperating partners, as appropriate.
- 4. The PTC** will be responsible for supporting project-specific governance, coordination, and operational support, including but not limited to, consolidated reporting on project results under the quarterly project narrative progress reports. It will also be responsible for supporting the convening of the PSC meetings, as well as updating the PSC on GEWEL results and challenges and informing the proposed SP Sector Coordination Committee on GEWEL issues. The Technical Committee will be chaired by the Director of Planning in Gender Division, with membership from each project coordinator from the implementing agencies and will meet quarterly. The ToR for the PTC will be revised by Gender Division and submitted to the World Bank for review and No Objection.
- 5. Subcomponent 1.1 (Nutrition-Sensitive Foundational SCT)** will be implemented by an existing PIU⁷² under Department of Social Welfare (DSW) of MCDSS. The PS MCDSS will provide overall guidance and oversight of the

⁷² All staff besides the PIU members are civil servants who provide part of their staff time to SCT activities.



subcomponent and serve as the controlling officer for the management of the funds and supervision of activities. The SCT PIU includes the project coordinator; project manager; and officers in charge of management and implementation, MIS, FM, procurement, M&E, communication, and E&S/GRM/GBV, and additional expertise may be on-boarded under GEWEL 2, based on need. At the provincial and district level, the PIU is supported through existing MCDSS civil servants. Specifically, each province has a Provincial Social Welfare Officer, a Senior Social Welfare Officer, and a Provincial Accountant who support coordination, quality control, FM, and other operational issues related to project implementation. District activities are led by the DSWO who manages the accounts at the district levels and oversees the activities of the community structures, supported by Assistant Social Welfare Officers. The DSWO reports to the Provincial Social Welfare Officer, serves as a member of the District Development Coordinating Committee (DDCC),⁷³ and is also the secretariat of the District Welfare Assistance Committee (DWAC).⁷⁴ Lastly, the SCT is carried out with extensive support from community structures, particularly the CWACs, which provide support to SCT and other SP programs in targeting, payments, and monitoring. The chairpersons and secretaries of the CWACs also sit on the Area Coordinating Committees, responsible for monitoring and coordinating the CWACs. Policy guidance to the SCT will be provided by the Poverty and Vulnerability Reduction Cluster Advisory Group under the 8NDP, which oversees SP programming in Zambia.

6. **Subcomponent 1.2 (Nutrition-Specific Activities for Demand Creation and Service Provision)** will be implemented by a lean PIU that will be established by GEWEL 2 under the Directorate of Public Health of the MoH and will comprise a project coordinator, nutrition specialist, and M&E specialist. All other key operational positions, particularly those related to fiduciary and E&S, will be supported by dedicated qualified officers within the relevant departments in the MoH, with knowledge and familiarity with the implementation of World Bank-funded projects. The MoH PIU will also be responsible for updating the NFNC and other nutrition partners on GEWEL-specific nutrition issues to ensure that project-supported nutrition activities are well coordinated and aligned with other relevant efforts by partners in the sector. The PS Donor Coordination of the MoH will provide overall guidance and coordination for this subcomponent, with PS Administration serving as the controlling officer for the management of project funds. At the provincial level for the province(s) of the two project districts, public health specialists will support coordination, quality control, and other operational issues related to project implementation. At the district level in the two project districts, public health officers will support and oversee the activities of the PHC facilities. At the PHC level, the health facility in charge will manage, coordinate, and supervise all nutrition and WASH activities in the PHC facilities and surrounding areas, and the CBV focal points at the PHC facilities will be specifically responsible for managing, facilitating, and ensuring quality assurance of the CBVs' performance. At the community level, CBVs will be responsible for conducting all demand creation activities with community members and households, with priority given to those SCT households receiving the nutrition cash top-ups.

7. **Component 2 (KGS)** will continue to be implemented by the existing PIU⁷⁵ under the Department of Planning and Information of the MoE, with the overall management provided by the Director of Planning. The PS Administration will provide overall guidance and oversight of this component as the controlling officer for the management of the funds and supervision of activities. The KGS PIU team includes the KGS Coordinator and Assistant Coordinator, two Program Officers, as well as specialists on case management, communication, M&E, GRM/ GBV/E&S, ICT, and FM. In addition, GEWEL 2 will also on-board a dedicated procurement specialist and an expert to support the development of the school to tertiary education or work transition activities, as well as other experts as deemed necessary. At the provincial and district levels, the PIU is supported through existing MoE civil servants. Specifically, each province has a Provincial Education Officer and a Senior Planning Officer who serves as the focal point person for KGS implementation, complemented by the Senior

⁷³ The DDCC consists of heads of the GRZ ministry district departments, as well as heads of nonstate actors and private sector organizations.

