Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 27-May-2019 | Report No: PIDISDSA25474
# BASIC INFORMATION

## A. Basic Project Data

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<th>Country</th>
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<td>Myanmar</td>
<td>P164129</td>
<td>Maternal and Child Cash Transfers for Improved Nutrition Project</td>
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### Proposed Development Objective(s)

The proposed Project Development Objective is to expand access to the cash transfer program, to improve selected nutrition behaviors in priority target areas, and enhance MOSWRR’s capacity to deliver social protection programs.

### Components

- Component 1. Stimulating demand for good nutrition in the first 1,000 days in selected priority areas
- Component 2. Enhancing MOSWRR's capacity to implement social protection programs
- Component 3. Contingent Emergency Response

## PROJECT FINANCING DATA (US$, Millions)

### SUMMARY

| Total Project Cost  | 277.62          |
| Total Financing     | 277.62          |
| of which IBRD/IDA   | 100.00          |
| Financing Gap       | 0.00            |

### DETAILS

**World Bank Group Financing**

| International Development Association (IDA) | 100.00 |
| IDA Credit                                 | 100.00 |
### B. Introduction and Context

#### Country Context

1. **Myanmar’s multiple transitions, ongoing since 2011, have resulted in rapid economic growth and significant poverty reduction, although at a rate below the performance of East Asia And Pacific (EAP) countries and amid increasing inequalities between groups and across space.** Along with the complex transitions, the country has witnessed remarkable economic growth, with GDP growth averaging 7.3 percent per year from 2011 to 2016, or 6.4 percent in per capita terms. This puts Myanmar among the five fastest growing countries in the world.\(^1\) This progress translated also into improved welfare and visible socio-economic changes. Poverty declined from 48 percent in 2005 to 32 percent in 2015.\(^2\) Non-monetary welfare also improved, from sharp increases in school enrollments to higher electricity access for rural households. Mobile phone ownership increased from 4.8 percent to 81.5 percent in the same period (the majority being internet-connected smart phones), providing new opportunities to reach effectively broader segments of the population.

2. **Despite existing improvements, Myanmar’s rate of poverty reduction over 2010-2015 was well below the performance of EAP countries, and inequalities between groups and across space have increased, as Myanmar remains one of the poorest countries in East Asia.** In this country of around 53 million people, 15.8 million remain poor and an additional 6 million are barely above the poverty threshold (2015) and thus vulnerable to falling into poverty, not least as a consequence of shocks, such as natural disasters. The majority of people and the majority of the poor in Myanmar are found in rural areas and are highly reliant on agriculture. Food poverty, affecting 9.8 percent of the population in 2015, is substantial especially in the hilly and coastal areas (respectively, 16 and 19 percent). Evidence on-monetary welfare points to some areas in the country being particularly disadvantaged across many dimensions, as indicated by the Multidimensional Disadvantage Index.

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\(^1\) Excluding oil exporters and small countries.

(MDI), and in several cases are even falling further behind. This points to social exclusion along geographic lines. Rakhine, followed by Ayeyarwady and Kayin, displays the most striking levels of multidimensional deprivation. Shan and Chin follow closely thereafter. Overall, Ayeyarwady and Shan (the main areas of focus for the expansion of the cash transfer program) appear to be severely disadvantaged in many socio-economic and nutrition dimensions. There are also significant differences across townships within each State and Region (S/R).

3. Although the Government of Myanmar (GoM), under the leadership of the National League for Democracy since 2015 has focused primarily on promoting peace and national reconciliation, it has also recognized the importance of investing in human capital. In the past few years GoM has begun reversing decades of severe underspending and institutional neglect in the social sectors—health, education and social protection (SP) – to stimulate economic growth and overall development of the country.

4. Despite noteworthy progress, the country’s political and economic situation remains fragile. On the economic front, deeper second-generation reforms have proven harder to deliver, though efforts to sustain momentum are evident, as demonstrated by recent moves to liberalize the insurance sector, allow foreign banks to lend directly to local business and establish a more prioritized public investment program (Project Bank’). Structural weaknesses affect public institutions’ ability to advance the reform agenda. Around one-third of townships are affected by conflict. A series of bilateral ceasefire agreements with ethnic armed organizations (EAOs) since 2011 was followed by the signing of a Nationwide Ceasefire Agreement (NCA) in late 2015 by eight of the 20 main EAOs, but more recently the nationwide peace process has stalled. At least ten EAOs have not signed the NCA and these include some of the largest armed groups. For example, the 30,000-troops strong United Wa State Army (operating in Shan state, Wa self-administered zone) has not signed. Conflict has continued or even intensified in some areas of the country. In Shan State, there has been an upsurge in violence between different ethnic armed organizations. The escalation in conflict has resulted in greater numbers of internally displaced people.

5. Rakhine state has seen particularly high levels of violence. Military responses to attacks by the Arakan Rohingya Salvation Army from August 2017 led to a massive outflow of the population of self-identified Rohingya into Bangladesh (estimated at more than 745,000 people, mostly from Buthidaung, Maungdaw, and Rathedaung townships). The violence followed previous rounds of conflict that had forcibly displaced many within and outside of Rakhine. Such violence has accentuated communal tensions and nationalist sentiment, deepening social fractures. Rakhine State suffers from a pernicious mix of underdevelopment, intercommunal conflict, and lingering grievances toward the Central Government. Rakhine also experiences a security crisis, in which all communities harbor deep-seated fear of the others, because of past violence and segregation. This includes tensions between the ethnic Rakhine population and the Myanmar state over a perceived lack of autonomy.

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3 In line with the Report of the Advisory Commission on Rakhine State (2017), the remainder of the document will refer to those who self-identify as Rohingya as “Muslims” or “the Muslim community in Rakhine”. This does not include the Kaman Muslims in Rakhine or other Muslims in the country.


5 There were already approximately 120,000 people in camps for internally displaced persons (IDPs) from prior episodes of intercommunal conflict (especially from violence in 2012 and 2016).

locally. In January 2018, the insurgent Buddhist group, the Arakan Army, attacked police and military posts in northern Rakhine and fighting has continued since then.

