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INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED CREDIT

IN THE AMOUNT OF SDR 7.3 MILLION  
(US\$10.00 MILLION EQUIVALENT)

TO THE

REPUBLIC OF LIBERIA

FOR A

SOCIAL SAFETY NETS PROJECT

April 6, 2016

Social Protection and Labor Global Practice  
Africa Region

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**CURRENCY EQUIVALENTS**  
(Exchange Rate Effective as of February 29, 2016)

Currency Unit = Liberian dollar (LR\$)  
US\$1 = LRS 90.50  
US\$1 = SDR 0.72395045

**FISCAL YEAR**  
July 1 – June 30

**ABBREVIATIONS AND ACRONYMS**

AfT	Agenda for Transformation
AWPB	Annual Work Plan and Budget
GBV	Gender-based Violence
CDSC	County Development Steering Committee
CFSNS	Comprehensive Food Security and Nutrition Survey
CSO	Civil Society Organization
CSPC	Community Social Protection Committee
CWIQ	Core Welfare Indicators Questionnaire
DA	Designated Account
DDC	District Development Committee
EU	European Union
EVD	Ebola Virus Disease
FAO	Food and Agriculture Organization
FBS	Selection under a Fixed Budget
FM	Financial Management
GDP	Gross Domestic Product
GoL	Government of Liberia
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
HIES	Household Income and Expenditure Survey
ICB	International Competitive Bidding
ICT	Information and Communication Technology
IEC	Information Education and Communication
IFMIS	Integrated Financial Management Information System
IFR	Interim Financial Report
LACC	Liberian Anti-Corruption Commission
LCS	Least-Cost Selection
LISGIS	Liberia Institute of Statistics and Geo-Information Services
M&E	Monitoring and Evaluation
MFDP	Ministry of Finance and Development Planning
MGCSP	Ministry of Gender, Children, and Social Protection

MoA	Ministry of Agriculture
MIS	Management Information System
MoH	Ministry of Health
MOU	Memorandum of Understanding
MTR	Midterm Review
NCB	National Competitive Bidding
NGO	Nongovernmental Organization
NSSN	National Social Safety Nets
PDO	Project Development Objective
PFMU	Project Financial Management Unit
PIN	Personal Identification Number
POM	Project Operational Manual
PP	Procurement Plan
QBS	Quality-based Selection
QCBS	Quality- and Cost-based Selection
SBCC	Social Behavior Change Communication
SBD	Standard Bidding Document
SCT	Social Cash Transfer
SCT-REPLI	Social Cash Transfer in Response to EVD Outbreak in Liberia
SP	Social Protection
SPSC	Social Protection Steering Committee
SPTC	Social Protection Technical Committee
SR	Social Registry
SSN	Social Safety Net
SSNP	Social Safety Nets Project
SSS	Single-Source Selection
TA	Technical Assistance
TOR	Terms of Reference
USAID	United States Agency for International Development
UNICEF	United Nations Children's Fund
WFP	World Food Program
YES	Youth, Employment, Skills
YOP	Youth Opportunities Project

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**LIBERIA**  
*Social Safety Nets Project*

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## PAD DATA SHEET

*Liberia*

*Liberia Social Safety Nets Project (P155293)*

### PROJECT APPRAISAL DOCUMENT

*AFRICA*

*Social Protection and Labor Global Practice*

Report No.: PAD1617

Basic Information			
Project ID	EA Category	Team Leader(s)	
P155293	C - Not Required	Suleiman Namara	
Lending Instrument	Fragile and/or Capacity Constraints [ ]		
Investment Project Financing	Financial Intermediaries [ ]		
	Series of Projects [ ]		
Project Implementation Start Date	Project Implementation End Date		
28-Apr-2016	30-Jun-2021		
Expected Effectiveness Date	Expected Closing Date		
31-Jul-2016	31-Dec-2021		
Joint IFC	No		
Practice	Senior Global Practice	Country Director	Regional Vice President
Manager/Manager	Director		
Stefano Paternostro	Anush Bezhanyan	Henry G. R. Kerali	Makhtar Diop
Borrower: Government of Liberia			
Responsible Agency: Ministry of Gender, Children, and Social Protection			
Contact:	Julia Duncan Cassell	Title:	Minister
Telephone No.:	231886474675	Email:	libgenderminister@gmail.com

Project Financing Data(in USD Million)						
<input type="checkbox"/>	Loan	<input type="checkbox"/>	IDA Grant	<input type="checkbox"/>	Guarantee	
<input checked="" type="checkbox"/>	Credit	<input type="checkbox"/>	Grant	<input type="checkbox"/>	Other	
Total Project Cost:		10.00		Total Bank Financing:		10.00
Financing Gap:		0.00				
<b>Financing Source</b>						
						<b>Amount</b>
BORROWER/RECIPIENT						0.00
International Development Association (IDA)						10.00
Total						10.00
<b>Expected Disbursements (in USD Million)</b>						
Fiscal Year	2016	2017	2018	2019	2020	2021
Annual	0.00	1.00	2.00	3.00	2.00	2.00
Cumulative	0.00	1.00	3.00	6.00	8.00	10.00
<b>Institutional Data</b>						
<b>Practice Area (Lead)</b>						
Social Protection & Labor						
<b>Contributing Practice Areas</b>						
<b>Cross Cutting Topics</b>						
<input type="checkbox"/>	Climate Change					
<input checked="" type="checkbox"/>	Fragile, Conflict & Violence					
<input checked="" type="checkbox"/>	Gender					
<input type="checkbox"/>	Jobs					
<input type="checkbox"/>	Public Private Partnership					
<b>Sectors / Climate Change</b>						
Sector (Maximum 5 and total % must equal 100)						



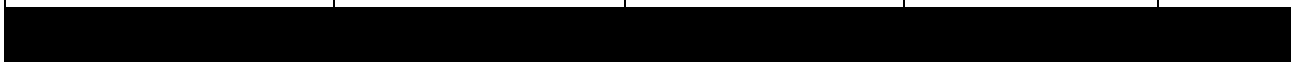
Major Sector	Sector	%	Adaptation Co-benefits %	Mitigation Co-benefits %
Health and other social services	Other social services	100		
Total		100		
<input checked="" type="checkbox"/> I certify that there is no Adaptation and Mitigation Climate Change Co-benefits information applicable to this project.				
<b>Themes</b>				
Theme (Maximum 5 and total % must equal 100)				
Major theme	Theme	%		
Social protection and risk management	Social Safety Nets/Social Assistance & Social Care Services	100		
Total		100		
<b>Proposed Development Objective(s)</b>				
The Project Development Objective (PDO) is to establish the key building blocks of a basic national safety net delivery system and provide income support to households who are both extremely poor and food insecure in the Republic of Liberia.				
<b>Components</b>				
<b>Component Name</b>		<b>Cost (USD Millions)</b>		
Strengthening of the National Social Safety Net System		0.60		
Cash Transfers to Extremely Poor and Food Insecure Households		8.10		
Project Management and Capacity Building		1.30		
<b>Systematic Operations Risk- Rating Tool (SORT)</b>				
<b>Risk Category</b>			<b>Rating</b>	
1. Political and Governance			Substantial	
2. Macroeconomic			Substantial	
3. Sector Strategies and Policies			Substantial	

4. Technical Design of Project or Program	Substantial	
5. Institutional Capacity for Implementation and Sustainability	Substantial	
6. Fiduciary	Substantial	
7. Environment and Social	Moderate	
8. Stakeholders	Moderate	
9. Other		
<b>OVERALL</b>	Substantial	
<b>Compliance</b>		
<b>Policy</b>		
Does the project depart from the CAS in content or in other significant respects?	Yes [ ]	No [ X ]
Does the project require any waivers of Bank policies?	Yes [ ]	No [ X ]
Have these been approved by Bank management?	Yes [ ]	No [ ]
Is approval for any policy waiver sought from the Board?	Yes [ ]	No [ X ]
Does the project meet the Regional criteria for readiness for implementation?	Yes [ X ]	No [ ]
<b>Safeguard Policies Triggered by the Project</b>	<b>Yes</b>	<b>No</b>
Environmental Assessment OP/BP 4.01		<b>X</b>
Natural Habitats OP/BP 4.04		<b>X</b>
Forests OP/BP 4.36		<b>X</b>
Pest Management OP 4.09		<b>X</b>
Physical Cultural Resources OP/BP 4.11		<b>X</b>
Indigenous Peoples OP/BP 4.10		<b>X</b>
Involuntary Resettlement OP/BP 4.12		<b>X</b>
Safety of Dams OP/BP 4.37		<b>X</b>
Projects on International Waterways OP/BP 7.50		<b>X</b>
Projects in Disputed Areas OP/BP 7.60		<b>X</b>

<b>Legal Covenants</b>			
<b>Name</b>	<b>Recurrent</b>	<b>Due Date</b>	<b>Frequency</b>
Implementation Arrangements Schedule 2, Section I.B.1		31-Dec-2016	
<b>Description of Covenant</b>			
The Recipient shall, by no later than December 31, 2016, enter into an MOU, satisfactory to the Association, with the LACC, setting forth the coordination mechanism between the Recipient and LACC under the Project and clarifying LACC's role and involvement in the Project.			
<b>Name</b>	<b>Recurrent</b>	<b>Due Date</b>	<b>Frequency</b>
Annual Work Plans Schedule 2, Section I.D.1	X		Yearly
<b>Description of Covenant</b>			
The Recipient shall prepare and furnish to the Association for its approval, not later than September 30 in each year during the implementation of the Project, an annual work plan covering all activities proposed to be carried out in the following calendar year, including: (a) a detailed timetable for the sequencing and implementation of such activities; and (b) a proposed budget and financing plan for such activities, including counterpart funding required for the purpose.			
<b>Name</b>	<b>Recurrent</b>	<b>Due Date</b>	<b>Frequency</b>
Institutional Arrangements Schedule 2, Section I.A.2(b)(BB)		30-Aug-2016	
<b>Description of Covenant</b>			
The Recipient shall establish the SRU no later than August 30, 2016, to be in a form and with functions, staffing, (under terms of reference, qualifications and scope of responsibilities) and adequate resources, all satisfactory to the Association and as further set forth in the Project Operational Manual.			
<b>Conditions</b>			
<b>Source Of Fund</b>	<b>Name</b>		<b>Type</b>
IDA Article V.501(a)	Project Operational Manual		Effectiveness
<b>Description of Condition</b>			
The Project Operational Manual, in form and substance satisfactory to the Association, has been adopted by the Recipient.			

<b>Source Of Fund</b>	<b>Name</b>	<b>Type</b>		
IDA Article V.501(b)	National Social Safety Nets Secretariat	Effectiveness		
<b>Description of Condition</b>				
The Recipient has established the National Social Safety Nets Secretariat in a form and with functions and adequate staffing satisfactory to the Association.				
<b>Source Of Fund</b>	<b>Name</b>	<b>Type</b>		
IDA Article V.501(c )	The Inter-Ministerial MOU	Effectiveness		
<b>Description of Condition</b>				
The Inter-Ministerial MOU has been entered into by each party to it.				
<b>Team Composition</b>				
<b>Bank Staff</b>				
<b>Name</b>	<b>Role</b>	<b>Title</b>	<b>Specialization</b>	<b>Unit</b>
Suleiman Namara	Team Leader (ADM Responsible)	Senior Social Protection Economist	Social Protection and Labor	GSP07
Richard Olowo	Procurement Specialist (ADM Responsible)	Lead Procurement Specialist	Procurement	GCFDR
Saidu Dani Goje	Financial Management Specialist	Financial Management Specialist	Financial Management	GGO31
Abimbola Adubi	Team Member	Senior Agricultural Specialist	Agriculture	GFA01
Christabel Ewuradjoa Dadzie	Team Member	E T Consultant	Social Protection and Labor	GSP07
Christabel Sefa	Team Member	Consultant	Social Protection and Labor	GSPDR
Donald Herrings Mphande	Team Member	Lead Financial Management Specialist	Financial Management	GGO31
Gloria Malia Mahama	Safeguards Specialist	Social Development Specialist	Social Development	GSU01

Jillian A Larsen	Team Member	Consultant	Governance	GSP01
Julie Rieger	Counsel	Senior Counsel	Counsel	LEGAM
Komana Rejoice Lubinda	Team Member	Senior Procurement Specialist	Procurement	GGO01
Laura R. Ralston	Team Member	Economist	Social Protection and Labor	GSP07
Lemu Ella Makain	Team Member	Team Assistant	Team Assistant	AFMLR
Luis M. Schwarz	Team Member	Senior Finance Officer	Finance	WFALA
Lydie Anne Billey	Team Member	Program Assistant	Team Assistant	GSP07
Mack Capehart Mulbah	Team Member	E T Consultant	Social Protection and Labor	GSP07
Ning Fu	Team Member	Education Specialist	Social Protection and Labor	GEDDR
Norbert O. Mugwagwa	Team Member	Consultant	Social Protection and Labor	GSP07
Sarah Elizabeth Haddock	Team Member	Operations Officer	Social Development	GCGDR
Sekou Abou Kamara	Team Member	Environmental Specialist	Environmental Safeguards	GEN01
Sheila Byiringiro Gashishiri	Team Member	Communications Associate	Communications	AFREC



**Locations**

<b>Country</b>	<b>First Administrative Division</b>	<b>Location</b>	<b>Planned</b>	<b>Actual</b>	<b>Comments</b>
Liberia	Sinoe	Sinoe County	<b>X</b>		
Liberia	Nimba	Nimba County	<b>X</b>		
Liberia	Montserrado	Montserrado County	<b>X</b>		
Liberia	Maryland	Maryland County	<b>X</b>		
Liberia	Lofa	Lofa County	<b>X</b>		
Liberia	Grand Gedeh	Grand Gedeh County	<b>X</b>		

Liberia	Grand Cape Mount	Grand Cape Mount County	<b>X</b>		
Liberia	Grand Bassa	Grand Bassa County	<b>X</b>		
Liberia	Bong	Bong County	<b>X</b>		
Liberia	Bomi	Bomi County	<b>X</b>		
Liberia	Grand Kru	Grand Kru County	<b>X</b>		
Liberia	Margibi	Margibi County	<b>X</b>		
Liberia	River Cess	River Cess County	<b>X</b>		
Liberia	Gbarpolu	Gbarpolu County	<b>X</b>		
Liberia	River Gee	River Gee County	<b>X</b>		

## I. STRATEGIC CONTEXT

### A. Country Context

1. Liberia experienced substantial growth between the end of the 14-year conflict in 2003 and the Ebola Virus Disease (EVD) outbreak in 2014. This growth was largely driven by an increase in exports, which almost doubled from US\$175 million in 2006 to US\$295.2 million in 2011. This growth also resulted in significant reductions in the poverty rate by almost 11 percentage points from 64 percent of the population in 2007 to 54.6 percent in 2010. However, the economy remains vulnerable to external shocks since iron ore mining and other concessional sectors such as palm and rubber production contribute significantly to the gross domestic product (GDP), and Liberia is a net importer of food.

2. The country was affected by the EVD crisis, which severely impacted households' economic conditions. While the most recent household-level poverty data is unavailable because the 2014/2015 Household Income and Expenditure Survey (HIES) being implemented by the Liberia Institute of Statistics and Geo-Information Services (LISGIS) was interrupted by the EVD outbreak, available evidence suggests that the shock negatively affected the welfare of households. It is estimated that GDP growth declined from 6.8 percent per year to 3 percent per year, leading to an income reduction of US\$200 million.<sup>1</sup> As a result, it is expected that some of the most recent poverty reduction gains have been eroded, making Liberia one of the poorest countries in the world with a GDP per capita of only around US\$450.<sup>2</sup>

3. In particular, results from the High Frequency Survey on the economic impact of EVD<sup>3</sup> in Liberia show that household incomes have suffered from substantial loss of wage jobs and self-employment activities. By March 2015, nearly half of the Liberian household heads who were working in the first half of 2014 reported being out of work, with a large number of job losses among urban, private sector wage earners. Nonfarm self-employment was the most substantially impacted employment sector, with greater unemployment than the wage labor or self-employed agricultural sectors. These losses also highlight the gender dimensions of the employment impacts as approximately two-thirds of those working in nonfarm self-employment at the time of the baseline survey were women. In addition, even within the self-employment sector, women were more likely than men to have lost their jobs and less likely to have returned after the outbreak.

4. Poverty reduction has not been uniform throughout the country and a significant share of the population remains highly vulnerable. Before the EVD outbreak, the rural poor and illiterate were migrating to urban areas in search of education and employment opportunities. There are indications that the EVD outbreak has resulted in a higher degree of vulnerability associated with living in urban areas, particularly Monrovia. This increasing urban population density has exacerbated poor living conditions; worsened access to basic infrastructure and social services; and led to higher economic exclusion, insecurity, and inability to cope with potential risks.

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<sup>1</sup> The Economic Impact of Ebola on Sub-Saharan Africa: Updated Estimates for 2015. January 20, 2015.

<sup>2</sup> Liberia World Bank Country Partnership Strategy 2013–2017; World Development Indicators 2014 data.

<sup>3</sup> The World Bank. 2015. *Liberia Economic Impact of Ebola Survey: High Frequency Cell Phone Survey*. Report No. AUS12450.

5. Child malnutrition, as well as infant and maternal mortality rates, remain among the highest in the world, with maternal mortality estimated as 1,072 deaths per 100,000 births and infant mortality estimated at 54 per 1,000 live births in 2013.<sup>4</sup> Poor nutrition leads to poor health of both mother and baby. Standard Infant and Young Child Feeding practices recommend that children aged 6 to 23 months are fed breast milk, as well as foods from four or more food groups. However, only 5 percent of children meet this recommendation.<sup>5</sup>

6. In addition, although food insecurity has improved compared to 2006 levels, it still remains unacceptably high. About 41 percent of the population is severely food insecure or vulnerable to food insecurity, 19 percent of children are underweight, and 35 percent of mortality in children aged under five years is related to malnutrition. In Liberia, food insecurity is both transient, in that it is linked particularly to the rainy season, and chronic, since it is often due to low productivity and production among rural communities. Women play a key role in household food production—they constitute over half of the labor force in agriculture and are reported to produce over 60 percent of the country’s agricultural output.<sup>6</sup>

7. Food security also worsened during the Ebola crisis, with more than 90 percent of the households interviewed in the December 2014 High Frequency Survey citing food insecurity as an issue. To cope with reduced incomes and scarcer goods, many households reported reducing the size of meals and substituting preferred food with lower quality food. In addition to food insecurity coping strategies, there has also been a high incidence of economic coping strategies, such as selling assets, slaughtering livestock, and borrowing money. High prevalence of these actions is particularly concerning from a long-term well-being perspective as they negatively affect a household’s ability to improve their welfare and move out of poverty.

## **B. Sectoral and Institutional Context**

8. In 2013, the President of Liberia launched a new national vision, Liberia Rising 2030, and a five-year development strategy, the Agenda for Transformation (AfT), to promote its development goals. The AfT includes a Human Development pillar, which identifies social protection (SP) as a key aspect of the Government’s development agenda to address vulnerability and reduce poverty. The National Social Protection Policy and Strategy (2012–2017), approved by Cabinet in August 2013, further contributes to the AfT’s aim of promoting shared and equitable economic growth in Liberia. The policy’s objective is to “build a social protection system that tackles extreme poverty, vulnerability, and inequality in Liberia whilst contributing to economic growth, peace and security, through social protection programs which improve food security, access to health, and education and enable the working poor to access improved incomes.” The National Social Protection Policy and Strategy also recognizes the need to build an effective and sustainable SP system that builds resilience and is capable of responding to future income shocks.

9. Ongoing social safety net (SSN) interventions in Liberia provide a strong foundation on which the Government can build a comprehensive, inclusive, and responsive national SP system.

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<sup>4</sup> Liberia Demographic and Health Survey 2013.

<sup>5</sup> Liberia Demographic and Health Survey 2013.

<sup>6</sup> Gender-Aware Programs and Women’s Roles in Agricultural Value Chains - A Policy Memorandum. May 2010. Prepared by the World Bank with the Ministry of Gender and Development.



In 2012, the Government of Liberia (GoL), with the support of the World Bank, conducted an SP diagnosis. The report reviewed social assistance programs implemented within the country, which consist mainly of (a) cash transfers; (b) public works in which the poor work for food or cash; (c) in-kind food transfers such as school feeding and take-home rations, nutritional supplementary feedings, and food distribution during the lean season; and (d) general food, energy, housing, or utilities subsidies. It was estimated that, as of 2010, these interventions reached about 830,000 beneficiaries—this represents around 24 percent of the population (in accordance with the 2008 census). However, this percentage likely overestimates the coverage of social assistance programs, as overlap between interventions is very likely. Limited administrative data and program impact evaluations also prevent any calculation of the percentage of current beneficiaries who are poor or vulnerable.

10. In response to the food, finance, and fuel crisis of 2008, the GoL, in partnership with the United Nations Children’s Fund (UNICEF) and with funding from the European Union (EU) and the Government of Japan, developed a pilot Social Cash Transfer (SCT) program. The specific objective of the pilot was to reduce vulnerability among extremely poor and labor-constrained households through regular cash transfers, delivered once every two months. The program was formally launched in February 2010 under the then Ministry of Gender and Development which after the Act of 2013 has now been renamed the Ministry of Gender, Children, and Social Protection (MGCSP). The program is implemented through the SCT Unit within the MGCSP. The program was first implemented in Bomi County in 2009, and, with additional funding from the EU, was expanded to Maryland County in 2012. These two counties were selected based on the 2006 Comprehensive Food Security and Nutrition Survey (CFSNS), which ranked them as the most food insecure counties in Liberia. By December 2014, the pilot was covering all the clans in the Bomi and Maryland Counties, reaching a total of 3,813 beneficiary households, constituting 8 percent of all households in the targeted counties.

11. The 2014 impact evaluation of the SCT pilot found that the pilot improved the food security, health, education, and economic conditions of beneficiary households. Both quantitative and qualitative data revealed positive impacts on asset ownership, housing quality, household expenditures, and the well-being of household members. The evaluation also found evidence of multiplier effects that enable the benefits of the SCT pilot to reach beyond the immediate beneficiaries, to the community. The UNICEF/EU support for the SCT program ended in December 2014.

12. In early 2015, as part of the immediate response to the EVD outbreak, the World Bank provided US\$5.1 million for the Social Cash Transfer in Response to EVD Outbreak in Liberia (SCT-REPLI) project, under the IDA-funded Ebola Emergency Response project. Under this project, the approximately 3,800 beneficiaries in Bomi and Maryland continued to receive benefits and the cash transfers were expanded to include up to an additional 6,000 EVD-affected, extremely poor, and labor-constrained households in Liberia. The SCT Unit of the MGCSP implements the SCT-REPLI project which builds on the implementation processes and systems established under the SCT pilot. The project continues to offer cash grants although, given the exacerbated levels of poverty following the EVD crisis, monthly cash transfers have temporarily been increased from the original monthly transfer amounts of US\$10–25 to US\$20–50, depending on household size. The project is scheduled to close in 2016.