⁷⁴ DWACs are composed of volunteer representatives of the GRZ ministries, NGOs, churches, and community-based organizations.

⁷⁵ All staff besides the PIU members are civil servants who provide part of their staff time to KGS activities.



Education Standards Officer-Guidance and Counselling, Provincial Statistician, Senior Education Officer, Open and Distance Learning Officer, Data Entry Operator, and a Provincial Accountant, all responsible for the planning, coordination, implementation, and monitoring of KGS activities. District activities are led by the District Education Board Secretary (DEBS), with support from the District Planning Officer, Assistant Statistical Officer, District Guidance and Counselling Coordinator, and the District Resource Center Coordinator. The DEBS serves as a member of the DDCC and DWAC and works closely with the DSWOs to ensure that the targeting of KGS girls from SCT households is done in the most effective way. At the school level, Head Teachers, supervised by the DEBS, ensure smooth implementation of the KGS activities, working in close collaboration with the Guidance and Counselling teacher, who is also the KGS focal point person. To ensure effective community engagement, the schools operate through the parent-teacher committees. Policy guidance to the KGS will be provided by the Human and Social Development Cluster Advisory Group under the 8NDP, which oversees education programming in Zambia.

8. **Component 3 (SWL)** will be implemented by the existing PIU⁷⁶ under the Department of Community Development of MCDSS, with the Director of Community Development providing day-to-day management of SWL activities. The PS will provide overall guidance and oversight of this component and serve as the controlling officer for the management of the funds and supervision of activities. The SWL PIU includes the SWL Manager and specialists in charge of targeting, training, savings, communication, GRM/GBV/E&S, payments, FM, procurement, M&E, and ICT. Additional expertise may be on-boarded under GEWEL 2, based on need. At the provincial and district levels, the PIU is supported through existing MCDSS civil servants. Specifically, each province has a Provincial Community Development Officer, a Senior Community Development Officer, and a Provincial Accountant who support coordination, quality control, FM, and other operational issues related to project implementation. District activities are led by the District Community Development Officer (DCDO), with support from Assistant Community Development Officers. The DCDO manages the accounts at the district levels, oversees the activities of the community structures, and serves as a member of the DDCC and DWAC, working closely with the DSWOs to ensure that the targeting of SWL women from SCT households is done in an effective manner. Under GEWEL 2, the DCDO will also be tasked with collaborating with officers from the MLGRD for linking SWL beneficiaries to the CDF, MSME for linking to cooperative services, and MoA for linking to extension services. At the community level, SWL implementation is conducted by the Community Development Assistants, who report to the DCDO, with support from community volunteer structures, such as the CWACs and existing cooperatives in the community. Policy guidance for the SWL will be provided by the Poverty and Vulnerability Reduction Cluster Advisory Group under the 8NDP, which oversees the SP programming in Zambia.

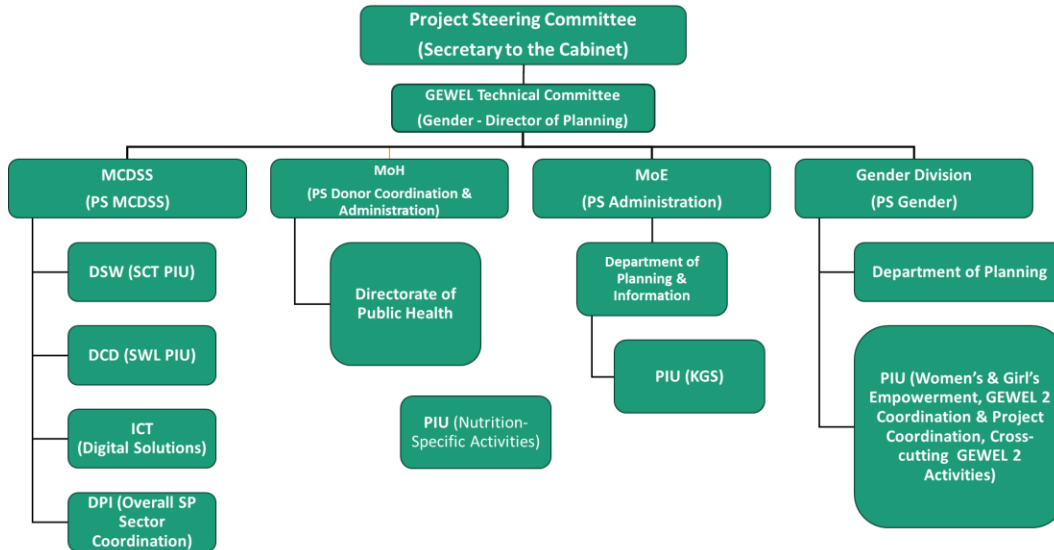
9. **Component 4 ISSB-Gender Division** will be implemented by a lean PIU that will be established under GEWEL 2, will comprise a project coordinator, procurement specialist, communications specialist, and M&E specialist, and will operate under the Director of Planning's overall management. The PS Gender will serve as the controlling officer for the management of funds and oversight of activities. Policy guidance for the work by Gender Division under GEWEL 2 will be provided by the Human and Social Development Cluster Advisory Groups under the 8NDP and other clusters where the Gender Division is a member, given the cross-cutting nature of the division.