Sectoral and Institutional Context

6. **While there has been progress in human development outcomes, the achievements remain low, imposing a high burden on Myanmar productivity.** A child born today in Myanmar can expect to be only 47 percent as productive as she could be if she enjoyed full health and education (Human Capital Index, HCI). The country achieved the Millennium Development Goals (MDG) targets related to tuberculosis, malaria, and HIV/AIDS, but not the targets on maternal and childhood health. Myanmar’s under-5 mortality rate of 50 is almost double the ASEAN average of 26 per 1,000 live-births; similar is the case with infant mortality rate (40/1,000 live-births in Myanmar as opposed to 20 in ASEAN). Myanmar’s Human Development Index (HDI) is 0.556, also well below the average for East Asia and Pacific (0.720) and ranking it 145 out of 188 countries.

7. **Undernutrition among women and children remains a priority problem for Myanmar, with significant subnational variations.** Although improved over the past two decades, childhood and maternal under-nutrition continue to constitute a serious public health and development concern, as visible across indicators (stunting, wasting, anemia, diet diversity among infants etc.). Nutritional deprivations at a young age, especially during the first 1,000 days of life, manifested usually as stunting (low height for age), in addition to their immediate and longer-term health impact on the individual, cause detrimental effect on cognitive development, future productivity, learning and earning potential and therefore, on the overall human capital of the country. As in all countries, national averages mask disparities across geographical areas. Overall, nutrition outcomes in rural areas are significantly poorer than in urban areas, as are outcomes in S/R affected by conflict. The S/R with the highest rates of stunting prevalence are: Chin, Ayeyarwady, Rakhine, Kayin, Shan, Kayah, all of them with rates over 35 percent, compared to 16.4 percent in Mon.

8. **Poverty and consequent household food insecurity are important drivers of malnutrition in Myanmar.** Stunting rates are highest among the poorest populations, with the bottom wealth quintile suffering more than double the rate of stunting as the richest quintile (38 percent prevalence for the lowest quintile, DHS, 2015-2016). 36.1 percent of under-five children in “severely food insecure” households are stunted, as against 24.4 percent of children in “food secure” households. The States and Regions that have the highest rates of stunting are also the States and Regions with the highest level of poverty and food poverty.

9. **However, other drivers are also at play indicating that investing in improved education and behavioral changes would be critical in Myanmar.** The presence of significant stunting rates even among children of the highest wealth quintile (16 percent), and among food secure households (24.4 percent) points to the fact that poverty and food insecurity alone do not fully explain undernutrition in Myanmar. Low levels of education of the mother, limited access to maternal care, and suboptimal eating behaviors during pregnancy are correlated with stunting and malnutrition. Behavioral factors, such as suboptimal infant and young child feeding and caring

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7 The HCI measures the amount of human capital that a child born today can expect to attain by age 18. It conveys the productivity of the next generation of workers compared to a benchmark of complete education and full health. It is constructed for 157 countries.


9 Myanmar Micronutrient and Food Consumption Survey (MMFCS)
practices also constitute important drivers of malnutrition\textsuperscript{10}.

10. **People throughout Myanmar, and particularly the poor, suffer from difficulties in accessing some basic services and infrastructure.** These include clean water, education services, health services, and electricity, resulting in lower human capital assets among lower population quintiles. Disadvantages in accessing markets and basic services also correlated with one’s ethnicity, religion, citizenship status and location. Several of the non-Bamar ethnic organizations\textsuperscript{11} in the country, seeking to preserve their languages and cultures while retaining control over political and economic life in their area, are armed and/or actively opposed to the Central Government, making public service delivery a challenge.

11. **Gender equality indicators have slowly improved in the recent years, but social norms continue to delineate spaces available to men and to women in Myanmar to a large extent significantly affecting, among other things, access to the labor market.** Female labor-force participation in 2017 was estimated at 55 percent of women over age 15 (MLCS). The gender wage gap is significant. Women’s wages for agricultural day labor are about 25–50 percent lower than men’s, according to estimates and reports from various NGOs and agencies.

12. **Until recently, Myanmar has had a very under-developed social protection system, with very limited overall spending and coverage of social protection programs, and particularly of social safety net.** Spending on social safety nets in Myanmar is significantly lower than in other countries at only 0.3 percent of GDP in 2015, compared to the EAP regional average of around 1 percent of GDP and higher shares in neighbors such as Cambodia (0.9 percent) and Vietnam (around 1 percent), and a global average of around 1.5 percent of GDP.\textsuperscript{12}

13. **Recognizing the necessity to invest in protecting the poor and most at risk and the need to enhance human capital for country’s future productivity, in recent years GoM has made major commitments to expand its social protection system.** Despite rationalization of national development policy priorities in recent years, social protection has remained a central government strategic priority as highlighted in the Myanmar Sustainable Development Plan (MSDP) 2018-2030. A National Social Protection Strategic Plan (NSPSP) developed in 2014 and associated 2018-2022 Medium Term Sector Plan set out a strategic approach to realize policy objectives over time, in a sequenced, coordinated and sustainable fashion. The plan envisages a progressive expansion of eight flagship social assistance programs that cover risks along the life cycle and of a program called “Integrated Social Protection System,” which promotes the integration of SP services. The integration of SP services will happen through a cadre of social workers trained on case management and through the opening of Social Protection Centers at the township level. By 2017/18 there were 302 Social Protection Centers in 37 townships; by 2018/19 this number increased to 524 Centers (with 130 case managers) and it is expected there will be a further expansion to 985 Centers (with 170 case managers) by 2020/21. The NSPSP prioritizes the most geographically excluded and poorest states and regions, and to reach out to excluded religious and ethnic minorities, including through increased cooperation with ethnic armed organizations (EAOs) in areas not controlled by the government. In order to deliver on the NSPSP vision, and to achieve goal 4.3. of the Myanmar Sustainable Development Plan (MSDP) on expanding and adaptive and systems based social protection system, the Government is committed to laying the institutional foundations of the SP system, building delivery systems, using innovation and technology, and expanding the reach of the system to the township and community levels. To guide this process, in early 2018, a multi-sectoral National Social Protection Steering Committee was set up.

\textsuperscript{10} This is fully aligned with the Conceptual Framework of the Causes of Malnutrition, UNICEF, 1990

\textsuperscript{11} Myanmar is thought to be one of the most ethnically diverse countries in the region. The precise breakdown of ethnic groups is contested. The Government officially recognizes 135 distinct ethnic groups, which are referred to in the constitution as ‘national races’. The country has over 100 living languages. The majority Bamar population are widely held to comprise about 62 percent of the national population, with roughly 38 percent constituting other ethnic groups.

\textsuperscript{12} The State of Social Safety Nets, 2018, World Bank Publication, 2018
14. **Given the priority to invest in early years, the largest and fastest expanding social protection program has been the Maternal and Child Cash Transfer (MCCT) Program.** The MCCT intends to empower pregnant and lactating women with additional purchasing power (MMK 15,000 per month) to meet their needs during the first 1,000 days, with complementary knowledge sharing through communication and behavioral changes. Prioritization has been given to geographic areas that are particularly lacking behind in terms of nutrition outcomes. Participating women receive monthly awareness-raising sessions on a range of topics, such as health, water, sanitation and hygiene, dietary intake, breastfeeding and complementary feeding. These integrated components enable pregnant/lactating women to improve their dietary intake and diversity, ensure better feeding practices for young children and increase affordability of basic health care during pregnancy and birth and for children in their first two years of age. The MCCT Program was first implemented by the government in Chin State in 2017, and is now benefiting a total of approximately 100,000 beneficiaries in five states and regions. The program is expected to expand to Shan State and Ayeyarwady Region this year, covering more than 230,000 beneficiaries.

15. **Evidence on the implementation of the MCCT program in Myanmar suggests impressive improvements in program outcomes at midline for various reported dietary diversity and IYCF knowledge and behavioral changes.** The midline survey conducted by Innovation for Poverty Action (IPA) of the LIFT financed pilot MCCT shows encouraging results. The design of the pilot was conducted in such a way that comparison could be made between two types of treatments: only cash, cash and intensive social behavioral change communication (SBCC). The data analysis shows that nearly all women in both treatment groups had control decisions on the use of the cash transfer. The main use of cash was for food-related purchases and to cover health costs. Infant and young child feeding knowledge indicators showed significant effects, especially when cash transfers were combined with intensive SBCC. Newborn care indicators demonstrated an increase in the proportion of mothers making at least one visit with a skilled health personnel. The proportion of children receiving a minimum acceptable diet increased by nearly 30 percentage points when the combined package of cash and intensive SBCC was provided, increasing from 9.9 percent of children to 41.7 percent.

16. **Myanmar’s high-level political commitment to address malnutrition through inter-sectoral action is encouraging and drives multi-sectoral interventions in support of nutrition.** Under the instruction of the State Counsellor, the Development Assistance Coordination Unit (DACU), has established a Nutrition Sector Coordination Group (NSCG) in charge of institutionalizing the process of multi-sectoral coordination. The inter-sectoral group is led by the Ministry of Health and Sports (MOHS), with close involvement by the Ministries of Social Welfare, Resettlement, and Relief (MOSWRR), Education (MOE), and Agriculture, Livestock, and Irrigation (MOALI). The Multi-Sectoral National Plan of Action on Nutrition (MS-NPAN) for 2018-2022 is an evidence-based, costed and prioritized plan which addresses the high levels of malnutrition in women, children and adolescents in Myanmar. The plan, which was completed through a broad-based consultative process in 2018 led by the

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13 The MCCT program has been already implemented, on a limited scale, in Rakhine, Dry Zone and Delta region by Save the Children, and the learning from these programs informed the design and operationalization of the Chin MCCT Program.


16 The first meeting of the NSCG was held in December 2018.
National Nutrition Center (NNC), defines key results and outcomes for each sector ministry\textsuperscript{17}, as well as provides a basis to establish the system and required capacity.

17. As part of the MS-NPAN process, MOSWRR is committed to support nutritionally vulnerable population groups with social assistance and nutrition promotion, particularly by scaling up the MCCT program to priority States and Regions. To ensure that the implementation is technically and financially sustainable, the MCCT program is being progressively rolled out across vulnerable States and Regions, starting with Chin and Rakhine (highest level of stunting and MDI). In most cases, the General Administration Department (GAD) has been responsible for registration and cash distribution to beneficiaries, but pilots of digital transfers have also been implemented and the expectation is to rapidly move to digital payments. However, to date, the cash transfer is not systematically accompanied by social and behavioral change communication focused on improving nutrition behaviors.

18. MOSWRR is committed to being inclusive in SP programs and to progressively improving their effectiveness. Beginning with States/Regions most in need and at greater risk of exclusion, MOSWRR is making significant efforts to reach all eligible communities and has adapted the program to local realities. For example, in Chin, where remoteness is a constraining factor, payments happen less frequently but are delivered in larger sums. In Rakhine, different modalities have been introduced in Rakhine communities, Muslim communities and Internally Displaced People (IDP) camps. In Kayah and Kayin, MOSWRR has also initiated dialogue with EAOs, in an attempt to ensure that eligible beneficiaries in non-government-controlled areas can be reached by the program. Despite these efforts, tools and resources to monitor program impact and the inclusiveness of the program remain limited. To address this, the Ministry has committed to increase its local presence, create inclusive social protection committees at village level, and reduce the role of GAD in program delivery. The Ministry is planning to use various tools developed with support of this Project to ensure timely identification of exclusion issues and response protocols. The use of Social Protection Committees and village social welfare volunteers in community awareness sessions will also be critical to foster a culture of inclusion. DPs are working as part of the SP technical working group to support these efforts.

19. The MOSWRR capacity at all levels to implement social assistance programs remains limited to date. Human and financial capacity constrain MOSWRR’s ability to effectively provide services to the poor and those most in need. The number of DSW staff at central/region/state and township level is very limited. Despite having an approved new contingency for recruiting additional personnel the process of getting personnel on board is taking time. A significant number of townships lack the presence of the ministry to date. In parallel with an increase of personnel at all levels, the Ministry is planning to invest in building and equipping new offices to accommodate additional personnel. Increasing local presence at township level will be crucial to ensure effective implementation of key social assistance programs.

20. The lessons learned from the implementation of main cash transfer programs in Myanmar point to the need to invest in building effective service delivery platforms for the Ministry. Office capacity at the township level to deliver programs varies significantly, and overall there is limited capacity to develop instruments to support the implementation of the program like a multi module MIS, grievances and overall monitoring and evaluation system. The gradual program expansion has allowed some finetuning and the progressive development of common tools. Over time, for example, beneficiary and payment recording tools have improved. The timeliness and accuracy of payment to beneficiaries has been a cause of concern and most complaints about the program are related to payments, therefore the strong push to expand digital payments for all ministry cash

\textsuperscript{17} Extensive and complementary technical, financial and operational support from the World Bank Group (WBG), United Nations (UN) agencies and 3MDG Fund and SUN Network Partners contributed to the plan’s development.
The Ministry is also keen to invest in the development of a community platform for supporting implementation of social assistance programs through village social protection committees and to set up a network of trained Social Welfare Volunteers at village level.

21. **Conflict situation in various parts of the country is affecting the effectiveness of GoM efforts to reach the population and monitor interventions and their impact.** Among the six S/R with the highest stunting rates, five have had pockets of conflict (Chin, Kayah, Rakhine, Shan, Kachin), with varying degree of intensity and frequency. Although the Government has been making significant efforts to achieve peace in those areas with some success, Ethnic Armed Organizations (EAOs) still control sizeable parts of the country, and ongoing conflict in those areas does impact on various aspects of life, including access to health, food security and nutrition. EAOs, such as in Kachin, Kayin, Kayah, and Mon, have health departments or community-based organizations with affiliation to EAOs that provide health services in their controlled areas.

22. **In Shan State, one of the primary target areas for the proposed expansion of the MCCT program, the conflict situation is particularly complex.** Between 2010 and 2018, there were at least 2,305 conflict fatalities in Shan State, considerably higher than for any other state or region.18 A wide range of actors are involved in these conflicts. There are at least 10 EAOs active in the state19 as well as hundreds of militia groups and border guard forces. Some of these groups, such as the Restoration Council of Shan State (RCSS) and Pa-Oh National Liberation Organization (PNLO), are signatories to the National Ceasefire Agreement (NCA) but most are not. Beyond ongoing clashes between armed groups and the military, there have been recent clashes between the RCSS and two non-signatories (the TNLA and SSPP) as well as between the RCSS and another NCA signatory (the PNLO).

23. **This creates a wide range of different conflict contexts across the State**, which have implications for project design and implementation. First, in a number of townships, violent conflict continues, with Muse, Hsipaw, Kutkai, Kyaukme and Mongkaing particularly affected. Second, many villages in these and other townships are de facto controlled by EAOs, with the state having little to no access and services provided by EAOs or related civil society organizations. There are also five special administrative zones in Shan State, where ethnic groups play a larger role in governing local affairs. In one of these (Wa), the state has little access to the area. Finally, for a subset of the population, there are roughly 75 IDP20 camps across five townships in northern Shan State (Namtu, Hsipaw, Lashio, Kyaukme and Kutkai).

24. **Social exclusion, reflected in differential outcomes on nutrition and related indicators, happens along various identity dimensions.** Compared to the national average, individuals whose primary language is not Myanmar and those with no citizenship cards tend to be more likely to be excluded in many dimensions, including those related to nutrition and access to services: they are almost twice as likely to have no access to sanitation and to live in monetary poverty in 2010. Similarly, according to the Integrated Household Living Conditions Assessment of 2010, non-Buddhists and non-Christians have lower nutrition outcomes, with 49 percent of children under 5 underweight in 2010; this compares to a rate of about 30 percent for Buddhist and Christian children. Although stunting rates for girls under 5 appear slightly lower than for their male peers, gender outcomes in the country tend to be highly unequal, with women at risk of exclusion across several dimensions. This includes not only education, participation in labor markets and access to land, but also voice in making decisions within the household. Only two thirds of married women aged 15-49, according to the DHS 2015/6, participate in all three key types of decisions in the household (over their health, over asset purchases, and over

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18 Data from ACLED.
19 Major EAOs include the Restoration Council of Shan State (RCSS), the Ta’ang National Liberation Army (TNLA), the Shan State Progressive Party (SSPP), the Pa-O National Liberation Organization (PNLO), and the United Wa State Army (UWSA).
visits to relatives).

25. **Apart from conflict and social exclusion, one of the main threats to sustaining economic growth and poverty reduction efforts is Myanmar’s very high exposure to a multitude of natural disasters, and Ayeyarwady region is particularly vulnerable.** Myanmar ranks 3rd among 182 countries in the 2018 Global Risk Index, and it is exposed to multiple hazards and severe weather events, including earthquakes, cyclones, floods and others. Over the past 25 years, Myanmar has suffered 24 disaster events affecting more than 4 million people and causing US$4.7 billion in damages – or costing the country over US$184 million annually (equivalent to 0.9 percent of GDP) in traditional damage loss estimates alone (which do not take into account household livelihood losses and well-being losses). Some of the poorest states and regions in Myanmar are also the most shock-prone, and vice versa, compromising poverty reduction efforts. Ayeyarwady is one of the region’s most vulnerable to natural disaster, with constant flooding during the rainy season, and it will be one of the priority area for expansion of the MCCT program under this project.

26. **Climate change poses an additional threat to food and nutrition security, particularly for children.** Myanmar is highly vulnerable to natural disasters, including floods, cyclones, landslides – all of which will be exacerbated by climate change. Climate change could increase the population at risk of malnutrition through multiple channels such as more frequent crop failures, diarrheal episodes due to unsanitary environments and contaminated water sources during floods, and inappropriate infant weaning in households facing climate induced livelihood shocks. A Climate and Disaster Risk Screening has been conducted during project preparation. Extreme weather events such as cyclone Nargis had a devastating impact on the country’s economy and people’s livelihoods; that cyclone caused direct damages of US$4 billion, affecting 2.4 million people and causing over 140,000 fatalities. Annual expected economic losses attributable to climate change are estimated at 0.9 percent of GDP (World Bank/GFDRR 2012). Limited capacity and poor community preparedness are serious challenges; Myanmar ranks 165 among 181 countries on the climate change vulnerability readiness - ND GAIN Index (2016)21. Coastal communities are at a particularly high risk to disaster and climate extremes. Ayeyarwady Region has a long coastal line on the Bay of Bengal and Andaman Sea, and would be particularly vulnerable to strong winds and cyclones. The variability and uncertainty of future climate change impacts will make long-term planning challenging and negatively impact systems that rely on consistency, such as rain-fed agriculture - with a direct impact on food security and nutrition.

**Relationship to CPF**

The Project is consistent with the focus areas stated in the 2015-2019 Myanmar Country Partnership Framework (CPF), which focuses on promoting growth in rural areas, investing in basic social services to provide better nutrition, health and education services, and building infrastructure, with conflict resolution as a cross-cutting theme.

The proposed project will also contribute to the achievement of the Myanmar Sustainable Development Plan, whose goal 4.3. envisions expansion of an adaptive and systems-based social safety net, and extension of social protection services throughout the life cycle.

21 [https://gain.nd.edu/our-work/country-index/rankings/](https://gain.nd.edu/our-work/country-index/rankings/)
C. Proposed Development Objective(s)

Development Objective(s) (From PAD)

The proposed Project Development Objective (PDO) is to expand access to the cash transfer program, to improve selected nutrition behaviors in priority target areas, and to enhance MOSWRR’s capacity to deliver social protection programs.

D. Project Description

Component 1. **Stimulating demand for good nutrition in the first 1,000 days in selected priority areas.**

1. The component will finance the delivery of cash transfers to pregnant mothers and mothers with children under two, accompanied by community outreach and social support sessions (COSS) to improve nutrition-related behaviors in selected priority areas: Shan and Ayeyarwady. The MCCT program will enable the consumption of more diverse and nutrient-rich foods (which are often more expensive), and improved uptake of health and nutrition services in the selected areas. The expansion of the MCCT in new geographic areas will benefit from global good practices, and lessons learned from the implementation of the MCCT program to date in Myanmar. To enhance the program, a series of implementation innovations will be introduced.

2. **Subcomponent 1.1: Investing in the MCCT delivery system in Shan and Ayeyarwady.** This subcomponent will support the implementation of delivery mechanisms to introduce and effectively implement the MCCT program in Shan and Ayeyarwady. Under this sub-component, the project would finance activities related to beneficiary identification and enrollment, verification of compliance, feedback and grievance redress in the selected areas. More specifically it will support operational costs to implement these mechanisms to deliver cash transfers to pregnant women and households with young children aged 0-2 years in the priority geographic areas.

3. The program in the selected areas will be universal, all pregnant women in those areas are eligible for the program and new mothers of children under 2 years of age will be able to enroll throughout the program. The program will rely on mass communication campaigns to inform the potential beneficiaries about the MCCT program and its enrollment requirements. To enroll, pregnant women will be requested to present, as evidence of their eligibility, their Ante Natal Care Card (ANC Card) issued by either the public or private sector provider in their locality. The Village Tract Social Protection Committee (V-SPC) with administrative support from the Voluntary Community Social Worker (VCSW) will organize committee meetings every other month in the villages to facilitate identification and enrollment of beneficiaries in the MCCT program. The enrollment will be facilitated by use of mobile devices. DSW township personnel will provide regular supervision to ensure inclusiveness and effectiveness of the enrollment process of the program in this new area of intervention. In areas that are not controlled by Government civil society organizations (third party) that have the trust of EAOs will be tasked with the same responsibilities.

4. The Union-level DSW would contract out the payment function to commercial payment agents that have adequate reach, social acceptability, and trust in Shan and Ayeyarwady. A mapping of existing and potential

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22 The cash transfer program refers to the Maternal and Child Cash Transfer Program implemented by the Department of Social Welfare, MOSWRR.
23 Provided in pertinent language.
24 Or the equivalent in function in areas not under the control of Government, with community committees.
payment agents was undertaken as part of project preparation and identified an array of potential payment agents in the selected areas. Contracting of payment agents would follow a competitive bidding process to ensure transparency, efficiency and quality.

5. Transfers would be linked to co-responsibilities expected from families on specific behaviors. The proposed co-responsibilities are related to regular attendance at community outreach and social support sessions and improved health seeking behaviors as health supply side readiness improves (i.e., ante-natal visits of pregnant women and vaccinations for children25). The regular monitoring of compliance with the program co-responsibilities will be responsibility of the V-SPC under the supervision of DSW staff or of third party in areas that are not under control of Government in Shan State. As per enrollment, use of mobile devices by DSW staff and volunteers will be instrumental in facilitating the process to regularly monitor and report on compliance.

6. In the selected areas, a feedback and complaints mechanism will be set up to allow all stakeholders to register feedback, complaints, or report irregularities in an anonymous and confidential manner. This will include the possibility to report on irregularities from the time of enrollment and throughout the program implementation. There would be various modalities for registering feedback, including community meetings, paper-based, by phone, and through an online platform. The protocol of response and the information system to monitor timely response to feedbacks and complaints will be developed centrally and used in all the areas in which the MCCT will be implemented.

7. **Subcomponent 1.2: Conditional Cash transfers for pregnant women and mothers of children ages 0-2 in Shan and Ayeyarwady.** This subcomponent will finance cash transfers to pregnant women and children under two in the selected areas. Cash transfer amounts will be set at MMK 15,000 per beneficiary household per month (around US$10),26 which is about 9 percent of household consumption for the poor.27 This will ensure, on the one hand, that transfers can have a sufficient impact on consumption and service utilization and, on the other hand, that they do not distort labor market incentives. Cash transfers would provide the additional income that would contribute to greater consumption of more diverse and nutritious foods and/or for covering transportation and other costs to access health and nutrition services. Cash transfers will be conditional on attending monthly COSS sessions and soft conditionalities on health and nutrition services (ante-natal visits for pregnant mothers, full immunization and birth certificate for children).

8. **Subcomponent 1.3: Communications, Community Outreach and Social Support (COSS) in Shan and Ayeyarwady.** The sub-component would finance activities at the community and household levels to raise awareness, increase knowledge, and mobilize communities and families to support women in adopting nutrition-promoting behaviors, especially among pregnant and lactating women and women with children under two in Shan and Ayeyarwady. The activities would include community outreach and social support (COSS) sessions for pregnant women, women with young children, husbands, mothers/mothers-in-law, and community meetings and events. The voluntary community social workers (VCSW) at the village level will be responsible, with the support of the V-SPC, for organizing community outreach sessions, facilitate scheduled outreach health visits by the basic health providers, and transportation of beneficiaries to access facility-based health and nutrition services. VCSWs would also facilitate active participation of basic health staff in the COSS sessions, assist mothers to seek timely health care and nutrition services, and support outreach and social behavioral change communication. The COSS sessions would also include communication of messages that could help the

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25 An assessment of supply availability and readiness will be conducted to inform the expected compliance with co-responsibilities. Where the supply is diagnosed to be an issue, conditionalities will be waived. Conditionalities will also be waived where the strict compliance will discriminate some groups of beneficiaries.

26 The benefit value is expected to be adjusted for inflation on a regular basis.

27 It is equivalent to 13.7% of the food expenditure of the poor based on the latest household survey in 2015.
vulnerable communities cope with the risks posed by climate change and its impacts. To enable smooth implementation and inclusiveness of these activities, this sub-component would provide funds not only to the Union but also directly to the State/Region and District Social Welfare Departments, which together with Union DSW would be responsible for building knowledge and skills of VCSWs (not only on the content but also on facilitation, communication, and problem-solving). It would also finance purchase of mobile phones and monthly top-ups for VCSWs, and operating costs for supporting COSS implementation and supervision.

9. In areas not under control of Government, community-based organizations with the trust of EAOs will be tasked with the same responsibilities assigned to DSW. The skills building, key messages and communications materials to be used in COSS would be adapted from existing materials that have been tested and implemented in Myanmar28 or elsewhere. Quality communication material and innovative approaches will be critical in the success of community activities. The subcomponent will therefore finance continued evaluation of the material and identify needed adaptations, including investing in innovative ICT-based and other methodologies to deliver messages and induce behavior change. The use of ICT will also enhance such messaging, including early warning systems, information about shelters or other protective facilities in the case of severe weather events.

Component 2: Enhancing MOSWRR’s capacity to implement social protection programs.

10. The component will focus on strengthening the capacity of the MOSWRR to effectively deliver, monitor and evaluate social protection programs and services across Myanmar. In order to do that, the project will invest in: (i) strengthening the physical and human infrastructure of MOSWRR to deliver its flagship social protection programs both at national level and in priority states and regions; (ii) developing key building blocks for effective and inclusive implementation of the country’s flagship cash transfers programs; and (iii) monitoring and evaluation and overall project management.

11. Component 2.1: Enhancing MOSWRR capacity to deliver social protection programs. The sub-component would support national, and selected S/R, districts, and township-level Departments of Social Welfare to improve the physical and human capital infrastructure of DSW to deliver protection programs. This will involve financing costs associated with building new climate-resilient offices and renting offices in the interim and improving infrastructure of the existing ones29; ensuring adequate office equipment and vehicles; hiring additional social welfare staff and building their skills. This sub-component will also support participation and engagement in the national level coordination mechanisms, including financing the operating costs for meetings of the National Social Protection Committee, the Nutrition Sector Coordination Group, and national technical groups, such as on Social and Behavior Change Communications, At S/R and township level, it would provide financial support to the functioning of the Social Protection Committees (SPC) in priority geographic areas for scale up of flagship programs.

12. Component 2.2: Developing key building blocks for more effective and inclusive poverty reduction programs. This sub-component would finance technical support to develop key building blocks for effective social protection programs nationally. This sub-component will finance the development at the national level of a management information system (MIS), a modern G2P payment system, and a grievance redress system for the MCCT program. ICT would be used to communicate with beneficiaries and non-beneficiaries, obtain community

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28 The project team is working in close collaboration with DPs that have also developed behavioral change communication material. The project team will be assessing the material to determine the support needed for enhancing the material and to identify needs for further investment to ensure successful implementation of the COSS activities.

29 In the construction of new buildings, the project will take into account potential risks posed by climate change, especially landslides and floods, using soil testing and other engineering measures, specific to each site. Offices where possible will include investments in energy efficiency and renewable energy such as rooftop solar systems.
feedback, and support independent verification of the effectiveness of the program. The component would finance setting up a call center for community feedback and the use of mobile technology to send and gather information from beneficiaries. This subcomponent will also finance the development of applications for mobile devices, for facilitating enrolment and compliance verification. The experience from implementation under component 1.1. would help to refine these national processes. The development of these national social protection tools would have positive impact in the implementation of the MCCT nationwide, as the systems developed will be used in all S/R where the MCCT is operational Chin, Rakhine, Naga, Kayin, and Kayah, in addition to the Shan and Ayeyarwady. Beyond the MCCT program itself, such systems would provide the foundations of a modernized national SP system which would be used by other programs such as the social pension and child grants.

**Component 2.3. Project Management, Monitoring and Evaluation.**

13. This sub-component will finance: the operational costs needed to manage, coordinate, monitor and evaluate project implementation; the personnel costs for managing the project at the Union, State/Region, and district levels in the areas of contract management, financial management, procurement, and planning; and operating costs to undertake regular supervision and monitoring, and facilitate implementation of the project. In areas in which DSW will not be able to support implementation and monitoring and evaluation, the sub-component will provide resources for hiring a third party tasked with the same roles and responsibilities.

14. Given the importance of generating timely evidence on the implementation and impact of the MCCT program, this subcomponent would support the development and roll-out of a suite of monitoring and evaluation instruments for the program. The subcomponent will finance regular process and impact evaluations. The project would also finance annual process evaluations to explore issues such as whether the program reaches the intended beneficiaries, the effectiveness of communication campaigns and COSS sessions, timeliness of payments, etc. Iterative beneficiary monitoring (IBM) will be used to get feedback from beneficiaries on a set of key questions and would be collected over the phone on a regular basis. Post-distribution surveys will also rely on mobile phone interviews and be implemented every quarter, as well as three rounds of household surveys for impact evaluation. In areas identified as “high risk of exclusion”, exclusion assessments will be implemented as per OM protocol. Areas at risk of exclusion will also be reviewed as part of the annual process evaluation of program effectiveness. The project will also finance in-depth assessments on specific topics of interest (e.g., remote areas, mixed communities, EAO controlled areas, etc.). These assessments will be conducted with a combination of quantitative and qualitative methods. The investments in innovation and use of ICT in monitoring and evaluation will be critical, allowing the costs of monitoring and evaluation to be significantly reduced, and enabling receipt of regular feedback in conflict affected or fragile areas without incurring significant risks.

15. This sub-component will also finance the project audits and third-party verifications in areas in which DSW will not have access to regularly supervise program implementation.

16. **Component 3: Contingent Emergency Response (CERC).** This zero-dollar subcomponent would allow rapid reallocation of IDA credits proceeds to respond to unanticipated eligible crises or emergencies.

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30 Social pension is also rapidly expanding its coverage from targeting over 90 until 2017, to over 85 in 2018 (covering approximately 165,000 beneficiaries) and for next year moving the age to 80 year.

31 A number of civil society organizations and NGOs operate in those areas and have the trust of the community and of EAOs. Further consultation during implementation will be needed to identify suitable third parties that will have the trust of all the stakeholders.

32 Information is expected be collected from beneficiaries using mobile phone interviews reducing costs and risks to travel to insecure places.
E. Implementation

Institutional and Implementation Arrangements

17. The proposed project will not only strengthen existing institutional arrangements but also expand mechanisms to implement the MCCT and other SSN programs at Union, S/R, districts, and township levels. DSW within MOSWRR has overarching responsibility for the oversight and coordination of SSN programs at national level and monitoring progress towards their achievements. As DSW has had no prior experience managing IDA-financed projects with the WB, early investments in capacity building will be made, with financing from Component 2. The proposed project will build operational and technical capacity within DSW, at the central and local levels, complemented by the technical assistance from WBG on the strengthening of the SP system.

18. A dedicated Project Operations and Management Team (POMT) at the Union level led by the Director of DSW and staffed with 4 DSW staff and 10-12 contracted project staff will lead the project implementation, supervise implementation in Shan and Ayeyarwady, oversee the investments in strengthening the national social protection system, and coordinate monitoring and evaluation of the project. At S/R level, Project Support Teams (PST) led by the State/Region DSW Director and staffed with both DSW personnel, will be responsible for managing and overseeing day-to-day project implementation at subnational level, including assisting with operationalizing the data system and financial management. To foster sustainability, both POMT and PST will be mainstreamed into government structures, with clearly designated DSW officials and personnel, along with necessary external Technical Assistance (mostly national consultants). At the township level, 3 new DSW staff will be recruited and designated to implement among other programs the MCCT program. These DSW personnel at township level will regularly supervise the village level activities such as beneficiary identification and enrollment, compliance verification, COSS sessions, and complaints response.

19. The National Social Protection Steering Committee will provide critical leadership and guidance on the implementation of the MCCT, with bi-annual meetings. The POMT will report to the Executive Committee of the MOSWRR. At S/R and township level, multi-sectoral SPCs would be set up and would meet every quarter at S/R level and every two months at township level. At village tract level, the project will finance the convening of V-SPCs which, through their regular meetings and activities, would support the day-to-day implementation of the program. V-SPC would consist of Village Tract Administrator who is part of the General Administrations Department, heads of villages, representatives of Village 10 Household Heads, Principal/Teacher from the village school, Midwife/basic health staff from the nearest public health facility or trained medics in EAOs controlled areas or health representatives in self-administered areas, and women’s group representative. V-SPC, with its diverse and appropriate membership, will support synergy and collaboration across different sectors. In addition to supporting identification and enrollment of beneficiaries, V-SPC will be providing facilitation and oversight of cash payments in areas where digital payment is not feasible, supports VCSWs in organizing monthly COSS sessions in the villages, checking and endorsing the COSS session attendance by the beneficiaries, and implementing a complaints/feedback mechanism at village level through a dedicated complaint focal person per established guidelines in the OM.

20. At the community level, MCCT program implementation (cash plus COSS) would be complemented by health and nutrition services delivered by the Ministry of Health and Sports. Voluntary Community Social Workers (VCSWs), mobilized and financed under the project, would be critical in ensuring timely implementation of the MCCT program, focusing on social mobilization, and COSS at the village level. VCSWs would support active participation of basic health staff in the V-SPC meetings and COSS sessions, assist mothers to seek timely health
care and nutrition services, and encourage outreach and social behavioral change communication. V-SPC, formed by the community with representatives from local administration, village elders, women, health and education workers, etc., will serve as the lowest level community-based platform and will play key role in program mobilization, beneficiary identification and enrollment, and feedbacks and complaints response mechanism. It will help VCSW in organizing community outreach sessions, facilitate scheduled outreach health visits by the basic health providers and transportation of beneficiaries to access facility-based health and nutrition services.

21. From a project implementation perspective, areas in Shan State can be broadly categorized into five types: (i) government-controlled areas with no active conflict; (ii) areas with active conflict, either between the military and EAOs and/or between EAOs; (iii) areas under non-government control; (iv) self-administered areas; and (v) IDP camps. Given this complexity, project implementation arrangements – particularly at the local level for delivery, monitoring and oversight of project activities – will have to be adaptive and sufficiently taking into account the individual context. For example, at the community level, this may mean modifying the designation and composition of the village committees; procedures for selection, training and supervision of village volunteers; and delivery model of health and nutrition services, etc.

22. In brief, implementation arrangements in areas apart from the ones which are government-controlled are anticipated to be along the following lines:

- **Areas in active conflict**: Project will put in place a mechanism at state level to do a regular and joint review of the status of conflict, security and access issues at the township and sub-township level. This mechanism would take the form of quarterly state level meetings where participation is assured to all members of state social protection committee, state government, local CSOs, EAOs (where possible) and organizations linked to EAOs, etc. The meeting will review and make recommendations on which areas are considered safe for project implementation and which areas should be suspended until further review. In making a recommendation, the meeting will consider two main criteria: (a) whether the area in question is safe for project staff and volunteers to travel; and (b) whether the pre-identified and agreed third party actor has access to the area to monitor project activities. If both criteria cannot be satisfied, the project will not undertake activities in those areas, but would continue to monitor the security situation.

- **Areas under non-government control**: Consultations with EAOs during project implementation will be carried out in order to: first, explore their willingness to allow beneficiaries living in their areas to benefit from the project; second, if EAOs express willingness, to identify contextualized approaches of delivering project benefits to the beneficiaries living in these areas, for example, by implementing project activities through trusted organizations such as local ethnic and community-based organizations and NGOs, or through the social department of EAOs; and third, to identify and agree on third party monitoring arrangements in these areas.

- **Self-Administered Areas**: Relationships, trust and collaboration between the government and the local authorities of the five self-administered areas vary. Relations and access are not a problem in Pa-Oh, Palaung, Danu and Kokant areas, where public service delivery mechanisms already exist. Wa region, however, has limited access as currently four out of six townships in the area are off limits to the

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33 Areas under non-government control refer to the areas currently contested for control either between the military and the EAOs or between the EAOs.

34 Self-administered areas are areas declared by the government to be autonomous and self-administered by certain ethnic groups. For example, there are five self-administered areas in Shan State, namely, Wa self-administered division, Pa-Oh self-administered zone, Da Nu self-administered zone, Pa Laung self-administered zone, and Kokant self-administered zone.
government. Following similar principles in engaging with EAOs, tailored approaches in these self-administered areas, particularly in Wa, will be identified and developed in dialogue and consultation with the local administrations, state government and local CSOs. Depending on the outcomes of the dialogue, third party monitoring will be instituted in some areas.

- **IDP camps:** Approximately 15,000 IDP are living in 75 camps in Shan North. Being mindful of the discussions on permanency of camps, the project will provide benefits to women and children in IDP camps as a temporary solution for population at high risk of malnutrition. To ensure acceptability of cash transfers and COSS sessions in the camps, consultations with the local authorities, camp management committees, IDP representatives, and key stakeholders involved in IDP camps will be undertaken to identify a neutral, appropriate and trusted mechanism for delivery of cash and COSS sessions within the camps – e.g., through UN agencies, CSOs, I/LNGOs.

F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

The project will focus on Ayeyarwaddy Region and Shan State. These two areas were prioritized based on the following criteria: health burden / nutritional need (with a particular focus on indicators of undernutrition such as stunting), supply side capacity to provide relevant health services, and current level of coverage by key nutrition services. The identification of these two S/R started with the analysis of available evidence on the criteria above, followed by a consultation workshop with stakeholders from all relevant Ministries at Union level, as well as representatives of S/R and other stakeholders. Across these states/regions, characteristics relevant to social safeguards analysis include: Existence of ethnic minorities speaking ethnic languages, history of conflict or ongoing conflict, existence of mistrust between the government and ethnic minorities, provision of basic services by non-governmental organizations including ethnic health service providers, potential lack of actual or perceived transparency in the targeting of cash transfers, misuse of funds. Some villages are located in remote areas that are difficult or costly to access, especially during the rainy season.

G. Environmental and Social Safeguards Specialists on the Team

Martin Fodor, Environmental Specialist
Zeynep Durnev Darendeliler, Social Specialist
Thiri Aung, Environmental Specialist
<table>
<thead>
<tr>
<th>Safeguard Policies</th>
<th>Triggered?</th>
<th>Explanation (Optional)</th>
</tr>
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</table>
| Environmental Assessment OP/BP 4.01 | Yes | As the Component 2 will finance minor civil works, including new construction, renovation and rehabilitation, to support the functioning of the State/Region Social Welfare Department and Township Departments in Shan and Ayeyarwardy, the Environmental Code of Practice (ECOP) was prepared. ECOP was disclosed for consultations on January 10, 2019. Activities will not result in the generation of hazardous health care waste, and general waste can be handled using conventional methods. Increased use of antibiotics is not envisaged due to project-supported interventions. The project is rated Category B in terms of potential environmental impacts.  

On the social side, the risk is substantial and multifaceted, and can be grouped in the following three categories: 1) The risk of exclusion of ethnic and linguistic minorities and vulnerable households, especially in remote and/or conflict-affected areas, from access to benefits or access to communication campaigns; 2) the risk that may arise from providing cash transfers to women, and altered dynamics within the household; and 3) the risk of DSW and the WBG being unable to implement, monitor or supervise these in certain areas, due to conflict and/or lack of control – for instance in areas under the control of EAOs. The project will indeed support areas with ethnic minorities and varying type and intensity of conflict, especially in Shan state. These risk are explained in further detail under the Key Safeguards Risks and Impacts section.  

A social assessment was conducted in Ayeyarwady Region and Shan State, focusing on ethnic minorities and inclusion; identifying groups that are vulnerable due to various factors; assessing impacts of conflict on service provision and access; identifying existing norms on nutrition, pre-natal care and post-natal care; identifying existing and preferred modalities of behavior change communications; identifying existing and preferred modalities for cash transfers; |
and assessing existing institutional roles and responsibilities for delivery of services.

In response, recommendations from the social assessment have been integrated into project design and monitoring arrangements, as well as into the Community Participation Framework (CPF), to fulfill the requirements of the Indigenous Peoples Policy, as well as address other social risks and impacts covered under OP 4.01. Some of these mitigation measures include designing project intervention with remoteness, ethnic diversity and conflict in mind, and offering multiple modalities for cash transfers and communication campaigns; using community volunteers at the community level for facilitation in ethnic languages and culturally sensitive ways; ensuring that information about cash transfers are transparent and consistent in culturally and linguistically accessible ways; setting up an accessible and functioning multi-tier grievance redress mechanism at village, township, S/R and union level; and using third party monitors for areas that the WBG is not allowed access to for supervision. Prior to delivering cash transfers financed under the project DSW will have engaged a third party under terms or reference acceptable to the Bank to support implementation, and another third party to do the monitoring and evaluation in those areas.

The project will also support strengthening of monitoring and GIS systems for the DSW programs as a whole. The terms of reference and outputs/recommendations of any technical assistance under this component will be informed by, and consistent with the World Bank’s safeguard policies.

<p>| Performance Standards for Private Sector Activities OP/BP 4.03 | No |
| Natural Habitats OP/BP 4.04 | No | Project activities will not be located in or nearby protected areas or in areas with natural habitats. |
| Forests OP/BP 4.36 | No | The project does not include any activities that could affect forest, forest health and forest-dependent communities. |</p>
<table>
<thead>
<tr>
<th>Category</th>
<th>Status</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pest Management OP 4.09</td>
<td>No</td>
<td>The project does not focus on disease control and will not finance pesticides, such as for control of vector-borne diseases (e.g. dengue, malaria).</td>
</tr>
<tr>
<td>Physical Cultural Resources OP/BP 4.11</td>
<td>No</td>
<td>While project locations are still to be decided, it is considered highly unlikely that the project will affect any physical cultural resources.</td>
</tr>
<tr>
<td>Indigenous Peoples OP/BP 4.10</td>
<td>Yes</td>
<td>The project triggers Operational Policy 4.10 on Indigenous Peoples because the project will operate in townships where ethnic minorities who fulfill the four criteria of the policy are present. Accordingly, a social assessment has been conducted in Ayeyarwady Region and Shan State, focusing on ethnic minorities and inclusion. The CPF includes a consultation framework to ensure that there is free, prior and informed consultations at the community level to ensure broad community support for nutrition interventions, and a process for developing community plans to ensure that ethnic minorities, vulnerable groups and hard-to-reach households will have access to project benefits. The Social Assessment and the CPF have been disclosed on January 10, 2019. The social assessment findings and the CPF have been disclosed on January 10, 2019. DSW held a series of public consultations in Ayeyarwady, Shan (three locations: Taunggyi, Lashio, