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Report No: RES00367

RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF

Fiji Social Protection COVID-19 Response and System Development Project

APPROVED ON 09-Feb-2021

TO

Republic of Fiji

Social Protection & Jobs
East Asia And Pacific

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ABBREVIATIONS AND ACRONYMS

ASP	Adaptive Social Protection
COVID-19	Coronavirus disease of 2019
DFAT	Department of Foreign Affairs and Trade
FNPF	Fiji National Provident Fund
E&S	Environmental and Social
ESCP	Environmental and Social Commitment Plan
ES COP	Environmental and Social Code of Practice
GBV	Gender-Based Violence
GoF	Government of Fiji
GRM	Grievance Redress Mechanism
ICT	Information and Communication Technology
JfN2	Jobs for Nature 2.0
MIS	Management Information System
MoA	Memorandum of Agreement
MoF	Ministry of Finance
MoFo	Ministry of Forestry
MWCSP	Ministry of Women, Children and Social Protection
NEC	National Employment Center
PMU	Project Implementation Unit
SP	Social Protection
SEP	Stakeholder Engagement Plan
TA	Technical Assistance



BASIC DATA

Product Information

Operation ID P175206	Operation Name Fiji Social Protection COVID-19 Response and System Development Project
Product/Financing Instrument Investment Project Financing (IPF)	Geographical Identifier Fiji
Approval Date 09-Feb-2021	Current Closing Date 31-Jul-2025
Environmental and Social Risk Classification (ESRC) Moderate	

Organizations

Borrower Republic of Fiji	Responsible Agency Ministry of Economy
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OPERATION STATUS

Project Development Objective (DO)

Original Development Objective
to mitigate the impact of the COVID-19 crisis on the income of the unemployed and underemployed, and to increase efficiency and adaptability of the social protection system of the Recipient.

Disbursement Summary (in USD million)

Source of Funds	Net Commitment	Disbursed	Balance	% Disbursed
IBRD	--	--	--	0



IDA	98.90	85.99	12.91	86.94
Grants	--	--	--	0

Policy Waivers

Does this restructuring trigger the need for any policy waiver(s)?

No



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1. This paper seeks the approval of the Country Director to restructure the Fiji Social Protection COVID-19 Response and System Development Project (Project, P175206), including the original credit IDA-68280 and Additional Financing credit IDA-71060. The proposed Level 2 restructuring is necessitated by the evolution in Project implementation as well as changes in government counterparts` priorities and cooperation and implies (a) reprogramming of Component 2 activities and (b) adjustment of the results matrix to reflect the reprogramming. The restructuring has been requested by the Government of Fiji (GoF) through a letter by the Ministry of Finance (MoF), dated August 6, 2024. The revised project implementation plan and budget presented by the MoF`s Project Implementation Unit (PMU) has been found acceptable. No change to the project`s closing date of July 31, 2025 is proposed.1

2. To achieve the development objective, the Project has taken an integrated approach by financing (i) the government emergency relief package to offer targeted temporary income support for the unemployed and vulnerable affected by COVID-19; (ii) institutional strengthening to build greater resilience for future shocks; and (iii) implementation of the Jobs for Nature 2.0 (JfN2) program of green public works to support short-term employment in environmental protection or restoration. Components 1 and 3 have been implemented in full, with target indicators achieved or exceeded. Component 1, implemented during April 2020 to July 2021, financed the cash transfers through government top-ups to cover unemployment assistance to about 68,864 members of Fiji National Provident Fund (FNPF) who have become unemployed or underemployed due to the first wave of the COVID-19 crisis. Component 3, implemented from August 2021 to January 2022, co-financed the cash assistance to the 536,271 unemployed in both formal and informal sectors affected by the second wave of COVID-19. Both components have substantially contributed to the GoF efforts in mitigating the impact of the COVID-19 crisis on the income of the unemployed and underemployed in formal and informal sectors.....1