13. The SCT-REPLI Project was designed to quickly deploy emergency funding as cash transfers to extremely poor and EVD-affected families. However, the GoL recognizes the importance of a systems approach to SP, and has therefore requested additional support to build an integrated safety net delivery system. The support would enhance the GoL's capacity to increase the resilience of extremely poor and food insecure households and to respond more swiftly and effectively to future shocks. Priorities for the sector include (a) the development of a unified and comprehensive Social Registry (SR) to house data on both actual and potential beneficiaries; and (b) the installation of an integrated Management Information System (MIS) to enable more efficient and effective delivery of benefits, as well as improve tracking of administrative costs and results for the different SP programs run by various stakeholders. The proposed Social Safety Nets Project (SSNP) will therefore support the GoL to establish these building blocks of a safety net delivery system under the MGCSP.

14. The proposed SSNP will also support the GoL to scale up the SCT program, which will deliver cash transfers and accompanying measures to extremely poor and food insecure households. Priorities will be to build on the lessons learned through the SCT pilot and the SCT-REPLI Project and support coverage to the four poorest and most food insecure counties in the country. This project therefore supports the development of an SP system that is capable of responding to future shocks, building resilience, and strengthening the social contract by reestablishing trust between the Government and its citizens.

15. In response to the EVD crisis, a number of other development partners including the United States Agency for International Development (USAID) also introduced short-term cash transfers or cash-for-work measures to support families who had been affected by the outbreak. Other major partners include World Food Programme (WFP), the United Nations Development Programme, the Food and Agriculture Organization (FAO), International Committee of the Red Cross (ICRC), Mercy Corps, ACDI/VOCA<sup>7</sup>, African Development Cooperation, Oxfam, and Cooperative Assistance for Relief Everywhere (CARE). These programs targeted over 100,000 beneficiaries in 10 out of the 15 Liberian counties. USAID, in particular, has been a key development partner in Liberia and provided support to an estimated 50,000 households.

16. The Bank also supports the Government in SP, labor, and education interventions through several projects including: the US\$19 million Youth, Employment, Skills (YES) Project (closing on June 30, 2016); the US\$10 million Liberia Youth Opportunities Project (YOP) (recently approved); and the US\$3.55 million Economic Empowerment of Adolescent Girls and Young Women (EPAG) Project. The Cash Transfer Technical Working Group, a core committee of implementing partners headed by the MGCSP, championed the coordination efforts during the Ebola outbreak. The committee provided the platform for different implementing partners to come together, coordinate, and share information, resulting in a more harmonized approach to targeting households and agreement on the level of benefits to be provided. The SSNP will therefore also provide the opportunity to strengthen coordination within the Government across these programs.

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<sup>7</sup> This is the legal name of this organization.

### C. Higher Level Objectives to which the Project Contributes

17. The SSNP is linked to the World Bank Group's twin goals of ending extreme poverty by 2030 and boosting shared prosperity among the bottom 40 percent. It focuses on delivering cash transfers to the poorest households in Liberia and providing accompanying measures to support their food security. It is well aligned to the World Bank Group's Country Partnership Strategy for Liberia FY2013–17 (Report 74618-LR) that focuses on increasing resilience among poor and vulnerable households. The project also contributes to the Human Development objectives (Pillar III) of Liberia's Aft, which highlights the importance of SP to address vulnerability and reduce poverty. Furthermore, it aligns well with the recent Ebola Recovery Plan released by the GoL that focuses on building resilience against future shocks and investing in systems infrastructure to support crisis response.

18. The project is also in line with the World Bank's Social Protection Strategy (2012–2022), which promotes the development of an SP system that is equitable, fiscally sustainable, responsive, and scalable. The project is also consistent with the Bank's Africa Social Protection Strategy (2012–2022) with regard to reducing vulnerability and improving resilience for Africa's poor by strengthening public agencies to share resources more fairly and limit the damaging consequences of shocks. Consistent with both the Bank's global<sup>8</sup> and Africa<sup>9</sup> Social Protection Strategies, the project aims to develop the foundation for a coordinated and targeted SSN system in Liberia.

19. By building an SSN delivery system, the proposed project will contribute to: (a) strengthening the institutional framework for the delivery of national safety net programs; (b) facilitating the oversight and coordination of multiple safety net programs by the Government and implementing partners; (c) increasing transparency and accountability within the management of each participating program; (d) avoiding duplication of effort (for example, in data collection, household registration, and investments in separate MISs); (e) increasing knowledge on poverty and vulnerability through a unified, single registry; (f) improving program efficiency by reducing unintended overlap in program coverage; and (g) increasing the ability to respond swiftly to future shocks and scale up effective interventions.

20. In addition, through the delivery of cash transfers and accompanying measures to extremely poor and food insecure beneficiaries, the project aims to reduce their level of vulnerability. This would be realized through an increased ability of beneficiary households to meet their basic needs, including food intake, adequate shelter and housing, and essential healthcare. The project, in particular, aims to assist households to obtain sufficient food, improve the nutritional content in their diets, as well as increase their food security by being encouraged to develop home gardens.

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<sup>8</sup> World Bank. 2010. "Building Resilience and Opportunity: Better Livelihoods for the 21st Century, Emerging Ideas for the World Bank's 2012–2022 Social Protection and Labor Strategy."

<sup>9</sup> World Bank. 2011. "Africa Social Protection Strategy 2012–22; Managing Risk, Promoting Growth: Developing Systems for Social Protection in Africa."

## **II. PROJECT DEVELOPMENT OBJECTIVES**

### **A. PDO**

21. The project development objective (PDO) is to establish the key building blocks of a basic national safety net delivery system and provide income support to households who are both extremely poor and food insecure in the Republic of Liberia.

22. The key building blocks of a basic national safety net delivery system to be developed under this project are (a) a social registry (SR), which includes data collection, household registration, and eligibility screening, and (b) an integrated MIS which includes program-specific management modules for enrollment, payment, grievance redress, monitoring and evaluation (M&E), access management, and settings control.

### **B. Project Beneficiaries**

23. The project will support the development of a national safety net delivery system, specifically an SR and an integrated MIS. The project will, therefore, indirectly benefit all households that will be captured in the SR, who would be potential beneficiaries of other safety net programs. The direct project beneficiaries will be households who are *both* extremely poor and food insecure in Liberia. The project will directly benefit about 10,000 households in four of Liberia's poorest and most food insecure counties: Bomi, Maryland, Grand Kru, and River Gee.

### **C. PDO Level Results Indicators**

24. The project's performance in achieving its development objective will be measured through the following key outcome indicators:

- (a) Households with complete data records registered in the SR (Number)
- (b) Share of cash transfer beneficiaries who eat at least one meal a day (Percentage)
- (c) Direct project beneficiaries, disaggregated by gender and county (Number of households)
- (d) Proportion of cash transfer beneficiary households in the target counties below the extreme poverty line (Percentage)
- (e) Share of project beneficiaries satisfied with project interventions, disaggregated by gender (Percentage)

## **III. PROJECT DESCRIPTION**

25. The proposed operation will support the creation of a basic national SSN delivery system, focusing on a cash transfer program that will target extremely poor and food insecure households in Liberia. This will include households that have become extremely poor as a result of the Ebola outbreak and households that suffer from food insecurity and chronic poverty. While the systems will be built to cover the entire country, cash transfers will initially cover a few targeted counties

selected based on transparent criteria. Bomi, Maryland, Grand Kru, and River Gee Counties have been selected because they have the highest rates of poverty and food insecurity in comparison to all other counties in Liberia (see Table 2.1 in annex 2 for the details on the ranking of counties). In addition to regular cash transfers, beneficiary households will be supported with accompanying measures that aim to promote good nutrition and home gardening. Given the high degree of malnutrition among children and the lack of dietary diversity in the most food insecure and chronically poor households, these accompanying measures will encourage beneficiary households to improve consumption and invest in the human development of their families, particularly young children, as well as pregnant women and lactating mothers.

26. The project will consist of the following components:

- (a) Component 1: Strengthening of the National Social Safety Net System
- (b) Component 2: Cash Transfers to Extremely Poor and Food Insecure Households
- (c) Component 3: Project Management and Capacity Building
  - (i) Subcomponent 3A: Project Management
  - (ii) Subcomponent 3B: Capacity Building

## **A. Project Components**

### **Component 1: Strengthening of the National Social Safety Net System**

27. The objective of this component is to improve efficiency, enhance capacity, and strengthen the national SSN system in Liberia through the development of the basic building blocks of a safety net delivery system. This component will finance the development of an SR—defined as an information system that includes data as well as MIS functions, to transform that data according to basic business processes for delivering social assistance. In particular, the SR gathers information on both potential and actual beneficiaries of SP programs. This includes support for (a) the development of a database architecture to house the SR; (b) data collection and household registration, including intake into the SR;<sup>10</sup> and (c) an accurate eligibility screening mechanism to assess the poverty and food insecurity conditions of households. This component will also finance an integrated MIS for the SCT program that enables monitoring across participating programs as well as program-specific management modules for enrollment, payment, grievance redress, M&E, access management, and settings control.

28. **SR database architecture.** The project will support the development of a database architecture to house an SR of all households in Liberia. This registry will provide the initial building block of an efficient SP system that will reduce duplication and improve effectiveness of the SP sector in reaching the poorest households. It will also provide a single point for all SP programs in Liberia to access information about households and their vulnerabilities. In addition to building the SR, a comprehensive plan will be developed to manage, share, and update its data. This will include when to look for changes to household information, how to record these changes, and the mechanisms to incorporate feedback information from the MIS about the

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<sup>10</sup> Data collection will be undertaken in collaboration with LISGIS and other data collection agencies. Further details will be provided in the Project Operational Manual (POM).

enrollment decisions of each program. The SR will allow for the introduction of the use of biometrics as a mechanism to ensure effective identification of people and decrease the chances of duplication across and within programs. The SR will further incorporate unique identification numbers for each individual to facilitate mapping to a potential future national identification system.

29. **Integrated MIS.** This project will support the development of an integrated MIS for safety net programs. The key features of the integrated MIS will include modules to support enrollment, payment, M&E, grievance redress, access management, and settings control. The modular structure will enable SP programs, particularly those implemented by the MGCSP, to use the integrated MIS for the implementation of operational processes and delivery of benefits. The MIS will also be linked to the SR to incorporate household data and feedback information regarding enrollment. The MIS will, therefore, be capable of generating progress values on the welfare of beneficiaries and providing the necessary information to the accounting and financial management (FM) system to generate payment sheets and reconcile payments. It will also support coordination and critical information sharing between SP programs. Development of the MIS will build on the lessons learned and systems of the ongoing SCT-REPLI project and from other complementary programs. Further details of this component are included in annex 2.

## **Component 2: Cash Transfers to Extremely Poor and Food Insecure Households**

30. The objective of this component is to provide income support to about 10,000 extremely poor and food insecure households in Liberia through regular cash transfers and accompanying measures. This component will be implemented in the Bomi, Maryland, Grand Kru, and River Gee Counties. These counties have been selected because they have the highest rates of poverty and food insecurity in comparison to all other counties in Liberia (see annex 2 for the details on the ranking of counties). This component will build on the SCT pilot and SCT-REPLI cash transfer programs. Specifically, there are existing beneficiaries in Bomi and Maryland who were targeted under the SCT pilot and additional beneficiaries in Grand Kru through the SCT-REPLI project. These beneficiaries will be recertified before inclusion using the updated data intake, registration, and screening processes developed under Component 1.

31. The cash transfers will be delivered to households on a quarterly basis throughout the year and will vary according to the size of households. The transfers will be made to the female member in the household with the most competence and responsibility for household spending. In the Liberian context, it is expected that this will typically be the oldest female household member.<sup>11</sup> This is to increase the potential for higher program impacts on nutrition and food security of household members, as well as human capital investments in children. Based on the economic analysis of the poverty gap and household consumption among extremely poor households, the transfer amount has been pegged between US\$10 and US\$34 per month depending on the size of the households (see annex 2 for the detailed assessment of these amounts). The size of the transfer will be reassessed periodically when the new household welfare data becomes available, and updated if there are changes to the poverty gap, the value of household consumption, or the food poverty line.

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<sup>11</sup> Only in exceptional cases will the recipient be male. In households where there are no females over the age of 18, the male household head will be the recipient.

32. This component will also support the implementation of accompanying measures or ‘soft conditions’. The aim of the accompanying measures are to sensitize beneficiary households on the project’s objectives and provide opportunities for them to adopt healthy nutritional practices and livelihood-enhancing activities through educational workshops on (a) cultivation of home gardens to grow fast-yielding and nutritious foods using improved agricultural methods, and (b) increasing the food diversity and nutritional content in the household members’ diets, particularly among children under five years. In addition, this component will link beneficiary households to other agronomic support services and programs under the Ministry of Agriculture (MoA) that provide improved seeds and tools/equipment to both net producers and consumers of agricultural produce to further boost production of high-yielding nutritious foods. More details on this component are included in annex 2.

### **Component 3. Project Management and Capacity Building**

33. The objective of this component is to finance project management and capacity building of the SSNP implemented by the MGCSP. The component will also strengthen coordination among safety net programs at the national and subnational levels. This component will consist of two subcomponents.

#### *Subcomponent 3A: Project Management*

34. The objective of this subcomponent is to finance project management of the SSNP under the MGCSP. This includes equipment, vehicles, fuel, rental of office space, communications costs, and incremental project-related operating costs under the MGCSP for the implementation of Components 1 and 2 of the project. This support will include the procurement of service providers to implement the operational aspects of the SR and SCT program, including data collection, electronic registration, payment mechanisms, auditing, and M&E.

#### *Subcomponent 3B: Capacity Building*

35. This subcomponent will provide capacity building to key stakeholders at the central and local government levels involved in the implementation of the project. This will include training on community communication and sensitization; development and implementation of the Grievance Redress Mechanism (GRM); training and coordination workshops on the rollout of the accompanying measures; training on the use of the tools and systems developed under Component 1; and training on the SCT program’s operations, as well as the respective responsibilities at national and local levels. Specifically, the subcomponent will finance local and international knowledge exchange events, including seminars at the central and local government levels; program and line ministry staff SP training; line ministry staff travel costs and technical assistance (TA) support; and studies that will enhance the SP dialogue in Liberia. This component will also strengthen coordination across relevant ministries and stakeholders, including providing relevant support to national, county, and district-level committees as part of project implementation.

## B. Project Financing

36. The proposed project will be implemented using Investment Project Financing (IPF) for five years starting in FY17. The project is expected to be financed by an IDA Credit of US\$10 million. Retroactive financing of an aggregate amount not exceeding SDR150,000 may be provided for eligible expenditures incurred on or after February 1, 2016, by submitting a withdrawal application to IDA with necessary supporting documentation.

37. **USAID co-financing.** A USAID grant of at least US\$5.8 million to co-finance the implementation of Components 1 and 3 has been agreed in principle, subject to final approval.<sup>12</sup> As such, the project has been appraised jointly with USAID. It is intended that the USAID funds will be provided directly to IDA under a single-donor trust fund to be set up and administered by IDA. The Trust Fund Proposal is currently being reviewed. Following the approval of the Trust Fund Proposal, an Administration Agreement<sup>13</sup> will be drafted between USAID and IDA, and agreed between the parties. Resources are expected by June 30, 2016, following which a Grant Agreement will be agreed and signed between IDA, as administrator of the USAID single-donor trust fund, and the Republic of Liberia by July 31, 2016.

## C. Project Cost and Financing

Project Components	Project Costs (US\$, millions)	IBRD or IDA Financing (US\$, millions)	IBRD or IDA Financing (SDR, millions)	USAID Financing (US\$, millions)	Percent Financing <sup>14</sup>
<b>Component 1: Strengthening of the National Social Safety Net System</b>					
<b>Subtotal</b>	5.7	0.6	0.45	5.1	36.08
<b>Component 2: Cash Transfers to Extremely Poor and Food Insecure Households</b>					
<b>Subtotal</b>	8.1	8.1	5.90	0.0	51.27
<b>Component 3: Project Management and Capacity Building</b>					
Subcomponent 3A: Project Management	1.7	1.2	0.88	0.5	10.76
Subcomponent 3B: Capacity Building	0.3	0.1	0.07	0.2	6.06
<b>Subtotal</b>	2.0	1.3	0.95	0.7	12.66
Total Project Costs	15.8	10.0	7.30	5.8	100.0
Total Financing Required	15.8	10.0	7.30	5.8	100.0

<sup>12</sup> Resources from USAID will be pooled with the IDA Credit.

<sup>13</sup> In USAID terminology, the Administration Agreement is known as a *Cost-type Grant Agreement*.

<sup>14</sup> This refers to the percentage of the total project costs (combined IDA and USAID financing) that is allocated to each component.



## **D. Lessons Learned and Reflected in the Project Design**

38. The SSNP builds on lessons learned from the SCT pilot and SCT-REPLI project implemented by the MGCSP. Special focus will be placed on making meaningful investments in the following areas:

39. **Data collection and household registration.** Correctly identifying the extremely poor and food insecure households has been a major challenge for cash transfer programs implemented in Liberia. Given the need to strengthen the accuracy and integrity of collected data during the registration of households, efforts will be made to strengthen community participation. Government agencies (in particular the Liberia Institute of Statistics and Geo-Information Services (LISGIS) and Non-Governmental Organizations (NGOs) with expertise in accurate and transparent data collection will be consulted to provide advice on the enumeration of households.

40. **Systems.** Investments will be made in the setup of operational and management systems that promote transparency and ensure accountability. Given that the use of information and communication technology (ICT) in areas of data collection, eligibility screening, and monitoring is still emerging in fragile contexts, investment in such activities can only be done incrementally over a period, while the necessary capacity to sustain the infrastructure is built.

41. **Payments.** The cost of transferring benefits under existing cash transfer programs is extremely high due to the limited number of financial institutions that have the capacity to deliver payments to individuals nationwide. In response to this, the SSNP design will revise the payment schedule from bimonthly to quarterly payments as a means of reducing the frequency of payments, thereby increasing efficiency in payment delivery. Efforts will also be made to use other payment modalities (such as mobile money or e-payment transfers) where applicable.

## **IV. IMPLEMENTATION**

### **A. Institutional and Implementation Arrangements**

42. The institutional setup for the SSNP is anchored around three pillars: policy/authority, coordination, and implementation and will operate at three levels: national, county, and district. See annex 3 for more details on institutional and implementation arrangements for the project.

#### ***Policy and Authority***

43. The **MGCSP** is the parent and lead ministry for SP in Liberia. Therefore, the Minister of Gender, Children and Social Protection has the overall responsibility for policy guidance, implementation, and coordination of the project, supported by the Deputy Ministers responsible for (a) Children and Social Protection, and (b) Research, Policy and Planning, with oversight and policy guidance from the National Social Protection Steering Committee (SPSC).

44. **National, county, and district levels.** At the national level, the Minister for Gender, Children and Social Protection chairs the SPSC. Members of the SPSC include Ministers from the Ministries of Internal Affairs, Agriculture, Health, Education, Labor, and Finance and Development Planning. Development partners and Civil Society Organizations (CSOs)

representatives also sit on the SPSC. At the county level, the county superintendents are responsible for overseeing and coordinating the implementation of government programs, including SP activities. The County Development Steering Committee (CDSC) is an important platform for discussing SP policies and interventions by the various sectors at the county level. The County Superintendent chairs the CDSC and other members include the paramount chief, legislators, and county sector heads. At the district level, the District Superintendent performs a similar role to that of the County Superintendent by working with the District Development Committee (DDC). The DDC, whose membership includes the paramount chief, legislators, CSOs, donors, and community representatives, is the platform for district authorities and sectors to oversee the activities in the district, including SP.<sup>15</sup>

### ***Coordination***

45. Coordination of policy guidelines and decisions, follow-up actions and matters arising therefrom, and implementation issues and actions encountered by teams will take place at the national, county, district, and community levels. Each level will have duly constituted technical committees that would be functional platforms for discussing SP programmatic performance.

46. **National, county, district, and community levels.** The **National Social Protection Technical Committee (SPTC)** is co-chaired by the Deputy Minister for Children and Social Protection and the Deputy Minister for Research, Policy and Planning of the MGCSP. It provides technical support and is accountable to the SPSC in carrying out its coordination function. Its functions would be to oversee policy dialogue at the national level; conduct periodic progress reviews to ensure adherence to project operational guidelines; ensure inter-ministerial and inter-agency coordination and cooperation; raise awareness of the SP program; ensure that the SP activities adhere to the sector norms and standards; and forward the county SP reports to the SPSC. At the county, district, and community levels, similar technical committees will be constituted to perform corresponding functions at their respective levels.

### ***Implementation***

47. **The Minister of Gender, Children and Social Protection** will bear the overall responsibility of ensuring the effective implementation of this project. The Minister will report to the Cabinet, the Legislature, and the President on the overall project implementation progress. The Minister will be supported by (a) the Deputy Minister for Children and Social Protection, who will be responsible for the SCT Unit and (b) the Deputy Minister for Research, Policy and Planning, who will be responsible for the SR Unit.

48. The **National Social Safety Nets (NSSN) Secretariat**, headed by an SP program coordinator, will serve as the Project Implementation Unit and oversee overall implementation and coordination of the project under the MGCSP. It will include the **SCT and SR Units**, each of which will be headed by a Program Manager. The functions of the secretariat will include the following: (a) liaise with the Project Financial Management Unit (PFMU) of the Ministry of Finance and Development Planning (MFDP) on all project-related FM activities; (b) undertake

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<sup>15</sup> This is a functional committee at the district level. It provides a platform for technical discussions on the functions of the project.

procurement activities of the project; (c) collate and submit project annual work plans and budgets, quarterly reports, and procurement plans; (d) develop and update the Project Operational Manual (POM) and related handbooks, establishing appraisal mechanisms; (e) work collaboratively with the SCT and SR Units to ensure consistent and regular flow of information between internal and external audiences; and (f) provide technical support for project implementation.

49. The **SCT Unit** will be responsible for key implementation functions related to the SCT program. The SCT Unit will perform, among others, the following functions: (a) design and update SCT program guidelines and operational procedures; (b) generate evidence and utilize it to inform policy; (c) receive and address grievances that have been escalated to the national level; (d) prepare annual work plans, budgets, and quarterly reports for the unit; and (e) facilitate training at various levels.

50. The **SR Unit** will be responsible for the development of effective safety net delivery systems, particularly the SR and integrated MIS. The SR Unit will perform, among others, the following functions: (a) develop effective SP systems (for example, data intake and household registration, eligibility screening, payments, and grievance redress); (b) manage the SCT program data through a robust MIS; (c) design and update the SR and MIS guidelines and operational procedures; (d) receive and address grievances that have been escalated to the national level; (e) prepare annual work plans, budgets, and quarterly reports for the unit; and (f) facilitate training at various levels.

51. Staff of the NSSN Secretariat, SCT Unit, and SR Unit shall be highly skilled professionals in areas such as FM, procurement, MIS, M&E, information education and communication (IEC), operations and logistics, and grievance redress. The Secretariat and units will be supported by relevant MGCSP departments, such as Procurement, as needed. Field staff, whose roles and functions are detailed in the POM, will be deployed to their respective counties, districts, and communities.

52. **Sector ministries**, such as Health, Agriculture, Internal Affairs, Labor, and Finance and Development Planning, will support project implementation by providing technical and implementation support in line with their mandates, to ensure compliance with sector norms and standards. The **Ministry of Health (MoH) and MoA**, in particular, will facilitate the implementation of nutrition and home gardening accompanying measures. An inter-ministerial memorandum of understanding (MOU) will be signed between the MGCSP, MoA, and MoH detailing the arrangements by level of operation, that is, national, county, district, and community.