10. **Component 4 ISSB-MCDSS** will be implemented through two departments under MCDSS. Specifically, the DPI will be responsible for the activities related to the overall SP sector coordination, while the Department of ICT will lead on IT systems development. All GEWEL 2 Component 4 ISSB activities under MCDSS will be undertaken by existing civil servants in the two responsible departments, working collaboratively with the other implementing agencies and PIUs, as appropriate.

⁷⁶ All staff besides the PIU members are civil servants who provide part of their staff time to KGS activities.



Figure 1.1. GEWEL 2 Institutional and Implementation Arrangement at the National Level



Note: DSW = Department of Social Welfare; DCD = Department of Community Development

11. **GEWEL 2 will continue close collaboration and coordination with key government institutions and partners, which will be critical to successful project design and implementation.** Given the multi-sectoral nature of the activities, engagement with partners, such as the NFNC, UNICEF, World Food Programme and other key implementers, donors, and stakeholders, will be critical for project implementation, as relevant. In addition, close collaboration with MLGRD, MSME, and MoA will also be important, as well as the private sector, among others. Lastly, established relationships with bilateral donors that currently co-finance the GEWEL project will still be maintained, given their expressed interest to continue supporting the next phase of GEWEL.

Financial Management

12. **The World Bank conducted an FM assessment in November 2023 of the MoH, which is a new implementing agency under GEWEL 2.** In addition, FM assessments that were conducted previously for the existing implementing agencies were also updated as part of GEWEL 2 preparation. The purpose of the assessments was to evaluate the appropriateness and adequacy of FM arrangements to support project implementation, as well as to determine whether there were minimum FM arrangements to ensure that: (a) funds are properly accounted for and used only for the intended purposes in an efficient and economical way; (b) capabilities exist for the preparation of accurate, reliable, and timely periodic financial reports; (c) internal controls exist which allow for early detection of errors or unusual practices as a deterrent to fraud and corruption; (d) assets are safeguarded; and (e) the project is subject to external audit oversight.

13. **The conclusion of the assessments is that the overall FM arrangements for the agencies implementing GEWEL 2 satisfy the World Bank's minimum requirements** under World Bank Policy and Directive on IPFs (effective February 10, 2017) and are therefore adequate to provide, with reasonable assurance, accurate and timely information on the status of the project as required by the World Bank.

14. **The overall FM residual risk after the implementation of identified mitigation measures has been assessed as moderate.** This rating considers the completed rollout of Navision accounting software under the SCT, the improvements in the quality of the interim financial reports (IFRs), and the progressive use of digital technology in making transfers to



beneficiaries, reducing the risks associated with cash payments. The FM assessment identified the following risks: (a) weak record keeping leading to missing supporting documents; (b) unretired imprest, which may result in misapplication or wasteful expenditure; (c) unauthorized payments made, which may be fraudulent transactions; and (d) payment being processed without pre-audit being undertaken. Relevant mitigation measures will be to: (a) improve record keeping by conducting training in records management; (b) ensure regular follow-up on all imprest undertaken and compliance with rules; (c) ensure that all payments are verified and pre-audited and reconciliation is regularly undertaken; and (d) ensure that no payment is processed that has not been pre-audited and that action is taken out against erring officers.

Budgeting

15. **The budget preparation and monitoring will follow the implementing agencies' procedures, as the existing budget system is deemed adequate.** Implementing agencies will budget for all expenditures under the project using their own budgeting system in such detail as to allow for regular and effective implementation and monitoring of all project activities that are IDA and donor funded. The total project cost and activity work plans will be agreed up front, and any variations will need prior approval by the World Bank. On an annual basis, each implementing agency will prepare an annual work plan and budget, in consultation with the relevant stakeholders, submission of which to the World Bank for review and no objection will be made no later than October 31 prior to the start of the coming GRZ financial year. Utilization of the budgets will be monitored through the quarterly IFRs and will be used as one of the World Bank's tools for decision-making.

Disbursements and Funds flow

16. **The project will adopt the report-based method of disbursement,** whereby disbursement will be made based on six months forecasts, which will be updated and reported in the quarterly IFRs, to be submitted and cleared by the World Bank. Disbursement will be done based on the following four disbursement methods: advances to the Designated Account, reimbursement, direct payment, and special commitment.

17. **Each implementing agency will open a US dollar denominated Designated Account at the Bank of Zambia, and a project operational account in ZMW at a commercial bank acceptable to the World Bank.** Five Designated Accounts will be opened by each implementing agency for the five PIUs – SCT PIU, MoH PIU, KGS PIU, SWL PIU (also responsible for FM and reporting for ISSB activities led by DPI and Department of ICT) and Gender Division PIU. Funds will flow from the World Bank's grant/trust fund account to the relevant Designated Accounts in US dollar opened at Bank of Zambia based on withdrawal applications prepared by each implementing agency in Client Connection and submitted to the World Bank for review and clearance. From the Designated Accounts, funds will be transferred via the treasury account, Control 99, to the project operational account in ZMW opened at commercial banks acceptable to the World Bank, from where payments will be made for eligible expenditures. If payments are required to be made above US\$100,000, the project will use the direct payment method of disbursement.

18. **The initial disbursement will be based on six-month projection and made into each of the PIUs' Designated Accounts.** The World Bank will issue a Disbursement and Financial Information Letter to the recipient, which will set out and summarize all the disbursement arrangements and procedures under the project. The letter will include the World Bank 2017 Disbursement Guidelines and the agreed IFR format.



Accounting

19. **Each implementing agency will follow its existing accounting policies and use the existing accounting system to record and report on the project transactions.** The MCDSS, MoE, and MoH are connected to the Integrated Financial Information System. Further, the SCT, KGS, and MoH PIUs will use Navision for project accounting. A chart of accounts, which recognizes the different financiers as well as categories and activities, is in place. For this project, the cash basis of accounting will be used. The current staffing levels in the Finance Departments of the MoH are adequate, and the staff proposed have experience in World Bank FM and disbursement procedures.

Internal Controls

20. **Segregation of duties and documentation controls.** Segregation of duties is achieved through the sharing of accounting responsibilities between the Director of Finance, the Senior Financial Specialist, Financial Specialist, and the Accountant. Invoice processing procedures are in place, and proper comparisons with original orders and calculations and approvals are in place.

21. **Internal audit function.** The MCDSS, MoE, and MoH have fully staffed Internal Audit Departments, each headed by the Director of Internal Audit. Recommendations made by internal audit are actioned by the Chief Executive Officer who is the relevant PS. In addition, there are audit committees in place that review the audit reports prepared by the Internal Audit Departments.

Financial Reporting

22. The five PIUs⁷⁷ will prepare and submit the IFRs to the World Bank within 45 days after the end of each calendar quarter in a form and content satisfactory to the World Bank. They will obtain the information from the Financing Agreement on eligible expenditures. The format of the IFR will be agreed and included in the Disbursement and Financial Information Letter.

External Auditing

23. The project audit will be carried out by the Office of Auditor General (OAG) which is mandated by law to do so. The OAG has qualified and experienced staff who have been conducting audits of other World Bank-financed projects. Each PIU⁷⁸ will prepare annual financial statements for its operations, including for the project at the end of each financial year. The auditors will produce an audit report providing their audit opinion on the financial statements and provide a management letter highlighting areas/issues which will require addressing. The PIUs will be required to submit their respective audit reports to the Gender Division PIU for consolidation and submission to the World Bank, together with the management letter, no later than six months after the end of the financial year.

Procurement

24. **All goods, works, non-consulting services, and consulting services required for this project and to be financed out of the proceeds of the IDA credit will be procured in accordance with the World Bank Procurement Regulations for IPF Borrowers for Goods, Works, Non-Consulting and Consulting Services, dated September 2023, and provisions of the**

⁷⁷ The SWL PIU will be responsible for also reporting for the DPI and Department of ICT of MCDSS responsible for the ISSB component.

⁷⁸ The SWL PIU will be responsible for preparing annual financial statements for the DPI and Department of ICT of MCDSS responsible for the ISSB component.