3. As one of the key deliverables and a milestone contributing to the achievement of development objective of increasing adaptability of the social protection (SP) system, the Project supported development of an Adaptive Social Protection (ASP) Strategy. The ASP Strategy and Implementation Plan was approved by GoF on April 9, 2024. Other advancements under Component 2 include completion of (i) the assessment of the GoF`s Stronger Together job support and micro-, small- and medium enterprise loan scheme, and development of the operational manual and trainings for its improved delivery and monitoring, and (ii) Village Profiling exercise which is a census of Fiji`s rural areas to collect locality- and household-level vulnerability data. Under Component 4, the JfN2 program has launched round 3 of green public works. Considering significant demand registered in round 3 that expanded the program to the entire country, the target result indicator of 10,000 JfN2 participants is likely to be achieved and exceeded before end of 2024. Round 4 that is to be completed before the Project closing date of July 31, 2025, will further increase the program coverage. After consultations with various government entities, MoF identified the Ministry of Forestry as the appropriate custodian for JfN2. The last year of project implementation will be used to strengthen the Ministry of Forestry`s capacity to carry on the program.1

Over 80 percent of the program participants are women, and over 10 percent are beneficiaries of the national social assistance programs.1



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I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

- 1. This paper seeks the approval of the Country Director to restructure the Fiji Social Protection COVID-19 Response and System Development Project (Project, P175206),** including the original credit IDA-68280 and Additional Financing credit IDA-71060. The proposed Level 2 restructuring is necessitated by the evolution in Project implementation as well as changes in government counterparts` priorities and cooperation and implies (a) reprogramming of Component 2 activities and (b) adjustment of the results matrix to reflect the reprogramming. The restructuring has been requested by the Government of Fiji (GoF) through a letter by the Ministry of Finance (MoF), dated August 6, 2024. The revised project implementation plan and budget presented by the MoF`s Project Implementation Unit (PMU) has been found acceptable. No change to the project`s closing date of July 31, 2025 is proposed.
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- 3. As one of the key deliverables and a milestone contributing to the achievement of development objective of increasing adaptability of the social protection (SP) system, the Project supported development of an Adaptive Social Protection (ASP) Strategy.** The ASP Strategy and Implementation Plan was approved by GoF on April 9, 2024. Other advancements under Component 2 include completion of (i) the assessment of the GoF`s Stronger Together job support and micro-, small- and medium enterprise loan scheme, and development of the operational manual and trainings for its improved delivery and monitoring, and (ii) Village Profiling exercise which is a census of Fiji`s rural areas to collect locality- and household-level vulnerability data. Under Component 4, the JfN2 program has launched round 3 of green public works. Considering significant demand registered in round 3 that expanded the program to the entire country, the target result indicator of 10,000 JfN2 participants¹ is likely to be achieved and exceeded before end of 2024. Round 4 that is to be completed before the Project closing date of July 31, 2025, will further increase the program coverage. After consultations with various government entities, MoF identified the Ministry of Forestry as the appropriate custodian for JfN2. The last year of project implementation will be used to strengthen the Ministry of Forestry`s capacity to carry on the program.
- 4. However, limited implementation progress has been made in the Component 2 technical assistance (TA) tasks, which were meant to support strengthening government capacity for SP interventions.** Many of them have been significantly delayed for several reasons, including change in GoF priorities (e.g., unemployment insurance feasibility study), difficulties in coordination between the Project implementing agency, namely, MoF and beneficiary agencies (e.g., SP system interoperability, Gender-Based Violence (GBV) management information system (MIS) development tasks), lengthy procurement especially for information systems contracting (e.g., National Employment Center MIS). The Ministry of Women, Children and Social Protection (MWCSP)—the main beneficiary of the TA—has been undergoing an institutional reform and grappling with competing priorities amidst capacity constraints. This affected

¹Over 80 percent of the program participants are women, and over 10 percent are beneficiaries of the national social assistance programs.



their ability to contribute to Project implementation and absorb the TA. Due to the delays, several activities are no longer possible to implement within the period; therefore, a reprogramming of the financial allocation has become necessary.

- 5. The Component 2 TA interventions that are no longer relevant or possible to implement as originally planned are proposed to be reprogrammed towards less time-demanding activities and those that progress well.** The reprogramming discussed in detail below would necessitate revisions in the Project results.