53. **The Community Social Protection Committees (CSPCs)** are the key implementing institution at the community level for the project. The CSPCs will be responsible for (a) leading community sensitization about the project aims, objectives, and entitlements; (b) communicating payment period dates, modality, and redress mechanisms to beneficiaries; (c) keeping records and informing the NSSN Secretariat field staff/enumerators of any changes in the household condition (for example, household exiting, death, migration); (d) educating beneficiaries to adhere to their co-responsibilities; (e) participating in targeting, including identifying and

validating eligible beneficiaries; and (f) ensuring that beneficiaries receive their transfers. More details on the functions of the CSPC will be detailed in the POM.

## **B. Results Monitoring and Evaluation**

54. Monitoring is important to ensure the satisfactory implementation of the project components, progress toward the achievement of the project's objectives and results, and flag concerns as they arise. Specific aspects of the project that will need to be critically monitored include (a) adequate consultation and communication at the national, county, district, and community levels; (b) accuracy and quality of information collected on potential beneficiaries during data intake and registration; (c) adequate data backup, security, storage, and transfer; (d) verification that the eligibility screening for inclusion in the program is accurate and is implemented correctly; (e) ensuring that enrollment lists match outputs of the eligibility screening; (f) creation of payrolls, delivery of payments, and payment reconciliation; and (g) case logging and tracking for the GRM. The evaluation will also explicitly investigate female-specific barriers to participation in the project activities. Some of these aspects will be measurable through automatic logs and periodic reviews of the SR and the MIS. However, additional monitoring mechanisms will also need to be put in place, which will be further detailed in the POM.

55. Evaluation of the project will focus on the progress and results of the SSNP with regard to meeting the PDO and indicators. The specific indicators used for evaluation purposes are outlined in the results framework in annex 1. The results framework together with the critical aspects for monitoring outlined above will be used to inform the Terms of Reference (TOR) for an independent firm, research institution, or group of consultants to carry out the process evaluation at the end of years 1 and 2 of project implementation.

56. The MGCSP will bear overall responsibility for establishing the M&E mechanisms for this project in particular, as well as the entire SP sector in general. In this regard, the NSSN Secretariat will include an M&E specialist who will have the primary responsibility for ensuring the monitoring of critical aspects of the project, coordinating the independent process evaluations, and providing reports and data to complete the results framework. In addition, the M&E specialist will be charged with carrying out routine and unannounced monitoring visits to the county teams and beneficiary communities. The areas requiring improvement will be noted and corrective measures will be taken. The visits will also help track the performance of the project at intermediate stages and document any challenges/lessons learned.

## **C. Sustainability**

57. **Institutional sustainability.** Component 1 of the project is dedicated to strengthening the national SSN delivery system. This component is designed to develop the basic building blocks of an SP system, including the SR, integrated MIS, payment delivery mechanism, GRM, M&E, and IEC mechanism. Moreover, the project is designed primarily to support the MGCSP and other implementing partners and provide capacity building at both the national and local levels. The development of a national SP system also promotes the culture of transparency and client orientation, which are key elements for developing a sustainable institution.

58. **Financial sustainability.** At an average payment of US\$30 a month, if all of the country's extremely poor and food insecure households were covered in the SSNP, the total annual cost would be US\$61 million a year, inclusive of 15 percent operations and administrative costs. This is equivalent to 3.16 percent of the national GDP.<sup>16</sup> According to the latest available information on Liberia's aggregate spending on SSN programs, the total current spending on all safety net program is 2.2 percent of GDP and only 0.06 percent of GDP was dedicated to cash transfer programs in 2010–2011. However, the cost of cash transfers to cover households that are both extremely poor and food insecure is within the scope of current Government spending on SP. Under the current design of the SSNP, the program takes a more gradual approach and covers 10,000 households in four counties with the highest poverty and food insecurity. The total cost amounts to US\$4.1 million a year and is equivalent to 0.21 percent of GDP. This cost will not increase the Government's total spending on SP programs by a significant percentage, but lays the groundwork for sustainable livelihoods through the introduction of accompanying measures to encourage home gardening among project beneficiaries. These agricultural productivity-enhancing aspects of this project will ultimately improve long-term sustainability of the project and reduce households' dependence on cash transfers.

59. **Sustainability at the beneficiary and community levels.** Providing cash transfers to extremely poor and food insecure households can increase both their immediate consumption, as well as long-term income trajectory. It also creates positive externalities at the community and society levels. Recent literature shows evidence of these positive impacts of cash transfers: in Mexico, a Randomized Control Trial study shows cash transfers can improve recipients' long-term income through asset accumulation.<sup>17</sup> In Zimbabwe, households with cash transfers also demonstrate improvements in the education and health of their children.<sup>18</sup> In Brazil, cash transfers to the poor benefited vulnerable youth and reduced crimes committed by youth.<sup>19</sup> A series of studies in several African countries showed positive spillovers of cash transfers to non-beneficiaries through expansion of production at the community level to meet the new local demand.<sup>20,21</sup>

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<sup>16</sup> Based on the 2013 CFSNS estimate that 18 percent of the population are food insecure, population is 4.25 million, average household size is 5.2, and GDP per capita is US\$454.

<sup>17</sup> Gertler, P. J., Martinez, S. W., & Rubio-Codina, M. (2012). Investing Cash Transfers to Raise Long-Term Living Standards. *American Economic Journal: Applied Economics*, 4(1), 164–192.

<sup>18</sup> Robertson, L., Mushati, P., Eaton, J. W., Dumba, L., Mavise, G., Makoni, J., ... Gregson, S. (2013). Effects of unconditional and conditional cash transfers on child health and development in Zimbabwe: a cluster-randomised trial. *Lancet (London, England)*, 381(9874), 1283–92.

<sup>19</sup> Chioda, L., De Mello, J. M. P., & Soares, R. R. (2015). Spillovers from conditional cash transfer programs: Bolsa Família and crime in urban Brazil. *Economics of Education Review*.

<sup>20</sup> Filipiski, M., & Taylor, J. E. (2012). A simulation impact evaluation of rural income transfers in Malawi and Ghana. *Journal of Development Effectiveness*, 4(1), 109–129.

<sup>21</sup> Taylor, J. E., Thome, K., & Filipiski, M. (2014). Productive Spillovers of Social Cash Transfers in Africa.

## V. KEY RISKS

### A. Risk Ratings Summary Table

<b>Risk Category</b>	<b>Rating</b>
1. Political and Governance	Substantial
2. Macroeconomic	Substantial
3. Sector Strategies and Policies	Substantial
4. Technical Design of Project or Program	Substantial
5. Institutional Capacity for Implementation and Sustainability	Substantial
6. Fiduciary	Substantial
7. Environment and Social	Moderate
8. Stakeholders	Moderate
<b>OVERALL</b>	Substantial

### B. Overall Risk Rating and Explanation of Key Risks

60. The overall risk for this project is rated Substantial.

61. At the sector level, significant risks include inadequate capacity and accountability mechanisms. These challenges have the potential to affect the implementation of the proposed project. To mitigate this risk, the project will build on lessons from previous Bank operations in Liberia, including providing TA to implementing agencies to support project implementation and investing in capacity building activities.

62. In addition, this project is designed to reach a limited number of beneficiaries out of the total number of extremely poor and food insecure households in Liberia due to financial sustainability risks. In line with evidence from other post-conflict countries, and to improve the chances of sustainability, the project will invest in strong safety net delivery systems, which would attract additional funding and enable further nationwide scale-up.

63. FM and procurement capacity are also limited in Liberia with possible implementation delays. The project will seek to mitigate this risk through the use of in-country institutions with proven implementation capacity, such as the PFMU and existing SP programs - EPAG, YES, and SCT-REPLI Projects. Fiduciary TA will be provided to augment these experiences.

64. In addition, the Government has only basic monitoring and management systems, and capacity at the national and county levels varies widely. As detailed in Component 1, the project will support the development of an SR and integrated MIS to improve the efficiency and transparency of eligibility screening, program enrollment, M&E, payment delivery, grievance redress, and other management processes. For these systems to be effective, they will need regular updating. Component 3 will support technical capacity building to ensure the SR and

integrated MIS are appropriately managed and updated. The project will also benefit from technological innovations, such as the introduction of smartphone technology for data collection and routine monitoring.

65. At the stakeholder level, the USAID funding is needed to set up the SP delivery systems that are necessary for implementation of the IDA-financed components of this project. There is the risk that either the USAID grant may materialize, but with a delay, which will affect project effectiveness and implementation, or the grant may not materialize at all; therefore, the project may not be implemented as designed. These risks have been mitigated through the joint appraisal of the SSNP with USAID's in-country and headquarters technical teams to ensure that the project's technical design is satisfactory to the GoL, IDA, and USAID. The Bank team will continue to collaborate closely with USAID throughout the project preparation cycle to ensure that key milestones for processing both the IDA Financing Agreement and the USAID co-financing Grant Agreement are met.

## VI. APPRAISAL SUMMARY

### A. Economic and Financial Analysis

66. **Rationale for public sector involvement.** The rationale behind public interventions through this SSNP is three-fold: (i) high potential for unequal growth; (ii) existence of human capital externalities; and (iii) the potential for a return to social unrest from widespread poverty in a post-conflict environment. Liberia is a country with widespread poverty and is increasingly reliant on natural resource revenues for growth. It is also prone to shocks, including the recent EVD crisis. Global experience shows that without strong social protection systems, economic growth is not often inclusive. In addition, the low levels of human capital in Liberia are likely to have large negative spillovers, thereby resulting in a sub-optimal level of human capital in the absence of public interventions. Moreover, low levels of human capital are associated with lower productivity, and therefore can inhibit growth.

67. **Development impacts.** Given the total project budget and the number of cash transfer beneficiaries, the income increase as a result of the cash transfers can be estimated. This information provides the basis for an ex ante estimate of development impacts and fine-tunes the project design. To this effect, several candidate benefit levels are assessed and their respective development impacts are compared. Based on a set of simulations (details are documented in annex 5), an average monthly transfer of US\$30 is likely to make the most significant reduction in the poverty head count, poverty gap, and inequality at the national level under the current US\$10 million budget. However, as also shown in the analysis, the extent to which these results are achieved largely depends on the effectiveness of project implementation, notably the accuracy of targeting mechanism. The project will cover only 7 percent of the country's extremely poor households; however, the economic outcome has the potential to increase as the SCT program scales up. Finally, the recipient households' long-term benefit from the project is associated with their uptake of the projects' accompanying measures or soft conditions, including better nutrition and home gardening. These accompanying measures are designed to help poor households invest in the human capital of their families and smoothen consumption with productive activities.

68. **Bank value added.** The Bank has expertise in the design and implementation of large-scale cash transfer programs in Africa and other regions. The Bank adds value to this project through its technical expertise and by providing linkages with its other SP programs in Liberia. Specifically, the YOP and the SSNP are complementary in addressing poverty reduction: the YOP focuses on vulnerable youth while the SSNP addresses extremely poor and food insecure households. Moreover, the Bank can provide linkages with ongoing projects across the world and opportunities for South-South exchanges to enable the country to benefit from and build on experiences from similar contexts. Furthermore, the development of the SR and the integrated MIS will be of benefit to all actors in the sector. The Bank can therefore help convene development partners, particularly through its expertise in the systematic approach to the delivery of safety nets.

## **B. Technical**

69. The project's design is based on the lessons learned from previous safety net projects. The SCT pilot's 2014 independent evaluation found evidence that the program improved the food security, health, education, and economic conditions of beneficiary households. Both quantitative and qualitative data reflect positive impacts on asset ownership, housing quality, household expenditures, and the well-being of household members. In particular, beneficiary households reported improved food intake, school attendance, and educational performance among school-age children. To build on these positive impacts, the SSNP will continue to promote accompanying measures on nutrition and home gardening to help poor households invest in the human capital of their families and smoothen consumption with productive activities.

70. The project will also build on the findings from the SCT pilot that community sensitization and communication, as well as monitoring of enumeration, should be strengthened. A more systematic approach to communication, including clear and transparent messaging on the objectives and eligibility of the project, will be provided from the onset. In addition, improved data collection validation measures, such as more consistent supervision of field data collection, and the ability to monitor electronic data collected remotely and in real time, will strengthen project implementation.

71. The project design also aims to support strengthening and consolidation of country systems. For this reason, the project will aim to build the capacity of the MGCSP, both at the systems and logistical levels through Component 1 and at a technical level through Component 3. The project includes resources for process evaluations that will support learning by doing and allows adjustments as project implementation proceeds.

## **C. Financial Management**

72. The implementation of the FM arrangements will be anchored under the PFMU at the MFDP. The inclusion of project expenditures as part of the overall GoL budget will be the responsibility of the Aid and Debt Management and the Budget Departments of the MFDP. The accounting for the expenditures and their reporting will fall within the remit of the PFMU, using SUN accounting systems, and the audit of the project will be done by an independent auditor with a TOR acceptable to the Bank.



73. Under the funds flow arrangement, there will be two disbursement categories, each aligned to a project component. Bank disbursements for the project will be made from the Credit to a U.S. dollar denominated designated account (DA) held at a commercial bank in Liberia acceptable to the Bank or the Central Bank of Liberia, based on withdrawal applications duly signed by the MFDP and PFMU. The withdrawal applications will be based on the unaudited Interim Financial Reports (IFRs) (report based) that include a cash forecast of eligible expenditures against the agreed work plan and budget and a quarterly forecast of net expenditures for six months with respect to the disbursement categories. The U.S. dollar currency shall form the transaction basis for the project's accounting and reporting. The signing arrangement by the MFDP will also be reflected in the Authorized Signatory Letter to be issued by the GoL after project effectiveness.

74. The project will use the following mechanisms to pay project beneficiaries under the cash transfers component: (a) commercial banks or payment delivery service providers will be contracted to deliver manual payments to beneficiaries and (b) where feasible, electronic payments (including mobile money) will be used to deliver payments to beneficiaries. In either situation, payments will be outsourced to existing financial institutions who will deliver payments to beneficiaries through an agent-based model. The mobile money cash transfer being an innovative aspect of the payments system will be tested under the proposed project. The SSNP will explore ways to introduce and test innovations to reduce costs, improve data security, and increase transparency. Such innovations include using file encryption procedures to improve data security and clearer accountability and oversight mechanisms in the manual payment processes.

75. The PFMU has acceptable technical and operational competencies for budgeting, accounting, and reporting and will aggregate and segregate the project expenditures as part of its annual budget, derived from work plans and budget submitted by the implementing partners. Budgetary planning by the project implementing agency—the MGCSP—will be coordinated by the MGCSP/PFMU based on the existing GoL budget process and Bank guidelines. The PFMU shall submit a quarterly IFR to the Bank within 45 days after the end of each quarter. The IFR will consist, at a minimum, of (a) sources and uses of funds (summary of expenditures shown under the project headings and by main categories of expenditures for the period); (b) a summary statement of expenditures according to categories; (c) DA reconciliation statement; (d) physical progress report; and (e) procurement status monitoring report. The IFR template for Bank-supported operations was agreed to between the GoL and the Bank.

76. The PFMU has an Internal Audit Unit assigned to strengthen the systemic controls in the projects managed by the PFMU. The internal auditors have increasingly also been engaged in supporting donor projects in the exercise of internal controls in expenditure management. In addition, the PFMU FM system provides for segregation of duties in the expenditure processing cycle while ensuring the monitoring of cash availability at any given time. The internal auditors will prevail on the management for implementation of internal control issues that are identified by them as well as by the external auditors. A GRM, including clear responsibilities for the collection and resolution of complaints from the community to the national level, will be developed under the proposed project and included in the POM.

77. The project will, within four months into effectiveness, select an external auditor who will carry out the annual audits of the accounts of the project on the basis of a TOR acceptable to the Bank. The annual audited project financial statements and the audit report shall be submitted to the Bank not later than six months after the end of each fiscal year.

78. In conclusion, with the PFMU catering to the implementation needs of the FM arrangements for the project, the proposed project has an appropriate and acceptable institutional anchorage to support its FM implementation while ensuring that the GoL FM systems are also used for the project. Drawing on the conclusions of the FM risk assessment findings, the FM arrangements are considered adequate and in line with the requirements established under OP/BP 10.00. A detailed description of the arrangements is provided in annex 3 (Institutional and Implementation Arrangements).

#### **D. Procurement**

79. An assessment of procurement risks was carried out in November 2015 for the MGCSP as an implementing agency. The procurement procedures, organizational structures, staffing, and skills for procurement management of the MGCSP were reviewed. The overall risk to procurement (before mitigation measures) was considered High. The assessment recommended a number of actions to mitigate the procurement risks. With the implementation of these measures, the procurement risk is expected to be reduced to Substantial. The main measures consist of hiring an international project procurement specialist with procurement qualifications and experience satisfactory to the Bank for the entire duration of the project; increasing the capacity of the MGCSP with basic procurement training; and equipping the procurement unit with adequate space, transportation, document production, and filing facilities to be undertaken during project implementation.

80. Procurement of goods and works and selection of consultants under the proposed project will be carried out in accordance with (a) Guidelines: Procurement of Goods, Works, and Non-Consulting Services Under IBRD Loans and IDA Credits and Grants by World Bank Borrowers, dated January 2011 and revised in July 2014; (b) Guidelines: Selection and Employment of Consultants Under IBRD Loans and IDA Credits and Grants by World Bank Borrowers, dated January 2011 and revised in July 2014; (c) Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants, dated October 15, 2006, and revised in January 2011; (d) the provisions stipulated in the Legal Agreements; and (e) exceptions to National Competitive Bidding (NCB) procedures.

81. For each contract to be financed by the Credit, the different procurement methods, or consultant selection methods, the need for prequalification, estimated costs, prior review requirements, and time frame will be agreed between the Borrower and the Bank project team in the Procurement Plan (PP), dated March 2, 2016. The PP will be updated at least semiannually or as required, to reflect the actual project implementation needs and improvements in institutional capacity.

## **E. Social (including Safeguards)**

82. The project is intended to be socially very positive by supporting extremely poor and food insecure households to reinforce human capital investments, particularly those associated with nutrition and food security. Beneficiaries targeted under this project are the extremely poor and food insecure in communities usually with low or no education. This may make them disproportionately vulnerable to error, fraud, and corruption. The project design will therefore seek to address these risks through continuous consultative processes, transparency of information, and feedback mechanisms to strengthen the project design.

83. There are no economic or livelihood displacements under this project. Some social issues that could potentially occur in this project include (a) errors and complaints of exclusion, (b) delayed or no payments, (c) misapplication of funds by beneficiaries, (d) elite capture, and (e) division within communities between cash transfer beneficiaries and non-beneficiaries. The project's monitoring will need to ensure that the extremely poor and food insecure households are indeed the beneficiaries of the cash transfers. In addition, an electronic payment system may be used, if feasible given network coverage and adoption of cell phone usage, to improve the timeliness and predictability of cash transfers and minimize the potential for elite capture. The project also includes a GRM, which will ensure accountability and help address issues as they occur.

84. Citizen's engagement and third-party monitoring, which will be used to provide feedback on project efficiency at regular intervals during the project implementation, will be undertaken and will be detailed in the POM. The project is also benefiting from lessons learned from the SCT pilot and the ongoing activities under the SCT-REPLI project. Specific citizen engagement design elements include (a) development of simplified POMs with key project rules for stakeholders including beneficiary communities; (b) radio spots and talk shows; (c) GRM with posters advertising the grievance redress contact information; (d) alternative means of communicating about the GRM (in order that the illiterate could ask someone else to file a complaint) or ways of making a complaint (for example, in person to village chief or local office); (e) independent monitoring and provision of feedback on the program using social audits or community scorecards by the Liberian Anti-Corruption Commission (LACC), CSOs, and citizens; and (f) training and sensitization of all relevant stakeholders at the county, district, and community levels. See annex 6 for further details.

85. **Gender.** This project will include a strong focus on gender, specifically by (a) making cash transfers to a female household member who is the head of the household or is responsible for household management within each targeted household, where practically possible, so as to increase the potential for higher program impacts on human capital; (b) including specific gender-disaggregated results indicators; (c) investigating female-specific barriers to female participation in project activities as part of the process evaluation; (d) highlighting the role that males in beneficiary households will play in supporting transparency and accountability under the project as well as achieving project objectives; (e) addressing the possible risks of increased gender-based violence (GBV)<sup>22</sup> by including awareness for both men and women in the IEC

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<sup>22</sup> Because GBV is extremely prevalent in Liberia and because the transfer could potentially increase intra-household tensions, sensitization to and prevention of GBV will be included for both men and women. Although

activities; and (f) including sensitization to enhance the participation of women in all aspects of agricultural production and home gardening activities.

#### **F. Environment (including Safeguards)**

86. No civil works or any other activities that are likely to have adverse impacts on the environment are envisaged under this project. The project does not require an environmental assessment. Negative impacts that may result from ‘soft conditions’, especially those associated with home gardening, are negligible and can be mitigated by mainstreaming sustainable environmental dimensions into human capital investment workshops envisaged under the project.

#### **G. Other Safeguards Policies Triggered**

87. The project is rated as category C and does not trigger any safeguards policies.

#### **H. World Bank Grievance Redress**

88. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB’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 WB’s independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank’s attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank’s corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).

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there are no recent estimates, data from the 2007 Demographic and Health Survey found that 44 percent of women aged 15 to 49 years have experienced physical violence and up to 29 percent had experienced violence in the 12 months before the survey.

## Annex 1: Results Framework and Monitoring

### Liberia: Name: Liberia Social Safety Nets Project

#### Results Framework

#### Project Development Objectives

##### PDO Statement

The Project Development Objective (PDO) is to establish the key building blocks of a basic national safety net delivery system and provide income support to households who are both extremely poor and food insecure in the Republic of Liberia.

**These results are at** | Project Level

#### Project Development Objective Indicators

Indicator Name	Baseline	Cumulative Target Values					
		YR1	YR2	YR3	YR4	YR5	End Target
Households with complete data records registered in the SR(Number)	0.00	10000.00	18000.00	36000.00	54000.00	67000.00	67000.00
Share of cash transfer beneficiaries who eat at least one meal a day <sup>23</sup> (Percentage)	TBD <sup>24</sup>	0.00	0.00	0.00	0.00	60.00	60.00
Direct project beneficiaries, disaggregated by (i) Female-headed households and (ii) Male-headed households(Number)	(i) 0 (ii) 0	(i) 0 (ii) 0	(i) 2400 (ii) 600	(i) 4000 (ii) 1000	(i) 6400 (ii) 1600	(i) 8000 (ii) 2000	(i) 8000 (ii) 2000
Proportion of cash transfer beneficiary	0.00	0.00	0.00	50.00	60.00	70.00	70.00

<sup>23</sup> As defined by the GoL Ministries of Health and Agriculture sector norms and standards.

<sup>24</sup> The baseline for this indicator will be available twelve months after effectiveness.

households in the target counties below the extreme poverty line (Percentage)							
Share of project beneficiaries satisfied with project interventions <sup>25</sup> (Percentage)	0.00	0.00	50.00	60.00	70.00	70.00	70.00

### Intermediate Results Indicators

Indicator Name	Baseline	Cumulative Target Values					
		YR1	YR2	YR3	YR4	YR5	End Target
SP programs utilizing the SR (Number)	0.00	0.00	1.00	2.00	2.00	3.00	3.00
Proportion of cash transfer beneficiaries with payment tracking records logged in MIS (Percentage)	0.00	0.00	60.00	80.00	80.00	90.00	90.00
Proportion of grievance and redress cases raised under the SCT program recorded in the MIS (Percentage)	0.00	0.00	50.00	60.00	70.00	80.00	80.00
Average share of cash transfer beneficiaries receiving quarterly cash transfers (Percentage)	0.00	0.00	50.00	60.00	80.00	90.00	90.00
Share of cash transfer beneficiaries with at least one IEC session on nutrition (Percentage)	0.00	0.00	50.00	60.00	70.00	80.00	80.00
Share of cash transfer beneficiaries with at least one IEC session on home gardening (Percentage)	0.00	0.00	50.00	60.00	70.00	80.00	80.00
Cash transfer households with improved nutrition (Percentage)	0.00	0.00	0.00	0.00	0.00	20.00	20.00

<sup>25</sup> The survey to measure this indicator will include both the process and outcomes of the intervention.