Financing Agreement. Procurement will also be subject to the World Bank's Anticorruption Guidelines dated October 15, 2006, revised in January 2011 and as of July 1, 2016.

25. **The project does not foresee complex procurement activities under GEWEL 2.** The hands-on experience gained under GEWEL will pave the way for improvements in organizing and performing the procurement functions more professionally to achieve the PDO. A Project Procurement Strategy for Development, including a procurement plan, has been prepared in a consolidated way for all the components. MCDSS, Gender Division, and MoE will delegate financial and administrative authority to the respective PIUs to implement their own procurement, which will be responsible for overseeing all procurement activities, while the MoH will assign a dedicated procurement specialist within the Department of Procurement to support GEWEL 2 procurement activities.

26. **The project's residual procurement risk, based on the risk factors and after the adoption of the mitigation measures detailed below, is moderate.** The factors contributing to the procurement risk rating include, among others, the lack of adequate administrative and financial authorities for Project Management Units to conduct the planned procurement, the absence of a comprehensive project expenditure framework, and weak technical and procurement capacity at both the ministry and PIU levels.

27. **The procurement risks will be mitigated through the following measures:** (a) a comprehensive expenditure framework, including a draft procurement plan for the overall project for the first 18 months of implementation, has been developed and will be updated periodically as necessary; (b) qualified staff will be assigned as focal persons to monitor, support, and report on procurement activities; (c) the evaluation committee members will consist of a maximum of five members with three members from the concerned PIU/department and two members from the concerned ministry; (d) financial and administrative authority at the PIU/Department of Procurement level will be efficiently delegated to conduct procurement and implement contract in compliance with the World Bank's Procurement Regulations; (e) the implementing agencies will start advance procurement to award a few critical contracts following the approval; (f) the Systematic Tracking of Exchanges in Procurement will be used for all procurement activities; and (g) the World Bank will carry out regular reviews of project-related procurement activities.

The World Bank Implementation Support Plan

28. **The World Bank will provide the implementation support and TA necessary to help the Government achieve the PDO.** The World Bank will bring in expertise in the technical areas of project activities, as well as in cross-cutting areas of fiduciary, E&S, M&E, grievance redress, GBV, communications, and others, as needed. It will also provide training and guidance on procurement, FM, and social and environmental management, among others. Implementation support and oversight to project activities will be provided through regular communication and meetings, implementation support missions (ISMs) and technical missions, midterm review, and project completion evaluation. Cooperating partners will also be engaged to participate in all relevant implementation and TA support as well as oversight mechanisms, as appropriate.

29. **The World Bank will continue to conduct semiannual ISMs, jointly with the Government.** The missions will be in person, hybrid, or virtual and with or without field visits, as appropriate. The objectives of the ISMs will be to review implementation progress and track progress toward the PDO, as well as of fiduciary performance and compliance with Environmental and Social Framework. Training will be provided to support the implementing agencies and PIUs build and maintain capacity. The World Bank will hold monthly technical meetings with the implementing agencies on their specific components, as well as on cross-cutting issues of GRM, GBV, communications, and others, as deemed necessary.



30. **The World Bank plans to scale up close supervision, implementation support, and TA** by a global team led by the task team leader to strengthen systems for sustainability, including: (a) MISs and digital payments; (b) Social Registry; (c) targeting; (d) GRM and GBV; (e) shock-responsive SP; (f) nutrition service provision; (g) school-to-work transitions; (h) M&E; (i) graduation pathways, with additional experts added as necessary. It will also undertake specific tasks such as process evaluations, economic analysis of poverty impact, tracer studies of graduated girls, and impact evaluation as needed. The senior SP specialist and task team leader and an SP specialist, along with senior procurement specialist and the financial specialists and environmental and social specialists, are based in Lusaka, while technical experts are based in Africa and globally.

31. **The establishment of a donor coordination focal point within the World Bank under GEWEL 2 will be explored,** drawing on lessons learned from SP programs across the region and recognizing the challenges in coordination and strategic engagement across policies and ministries in Zambia. The aim of the donor coordination focal point will be to complement the World Bank task team and PIUs, with the expectation that this will support strategic engagement with the GRZ and high-level coordination of GEWEL 2 interventions and relevant government policies to harmonize World Bank support and streamline coordinating partner engagement for a gradual transition toward an SP system that is fully led and implemented by the GRZ and aligned with relevant GRZ policies. The donor coordination focal point will not be responsible for the implementation of GEWEL 2, which already has a clear leadership and management structure, but would instead complement the GEWEL 2 task team for strategic support for sustainability.