II. DESCRIPTION OF PROPOSED CHANGES

- 6. With reprogrammed activities, Component 2 will continue to support implementation of the ASP Strategy, thus contributing to the objective of increased efficiency and adaptability of SP system.** It will finance activities such as workshops, consultation meetings etc., to help align the operating procedures and set up coordination mechanism. However, MWCSP will not be able to complete establishing of SP data interoperability. They are focused on developing the inhouse information system to harmonize and manage the national social assistance benefit schemes. The information system is being developed through the Australian Department of Foreign Affairs and Trade (DFAT) assistance. The Project was designed to build on that effort and enhance the system with interoperability and some other features such as GBV-sensitive Grievance Redress Mechanism (GRM). Because the system is yet to be developed and the MWCSP lack capacity to manage multiple ICT projects, those downstream investments have no time to be implemented. Furthermore, according to MWCSP, the national communication campaign to improve the understanding of GBV and raise awareness of relevant services is being supported through other means as part of implementation of the National Action Plan to Prevent Violence Against All Women and Girls and thus does not require project financing. The ambition of the National Employment Center (NEC)-related activities that involved at a comprehensive review and re-engineering of its operations and systems had to be revised as the delayed and slow procurement process left no time for implementation of the investments at the original scale. It was agreed with GoF that the project would support the process evaluation of NEC programs and services and provide recommendations for delivery system improvement. Finally, TA for reforms towards a new unemployment benefit scheme will not take place because of lack of FNPF's interest and cooperation.
- 7. The reprogrammed resources will finance MWCSP activities with shorter implementation timespan (individual consultants, operating costs, trainings etc.) and further strengthening of JfN2.** For instance, the Department of Women has requested Project TA to design a cash benefit scheme for GBV survivors to enhance gender impact of the social protection system. The Department of Social Protection has suggested to hire counsellors to be deployed in the field offices for psychosocial support to SP beneficiaries and staff, and social workers to support operation of SP helpline being set up by the department, with a view to subsequently absorbed these positions into the MWCSP structure. Moreover, considering the momentum gain to date in JfN2, the MoF has proposed to reprogram the funds towards expanding the program beyond the original targets as well as its operational enhancements, impact evaluation and institutionalization within the GoF structures.
- 8. The reprogramming involves revisions in the Results Framework as proposed in the Result Table below.** Absent of progress in activities discussed above, some of the project results are proposed to be dropped. That concerns six Component 2 indicators and one development objective-level result indicator on interoperability. Furthermore, the targets for JfN2-related result indicators are revised upwards to reflect enhanced support for program expansion. Specifically, the target indicator for number of program beneficiaries is increased from 10,000 to 14,000. The target for the share of female participants is increased from 35% to 65%. Finally, the target for the indicator on the number of degraded sites restored and rehabilitated using nature-based solutions is revised from 150 to 200.



9. **The MoF letter has also requested to reallocate funds between two disbursement categories associated with sub-components of Component 2, to better support JfN2 implementation and evaluation.** Reprogramming money from sub-component 2.3 (general project implementation support) to subcomponent 2.5 (JfN2 program-specific implementation support) involves reallocation from the original credit to Additional Financing credit which our rules do not allow. However, sub-component 2.3 that envisages financing for overall project implementation support should be able to cater for JfN2 technical and operational assistance needs, including monitoring and evaluation, to complement the sub-component 2.5 allocations as appropriate.