### Indicator Description

#### Project Development Objective Indicators

Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
Households with complete data records registered in the SR (Number)	Four metrics will be recorded to evaluate this indicator: (a) Number of households registered in SCT counties; (b) Number of households with complete records in SCT counties; (c) Number of households registered in other counties; and (d) Number of households with complete records in other counties. The target values for the PDO indicator will focus on the second metric—Number of households with complete records in SCT counties.	Quarterly	Quarterly review of the SR and annual project reports	MGCSP
Share of cash transfer beneficiaries who eat at least one meal a day (Percentage)	This indicator measures the change in the proportion of households who eat at least one meal a day, as defined by the GoL Ministries of Health and Agriculture sector norms and standards.	At baseline and during the last year of the SSN project	Food security survey at end line and from initial data collected during registration	MGCSP; potential collaboration with the MoA, World Food Program (WFP), and FAO food security surveys
Direct project beneficiaries, disaggregated by (i) Female-headed households and (ii) Male-headed households (Number)	Three metrics will be recorded to evaluate this indicator: (a) Number of all SCT beneficiary households; (b) Number of all SCT beneficiary households per county; and (c) Percentage of all SCT beneficiary households, where female collects payment. The target values for the PDO indicator will focus on the second metric—Number of all SCT beneficiary households per county.	Quarterly	Quarterly review of the MIS and annual project reports	MGCSP
Proportion of cash transfer beneficiary households in the target counties below the extreme	Measures targeting efficiency. Households under the extreme poverty line are those classified as extremely poor by the Proxy Means	Yearly	Annual project reports	MGCSP

poverty line (Percentage)	Test (PMT).			
Share of project beneficiaries satisfied with project interventions(Percentage)	Satisfaction in this context measures cash transfer beneficiaries admittance that the project intervention has met its objectives of improving incomes and food security.	Baseline/final process evaluations	Satisfaction survey by a third party	MGCSP/external consultant

### Intermediate Results Indicators

Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
SP programs utilizing the SR (Number)	Number of other SP programs utilizing the SR, including incorporating their data or using the registry for identification of beneficiaries	Annually	Annual project reports	MGCSP
Proportion of cash transfer beneficiaries with payment tracking records logged in MIS (Percentage)	Three metrics will be recorded to evaluate this indicator: (a) Percentage of SCT beneficiary households with any Payment Records; (b) Percentage of SCT beneficiary households with Quarterly Payment Preparation Record; and (c) Percentage of SCT beneficiary households with Quarterly Payment Receipt Records. The target values for the PDO indicator will focus on the third metric—Percentage of SCT beneficiary households with Quarterly Payment Receipt Records.	Quarterly	Quarterly review of the SR and annual project reports	MGCSP
Proportion of grievance and redress cases raised under the SCT program recorded in the MIS (Percentage)	Three metrics will be recorded to evaluate this indicator: (a) Percentage of SCT cases received that are logged in MIS; (b) Percentage of SCT cases logged in MIS that log response; and (c) Percentage of SCT cases logged in MIS that are closed. The target values for the PDO indicator will focus on the second metric—Percentage of SCT cases logged in MIS that log response.	Quarterly	Quarterly review of the MIS and annual project reports	MGCSP
Average share of cash transfer	This indicator measures the average number of	Quarterly	Quarterly and	MGCSP



beneficiaries receiving quarterly cash transfers (Percentage)	households receiving cash transfers through the SCT program, which delivers cash grants to beneficiaries every quarter.		annual project reports	
Share of cash transfer beneficiaries with at least one IEC session on nutrition (Percentage)	Formal information, education, and communication sessions on nutrition will be led by the MoH in collaboration with the MGCSP for each community that benefits from the cash transfer program.	Annual	Annual project reports	MGCSP
Share of cash transfer beneficiaries with at least one IEC session on home gardening (Percentage)	Formal information, education, and communication sessions on home gardening will be led by the MoA in collaboration with the MGCSP for each community that benefits from the cash transfer program.	Annual	Annual project reports	MGCSP
Cash transfer households with improved nutrition (Percentage)	Change in food diversity scores	At baseline, at midterm, and during the last year	Food security survey at end line and from initial data collected during registration; a random sample of 10 percent of beneficiary households per county also at midline	MGCSP; potential collaboration with the MoA, WFP, and FAO on surveys

## **Annex 2: Detailed Project Description**

### **Liberia: Social Safety Nets Project**

1. The Project Development Objective (PDO) is to establish the key building blocks of a basic national safety net delivery system and provide income support to households who are both extremely poor and food insecure in the Republic of Liberia. To achieve this objective, the project will support three components:

- (a) **Component 1:** Strengthening of the National Social Safety Net System
- (b) **Component 2:** Cash Transfers to Extremely Poor and Food Insecure Households
- (c) **Component 3:** Project Management and Capacity Building
  - (i) Subcomponent 3A: Project Management
  - (ii) Subcomponent 3B: Capacity Building

#### **Component 1: Strengthening of the National Social Safety Net System (US\$0.6 million)**

2. The objective of this component is to improve efficiency, enhance capacity, and strengthen the National Social Safety Net System (SSN) in Liberia through the development of the basic building blocks of a safety net delivery system. This component will finance the development of a Social Registry (SR)—defined as an information system that includes data, as well as a Management Information System (MIS) functions to transform that data according to basic business processes for delivering social assistance. In particular, the SR will gather information on both potential and actual beneficiaries of existing SP programs. This component therefore includes support for (a) the development of a database architecture to house the SR; (b) data collection and household registration, including intake into the SR; and (c) an accurate eligibility screening mechanism to assess the poverty and food insecurity conditions of households. This component will also finance an integrated MIS for the Social Cash Transfer (SCT) program that enables monitoring across participating programs as well as program-specific management modules for enrollment, payment delivery, grievance redress, Monitoring and Evaluation (M&E), access management, and settings control.

3. The systems established under the project are expected to benefit other government SP programs, as well as interventions operated by collaborating development partners. In particular, through the development of the SR, information about potential beneficiaries will be centralized. As far as this data is kept up-to-date, it will mean that any SSN program can use the SR to identify individuals or households to enroll in their programs. This integration also facilitates linkages between SP programs where there may be clear synergies in the objectives and program benefits. For example, programs offering agricultural inputs can use the SR to select vulnerable households with able-bodied adults who are receiving cash transfers. The SR will also assist in tracking the overall coverage of the SP sector through the monitoring of the types and amounts of benefits across vulnerable populations through different SP programs managed by the Ministry of Gender, Children, and Social Protection (MGCSP), other Government entities, or Development Partners.

4. The integrated MIS will also benefit other Social Protection (SP) programs. Through its modular setup, different programs will be able to access and customize the system for the management of their own interventions. The MIS will also be integrated in such a way to enable the flow and management of information between SP programs to facilitate improvements in the efficiency of services and reduce duplication errors. The functionality and scalability of these systems will be initially tested through two Bank-supported SP programs, which are at the heart of the Government's efforts to build a robust safety net system, namely, the SCT program and the ongoing Productive Public Works project being implemented through the Liberia Agency for Community Empowerment. The latter is supported under the YES Project until June 2016, and then through the YOP.

5. Specifically, this component will finance the development of the following:

6. **SR database architecture.** The project will support the development of a database architecture to house an SR of all households in Liberia. This registry will provide the initial building block of an efficient SP system that will reduce duplication and improve effectiveness of the SP sector in reaching the poorest households. It will also provide a single point for all SP programs in Liberia to access information about households and their vulnerabilities. This will include when to look for changes to household information, how to record these changes, and the mechanisms to incorporate feedback information from the MIS about the enrollment decisions of each program. The SR will allow for the introduction of the use of biometrics as a mechanism to ensure effective identification of people and decrease the chances of duplication across and within programs. The SR will further incorporate unique identification numbers for each individual to facilitate mapping to a potential future national identification system. This information will be shared between SP programs and relevant development partners to strengthen targeting effectiveness and enable efficient coordination of benefits at the household level.

7. Each household record in the SR will include information on demographics, basic living conditions, and levels of food security and nutrition, as well as household assets and income sources. These attributes will be recorded for both potential and actual beneficiaries to assist in the screening of households for inclusion in different programs. To protect the personal information of applicants against fraudulent use and abuse (theft, misrepresentation, and other illegal or unauthorized use), access to the registry will be governed by clear authorization protocols and procedures. Development of the registry will also include the implementation of a comprehensive plan to manage, share, and update data.<sup>26</sup> This includes changes to household information as well as recertification of households. For purposes of the SCT program, changes in household information (for example, location and composition) will be reported by the transfer recipient to the NSSF Secretariat field staff, and the information will be validated at the central level and updated by the system administrator.

8. The SR will be hosted in the MGCSP and will comply with the following key functionalities:

(a) Inclusion of robust controls on accuracy of household data through periodic updates

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<sup>26</sup> The design of these data-sharing protocols will be initiated under the Rapid Social Response grant.

and feedback on enrollment information from individual programs to enable effective eligibility assessment

- (b) Facilitation of rapid identification of beneficiaries for SP programs that are scaling up and creating synergies with complementary interventions to enhance their impact
- (c) Capability to link to other databases of beneficiaries outside the MGCSP, as well as with the National Identification Registry, when these databases become available electronically

9. To ensure that the SR can meet the aforementioned functionalities, the following key features are foreseen:

- (a) The SR shall be composed of households with necessary information to accurately and reliably evaluate their poverty level and other sources of vulnerability such as disability, high dependency ratios, and young children. Each SP program will then apply its own inclusion criteria to screen potential eligible beneficiaries. As such, being included in the registry does not automatically guarantee any program enrollment.
- (b) Cross-check verification of each beneficiary's unique identity by linking the SR with the National Identification Registry system, when available
- (c) Cross-checks with other administrative databases to improve screening (for example, land registry, social security, and tax registration, as applicable and/or possible)
- (d) Capacity for regular quality control to ensure data verification, validation, and update of information
- (e) Capacity to generate monitoring reports and descriptive statistics about population in the SR
- (f) Ability to receive feedback on household information from different programs, including enrollment information, which facilitates household information updating

10. **Data collection and household registration.** This activity will support the collection and intake of data to enable household registration in the SR. Data will be collected from both potential and existing beneficiaries to assist in the screening of households for inclusion in different programs. Before the data collection, this component will support the development of household assessment tools to intake data into the SR. The instrument will capture information on demographics, basic living conditions, and levels of food security and nutrition within the household, as well as household assets and income sources.

11. While some data is available from pre-existing SP programs, such as the SCT pilot and the Social Cash Transfer in Response to EVD Outbreak in Liberia (SCT-REPLI) Project, this data is neither comprehensive nor up-to-date, at least for the initial target counties of the cash transfer component: Bomi, Maryland, Grand Kru, and River Gee. Similarly, data collected by

other development partners following the Ebola outbreak for their cash transfer and related programs may omit some information necessary to generate a complete household record in the SR. Given this, for the development of the SR, a gradual implementation strategy consisting of a two-stage approach will be undertaken. During the first stage, the proposed project will universally enumerate all households, starting in the four counties, to be immediately covered under the SCT program. This includes recertification of the beneficiaries of existing cash transfer programs in these counties (including the SCT pilot and SCT-REPLI Project). A simple Proxy Mean Test (PMT)-like instrument will be used for data collection. The process of universally collecting information will help minimize the risk of exclusion errors. This may help identify inclusion errors and lead to better information about the salient characteristics of extreme poverty and food insecurity in Liberia. Furthermore, it will provide the opportunity to objectively and comprehensively review the welfare of households currently covered by safety net programs in these counties. The data collection will be conducted in collaboration with LISGIS and other data collection agencies. Further details on the implementation will be elaborated in the Project Operational Manual (POM). During the second stage, the universal data collection and recertification of existing safety net beneficiaries will be undertaken to cover the rest of the country.

12. The key features and innovations to be introduced under the data collection and household registration will include the following:

- (a) Implementation of a public information campaign at the community level to ensure broad-based awareness and citizen engagement on the data intake and household registration process
- (b) Motivation of community members to be interviewed and provide accurate household information, as well as to establish legitimacy of the SR as a credible and efficient mechanism to categorize potential beneficiaries of social programs in an objective, homogeneous, and equitable manner
- (c) Collection of a core set of socioeconomic information from households, which will be used to identify beneficiaries for SSN programs based on their welfare exposure to vulnerability, and other household details.<sup>27</sup> This information is collected in the data intake questionnaire
- (d) Implementation of computer-assisted personal interviewing on tablets or smartphones as a means of collecting core information more rapidly and with more built-in quality controls

13. **Eligibility screening.** This component will support the development of an eligibility screening mechanism to assess the degree of poverty in each household based on the socioeconomic characteristics of the household and its members. The screening will enable classification of households into different levels of poverty and vulnerability. The same tool will be used to screen extremely poor and food insecure households for inclusion into the SCT program. This will be achieved by using an appropriate cutoff point in the SR household

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<sup>27</sup> Data collected will include demographics, basic living conditions, and levels of food security and nutrition within the household, as well as household assets and income sources.

classification, beyond which households will meet the SCT program's criteria of extreme poverty and food security, and will therefore be enrolled as beneficiaries.

14. Several data sources, including the data from universal enumeration, data on existing beneficiaries, and the 2014 Household Income and Expenditure Survey (HIES)<sup>28</sup> will be used to develop the eligibility screening mechanism. Critically, new data will be used to explore which household characteristics are most predictive of extreme poverty and food insecurity, while also using retrospective analysis of the PMT and community-based approaches adopted in the identification of existing beneficiaries of the SCT-REPLI to understand the extent to which such prediction algorithms would overlap with these alternate approaches. This will help illustrate where inclusion and exclusion errors may originate. Different statistical and prediction techniques will be applied to optimize the accuracy of the screening mechanism (minimizing both inclusion and exclusion errors) without adding undue complexity.

15. **Integrated MIS.** This project will support the development of an integrated MIS for safety net programs. The key features of the integrated MIS will include modules to support enrollment, payment, M&E, grievance redress, access management, and settings control. The modular structure will enable SP programs, particularly those implemented by the MGCSP, to utilize the integrated MIS for the implementation of operational processes and delivery of benefits. The MIS will also be linked to the SR to incorporate household data and feedback information regarding enrollment. The MIS will therefore be capable of generating progress values on the welfare of beneficiaries and providing the necessary information to the accounting and FM system to generate payment sheets and reconcile payments. This will enable the flow and management of information among SP programs to facilitate improvements in the efficiency of services and reduce duplication errors. It will also support coordination and critical information sharing among SP programs. While it will be optional for other social programs to take up the use of the integrated MIS, it is expected that the SCT program will fully utilize the integrated MIS. Development of the MIS will build on the lessons learned and systems of the SCT-REPLI Project, as well as from other complementary programs.

16. Currently, the MGCSP has a very modest information system that only supports the key operating processes of the SCT program. In addition, it is not possible to automatically process a series of routine transactions and link the information of beneficiaries among different programs. This increases the risk of household duplication. The development and implementation of the integrated MIS would therefore include the following:

- (a) Strengthen the M&E functions of safety net programs by reducing the time lag between the collection of monitoring data and the publication of a report. This will create a unified, automated system that is capable of expediting processes and strengthen the programs' M&E.

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<sup>28</sup>Currently, the only alternative source of information on the characteristics of poverty and consumption is the 2007 Core Welfare Indicators Questionnaire (CWIQ). It is expected that the LISGIS will publicly release data collected during its 2014 HIES in 2016. While this data collection exercise was interrupted by the EVD outbreak, it still covers about 4,000 households equally distributed across Liberia. When this data is available, it will contribute the most recently collected information on consumption and poverty at a household level.

- (b) Unify oversight of SP interventions under the MGCSP by improving monitoring of progress and performance of various programs, tracking accountability for results, and facilitating evidence-based decision making.
- (c) Avoid benefit fraud and prevent or reduce duplication of benefits.
- (d) Reduce administrative costs by reducing or preventing duplication of general administrative costs across different programs.
- (e) Improve efficiency and exploit economies of scale by harmonizing a core MIS, which is capable of increasing program efficiency and allows for the expansion of existing programs to address gaps in coverage.

17. In addition to the SR, the integrated MIS will provide support to key operational processes of all social programs developed by the MGCSP. The key features of the integrated MIS will be:

- (a) Modular development focus on a specific program's processes, which will be interlinked to facilitate analysis across the programs' processes,
- (b) Capability to transform data into useful information for decision making: data will be transformed into indicators, which reflect program implementation and outcomes and which provide valuable information about the programs to decision makers,
- (c) Capacity to ensure data verification, validation, and update of information,
- (d) Capability for regular quality control and undertaking a system of regular audits, cross-checks, and information quality control, and
- (e) Ability to be linked with other beneficiary databases outside the MGCSP.

18. The proposed modules to be developed include the following:

- (a) **Enrollment** will provide the tools for enrollment of households into specific programs, including enrollment lists, printing of forms, and an interface to confirm beneficiary enrollment.
- (b) **Payment** will be developed according to pre-defined rules for payments. These include payments configuration and amounts to transfer per period to beneficiaries, as well as the frequency of payments. Also, the payments module will be adaptable to the payment provider's technology and payment reconciliation files will also be configured, depending on the payment provider and the submission process.
- (c) **M&E** will play a crucial role for internal monitoring since it will help track the progress of different targets and goals of the programs and convey this information to all levels of management so that they can effectively coordinate the SP programs and units. For example, this module should be able to automate the production of simple and clear summary tables and graphs that enable program managers and

coordinators to track their programs, targets, and goals. The M&E module will also provide information and alerts to monitor and track the progress against the objectives and highlight when progress is off-track. In addition, the module will track indicators on different program processes, such as enrollment, payment (including post-distribution monitoring), and case management, to monitor the efficiency and effectiveness of the programs.

- (d) **Grievance redress** will ensure that resources reach the intended project beneficiaries and that transparency, accountability, and anticorruption measures are institutionalized throughout the SP programs. The Grievance Redress Mechanism (GRM) will be a universal service charged with independent monitoring of all SP programs under the MGCSP.
- (e) **Settings control** provides all the settings of social programs to be included in the system, including organizations, offices, users, and collecting tools and mapping of Open Data Kit tools, reports, statistics, and graphics for analysis and evaluation and exchange of files.
- (f) **Access management** involves (a) authentication to ensure secure access to the registry and the MIS; (b) authorizations to guarantee user's entitlements for accessing the particular resource, which will be implemented through role-based access control; and (c) audit and reporting to provide tools to monitor access management events and changes to data objects, such as user activities, access violations, authentication events, authorization events, and changes to data.

19. **Payments system.** This component will support the design of a secure and cost-effective payment system for the project. The proposed project will also support the use of an electronic payment system to improve the timeliness and predictability of cash transfers and minimize the risk of leakages. Because of limited network coverage, the deployment of e-payments may not be possible in all counties. Therefore, alternatives such as manual payment mechanisms will be explored in areas where the e-payments may not be feasible.<sup>29</sup> The payment delivery system will be managed through a module in the MIS so that payrolls can be generated, and in turn, payment reconciliation records can be fed back into the MIS. Given the lack of payment delivery options and the high cost for these services, the proposed project will explore ways to introduce and test innovations to reduce costs, improve data security, and increase transparency. Such innovations include using file encryption procedures to improve data security and clearer accountability and oversight mechanisms in the manual payment processes.

20. Both manual and electronic payment mechanisms will be outsourced to existing financial institutions or payment delivery service providers who will deliver payments to beneficiaries through an agent-based model. The selected service providers, contracted through a competitive bidding process, must guarantee the required payment delivery and security standards, and will be responsible for (a) managing all phases of the delivery of payments; (b) ensuring accessibility to all beneficiaries, in particular, guaranteeing the location of cash points within a reasonable

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<sup>29</sup> The use of e-payments is being explored for the delivery of benefits for the SCT and YES Projects, but feasibility has not yet been assessed given limitations of cell phone coverage in rural areas.



distance from the beneficiaries and offering flexible hours for withdrawal; and (c) security of the system, for instance by requiring an official identification card. Only the registered beneficiaries will be allowed to withdraw money upon exhibition of a valid identification card and/or other proof required.

21. In the case of e-payments, the beneficiary authentication process should include additional layers of verification, such as the utilization of a Personal Identification Number (PIN) code or biometrics, while ensuring security standards are met. The mechanism should be designed taking into account the low literacy level of the target beneficiaries by avoiding unnecessarily complicated cash-out procedures. The system will draw from the successful experience of the SCT program and the YES Project, which used electronic payments to the beneficiaries through an agent-based model in a limited number of counties.

22. Funds will be transferred to the service provider's account, together with the list of beneficiaries to be paid on a quarterly basis. The service provider will be responsible for completing a full reconciliation between amounts due and paid to each registered recipient within a defined number of days after the end of the payment cycle. Details of all the transactions will be imported into the MIS to allow monitoring of the project and production of reports. The agreement with the service provider will specify the documentation to be produced for the project to satisfy national auditing requirements.

23. The service will be free of charge for beneficiaries, with service fees financed by the project. In addition, the SCT Unit will provide a payment schedule of cash transfers to all beneficiary households. This will ensure that all beneficiaries are aware of the days when payments are due and can report any delays or other payment-related issues through the appropriate grievance redress channels. The Information, Education and Communication (IEC) campaigns and enrollment processes will be critical in sensitizing beneficiaries on payments before and during the implementation of the project. This will also ensure citizen-led monitoring of the implementation process to build feedback into the project cycle. The campaign will inform and instruct beneficiaries on the use of the e-payment system, the security procedures put in place to prevent and deter fraud (for example, PIN code), and how to channel complaints regarding payments. Further details on the payment processes will be provided in the POM.

24. **M&E system.** The project will integrate a customizable M&E module within the MIS, which will be utilized by the cash transfer program and will be accessible for other programs to incorporate in their M&E processes. This module will play a crucial role in providing information to program implementers at both the central and local government levels that are necessary to track progress and results. For example, this module will be capable of automating the production of simple and clear summary tables and graphs for program managers and coordinators to track their program targets and goals. The M&E module within the MIS will not only be useful for program management, but will also generate new knowledge, for example, through enabling cross-program comparisons when multiple programs utilize this module and the tracking of each program's outcomes and impacts. In addition, this component will also support the following:

- (a) **Process evaluations.** The project is expected to support two process evaluations after approximately two years of implementation. Each process evaluation will

assess all the SCT and SR processes to determine whether they are being conducted as designed and to recommend any necessary improvements. The processes covered under this evaluation will include: (a) data collection and household registration into the SR; (b) functioning and utilization of the SR and MIS; (c) enrollment of beneficiaries into the SCT program; (d) payment processes and benefit delivery, including delivery of accompanying measures; (e) financial and administrative monitoring; and (f) functioning and utilization of the GRM.

The process evaluations will improve operational processes and support more effective SP coordination. For example, the process evaluations will help identify implementation challenges and indicate where operational procedures can be improved and updated accordingly. The evaluations will explicitly investigate female-specific barriers to participation in project activities. This evaluation will be carried out by an independent firm, research institution, or consultants contracted by the MGCSP.

- (b) **Spot checks.** The project is expected to support central- and local-government-level staff in carrying out field visits to a random sample of beneficiary communities to verify the accuracy of the data entered in the SR and MIS and provide recommendations on how to improve data collection, processing, and analysis. The proposed project will draw from the existing experiences with mobile monitoring initiatives being implemented under the Liberia Agency for Community Empowerment.

25. **IEC mechanism.** The project will provide support for the design and implementation of a strategy to communicate information about project activities to beneficiaries and relevant stakeholders. The main objectives of the IEC activities under this component are to (a) increase awareness of the SSNP, including its objectives and benefits; (b) promote stakeholder buy-in and support for the SR and cash transfer program; (c) build stakeholder confidence in safety net delivery systems implemented under the project; and (d) improve understanding and knowledge of the SSNP. The component will support information dissemination and advocacy activities at the national, program, and implementation levels as follows:

- (a) **At the national level,** since the project is considered by the GoL as the start of a larger and longer-term SP initiative in Liberia, the MGCSP will have the responsibility of seeking government and development partners' buy-in and future funding for SP interventions. It will also bear the task of setting national policies and standards and managing and regulating all actors involved in various SP programs. This necessitates a communication strategy that will enhance the advocacy and coordination role of the MGCSP.
- (b) **At the program level,** the project will provide support in designing and implementing a communications action plan for the SR and the integrated MIS that adequately raises awareness about the need to have and maintain accurate data on both actual and potential beneficiaries, and a corresponding system to manage information effectively both within and across SP programs.

- (c) **At the implementation level**, the IEC activities will seek to raise awareness within the target counties and communities about the project and the data intake and household registration processes. This will help motivate community members to get interviewed and provide accurate household information, as well as to establish legitimacy of the SR as a credible and efficient mechanism to screen potential beneficiaries of social programs in an objective, homogeneous, and equitable manner. Sensitization will use standard community sensitization mechanisms including community meetings and the dissemination of information through local media outlets. Key messages of the awareness campaigns will also include information on payment processes, the importance of community participation, anticorruption measures, GRMs, and the accompanying measures. See annex 7 for further details on the communication aspects of the project.

26. **Development of a GRM.** This component will support the development and implementation of a GRM for SP programs. The objectives of this system are to address issues during data collection and household registration; exclusion and inclusion errors in enrollment; late, incomplete, or missing payments; and changes in household size and payment amounts, and raise any issues regarding program operations, staff and authorities' behavior, awareness about accompanying measures, and training activities. The GRM will provide both beneficiaries and non-beneficiaries a channel through which they can raise any concerns or complaints about the development of the SR and the implementation of the cash transfer program. The mechanism will be managed through a module in the MIS and will enhance the transparency of the project management and its accountability to beneficiaries and stakeholders.

27. The grievance mechanism will be operational from the initial county, district, and community consultations stage and will enable the public to communicate with SCT regional staff about any problems related to the implementation of the program. In accordance with information and communication procedures developed by the project, field operators in collaboration with local authorities will hold regular meetings to inform the communities about the project's objectives, activities, and progress. Community information and awareness campaigns will be conducted throughout the life of the project. This will be an important step in ensuring that communities understand the project and citizens (particularly female beneficiaries) are informed and feel empowered to lodge complaints, and that program management at the local and central levels can investigate and take appropriate actions to address complaints. The complaints and grievance system will enhance the transparency of project management and its accountability to beneficiaries and its stakeholders.

## **Component 2: Cash Transfers to Extremely Poor and Food Insecure Households (US\$8.1 million)**

28. The objective of this component is to provide income support to approximately 10,000 extremely poor and food insecure households in Liberia through regular cash transfers and accompanying measures. The component will be implemented in Bomi, Maryland, Grand Kru, and River Gee Counties. These counties have been selected because they have the highest rates of poverty and food insecurity in comparison to all other counties in Liberia (see table 2.1 for the details on the ranking of counties).

**Table 2.1: Criteria for the Selection of the Poorest and Most Food Insecure Counties in Liberia**

	Census Population	CFSN S Chronic Food Insecure	LISGIS PRSP <sup>30</sup> Poverty Head Count	WFP MoA Poor Food Consumption	CFSNS Food Consumption Score - Poor	CFSN S Food Insecure	CFSNS Chronic Malnutrition	FAO WFP Crop and Food Security Assessment FCS - Poor	WFP Emergency Food Security Assessment - Moderate to Severe Food Insecurity	WFP Emergency Food Security Assessment - Food Expense above 65% Total	WFP Emergency Food Security Assessment - FCS Poor	Average Score	Average Rank
Date	2008	2006	2007	2010	2012	2012	2012	Dec-14	May-15	May-15	May-15		
Bomi County	82,036	5	4	2	5	1	8	1	3	1	5	4	1
Bong County	328,919	9	7	6	8	9	8	5	12	12	5	8	9
Gbarpolu County	83,758	3	4	14	14	14	13	14	5	7	4	9	11
Grand Bassa	224,839	15	13	13	10	10	2	13	9	8	5	10	12
Grand Cape Mount	129,055	15	4	7	7	5	6	8	2	4	5	6	5
Grand Gedeh	126,146	6	1	10	10	12	1	11	10	9	5	8	8
Grand Kru	57,106	4	10	3	1	2	8	3	13	1	1	5	3
Lofa County	270,114	1	7	15	10	12	11	15	14	9	5	10	13
Margibi County	199,689	13	13	12	15	11	14	9	4	12	4	11	15
Maryland County	136,404	11	10	1	2	4	7	2	6	9	5	6	4
Monrovia	997,386	14	16	16	16	16	16	16	16	16	5	15	16
Montserrado County	147,418	6	13	5	9	8	5	6	11	14	5	8	10
Nimba County	468,088	8	7	11	10	15	2	12	15	14	5	10	13
River Gee County	67,318	2	10	4	4	7	2	4	1	3	2	4	2
Rivercess County	65,862	11	1	8	6	3	14	7	8	6	5	7	7
Sinoe County	104,932	9	1	9	3	6	11	10	7	4	3	6	5

<sup>30</sup> Poverty Reduction Strategy Paper

29. This component will build on the SCT pilot and SCT-REPLI Project through which 3,800 existing beneficiaries in Bomi (1,900 households benefiting since 2009), Maryland (1,870 benefiting since 2012), and Grand Kru were targeted. These beneficiaries will be recertified before inclusion using the updated data intake, registration, and screening processes developed under Component 1.

30. By June 2016, the SCT pilot beneficiaries in Bomi and Maryland would have been covered under the SCT program for between four and seven years. It will be important to provide sufficient time for these beneficiaries to become fully informed about the new data collection processes and consequent eligibility screening that may affect their future inclusion in the program. Consequently, the SSNP has budgeted for the continuation of up to six months of benefits to existing beneficiaries that reside in Bomi and Maryland to allow for adequate communication before recertification.<sup>31</sup>

31. **Size and structure of transfers.** The transfers will have a variable structure based on the size of the households and will be delivered to households on a quarterly basis throughout the year. Based on the economic analysis of the poverty gap and household consumption among extremely poor households, the transfer amount has been pegged at US\$10 to US\$34 per month based on the size of the household. This transfer size, based on international experience, is considered high enough to provide meaningful support to extremely poor households' consumption but low enough to avoid negative incentives (for example, reduced work). It is expected that beneficiary households will receive transfers over roughly a two-year period during the life of the project, depending on when they enter the program. The size of the transfer will be reassessed when the 2014 HIES data becomes available and will be updated if there are changes to the poverty gaps and value of household consumption or the food poverty line. The structure of the transfers is as follows:

**Table 2. 2: Cash Transfers Benefit Scale**

Size of Households	Monthly Transfer Size (US\$)
1	10
2	16
3	22
4	28
5+	34

32. **Screening and enrollment of beneficiaries.** Beneficiary households will be identified through the eligibility screening process (as described under Component 1). Following the data intake and screening process, the SCT Unit will provide the final beneficiary lists to the Community Social Protection Committees (CSPCs), which will announce the lists to the

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<sup>31</sup> Benefits will be provided according to the new payment scale.

community with the support of the SCT Regional Offices and other local authorities. During this announcement process, the wider community will also be provided with details about the project, including beneficiary rights and responsibilities, services to be offered to beneficiaries, duration of the program, as well as information on the GRMs.

33. Once the data intake, screening, and validation processes have been completed, the selected households will be enrolled into the program through the integrated MIS. The SCT Unit, the CSPCs, and the payment agent will hold joint enrollment sessions, targeted to participating households. During enrollment, the designated household head or representative of each selected household will be provided information about the cash transfer component and beneficiary rights and responsibilities (for example, those related to frequency of payments, the co-responsibilities the household is expected to meet, and how to report complaints or grievances). The household representative will also be given an enrollment package, including (a) the project-specific ID; (b) any devices required to receive payment (for example, PIN code, SIM card if payments are mobile); and (c) contact information of the GRM. Following the enrollment session, SCT Unit Regional Office will enter the enrollment status of the selected households into the MIS.

34. **Gender of recipient.** In each targeted household, one female household member will be designated to receive the transfer on behalf of the household, to increase the potential for higher project impacts on nutrition and food security of household members, as well as human capital investments in children. The transfer recipient should be the female member in the household with the most knowledge of or responsibility for household spending and decisions related to maternal and child health.<sup>32</sup> In the Liberian context, it is expected that this will typically be the oldest female household member. Following Liberia's official statistical definitions, for purposes of the cash transfer component, a household will be defined as members of a family that sleep under the same roof or shelter and eat out of the same pot (that is, prepare food together).<sup>33</sup> Only in exceptional cases will the recipient be male; for example, in child-headed households, the child in charge of the household will be the recipient, and in households where there are no females over the age of 18, the male household head will be the recipient. Further details on the implementation of the cash transfers will be detailed in the POM and Cash Transfer Handbook.

35. **Accompanying measures.** Constraints to improved health and nutrition in Liberia include (a) lack of information on good nutrition practices; (b) poor access to nutritious foods, particularly during 'off-season' agricultural cycles; (c) competition between growing food for commercial markets and household consumption; and (d) cultural practices that negatively

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<sup>32</sup> Numerous studies indicate that resources under the mother's control have a stronger positive impact on a child's health (and in some cases schooling) than when those resources are controlled by the father. However, there is little rigorous evidence on whether the sex of a transfer recipient matters for various child outcomes in Africa. A recent study from Burkina Faso (Akresh, R., Walque, D. De, & Kazianga, H. (2013). Cash transfers and child schooling: evidence from a randomized evaluation of the role of conditionality. *World Bank Policy Research*) finds that while giving to mothers seems marginally better for education outcomes, the evidence is more mixed for health outcomes. Investigating the extent to which the sex of the recipient matters and for what outcomes remains an area for future experimental research in African contexts.

<sup>33</sup> The same definition will be applied in the case of polygamous households. Thus, polygamous households will fall under three possible categories: (a) when the whole family lives in one compound and eats out of the same pot, this will be considered one household; (b) when all wives live in their own compound and prepare independent meals, each wife's household will be considered a household; and (c) when multiple wives live in one compound but do not eat out of the same pot, they will be defined as separate households.

impact the variety of foods consumed and methods of preparation. This component will therefore finance accompanying measures to improve food security and nutrition outcomes of the project. Often called ‘co-responsibilities’ or ‘soft-conditions’, these activities will take the form of attendance at complementary information dissemination workshops that will be held at the community level.<sup>34</sup> The cash transfers, combined with these accompanying measures, will provide an opportunity for poor households to improve the quality of their food consumption and nutrition.

36. The accompanying measures will therefore sensitize beneficiary households on the project’s objectives and provide opportunities for them to adopt healthy nutrition practices and livelihood enhancement activities through educational workshops to encourage home gardening and improved nutrition. These objectives are in line with the Food Security and Nutrition Strategy Action Plan (2015–2020) under the Ministry of Agriculture (MoA). The strategy aims to ensure that “all Liberians will have reliable access to the food they need and be able to utilize that food to live active and healthy lives through sufficient food availability.” This will be accomplished through (a) a competitive and sustainable ‘nutrition sensitive’ agricultural sector; (b) improved economic and physical access to nutritious food; and (c) improved nutritional status of vulnerable groups, especially pregnant and lactating women and children under five years through better food utilization.

37. **Home gardening accompanying measures.** This component will support information dissemination sessions to encourage the cultivation of fast-yielding and nutritious foods using improved agricultural methods. Specifically, the component will support the development of a harmonized menu of quick-yielding nutritious food crops that promote food security and improved nutrition. These crops will be detailed in a Home Gardening Handbook, whose preparation will be led by the MoA with support from the project as part of the POM. The menu will be based on the assessment of existing data on food security and diversity data to determine the dietary practices of Liberians in different parts of the country to support the development of nutrition messages specific to each county. The project will further support the development of detailed IEC materials on key messages with regard to improved farming techniques and cultivation of nutritious and quick-yielding crops for cash transfer beneficiaries. The materials will be consistent with current national policies on agriculture and pre-tested to ensure that they are relevant and clear to the cash transfer beneficiaries.

38. Once developed, the MGCSP will continue to work in close coordination with the MoA to disseminate this information to beneficiaries. Implementation of the community workshops will be undertaken by experienced NGOs or Civil Society Organizations (CSOs) who will be recruited by the project. The county agriculture coordinators and district agriculture officers for each region will supervise the implementation of these workshops.

39. In addition, this component will also link beneficiary households to other agronomic support services and programs under the MoA. In particular, beneficiaries will be linked to initiatives that provide improved seeds and tools/equipment to both net producers and consumers of agricultural produce to further boost production of high-yielding nutritious foods. Specific projects include the Innovation Platforms under the West Africa Agricultural Productivity

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<sup>34</sup> While attendance will not be mandatory for beneficiaries to receive the transfers, it will be strongly encouraged.

Project (WAAPP; P094084), as well as other relevant government- or donor-funded programs under the MoA. Further details on linkages with other agricultural productivity activities will be included in the POM and Home Gardening Handbook.

40. **Nutrition accompanying measures.** This component will also support information dissemination sessions to encourage improved nutritional practices among beneficiaries. The MGCSP will collaborate with the Ministry of Health (MoH) to develop a customized package of key messages on nutrition that meet the needs of SCT beneficiaries. These messages will be detailed in a Nutrition Handbook, whose preparation will be led by the MoH with support from the project as part of the POM. The nutrition accompanying measures will be implemented through regular workshops to cash transfer beneficiaries using customized IEC materials. The messages will be developed from existing materials tailored for each county and approved by the MoH (such as the Essential Nutritional Actions booklet). Information dissemination topics and nutrition services may include the benefits of dietary diversity, community food demonstrations, nutrition screening, as well as information dissemination on Infant and Young Child Feeding practices (including early initiation, exclusive breastfeeding, and complementary feeding).

41. In addition, this component will also link beneficiary households to other nutrition-related support services and programs under the MoH, such as micronutrient power supplementation services. The project will utilize existing community health volunteers under the MoH to deliver the IEC sessions. The volunteers will be retrained and equipped under this project as needed to implement these community workshops. Further details on the implementation of nutrition accompanying measures will be included in the POM and Nutrition Handbook.

### **Component 3: Project Management and Capacity Building (US\$1.3 million)**

42. This component will consist of two subcomponents:

43. **Subcomponent 3A: Project Management (US\$1.2 million).** The objective of this subcomponent is to finance project management of the SSNP under the MGCSP. This includes equipment, vehicles, fuel, rental of office space, communications costs, and incremental project-related operating costs under the MGCSP for the implementation of Components 1 and 2 of the project. This support will include the procurement of service providers to implement operational aspects of the SR and SCT program, including data collection, electronic registration, payment mechanisms, and auditing.

44. **Regular monitoring activities.** This component will support regular monitoring activities, including field visits and reporting by the MGCSP, the SCT Unit at the central and local levels, the Liberian Anti-Corruption Commission (LACC), CSOs, and relevant line ministries. A Memorandum of Understanding (MOU) between the MGCSP and LACC will be signed to detail this arrangement. For the field visits, the proposed project will draw from the existing experiences with mobile monitoring initiatives being implemented under the YES Project. The frequency of field visits will be outlined in the POM.



45. **A Midterm Review (MTR)** will be conducted midway through project implementation to reassess progress toward meeting the PDO and propose any required modifications. The MTR is expected to be conducted in June 2018.

46. **Subcomponent 3B: Capacity Building (US\$0.1 million).** This subcomponent will provide capacity building to key stakeholders at the central and local government levels involved in the implementation of the project. This will include training on community communication and sensitization, development and implementation of the GRM, training and coordination workshops on the rollout of the accompanying measures, training on the use of the tools and systems developed under Component 1, and training on the SCT program's operations and the respective responsibilities at the national and local levels. Specifically, the subcomponent will finance knowledge exchange events including seminars at the central and local government levels; program and line ministry staff SP training; line ministry staff travel costs and technical assistance support; and studies that will enhance the SP dialogue in Liberia. This component will also strengthen coordination across relevant ministries and stakeholders, including providing relevant support to the national-, county-, and district-level committees as part of project implementation.

## Annex 3: Institutional and Implementation Arrangements

### Liberia: Social Safety Nets Project

#### Institutional Arrangements

1. **Governance framework.** The Governance Commission, in collaboration with the Ministry of Internal Affairs and the then Ministry of Planning and Economic Affairs, produced the National Policy on Decentralization and Local Governance in 2011. The national policy was developed against the background of the highly centralized governance and public administration system in the country. Various interventions have embraced the spirit of community participation and defined the manner in which the government and its partners, including Civil Society Organizations (CSOs), will promote community participation when implementing or supporting project activities at various levels. To this end, the proposed project will contribute to ‘strengthening the institutional framework for the delivery of national safety nets programs’,<sup>35</sup> and ‘facilitating the oversight of multiple safety net programs by the government and implementing partners’. The institutional framework within which the project will operate is therefore critical to the design of the project.

2. The institutional arrangements of the project are defined at the national, county, district, and community levels, while respecting the cardinal principles of recognizing the distinction between three operational pillars: the authorizing/policy environment, coordination mechanisms, and implementation arrangements (see Figure 3.1). In addition, given the centralized service delivery model in place, sector ministries play an important role in the implementation of the project activities through (a) providing policy guidance as the authorizing environment; (b) coordinating the various actors by level; and (c) executing activities that fall within their mandates.

#### *Policy and Authority*

3. **The Ministry for Gender, Children and Social Protection (MGCSP)** is the parent and lead ministry for SP in Liberia. The Minister of Gender, Children, and Social Protection therefore has the overall responsibility for policy guidance, implementation, and coordination of the project, supported by the deputy ministers responsible for (a) Children and Social Protection and (b) Research, Policy and Planning, with policy guidance from the National Social Protection Steering Committee (SPSC).

4. **National.** The MGCSP is supported in social protection (SP) policy guidance by the SPSC. The Minister for Gender, Children, and Social Protection chairs the SPSC. Members of the SPSC include ministers from the Ministries of Internal Affairs, Agriculture, Health, Education, and Finance and Development Planning. Development partners and CSO representatives also sit on the SPSC. Senior officers from the ministries accompany their ministers to ensure that the policy decisions made are transmitted to the ministries and the National Social Protection Technical Committee (SPTC) for required action.

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<sup>35</sup> Project Appraisal Document: Liberia Safety Nets Project, Section C: Higher Level Objectives to which the Project Contributes.

5. **County.** The County Superintendents are responsible for overseeing and coordinating implementation of government programs, including SP activities at the county level. The County Development Steering Committee (CDSC) is an important platform for discussing SP policies and interventions by the various sectors at the county level. The County Superintendent chairs the CDSC and other members include the paramount chief, legislators, and county sector heads. The County Superintendent, supported by the assistant development and fiscal superintendents, prepares and submits the annual plans and budgets for adoption by the CDSC. Sector ministries deploy staff at the county level who report directly to their respective directors, deputy ministers, and the minister at the national level. The superintendents report directly to the president.

6. **District.** At the district level, the District Superintendent performs a similar role to that of the County Superintendent by working with the District Development Committee (DDC). The membership of the DDC includes the paramount chief, legislators, CSOs, donors, and other community representatives. The DDC is the platform for district authorities and sectors to oversee the activities in the district, including SP.<sup>36</sup> The sector staff, the Social Cash Transfer (SCT) Unit regional coordinators, CSOs, field staff, and service providers will coordinate SP activities such as information dissemination and awareness creation, targeting, registration and payment of beneficiaries, and reporting on the implementation progress of the project at that level. Among the National Social Safety Net (NSSN) Secretariat, field staff active at this level are the enumerators who gather beneficiary data, receive grievances, and support the service providers.

### ***Coordination***

7. Coordination of policy guidelines and decisions, follow-up actions and matters arising therefrom, and implementation issues and actions encountered by teams will take place at the national, county, district, and community levels. Each level will have duly constituted technical committees that will be functional platforms by level—national, county, district, and community—for discussing SP programmatic performance.

8. **National.** The **SPTC** is co-chaired by the Deputy Minister for Children and Social Protection and the Deputy Minister for Research, Policy and Planning of the MGCSP. The committee is accountable to the SPSC and provides technical support to the SPSC in carrying out its coordination function. Members of the SPTC include deputy ministers from the Ministry of Internal Affairs, Ministry of Agriculture (MoA), Ministry of Health ( MoH), Ministry of Finance and Development Planning (MFDP), and Ministry of Education, as well as CSOs and development partners. The SPTC will coordinate the agreed technical and policy aspects of the project. The SPTC is the lead coordination platform that will, on behalf of the SPSC, oversee policy dialogue at the national level; conduct periodic progress reviews to ensure adherence to project operational guidelines; ensure inter-ministerial and inter-agency coordination and cooperation; raise awareness of the SP program; ensure that the SP activities adhere to the sector norms and standards; and forward the county SP reports to the SPSC. The SPTC meets quarterly.

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<sup>36</sup> This is a functional committee at the district level. It provides a platform for technical discussions on the functions of the project.

9. The SPTC, at its discretion, can appoint a **Technical Working Group** accountable to the SPTC comprising professionals from any of the relevant sectors, at the level of sector directors or lower, to be joined by development partners and CSOs who are knowledgeable in implementing SSN activities in their respective areas. The technical functions include raising awareness of the SP program, ensuring that the SP activities adhere to the sector norms and standards, seconding staff to the SP teams, and receiving and reviewing county SP reports before SPTC consideration.

10. **County SPTC.** The county SPTCs (a subcommittee of the CDSC) will be the coordinating forum at the county level. This subcommittee is chaired by the assistant development or fiscal superintendent whose roles and functions include coordinating SP activities at the county level, raising awareness of the SP program, ensuring that the SP activities adhere to the sector norms and standards, seconding staff to the SP teams, and receiving county SP reports. The SCT regional coordinator leads the SCT technical staff at the county level and oversees all SP activities. The MGCSP supervisor at the county level convenes this county SPTC with the support of the SCT regional coordinator. Together, they serve as the secretariat for the county SPTC, convene meetings, and provide follow-up and support to the chair of the committee.

11. **The County Superintendents** are responsible for overseeing the implementation of government programs at the county level. Accordingly, they will be responsible for coordinating the implementation of the project in their areas of jurisdiction through regular coordination meetings as will be described in the Project Operational Manual (POM). They will ensure that technical sector teams at the county level provide the required and relevant implementation support. The County Superintendents will report to the SPSC.