Summary of Performance of E&S Risk Compliance

10. The project is rated as having 'Moderate' Environmental and Social (E&S) risks. The June 2024 mission found that E&S performance remained satisfactory. The Ministry of Forestry (MoFo) has been nominated as the new technical lead to support JfN2 activities, following discussion from the second meeting of the Project Steering Committee. The Memorandum of Agreement (MoA) has been developed to formalize this arrangement. Following the signing of the MoA, the PMU in consultation with the World Bank will revise the ESCP to reflect the new E&S management structure and staffing arrangement. The PMU has developed the Environmental and Social Code of Practice (ESCAP) training materials including a brochure, video, flipchart and handbook. The handbook is designed for the implementing partners (e.g., MoFo and youth groups, etc.) and the flipchart is for the benefit of communities who have minimal to no connectivity issues. These materials are translated to the *iTaukei* language and are used by the PMU for consultation purposes to i) increase awareness and understanding of the project by IP's and beneficiaries, and ii) provide a guide to what both parties can and cannot do under the project. The PMU E&S Specialist has provided E&S training to consultants hired under the project and to communities on the use of the ESCAP. The PMU will provide a training status update in the biannual progress report, reflecting any new trainings undertaken since the last mission. PMU has undertaken several community/stakeholder engagements. However, the details of these consultations remain undocumented. The PMU was requested to update the Stakeholder Engagement Plan (SEP) to reflect all community/stakeholder consultations undertaken thus far. By the end of November 2024, the PMU will submit to the World Bank a draft revised/updated SEP for review, finalization, and disclosure. The project GRM is functioning well. Since the last mission, the GRM log file recorded 17 complaints, 14 Type A complaints mostly related to dissatisfaction or concerns related to benefit distribution, 2 Type B complaints on misuse of funds, and 1 Type B complaint under investigation. The complaints are being handled as per the GRM process set out in the project SEP. No complaints of a sensitive nature, concerning sexual exploitation, abuse or sexual harassment have been reported. However, the mission noted that the grievances related to labor and working conditions should be reported separately as per the Labor Management Plan requirements.

Describe any E&S issues and impacts associated with the change in project design. Identify and describe any potential large scale, significant and/or irreversible impacts.

Describe any potential indirect and/or long-term impacts due to anticipated future activities in the project areas.

Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.



Describe measures taken by the borrower to address E&S policy issues. Provide an assessment of borrower capacity to plan and implement the measure described.

Identify key stakeholders and describe the mechanism for consultation and disclosure on E&S policies, with an emphasis of potentially affected people.

III. PROPOSED CHANGES

Operation Information	Proposed Changes	Operation Information	Proposed Changes
Results	Yes	Loan Closing Date Extension	No
Development Objective	No	Loan Cancellations	No
Summary Description (Operation Abstract)	No	Reallocations	No
Legal Operational Policies	No	Financial Management	No
MFD/PCE	No	Procurement	No
Risks	No	Institutional Arrangement	No
Legal Covenants	No	Implementation Schedule	No
Conditions	No		
Implementation Modalities	No		
Disbursements Estimates	No		
Disbursements Arrangements	No		
DDO	No		
Clients	No		
Appraisal Summary	No		
Components	No		



IV. DETAILED CHANGE(S)

COSTS & FINANCING

Private Capital Facilitation

Is this an MFD-Enabling Project (MFD-EP)?

Is this project Private Capital Enabling (PCE)?

LOANS

ENVIRONMENTAL & SOCIAL

Environmental & Social Assessment

According to the E/S Specialist are there changes proposed to the operation's design that would impact the Bank's E&S assessment?"

No



RESULTS

COUNTRY: Fiji

Fiji Social Protection COVID-19 Response and System Development Project

PDO Indicators by PDO Outcomes

To mitigate the impact of the COVID-19 crisis on the income of the unemployed and underemployed								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Result	Month/Year	Result	Date	Result	Date	Result	Month/Year
Number of unemployed and underemployed who received cash transfers with the government top-ups from FNPF (Number)	0.00	Mar/2020	68,864.00	07-Jun-2024	68,864.00	07-Jun-2024	60,000.00	Jul/2021
Number of female unemployed and underemployed who received cash transfers from FNPF (Number)	0.00	Mar/2020	29,219.00	07-Jun-2024	29,219.00	07-Jun-2024	24,000.00	Jul/2021
Percentage of beneficiaries in the area affected by TC Harold (Number)	0.00	Mar/2020	95.20%	07-Jun-2024	95.20%	07-Jun-2024	90.00	Jul/2021
Gap in General Account balances between female and male beneficiaries (Text)	(FJD 32)		FJD 0		FJD 0		FJD 0	
	Comments on achieving targets		This sub-indicator measures the difference of mean account balances between female and male beneficiaries eligible for government top-ups at the time of benefit withdrawal.					
Number of unemployed in formal and informal sectors because of COVID-19 crisis who received cash transfers directly paid by the Government of Fiji under the AF (Number)	0.00	Jul/2021	536,271.00	07-Jun-2024	536,271.00	07-Jun-2024	340,671.00	Jul/2022



Share of female beneficiaries in formal and informal sectors (Percentage)	0.00		51.56%		51.56%		50.00	
Number of beneficiaries in formal sector (Number)	0.00		292,064.00		292,064.00		188,630.00	
Share of female beneficiaries in formal sector (Percentage)	0.00		45.05 %		45.05 %		44.00	
Number of beneficiaries in informal sector (Number)	0.00		244,207.00		244,207.00		152,041.00	
Share of female beneficiaries in informal sector (Percentage)	0.00		59.35 %		59.35 %		59.00	
^{Revise} Number of beneficiaries who received employment opportunities under the Jobs for Nature 2.0 (Number)	0.00	Jul/2021	5,280.00	07-Jun-2024	5,280.00	07-Jun-2024	14,000.00	Jul/2025
^{Revise} Share of female (Percentage)	0.00		81.00		81.00		65.00	

To strengthen the social protection delivery system to be efficient and adaptive

Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Result	Month/Year	Result	Date	Result	Date	Result	Month/Year
Adaptive Social Protection Strategy and action plans developed and adopted (Yes/No)	No	Oct/2020	Yes	07-Jun-2024	Yes	07-Jun-2024	Yes	Jul/2024

Intermediate Results Indicators by Components

Component 1: Cash transfers to the unemployed and underemployed affected by COVID-19

Indicator Name	Baseline	Actual (Previous)	Actual (Current)	Closing Period
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	Result	Month/Year	Result	Date	Result	Date	Result	Month/Year
Share of unemployed and underemployed whose application were processed and approved in five business days (Percentage)	0.00	Mar/2020	95.00%	07-Jun-2024	95.00%	07-Jun-2024	90.00	Jul/2021
Adoption of the standard operating procedure (SOP) developed for an economic inclusion framework (Yes/No)	No	Jul/2021	No	07-Jun-2024	No	07-Jun-2024	Yes	Jul/2025
	Comments on achieving targets		Work in progress as reported by MWCSP. Ministry has recently hired 2 staff who are working on this.					
Component 2: Institutional Strengthening								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Result	Month/Year	Result	Date	Result	Date	Result	Month/Year
Specific operational manual for the Stronger Together Program adopted by the Ministry of Economy (Yes/No)	No	Nov/2020	No	07-Jun-2024	No	07-Jun-2024	Yes	Jul/2024
	Comments on achieving targets		The operational manual is expected to be finalized by end of June 2024.					
Number of stakeholders who received training throughout the cycle of Jobs for Nature 2.0 (Number)	0.00	Jul/2021	0.00	07-Jun-2024	0.00	07-Jun-2024	1,440.00	Jul/2025
	Comments on achieving targets		Trainings are yet to start.					
Share of female (Percentage)	0.00		0.00		0.00		50.00	
Component 4: Jobs for Nature 2.0								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Result	Month/Year	Result	Date	Result	Date	Result	Month/Year
Share of beneficiaries who received employment opportunities under the Jobs for Nature 2.0 are social welfare beneficiaries (Percentage)	0.00	Jul/2021	10.51	07-Jun-2024	10.51	07-Jun-2024	10.00	Jul/2025
Share of female (Percentage)	0.00		9.30		9.30		4.50	



Revise Number of degraded sites restored and rehabilitated using nature-based solutions (Number)	0.00	Jul/2021	134 sites rehabilitated. No of restored sites will be updated by Sept 2024	07-Jun-2024	134 sites rehabilitated. No of restored sites will be updated by Sept 2024	07-Jun-2024	200.00	Jul/2025
	Comments on achieving targets		The PMU will analyze the data from the implementation of the first round of sub-projects. This indicator will be reported in the next ISR.					
Grievances registered related to wage payment to the beneficiaries of Jobs for Nature 2.0 resolved in a timely manner (Percentage)	0.00	Jul/2021	85.71 %	07-Jun-2024	85.71 %	07-Jun-2024	80.00	Jul/2025