12. **District.** At the district level, the existing technical staff comprising the District Superintendent, the MGCSP officer, agriculture extension staff, health and education officers, and other relevant technical staff will be directly involved in supporting their sector-related activities, coordinating the program, and communicating with communities during key implementation processes. District health officers who oversee the nutrition supervisor will provide technical leadership on nutrition, while the district agricultural officers will contribute to the home gardening accompanying measures under this project.

13. **Community.** The **CSPCs** are the key coordinating institutions at the community level for the project. The membership will comprise a community chief, a female leader, a youth leader, a religious leader, a community elder, two trusted members of the community selected by the beneficiaries, and a professional person residing in the community of implementation (for example, teacher, health worker, or administrator). It is anticipated that the group will have a maximum of five to seven members and include at least three female members. The coordination functions of the CSPCs include the following: mobilizing community members for introductory meetings; attending committee meetings; and ensuring that the beneficiaries are aware of and participate in project meetings, such as those relating to the data collection, program enrollment, payment delivery, grievance redress processes, and information sessions on the accompanying measures.

## ***Implementation***

14. **The Minister for Gender, Children and Social Protection** will bear the overall responsibility of ensuring the effective implementation of this project. The Minister will report to the cabinet, parliament, and the president on the overall project implementation progress. The Minister will be supported by (a) the Deputy Minister for Children and Social Protection, who will be responsible for the SCT Unit and (b) the Deputy Minister for Research, Policy and Planning, who will be responsible for the Social Registry (SR) Unit.

15. The **NSSN Secretariat**, headed by a social protection program coordinator, will serve as the Project Implementation Unit of the project and oversee overall implementation and coordination of the project under the MGCSP. It will include the **SCT and SR Units**, each one of which will be headed by a manager. The secretariat will execute the following functions: (a) liaise with the Project Financial Management Unit (PFMU) of the MFDP on all project-related Financial Management (FM) activities; (b) undertake procurement activities of the project; (c) collate and submit project annual work plans and budgets, quarterly reports, and Procurement Plans; (d) develop and update the POM and related handbooks, establishing appraisal mechanisms; (e) work collaboratively with the SCT and SR Units to ensure consistent and regular flow of information between internal and external audiences; and (f) provide coordination and technical support for project implementation. Staff of the Secretariat will include (a) social protection program coordinator; (b) FM specialist; and (c) procurement specialist.

16. The **SCT Unit** will report to the Deputy Minister responsible for Children and Social Protection through the NSSN Secretariat program coordinator. The unit will be responsible for key implementation functions, particularly those related to the cash transfer program. It will be staffed with a technical team of national and international experts, including (a) SCT program manager, (b) Monitoring and Evaluation (M&E) specialist, (c) operations officer, and (d) communications officer. There will also be staff responsible for the enrolment, payment delivery and reconciliation, and coordination of accompanying measures. The SCT Unit will perform, among others, the following functions: (a) design and update SCT program guidelines and operational procedures; (b) generate evidence and utilize it to inform policy; (c) receive and address grievances that have been escalated to the national level; (d) prepare annual work plans, budgets, and quarterly reports for the unit; and (e) facilitate training at various levels.

17. **The SR Unit** will be responsible for the development of effective safety net delivery systems, particularly the SR and integrated MIS. The team will report to the Deputy Minister for Research, Policy, and Planning of the MGCSP through the NSSN Secretariat program coordinator. The unit will be headed by an SR program manager and will include: (a) an MIS Unit (to include a database administrator, systems analyst, network administrator, software developer, web developer, and quality control officer); (b) operations and logistics specialist; and (c) GRM officer. The SR Unit will perform, among others, the following functions: (a) develop effective SP systems (for example, data intake and household registration, eligibility screening, payments, and grievance redress); (b) manage the SCT program data through a robust MIS; (c) design and update the SR and MIS guidelines and operational procedures; (d) receive and address grievances that have been escalated to the national level; (e) prepare annual work plans, budgets, and quarterly reports for the unit; and (f) facilitate training at various levels.

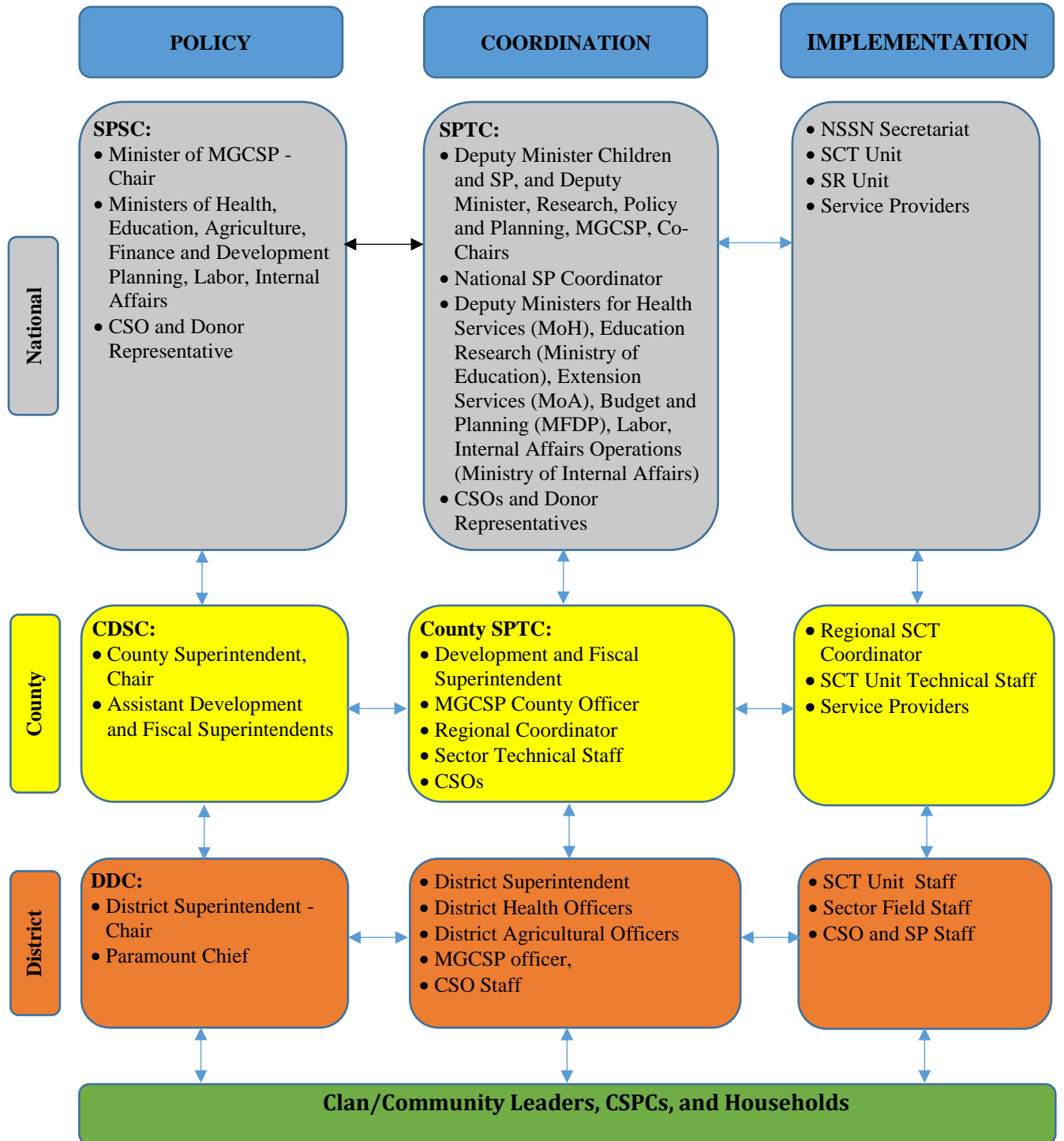
18. **The MoH** will support project implementation by providing technical and implementation support on nutrition-related accompanying measures. In particular, the MoH will (a) provide the available nutrition sector norms and standards; (b) provide design inputs and updates to existing nutritional messages; (c) provide technical expertise and staff to support nutrition-related implementation activities at the community level; and (d) ensure linkages with existing health and nutrition programs.

19. **The MoA** will also provide technical and implementation support on home gardening and food-security-related activities. In particular, the MoA will (a) provide the available agricultural sector norms and standards; (b) provide design inputs and updates to existing agriculture and food security messages; (c) ensure linkages with existing agricultural programs; and (d) provide technical expertise and staff to support agriculture-related implementation activities at the community level. Where applicable, the MoA will ensure linkages of the beneficiary communities to other programs and research institutions for the provision of agricultural technology and improved seeds.

20. An inter-ministerial MOU will be entered into between the MGCSP, MoA, and MoH, detailing the arrangements for the implementation of nutrition and home gardening accompanying measures by level of operation, that is, national, county, district, and community.

21. **The CSPCs** implementation functions include leading community sensitization about the program aims, objectives, and entitlements; educating household representatives on the terms of project participation including communicating payment period dates, modality, and redress mechanisms to beneficiaries; keeping records and informing the SR and SCT Units field staff/enumerators of any changes in the household condition (for example, household exiting, death, and migration); educating beneficiaries to adhere to their co-responsibilities; participating in targeting including identifying eligible and validating beneficiaries; and ensuring that beneficiaries receive their transfers. Further details on the functions of the CSPC will be detailed in the POM.

**Figure 3.1: Institutional Arrangements for the SSNP**



## **Financial Management, Disbursements, and Procurement**

### ***Financial Management***

22. An FM risk assessment was conducted for the **SSNP** on October 22, 2015. Given that the PFMU is currently managing the fiduciary services for Bank-financed projects in Liberia, the project will build on the existing FM arrangements that have been assessed as adequate for ensuring that (a) the funds are used only for the intended purposes in an efficient and economical way; (b) accurate, reliable, and timely periodic financial reports are prepared; (c) the entity's assets are safeguarded; and (d) adequate fiduciary assurances are provided through an independent audit of the project. The overall residual FM risk for the project has been assessed as Substantial given the cash transfers risks including the risk in beneficiaries targeting, which has been a major challenge for cash transfer programs; weak systems that affect transparency and ensuring accountability, and the high cost of transferring benefits for cash transfer programs.

### ***Overview of Financial Management Arrangements***

23. Accounting functions for the project will be undertaken by the PFMU. The PFMU is being managed by a qualified professional accountant and well-experienced manager who has great exposure in Bank-assisted projects. The PFMU is adequately staffed with qualified project accountants and an experienced accountant will be deployed to the project by the PFMU. The project accountant will be supported by a finance officer assigned to the project.

### ***Budgeting***

24. The project team, together with the **accountant**, will be responsible for preparing the annual work plan and budget (AWPB) based on the agreed program to be financed. The key components will be included in the AWPB to be reviewed and agreed by the Bank. The Bank will issue a no-objection to the AWPB for the project to begin implementation. The budget will be included in the quarterly unaudited financial statements for monitoring purposes. The implementation progress against the work plan and budget for the planned project expenditures under each disbursement category/component is normally monitored by the project management. This arrangement will apply for the proposed project. However, with the configuration of donor-funded projects into the Integrated Financial Management Information System (IFMIS) FreeBalance accounting system, likely initial glitches for the FreeBalance budget module may affect the budgeting for the project. This risk will be mitigated by training the project staff on the budget module of the FreeBalance.

### ***Internal Controls and Audit***

25. The PFMU has laid down internal control procedures and processes that ensure that transactions are approved by the appropriate personnel. The internal control procedures also ensure the segregation of duties among approval, execution, accounting, and reporting functions. The PFMU has a centralized Internal Audit Unit with qualified internal auditors who conduct risk-based internal audit reviews of Bank-assisted projects. This unit, headed by a certified fraud examiner, will be responsible for the internal audit functions of the project. The adequacy of the internal controls will be reviewed periodically by the PFMU manager. The internal auditor will generate quarterly internal reports covering the activities of the project and submit the report to



the Bank and other stakeholders within 45 days after end of each quarter. The project will maintain a fixed assets register at all times to correctly reflect assets acquired or created under the project. The internal auditor and the project management will be expected to build adequate internal controls around the cash transfers. Specifically, they should build controls around:

- Beneficiaries data collection and eligibility screening, which has been a major challenge for cash transfer programs being supported by several other development partners;
- Systems that promote transparency and ensure accountability; and
- The high cost of transferring benefits for cash transfer programs.

26. The mobile money cash transfer being an innovative aspect of the payments system will be tested under the proposed project, including file encryption procedures to improve data security, improvements in the manual payment system, and the piloting of an electronic payments platform. A GRM with clear responsibilities for the collection and resolution of complaints from the community to the national level should be developed and included in the POM.

### ***Accounting and Maintenance of Accounting Records***

27. Accounting for the use of the project funds will be carried out by the PFMU using the SUN accounting system. The system provides for adequate recording of all accounting transactions for the project. The PFMU also prepares annual financial statements at the end of each fiscal year in accordance with International Public Sector Accounting Standards–cash basis. However, given the special-purpose nature of the project financial statements, advances granted by the project will be secured with a bank guarantee. Such advances will not be recognized as expenditures until the goods and/or services have been delivered by the contractors. The IFMIS FreeBalance accounting system is being deployed to the donor-funded projects and the project accounting might migrate to the IFMIS when deployed. Initial glitches by the deployment of the IFMIS may affect the accounting for the project. This risk will be mitigated by training the project staff on the accounting and financial reporting modules of the FreeBalance accounting system. The PFMU is endowed with qualified accountants capable of managing the accounts of the project. As part of FM capacity building for the MGCSP, the finance officer in the NSSN Secretariat will interface with the PFMU in the processing of financial transactions. This will also allow the PFMU to build his/her capacity in the management of the resources of Bank-supported projects.

### ***Periodic Financial Reporting***

28. The PFMU is responsible for preparing the quarterly unaudited financial reports (IFR). The PFMU submits the IFR to the Bank 45 days after the end of each quarter. The program manager of the SSN reviews and signs off on the IFR before the PFMU submitting the IFR to the Bank. The existing IFR arrangement including the IFR format currently in use at the PFMU will apply for the SSNP. The IFR will consist, at a minimum, of (a) sources and uses of funds (summary of expenditures shown under the main program headings and by main categories of

expenditures for the period); (b) use of funds that will identify individual beneficiary recipients by their name, beneficiary ID number, telephone number (if available), and their location (county, district, clan, and town); (c) notes to the financial statements, including background information on the project, the accounting policies, detailed analysis, and relevant explanation of the main accounts or major balances. In addition, the project shall provide, as an annex to the financial statements, an inventory of fixed assets acquired according to asset classes, dates of purchase, location, and cost.

### ***External Audit Arrangements***

29. Rendition of annual audited financial statements will continue to be required for the project in accordance with the provision of the financing agreement for the project. The General Auditing Commission is responsible for auditing the financial statements of the project. However, the General Auditing Commission may elect to subcontract an independent auditor to carry out the audit. The audited accounts, if conducted by a subcontracted independent auditor, will be certified by the auditor general. The TOR of the auditors will be cleared by the Bank. The project audit will comprise the audited accounts and the management letter and the auditor will be expected to express a single opinion to cover the project financial statements in accordance with the Bank's audit policy. The audit will be done in accordance with the International Association of Supreme Audit Institutions Guidelines, or International Standards on Auditing if conducted by a subcontracted independent auditor. The auditors' report and opinion in respect of the financial statements, including the management letter for the project, will be furnished to the Bank within six months after the end of the GoL fiscal year.

### ***Funds Flow and Disbursement Arrangements***

30. Funds will be disbursed directly into a Designated Account (DA) to be set up and managed by the PFMU. This account will be established in U.S. dollars at a commercial bank acceptable to the Bank or the Central Bank of Liberia. The accountant will submit a withdrawal application for the initial deposit and an initial advance according to the disbursement letter will be provided to the project. Replenishments, through fresh withdrawal applications to the Bank, into the DA will be made subsequently, at minimum of monthly intervals, but such withdrawals will equally be based upon documentation of prior funds received in the DA through the statement of expenditure. Supporting documentation will be retained by the PFMU on behalf of the implementing MGCSP. The statement of expenditure disbursement method will be used as the basis for the withdrawal of loan proceeds. The project disbursement method provides for the use of advances, reimbursements, and direct payments as applicable disbursement methods, and these will be specified in the disbursement letter. Table 3.1 details the categories of Eligible Expenditures that will be financed out of the proceeds of the credit.

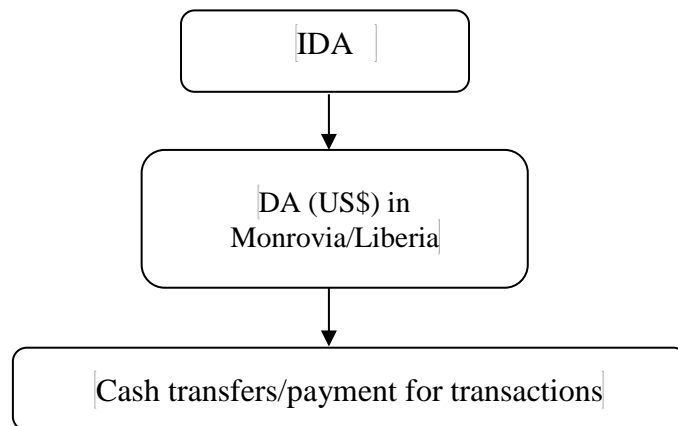
**Table 3. 1: Categories of Eligible Expenditures and Credit Allocations**

<b>Category</b>	<b>Amount of the Credit Allocated (expressed in SDR)</b>	<b>Percentage of Expenditures to be Financed (inclusive of Taxes)</b>
(1) Goods, non-consulting services, consultants' services, Training and Operating Costs under Parts 1, 2.B and 3 of the Project	1,400,000	100%
(2) Cash Transfers under Part 2.A of the Project	5,900,000	100%
<b>TOTAL AMOUNT</b>	7,300,000	

31. Any advances made for contracts will be secured by a bank guarantee or performance-based bonds and a retention amount withheld. Such advances shall not be recorded as expenditure until the contracts have been delivered satisfactory to the project.

32. Cash transfers will be effected to registered beneficiaries using the commercial banks and cash agents. There are inherent risks associated with the cash transfers system and adequate mitigating safeguards will have to be put in place. These risks include the risk in beneficiaries targeting, which has been a major challenge for cash transfer programs; weak systems that affect transparency and ensuring accountability, and the high cost of transferring benefits for cash transfer programs. The Bank team will support the project management to build the required safeguards for the cash transfers. The funds flow diagram is as follows:

**Figure 3. 2: Disbursement Flow**



## ***Conclusion***

33. A description of the project's FM arrangements above indicates that they satisfy the Bank's minimum requirements under OP/BP 10.00 Investment Project Financing. The overall FM risk is assessed as Substantial.

## ***Supervision Plan***

34. Consistent with the risk rating, an annual FM implementation support mission will be carried at the MGCSP/PFMU for the project. The FM supervision missions' objectives will include reviewing the adequacy of the FM systems for the project.

## ***Procurement***

35. **Procurement** of goods and works and the selection of consultants will be carried out in accordance with: (a) Guidelines: Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers, dated January 2011 and revised in July 2014; (b) Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers, dated January 2011 and revised in July 2014; and (c) Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants, dated October 15, 2006, and revised in January 2011; and (d) provisions stipulated in the Credit Agreement, including the exceptions to NCB procedures.

36. A Procurement Plan (PP), dated March 2, 2016 acceptable to the Bank, covering at least the first 18 months has been prepared. For each contract to be financed by the credit, the different procurement methods or consultant selection methods, the need for prequalification, estimated costs, prior review requirements, and time frame have been agreed by the borrower and the Bank in the PP. The PP will be updated at least semiannually or as required, to reflect the actual project implementation needs and improvements in institutional capacity.

37. A General Procurement Notice will be prepared and submitted to the Bank for publication in the United Nations Development Business and on the Bank's external website and shall also be published in at least one national newspaper after completion of appraisal of the project. Specific procurement notices for all goods and works to be procured under International Competitive Bidding (ICB) and expressions of interest for all consulting services to cost the equivalent of US\$200,000 and above will also be published in the United Nations Development Business, the Bank's external website, and the national press. For works and goods using NCB procedures, the Specific Procurement Notice may be published only nationally in at least one newspaper of wide circulation within Liberia and a web portal that is publicly accessible.

38. **Procurement under the project** will not include works contracts but will involve consulting services; goods and equipment; non-consulting services; and training, study tours, conferences, and workshops.

39. **Consulting services** will include contracts for the development of tools for management of SP data; data collection and registration processes; design of IEC messages for the registration of beneficiaries, advocacy of cash transfer interventions, payment delivery services, and

community awareness; process evaluation; design and implementation of the GRM; assessment of the design and performance of the project for the MTR; and financial audits. Contracts for consulting services, each estimated to cost US\$200,000 equivalent or more, will be awarded following the procedure of Quality- and Cost-Based Selection (QCBS). Consulting services estimated to cost US\$100,000 but less than US\$200,000 per contract under this project will be procured following the procedures of Quality-Based Selection (QBS), Selection under a Fixed Budget (FBS), Least-Cost Selection (LCS), Selection Based on Consultants' Qualifications, and as will apply to the circumstances as described between paragraphs 3.2 and 3.7 of the Consultant's Guidelines. Assignments for selecting financial auditors will use the LCS method. For all contracts to be awarded following QCBS, QBS, FBS, and LCS, the Bank's Standard Request for Proposals will be used. Procedures of selection of individual consultants (ICs) will be followed for assignments that meet the requirements of paragraphs 5.1–5.5 of the Consultant Guidelines. Procedure of Single-Source Selection (SSS) will be followed for assignments which meet the requirements of paragraphs 3.8–3.11 (for firms) and paragraph 5.6 (for ICs) of the Consultant Guidelines and will always require the Bank's prior review regardless of the amount. Short lists of consultants for services estimated to cost less than US\$200,000 equivalent per contract may be composed entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines, if in-country capacity exists. Consultancy services estimated to cost above US\$100,000 per contract for firms, contracts for individuals for assignments estimated to cost above US\$50,000, and SSS of consultants (firms and individuals) will be subject to prior review by the Bank.

40. **Goods and equipment** will include contracts for motor vehicles; office equipment; data storage infrastructure; and an MIS. The procurement of goods will be done using the Bank's Standard Bidding Document (SBD) when using the ICB or Limited International Bidding methods, which will apply for contracts valued at more than US\$500,000 equivalent and be subject to prior review by the Bank. National SBD agreed with or satisfactory to the Bank may be used when other procurement methods are used. Contracts valued at less than US\$500,000 and more than US\$50,000 equivalent per contract may be procured under NCB procedures modified according to the exceptions below. Irrespective of this, NCB contracts deemed complex or subject to risks will be identified in the PPs and prior reviewed. Contracts estimated to cost less than US\$50,000 equivalent per contract will be procured using shopping procedures based on a model request for quotations satisfactory to the Bank. Direct contracting may be used where necessary, subject to the Bank's no-objection.

41. **Non-consulting services** will include contracts for e-payment services and agent-based payment services. These will be procured using ICB or NCB procedures depending on the value of the specific contract using the Bank's sample bidding document for the procurement of non-consultant services.

42. **Training, study tours, conferences, and workshops** are expected for the promotion of the accompanying measures and overall capacity building of stakeholders of the project. Training workshops (including training material and support), conference attendance, and study tours will be carried out based on approved annual training and allied activities plan. A detailed training and workshops plan giving nature of training/workshop, number of trainees/participants, duration, staff months, timing, and estimated cost will be submitted to the Bank for review and approval before initiating the process. The selection methods will derive from the activity

requirement, schedule, and circumstance. After the training, the beneficiaries will be requested to submit a brief report indicating what skills have been acquired and how these skills will contribute to enhance their performance and contribute to the attainment of the project's development objective.

43. **Operating costs.** Incremental recurrent expenditures during project implementation, including maintenance of vehicles, fuel, equipment, office supplies, utilities, consumables, banking charges, advertising expenses, internet service, car insurance, travel, per diems, and accommodations, but excluding salaries of civil and public servants, will be procured using the implementing agency's administrative procedures reviewed and found acceptable by the Bank.

44. **Assessment of the agency's capacity to implement procurement** was carried out in November 2015 for the MGCSP. Public procurement in Liberia is governed by the Public Procurement and Concessions Act amended and restated in September 2010, which established the Public Procurement and Concessions Commission as the oversight authority. The Public Procurement and Concessions Commission has published national SBDs and is mandated to prior review public contracts above set thresholds though it faces capacity constraints that affect its role to post review public contracts. National procurement procedures of Liberia are generally adequate except for areas of the national regulations that are inconsistent with Bank procurement policy like the use of vendor registration and the preference of SMEs. In compliance with the Public Procurement and Concessions Act, the MGCSP is a procurement entity with a procurement unit and procurement committee. Procurement at the MGCSP is headed by a qualified procurement director leading a team of three other procurement staff, all of whom have limited experience with Bank-financed procurement. Procurement record management will also require improvement. NCB practices include advertising invitations and public bid opening while other procurement procedures require competition including the comparison of proposals/quotations. However, regulation 22(3) restricts bidding to only domestic businesses. The assessment of the procurement risk has been influenced by the following: (a) the current procurement management system of the MGCSP does not follow a clear manual of procedures; (b) the procurement staff of the MGCSP have limited experience with Bank-financed procurement, and combined with other duties, the staff may not be able to focus adequately on SSNP procurement management; (c) record keeping needs improvement; and (d) there is inadequate physical space and equipment for the procurement unit to operate efficiently.

45. The overall procurement risk is therefore rated High.

46. **Procurement risk mitigation measures.** The following measures will be adopted under this project: (a) The MGCSP will be responsible for procurement planning and implementation and oversee project procurement activities by the NSSN Secretariat; (b) An international project procurement specialist position has been established in this secretariat and the qualifications and experience of the procurement specialist to be hired will have to be satisfactory to the Bank; (c) A project procurement procedures manual satisfactory to the Bank will be prepared for use by staff working on the project; (d) The MGCSP and NSSN Secretariat staff involved in project procurement will be required to undertake basic procurement training; (e) The project will designate specific staff responsible for procurement data management; and (f) the procurement unit will be adequately equipped to produce documents on time.

47. **Implementation support for procurement.** Bank procurement specialists will regularly participate in implementation support missions to assist in monitoring procurement procedures and plans. The PP indicates those contracts that are subject to prior review. All other contracts are subject to post review. During the regular implementation support missions, the PPs will be updated at least twice each year (or more often, as required, to reflect the actual project implementation needs). During every implementation support mission, the Bank procurement specialist will conduct strategic inspections and ex post review of procurement contracts. The statutory post procurement reviews will be carried out annually.

48. **Exceptions to NCB procedures.** The following provisions will apply to the procurement of goods, works, and non-consulting services under NCB procedures: (a) Foreign bidders shall be allowed to participate in NCB procedures; (b) Bidders shall be given adequate time but not less than 15 days to prepare and submit bids from the date of the invitation to bid or the date of availability of bidding documents, whichever is later; (c) No domestic preference shall be given for domestic bidders and for domestically manufactured goods; and (d) In accordance with paragraph 1.16 (e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the credit shall provide that: (i) the bidders, suppliers, contractors, and subcontractors shall permit the Bank, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract and to have these accounts and records audited by auditors appointed by the Bank and (ii) the deliberate and material violation by the bidder, supplier, contractor, or subcontractor of the provision may amount to an obstructive practice as defined in paragraph 1.16 (a) (v) of the Procurement Guidelines.

49. **Procurement Plan.** The borrower has prepared and furnished a PP covering at least the first 18 months of the project to the Bank for its approval. For each contract to be financed by the credit, the different procurement methods or consultant selection methods, the need for prequalification, estimated costs, prior review requirements, and time frame have been agreed by the borrower and the Bank in the PP. The following prior review and method thresholds have been set for the project based on the procurement risk rating. The PP will be updated at least semiannually or as required to reflect the actual project implementation needs and improvements in institutional capacity.

**Table 3. 2: Thresholds, Procurement Methods, and Prior Review**

Number	Expenditure Category	Contract Value Threshold** (US\$)	Procurement Method	Contracts Subject to Prior Review
1	Goods and non-consulting services other than consulting services	Value $\geq$ 500,000	ICB / Limited International Bidding	All contracts
		$\leq$ 50,000 value < 500,000	NCB	Specified contracts as will be identified in the approved PPs
		C<50,000	Shopping	Prior reviews of first five contracts
		All values	Direct contracting	All contracts

2	Consulting services	Value $\geq$ 200,000 (firms)	QCBS / QBS	All contracts
		$\leq$ 100,000 value < 200,000 (firms)	LCS, FBS, and Selection Based on Consultants' Qualifications	All TORs by task team leader and prior review for first three contracts
		Value $\geq$ 50,000 (individuals)	Individual Consultant	All contracts
		Value < 50,000 (individuals)	Individual Consultant	Only TORs (except for the hiring of lawyers and procurement specialists).
		All values	SSS	All contracts
3	Training, workshops, and study tours	All values	Based on approved AWPB	Approved by task team leader when due

Note: \*\*These thresholds are for the purposes of the initial PP for the first 18 months. The thresholds will be revised periodically based on reassessment of risks. All contracts not subject to prior review will be post reviewed.

50. **Frequency of procurement supervision.** In addition to the prior review supervision to be carried out from the Bank offices, the implementation support **missions at least twice a year will include a procurement specialist** visiting the project to carry out sample but strategic post review of procurement actions. Annual procurement post reviews for the Bank portfolio in Liberia will cover at least 15 percent of the contracts subject to post review.

51. **Contracts disbursements status reports.** As part of the project reports, the MGCSP will submit contract management and expenditure information in quarterly reports to the Bank. The procurement management report will consist of information on procurement of goods, works, and consultants' services and compliance with agreed procurement methods. The report will compare procurement performance against the plan agreed at negotiations and, as appropriate, update at the end of each quarter. The report will also provide any information on complaints by bidders, unsatisfactory performance by consultants or suppliers, and any information on contractual disputes.

52. **Publication of awards and debriefing.** Publication of results of the bidding process for goods contracts and for consultant contracts will be in compliance with paragraph 7 of Appendix 1 of the Procurement and Consultant Guidelines, respectively. Publication of all other procurement activities, including debriefing and review, shall be subject to the relevant stipulations in the Liberian Public Procurement and Concessions Act.

53. **Fraud and corruption.** All procuring entities as well as bidders and service providers, that is, suppliers, contractors, and consultants, shall observe the highest standard of ethics during the procurement and execution of contracts financed under the project in accordance with all the above Bank guidelines governing procurement under this project.



*Environmental and Social (including Safeguards)*

54. Negative environmental impacts are not anticipated because of the direct interventions of the proposed project. No environmental impact assessment is required as the project is rated as **category C**. No special implementation arrangements relating to the environment are required. This will normally be a part of an environmental impact assessment report or an environmental management framework for the project.

55. This project does not generate any significant adverse social impact and as such does not trigger OP 4.12 Involuntary Resettlement. From a social standpoint, the project is rather intended to be socially very positive by supporting extremely poor households to reinforce human capital investments, particularly those associated with maternal and child health and education for children. Some social issues, however, that could potentially occur in this project include (a) errors and complaints of exclusion; (b) reduced, missing, or delayed payments; (c) misapplication of funds by beneficiaries; and (d) elite capture. The project's targeting system will need to ensure that the extremely poor households are the beneficiaries. Also, an electronic payment system may be used, if feasible given network coverage and adoption of cell phone, to improve the timeliness and predictability of cash transfers and minimize the potential for elite capture. The project also includes monitoring and GRM, which will ensure accountability and help address issues as they occur. Citizen's engagement to provide feedback on the project efficiency at some intervals during the project implementation will be undertaken.

## **Annex 4: Implementation Support Plan**

### **Liberia: Social Safety Nets Project**

#### **Strategy and Approach for Implementation Support**

##### **Implementation Support Plan**

1. The Implementation Support Plan takes into consideration the fact that the Social Safety net Project (SSNP) marks a significant shift in objectives and procedures, the need to support the government through this transition, and other identified program risks. The plan also recognizes the inadequate capacity environment in which the project will be operating. It recognizes that the government will benefit from increased hands-on technical support and capacity building, learning by doing, and interaction with development partners and Civil Society Organizations (CSOs), which will enable a constructive dialogue to address emerging issues as the program is rolled out. While the Government and its implementing agencies remain responsible for program implementation, the responsibility for resolving challenges constraining achievement of the Project Development Objective (PDO) will be shared by all stakeholders, including the government, CSOs, and development partners.
2. The Bank task team leader, supported by a technical team, will provide implementation support from the Bank.
3. Development partners and CSOs are part of the National Social Protection Technical Committee (SPTC) focused not only on the project but also on wider safety nets activities. For the first 18 months of implementation, the committee will meet bimonthly to support the effective coordination of cash transfer programs in Liberia. Thereafter, the meetings will be at quarterly intervals.
4. Through the SPTC, development partners and CSOs will have the opportunity to comment on the terms of reference for the various process evaluations and spot checks programmed for the early years of implementation and the opportunity to hear and discuss their findings. In addition, they will have the option of participating in the regular rapid response team visits which aim to provide troubleshooting support to the counties and communities during the early years of implementation.
5. The development partners and the Government will conduct yearly joint implementation support missions twice a year. Initially, these missions will likely focus on rollout and implementation issues and in later years will also attempt to review progress toward achieving intermediate outcomes. Since most personnel involved in the SSNP are based in Monrovia, the regional and county coordinators will facilitate missions that will be carried out to deal with issues requiring urgent attention on Financial Management (FM), procurement, safeguards, and governance. A project rollout plan has been prepared and agreed upon between the Bank and the government.
6. In addition to the joint implementation support missions, a Mid-term Review (MTR) will be carried out during the implementation of the first phase to assess if the project design assumptions are still valid. Missions and reviews will be complemented by external reviews that

will include the following areas: FM, procurement, Monitoring and Evaluation (M&E), and technical audits.

*Main Areas of Focus with Regard to Support to Implementation*

<b>Time</b>	<b>Focus</b>	<b>Skills Needed</b>	<b>Resource Estimate</b>	<b>Partner Role</b>
First 12 months	<ul style="list-style-type: none"> <li>Capacity building for systems development and initial rollout interventions</li> <li>FM for capacity building</li> <li>Procurement</li> </ul>	<ul style="list-style-type: none"> <li>Development of SR data storage infrastructure and MIS; knowledge in establishing the eligibility screening mechanism, enrollment system, and grievance redress system.</li> <li>FM</li> <li>Procurement</li> </ul>	US\$100,000	TA
12–48 months	Systems maintenance	Systems development and management	US\$75,000 per year	TA
Other	Institutional development	Organization development	US\$25,000 per year	–

*Skills Mix Required*

<b>Skills Needed</b>	<b>Number of Staff Weeks per Year</b>	<b>Number of Trips per Year</b>	<b>Comments</b>
Procurement	4	2	Nairobi based
Social specialist	1	1	Ghana based
Environment specialist	1	1	Ghana based
FM specialist	4	–	Country office based
ICT support	3	1	Headquarters based
Agricultural expertise	2		Country office based
Health/nutrition expertise	2	2	Headquarters based
M&E specialist	2	2	Headquarters based
Communications specialist	3	1	Uganda based
Sector specialist (in-country implementation support)	12	–	Country office based
Sector specialist (cash transfer)	4	2	Headquarters based
Sector specialist (SP systems)	4	2	Headquarters based
Sector specialist (screening/identification)	4	2	Headquarters based
Task team leader	8	2	Headquarters based

*Partners*

<b>Name</b>	<b>Institution/Country</b>	<b>Role</b>
World Bank	Liberia	Fiduciary, safeguards, and program management; M&E; systems development cash transfers and public works; and pre-employment and life skills support
United Nations Development Program	Liberia	Cash transfer programs
USAID	USA	Systems development and implementation; electronic payments; and capacity building
WFP	Liberia	Information on food insecurity and assistance
UNICEF	Liberia	Capacity building, IEC, and M&E

## Annex 5: Detailed Economic Analysis

### Liberia: Social Safety Nets Project

1. This economic analysis provides an ex ante estimate of the program’s potential impact on poverty head count, poverty gap, and Gini coefficient for different benefit scenarios and targeting accuracy levels. The first step in the analysis is to assess the transfer size in the existing programs and then anchor the scenarios around the existing benefit level if deemed appropriate. The data used to support this analysis is the Liberia 2007 Core Welfare Indicators Survey (2007 CWIQ),<sup>37</sup> which is the latest nationally representative data available that includes household consumption aggregates and poverty lines. For the purpose of the SSNP, the analysis is conducted on extremely poor households only, rather than extremely poor and labor-constrained households that were targeted in the pre-existing programs.

2. **Determining the benchmark benefit level.** In both the Social Cash Transfer (SCT) pilot and the Social Cash Transfer in Response to EVD Outbreak in Liberia (SCT-REPLI) Project, targeted households received a baseline package of US\$10–25 a month as part of the overall cash transfer. This is compared to households’ average consumption gap with the 2007 food poverty line. The food poverty line was determined based on the cost of a food basket providing 2,400 Kcal per day per adult equivalent. According to this line, an equivalent of an adult requires US\$14–20<sup>38</sup> a month to meet the required calorific intake depending on the exchange rate. Larger households require higher total consumption to meet the food poverty line, which is calculated at the household level. The size of the cash transfer designed in both SCT programs therefore takes the size of recipient household into consideration. For both programs, the basic package is the following:

**Table 5. 1: Basic Benefit Level in the SCT Program**

Household Size	Standard Transfer (US\$)
1	10
2	15
3	20
4+	25

3. The basic package was appropriately designed according to the findings in previous analyses as well as the Bank’s latest analysis on the 2007 CWIQ data. The SCT-REPLI Project provided the opportunity to assess the food poverty gap using the 2007 CWIQ data. This determined that although the food poverty gap varies with seasonality and household composition, the inherited transfer amount of US\$10–25 per month from the SCT pilot program is in the correct range, particularly given Ebola response top up component covering the additional needs of households recovering from the impacts of the outbreak.

<sup>37</sup> The more recent 2010 CWIQ and 2013 Demographic Health Survey data did not collect consumption information. The team was not granted access to use the 2014 HIES, but this will be publicly released in early 2016.

<sup>38</sup> At 2007 Purchasing Power Parity.

**Table 5.2: Average Consumption Gap among Households in Food Poverty**

<b>Household Size</b>	<b>Share of Food Poor Households (%)</b>	<b>Average Food Poverty Gap (2007 Exchange Rate)</b>
1	1.7	US\$6.80
2	7.0	US\$6.84
3	7.8	US\$19.62
4+	83.5	US\$33.55

4. In addition to the basic package, the cash transfer programs also included some add-on components. Specifically, the SCT pilot included an additional amount to the recipient households for each child in primary school and secondary school. In the SCT-REPLI Project, an Ebola response top up component is included in the transfer package as the crisis has forced households to resort to negative coping strategies. The benefit level effectively doubled for the recipient households as a result. Additionally, grants are also given to households that provide foster care for Ebola Virus Disease (EVD) orphans. However, these add-ons, especially the component that doubled the basic package in the SCT-REPLI Project, are not suitable benchmarks because the additional grants in the SCT-REPLI Project are designed specifically for EVD response and will make the total benefit level far exceed the average food poverty gap.

5. Furthermore, the US\$10–25 range for the basic package is politically supportable and logistically feasible to maintain, particularly since the Social Safety Net Project (SSNP) will continue to cover the same counties in the previous two programs. With all the above considerations, the US\$10–25 scale has been selected as an initial benchmark benefit level for the simulation exercise, at a monthly average of US\$24. This is calculated using the share of extreme poor households in the 2007 CWIQ data and the initial transfer sizes. The shares for the households with 1, 2, 3 and 4 plus members are 1.7 percent, 7.0 percent, 7.8 percent, and 83.5 percent, respectively, as listed in table 5.2.

6. As part of the economic analysis, a few other benefit levels are also considered besides the US\$24 benchmark. The rationale for considering the other benefit levels includes the following: (a) The Ebola crisis is estimated to cost a 3.4 purchasing power reduction in Gross Domestic Product (GDP) in 2014 and 5.8 purchasing power reduction in GDP in 2015 under the most moderate estimate,<sup>39</sup> and given that over 50 percent of the population lives in poverty, their demand for cash assistance is anticipated to be higher than pre-crisis levels; (b) Despite the recent crisis, overall poverty has been downward trending since 2007 when the CWIQ data was collected; and (c) Purchasing Power has decreased meaning that the US\$10–25 scale used under the SCT program is worth less today than it was when initially implemented.

7. Considering these factors, options both below and above the average US\$24 are considered as a sensitivity test and a series of ex ante simulations are conducted to compare potential impact of the cash transfers on poverty measures for different benefit levels. Specifically, options for US\$15, US\$20, and US\$30 per month are also explored. In particular, the US\$30 option provides room to account for reduction in purchasing parity of the dollar today

<sup>39</sup> The Economic Impact of the 2014 Ebola Epidemic, World Bank.

relative to 2007 and rescales the transfers to an equivalent level in real terms within Liberia (see table 5.3).

**Table 5.3: Average Consumption Gap among Households in Food Poverty using 2014 PPP**

Household Size	Share of Food Poor Households (%)	Average Food Poverty Gap (2007 Exchange Rate)	Average Food Poverty Gap (2014 PPP)
1	1.7	US\$6.80	US\$10.89
2	7.0	US\$6.84	US\$10.96
3	7.8	US\$19.62	US\$31.43
4	10.8	US\$30.41	US\$48.72
5+	72.7	US\$33.56	US\$53.77

8. **Project duration.** The current assumption for the length of the project is five years considering the relatively small number of resources devoted to this project and the capacity of the implementation agencies. With substantial amount of time dedicated to systems building and validation of potential beneficiaries in the SR in the first 12 to 18 months, the project will most likely include a payment period to beneficiaries that is two years long.

9. The other key assumptions in the simulation are the following: the total budget is estimated at US\$10 million; the total payment period is two years, with one preceding year devoted for building the system; and the frequency of payment is quarterly (although the amount of benefit is calculated based on monthly needs). Only households in the four program counties are targeted because of their high poverty incidence and high poverty rates: Bomi, Maryland, Grand Kru, and River Gee.<sup>40</sup> The share of the total cost for administrative cost is assumed to be 20 percent. This administrative cost will include delivery cost and payment monitoring. The rest of the budget is assumed to be the cash transfers allocated to the beneficiary households, plus US\$25 per beneficiary household per year on support for the accompanying measures and six months of continued coverage to existing beneficiaries in Bomi and Maryland during the uptake of new data and recertification process.

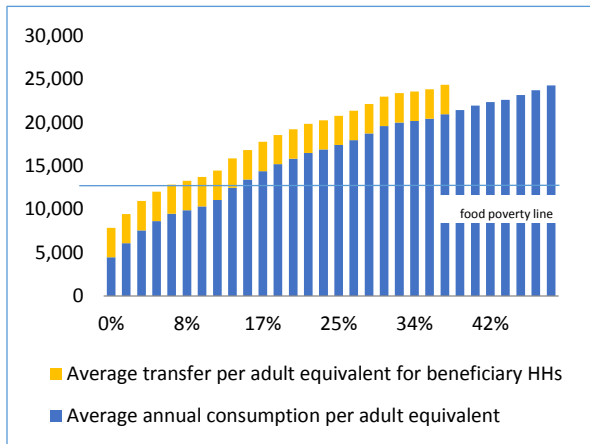
10. **Results.** With regard to the analysis strategy, the ex-ante simulation first assumes the program targets the poorest households in the four program counties, which allows the comparison of different transfer sizes to be on a level playing field. The four counties have a total of 8,900 households in food poverty (16 percent of all food poor households in the nation) and 32,000 households in absolute poverty, with many transient extremely poor households in between. The updated monthly cash transfer of US\$30 will allow the SSNP to reach approximately 9,700 households over a two-year period.

11. Figure 5.1 to Figure 5.4 provide a visual demonstration of consumption increase induced by the four cash transfer options among the poorest households in the program counties. This

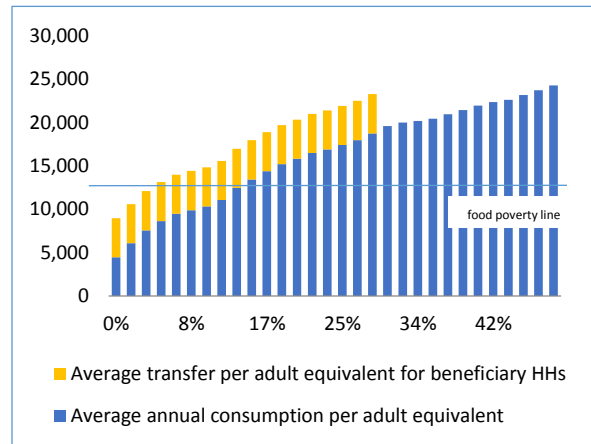
<sup>40</sup> The WFP food poverty assessments in 2010 and then 2014 estimated food poverty rates of Bomi (39 percent and 47 percent), Grand Kru (34 percent and 37 percent), Maryland (43 percent and 48 percent) and River Gee (28 percent and 34 percent).

consumption increase introduces changes in economic outcomes. For instance, the benchmark cash transfer increases the average annual consumption per capita by 58 percent among the beneficiary households. This consumption increase because of cash transfer translates into a 42 percent reduction in the food poverty head count rate within the four counties. The increased consumption also decreases the average depth of poverty, measured by poverty gap, as well as reduces the overall inequality, measured by Gini coefficient.

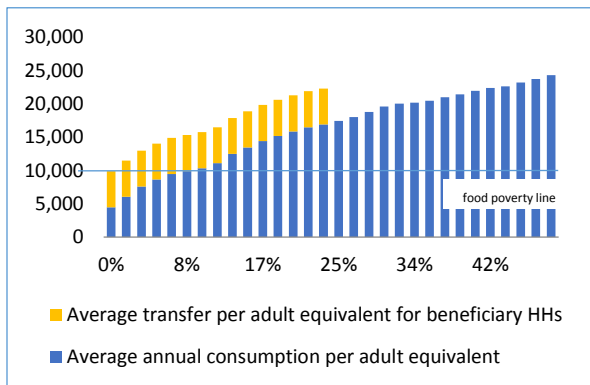
**Figure 5.1: Consumption Increase from a Monthly US\$15 Cash Transfer**



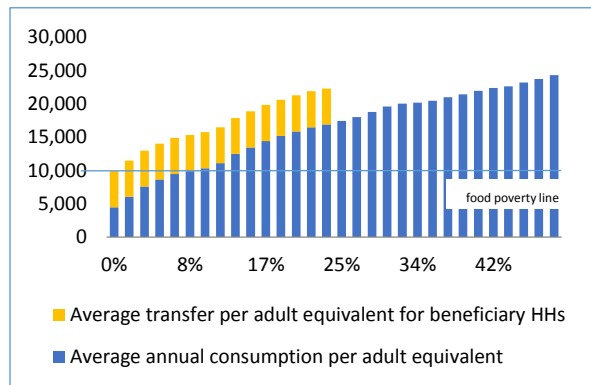
**Figure 5. 2: Consumption Increase from a Monthly US\$20 Cash Transfer**



**Figure 5.3: Consumption Increase from a Monthly US\$24 Cash Transfer**



**Figure 5.4: Consumption Increase from a Monthly US\$30 Cash Transfer**



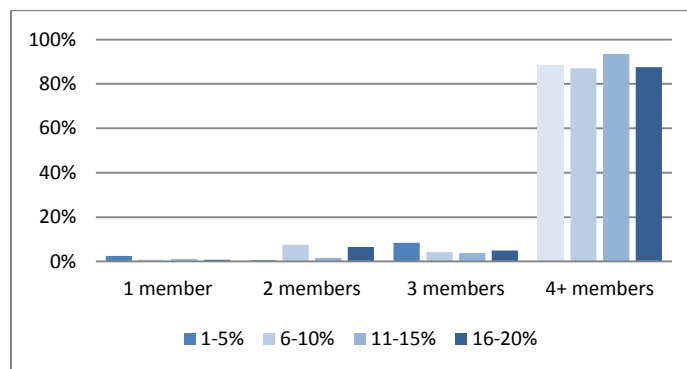
12. The impacts of alternative benefit levels are also assessed. As demonstrated in figure 5.1 to figure 5.4, there is an inverse relationship between program coverage and benefit levels. At the lower end, a monthly US\$15 payment will allow the program to cover approximately 19,000 beneficiary households. This benefit level brings an annual average of 28 percent increase in consumption. At the higher end, a monthly US\$30 payment will allow the program to include only 9,700 households but the recipients average an 84 percent increase in their consumption.

13. For the various benefit levels, it is assumed that household composition is the same. As shown in figure 5.5, the percentage share for households with 1, 2, 3, and 4 plus members does



not change with degrees of poverty among the extreme poor households. The implication is that the transfer size for 1, 2, 3, and 4 plus members will increase or decrease proportionately with the average overall benefit level tested.<sup>41</sup>

**Figure 5.5: Household Composition for the Poorest HHs**



14. As demonstrated in table 5.4, the economic outcomes are largely improved in the four program counties due to the relatively high program coverage in the program counties. Also, the higher transfer amount tends to induce better overall program performance. The highest transfer amount among the four options, that is, the US\$30 benefit level, can bring a 75 percent reduction in poverty head count rate, 90 percent reduction in poverty gap, and 16 percent reduction in Gini coefficient. These results will be proportionally reduced in practice considering imperfect targeting.

**Table 5.4: Simulation of Impact of Different Benefit Scenarios on Poverty and Inequality in the Program Counties Only Assuming Perfect Targeting**

Transfer size			Number of Beneficiaries (HH)	Annual Consumption per Capita		Head Count		Poverty Gap		Gini	
Amount in US\$ (2015)	Amount in LRS (2015)	% Extreme Poor HH Consumption		Baseline	Average Annual % Increase	Baseline %	Average Annual % Decrease	Baseline %	Average Annual % Decrease	Baseline	Average Annual % Decrease
15	1,290	23	19,444	14,143	28	17.5	41.6	6.0	63.2	0.313	14.4
20	1,720	31	14,583	12,215	43	17.5	55.4	6.0	75.0	0.313	15.6
24	2,064	38	12,153	11,116	58	17.5	60.1	6.0	82.6	0.313	16.0
30	2,580	47	9,722	9,927	84	17.5	75.4	6.0	90.4	0.313	16.3

15. While the performance at the program counties is encouraging, the main focus is at the national level where the relative economic performances induced by the different benefit levels also hold. Comparatively speaking, both the US\$24 benefit level, that is, the benchmark, and the US\$30 benefit level yield comparatively better results in all three measures. For instance, the US\$30 level yields a 9 percent reduction in poverty head count rate, 11 percent reduction in poverty gap, and 1.4 percent reduction in Gini coefficient.

<sup>41</sup> This calculation is based on all country data, as the sample size for the four county data is too small for the analysis specification.

**Table 5.5: Simulation of Impact of Different Benefit Scenarios on Poverty and Inequality Nationwide Assuming Perfect Targeting**

Transfer size			Number of Beneficiaries (HH)	Annual Consumption per Capita		Head Count		Poverty Gap		Gini	
Amount in US\$ (2015)	Amount in LRS (2015)	% Extreme Poor HH Consumption		Baseline	Average Annual % Increase	Baseline %	Average Annual % Decrease	Baseline %	Average Annual % Decrease	Baseline	Average Annual % Decrease
15	1,290	23	19,444	14,143	28	15.3	4.8	5.0	7.7	0.352	1.2
20	1,720	31	14,583	12,215	43	15.3	6.4	5.0	9.2	0.352	1.3
24	2,064	38	12,153	11,116	58	15.3	6.9	5.0	10.1	0.352	1.3
30	2,580	47	9,722	9,927	84	15.3	8.7	5.0	11.0	0.352	1.4

16. Also, the number of households included in the program under the US\$30 and US\$24 benefit levels, at 9,700 and 12,100 households, respectively, are ideal for the setup of SSNP as a continuation of the ongoing SCT REPLI Project, which will cover an estimated 9,000 households. There are two additional considerations for the US\$30 package: (a) its coverage of 9,700 households is closer to the number of food poor households (8,900) in the program counties, with some reasonable room for additional transient poor households to be included; (b) it is an improvement relative to the initial payment scale that aligns better with the costs of living in Liberia today. With these considerations, the US\$30 option is the optimal package and will be considered in the following analysis.

17. The actual project implementation will include data collection as well as eligibility screening based on the data collected. Therefore, a second set of simulations is performed to more closely reproduce these conditions. Two imperfect targeting scenarios are assessed for the preferred benefit level of US\$30 per month, one at 70 percent beneficiaries below food poverty line and the other at 50 percent (see Table 5.6). Due to the leakage to non-poor households, the average baseline consumption is higher and therefore the percentage increase in annual consumption is lower. The adjustments as the result of imperfect targeting on national poverty are relatively significant but expected. However, the changes for the Gini coefficient are negligible. Assuming 70 percent targeting accuracy, the percentage decrease for poverty head count is reduced to 5.9 percent and for poverty gap to 10.2 percent, relative to a 9 percent reduction in poverty head count rate and 11 percent reduction in poverty gap with perfect targeting. Assuming 50 percent targeting accuracy, the percentage decrease for poverty head count is further reduced to 3.5 percent and for poverty gap to 8.2 percent.

**Table 5.6: Simulation of Impact of Different Benefit Scenarios on Poverty and Inequality Nationwide Assuming Imperfect Targeting**

Benefit Level: US\$30 per Month		Annual Consumption per Capita		Head Count		Poverty Gap		Gini	
Targeting Accuracy Levels	Number of Beneficiaries (HH)	Baseline	Average annual % increase	Baseline %	Average annual % decrease	Baseline %	Average annual % decrease	Baseline	Average annual % decrease
100%	9,722	9,927	84	15.3	8.7	5.0	11.0	0.352	1.4
70%	9,722	10,464	81	15.3	5.9	5.0	10.2	0.352	1.3
50%	9,722	11,806	66	15.3	3.5	5.0	8.2	0.352	1.2

18. The performance could be better in practice than demonstrated above since only annual average figures are calculated with the provided information. Realistically, consumption should improve with consistent cash transfer income support over the long term, as shown in recent Randomized Control Trial studies on cash transfer programs. A typical channel for this long-term consumption improvement is that initial cash transfers will allow recipient households to make investments such as home improvement and agricultural assets, the return on which will induce long-term welfare increase.

19. **Sensitivity test.** Motivated by the discussions above, a sensitivity test is conducted to assess households' permanent consumption trajectory. In particular, the beneficiary households' long-term increase in consumption is also considered as an additional input for poverty result simulations. Typically, such a parameter is relatively difficult to quantify because of the paucity of rigorously evaluated evidence from existing cash transfer programs. However, Gertler, Martinez, and Rubio-Codina (2012)<sup>42</sup> shed light on the linkage between cash transfers and long-term income increase in Mexico, and find a 22 percent increase in long-term annual income from cash transfers disbursed two years prior. Since it is one of the most rigorously derived results in this literature and is in the higher range compared to results in similar studies, it makes a good candidate for a sensitivity test on the impact from long-term consumption increase.

20. Many of SSNP's beneficiaries would have accumulated more than two years of cash payments from the SCT programs, and are assumed to exhibit long-term consumption increase (22 percent) in the long-term trajectory. In this alternative scenario, compared the last scenario discussed with 50 percent targeting accuracy and a benefit level of US\$30, program results are improved across all three indicators, but in a moderate scale—the percentage decrease of poverty head count rate is up from 3.5 percent in the default scenario to 4.9 percent. Poverty head count gap decrease is up from 8.2 percent in the default scenario to 8.8 percent, and finally the Gini coefficient decrease is up from 1.2 percent to 1.4 percent.

21. **New benefit structure.** With lessons learned from the ongoing SCT-REPLI Project, the payment structure for the basic component is determined as shown in Table 5.7.

<sup>42</sup> Gertler, P. J., Martinez, S. W., & Rubio-Codina, M. (2012). Investing Cash Transfers to Raise Long-Term Living Standards. *American Economic Journal: Applied Economics*, 4(1), 164–192.

**Table 5.7: Basic Payment Structure for the SSNP**

Household Size	Standard Transfer (US\$)
<b>1</b>	10
<b>2</b>	16
<b>3</b>	22
<b>4</b>	28
<b>5+</b>	34

22. It is however important to note that when benefit sizes vary according to household composition, there could be incentives for a potential beneficiary to falsely report him/her as living alone. Also, since the total benefit is higher for larger households, there could be an incentive to report large household size as well. To mitigate these risks, (a) the benefit per person has been increased to US\$6 per person for households with more than one member and (b) the benefit cap for the basic package is set at US\$34 for households with five or more members. Due to this change, the benefit size will become relatively smaller for one-person households. Given the relative high cost of payment delivery in Liberia, the payment frequency will also be adjusted from a bimonthly basis to a quarterly basis.

## **Annex 6: Anti-Corruption, Citizen Engagement, and Social Accountability**

### **Liberia: Social Safety Nets Project**

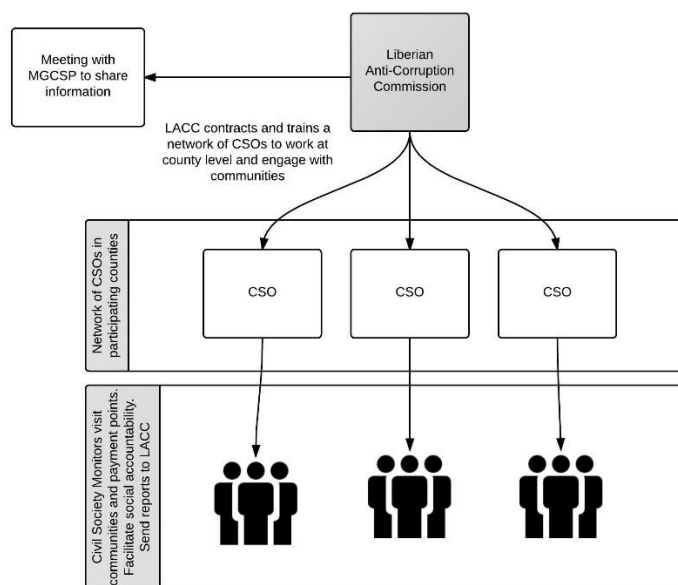
- 1. The Social Safety Net Project (SSNP) is being implemented in a weak institutional environment and this project presents risks of error, fraud, and corruption.** This includes risks at the time of data collection, eligibility screening, and enrollment (inclusion and exclusion errors), as well as during the distribution of benefits. The vulnerability of beneficiaries targeted under this program (extreme poor and food insecure in rural areas) may make them disproportionately vulnerable to error, fraud, and corruption, for example, because of poor access to information (low literacy, infrastructure deficits, and rural areas) and disproportionate power relations with service providers. Given these risks, the project will include a set of activities that aim to reduce the risks of error, fraud, and corruption and engage citizens. The aim of these activities is to improve social inclusion and empowerment, reduce corruption, ensure that resources reach the intended beneficiaries, and improve development outcomes as a result.
- 2. A prerequisite for engaging citizens in the program is to ensure that all stakeholders have access to information and understand the program design and implementation arrangements** (such as data collection, registration in the Social registry (SR), and inclusion criteria for the cash transfer benefits). This information not only must exist and be accessible, but also must be disseminated in citizen-friendly formats that can be easily understood. This requires transparency, development communications, and responsiveness to information inquiries. Some of the communication measures to be undertaken by the Ministry of Gender, Children, and Social Protection (MGCSP) include developing and disseminating simplified program operational manuals to key stakeholders such as local government, Non-Governmental Organizations (NGOs) and Civil Society Organizations (CSOs), and beneficiary communities who will be sensitized and trained about the program; posters advertising the grievance redress contact information and key program rules; radio spots and talk shows with national and community radio stations to reach the largest audience; program brochures; newspaper features; and TV programs. The communications strategy will be developed by an MGCSP communications officer, who will procure services for the development of communications materials. The project will also guarantee access to information by having grievance redress officer (Grievance Redress Mechanism (GRM) officer) who not only will register and respond to complaints, but also will be available to respond to information queries and will be required to share all program information and documents as requested.
- 3. The MGCSP will strengthen its coordination and cooperation for project planning and implementation** with district and county local government, and communities themselves, by undertaking stakeholder consultations, meetings, and trainings, at the level of counties, districts, and communities to ensure that all stakeholders have and understand the same information about the targeting and selection processes, and benefits of the program.
- 4. The MGCSP will also implement a GRM** through which stakeholders will be able to register and channel and resolve complaints, compliments, and information requests. A GRM officer will be hired to manage and lead these efforts. The MGCSP will be ultimately responsible for the timely response and resolution of all registered issues. The GRM will provide multiple channels for uptake and receipt of complaints, including through the Community Social

Protection Committees (CSPCs), county-level MGCSP staff, and a national MGCSP GRM hotline. Complaints will be recorded and registered, and data entered into the MIS system. The GRM officer at the MGCSP will coordinate the sorting, processing, and resolution of cases. Cases will be verified, investigated, and resolved. Upon resolution, the GRM officer will notify the complainant of the results and will document resolution of the case in the Management Information System (MIS) system. This mechanism will build on the existing GRM system being used under the ongoing SCT-REPLI Project and will be operational from the initial county, district, and community consultation stage.

5. **Engagement of the Community Social Protection Committees (CSPCs), CSOs, and citizens.** In addition to the measures to enhance transparency and access to information, and to register and resolve complaints by the MGCSP, the project will also engage the LACC, CSOs, and citizens in the governance arrangements. The project will include the following activities:

- (a) **Independent** monitoring and social accountability. The LACC will be engaged to provide anti-corruption messages on the project. In addition, the LACC will engage CSOs and citizens to independently monitor and provide feedback on the project. This monitoring will allow for early identification of potential cases of error, fraud, or corruption, such that these problems can be resolved. Under this arrangement, the LACC will develop tools and training materials for civil society and other stakeholders to monitor the program, including targeting and enrollment of beneficiaries, and delivery of payments. CSOs will be trained to mobilize communities and sensitize them about the project, and to facilitate social audits, community monitoring, or scorecards. Reports will be synthesized by the LACC and feedback will be provided to the MGCSP on a routine basis. Any problems identified will be reported back to the MGCSP for resolution. Cases of serious corruption will be handled as per the routine investigation procedures of the LACC. A diagram of these relationships is included in Figure 6.1.

**Figure 6. 1: Relationships between Key Stakeholders Involved in the Implementation of Independent Monitoring and Social Accountability**



(b) **Use of technology.** The LACC will use Information and Communication Technology (ICT) to strengthen engagement with citizens. It will contract a technology firm to develop a remote monitoring system, through which CSOs will be able to submit timely reports on monitoring of key program activities, such as payments to and registration of beneficiaries. This technology can also be used to help facilitate stakeholders to register complaints with the GRM in case they do not have access to a phone or other GRM locations or channels.

6. The measures to engage citizens through communication, training, and the GRM by the MGCSIP, and through social accountability measures by the LACC will help improve program implementation and development outcomes of the project. See Table 6.1 for details on institutional roles and responsibilities in the implementation of citizen engagement and social accountability under this project.

**Table 6.1: Institutional Roles and Responsibilities for Citizen Engagement and Social Accountability Activities**

Purpose	Activities	Institutions
Transparency and access to information	Development Communication: Simplified POM, handbooks, posters, radio shows and spots, and training of community and local government	MGCSIP - Communications officer to lead implementation of activities and development of materials to be contracted to private service providers

<b>Purpose</b>	<b>Activities</b>	<b>Institutions</b>
Transparency, access to information, and engagement of citizens	Launch and maintenance of a GRM that can channel and resolve complaints and respond to access to information inquiries. Advertising and community sensitization on the GRM to be continuous	MGCSP – Managed by GRM officer, dependent on citizen engagement
Transparency, access to information, and engagement of citizens	Training and sensitization of all relevant stakeholders at the county, district, and community levels through workshops and trainings	MGCSP
Engagement of citizens and independent monitoring of program	Independent monitoring of program implementation through social accountability (social audits or community scorecards)	LACC and CSOs
Improved information flows and ease of citizen engagement	Development of ICT system for remote monitoring and reporting on implementation, improving timeliness of reports, and assisting citizens or other stakeholders to channel complaints or feedback	LACC and CSOs



## **Annex 7: Development Communications**

### **Liberia: Social Safety Nets Project**

1. **Information Education and Communication (IEC) Mechanism.** The project will provide support in designing and implementing a strategy to communicate information about the project activities to beneficiaries and relevant stakeholders. The main objectives of the IEC activities under this component are to (a) increase awareness of the Social Safety Net Project (SSNP), including its objectives and benefits; (b) promote stakeholder buy-in and support for the Social Registry (SR) and cash transfer program; (c) build stakeholder confidence safety net delivery systems implemented under the project; and (d) improve understanding and knowledge of the SSNP. The component will support the information dissemination and advocacy activities at the national, program, and implementation levels as follows:

- (a) **At the national level**, since the project is considered by the Government of Liberia (GoL) as the start of a larger and longer-term Social Protection (SP) initiative in Liberia, the Ministry of Gender, Children, and Social Protection (MGCSP) will have the responsibility of seeking government and development partners' buy-in and future funding for SP interventions. It will support the development of national policies and standards, and manage and regulate all actors involved in various SP programs. This necessitates a communication strategy that will enhance the advocacy and coordination role of the MGCSP.
- (b) **At the program level**, the project will provide support in designing and implementing a communications action plan for the SR and the integrated Management Information System (MIS) that adequately raises awareness about the need to have and maintain accurate data on both actual and potential beneficiaries, and a corresponding system to manage information effectively both within and across SP programs.
- (c) **At the implementation level**, the IEC activities will seek to raise awareness within the target counties and communities about the project and the data intake and household registration processes. This will help motivate community members to get interviewed and provide accurate household information, as well as to establish legitimacy of the SR as a credible and efficient mechanism to screen potential beneficiaries of social programs in an objective, homogeneous, and equitable manner. Sensitization will use standard community sensitization mechanisms including community meetings and the dissemination of information through local media outlets. Key messages of the awareness campaigns will also include information on payment processes, the importance of community participation, anticorruption measures, Grievance Redress Mechanisms (GRM), and the accompanying measures. The campaign will highlight the role of male partners within beneficiary households in supporting transparency and accountability under the project as well as in achieving project objectives.

2. **Social Behavior Change Communication (SBCC)** is an approach that seeks to promote a social consensus on and adoption of recommended practices in such a way that these practices

become part of social norms and values. As part of the IEC strategy, the SBCC on topics such as home gardening, good nutrition, and breastfeeding will be provided in the communities. Sensitization to and prevention of Gender-based Violence (GBV) will be included for both males and females. Beneficiaries will be urged to participate in these IEC sessions, as ‘soft conditions’ for receiving cash transfers although failure to attend will not result in withdrawal of benefits. Other SBCC activities that can be supported by the project include advocacy to local leaders and authorities, community mobilization and organization, counselling, home visits, and communication via mass media (for example, local radio). For example, opinion leaders, household, and community members (authorities, peers, grandparents, and so on) that may influence the decisions related to human development behaviors will be identified and involved. Similarly, support will be provided to the mobilization and training of the Community Social Protection Committees (CSPCs) to help reinforce the SBCC messages.

3. **Implementation aspects of the SBCC.** The communication services work as soft conditions, which mean that certain improvements, notably changes in household behaviors, are sought through behavior change communication that build ownership and confidence rather than obedience. Accordingly, no household will be reprimanded for their failure to meet project expectations. Starting at the time when households are registered for the program and lasting throughout the period that the program operates in each community, the following specific activities will be provided:

- (a) **Information campaigns about accompanying measures at registration.** Beneficiary households being registered will be given information about the project’s objectives and functioning and on the purpose of and expected results from the cash transfers. Beneficiary households will be encouraged to commit to taking a number of positive actions and behaviors—‘soft conditions’ or accompanying measures or co-responsibilities related to human capital investment, in particular those that ensure proper nutrition of young children, or the adoption of home gardening.
- (b) **IEC services.** These will be open to both beneficiary and non-beneficiary households in participating communities. Beneficiary households will be encouraged to participate in these sessions as soft conditions although failure to attend will not result in withholding payment. These IEC services will be provided in close coordination with the Ministry of Agriculture and community agricultural technicians for the home gardening information and with the Ministry of Health and community health volunteers for the nutrition information.

4. **Communication, accountability, and grievance redress management.** The grievance mechanism will be operational from the initial county, district, and community consultation stage and will enable the public to communicate with program managers about any problems related to the implementation of the component. The objectives of this system are to address exclusion and inclusion errors in enrollment; identify late, incomplete, or missing payments; raise any issues regarding program operations, staff, and authorities’ behavior; and provide nutrition awareness and training activities. In accordance with information and communication procedures developed by the project, field operators in collaboration with local authorities will hold regular meetings to inform the communities about the project’s objectives, activities, and progress. Community

information and awareness campaigns will be conducted throughout the life of the project. This will be an important step in ensuring that communities understand the project and that program management at the local and central level can investigate and take appropriate actions to address complaints. The complaints and grievance system will enhance the transparency of the project management and its accountability to beneficiaries and its stakeholders.

# LIBERIA SOCIAL SAFETY NET PROJECT

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| <ul style="list-style-type: none"> <li> HIGHWAYS</li> <li> MAIN ROADS</li> <li> RAILROADS</li> <li> PORTS</li> <li> INTERNATIONAL AIRPORT</li> </ul> | <ul style="list-style-type: none"> <li> MAIN TOWNS</li> <li> COUNTY CAPITALS</li> <li> NATIONAL CAPITAL</li> <li> COUNTY BOUNDARIES</li> <li> INTERNATIONAL BOUNDARIES</li> </ul> |
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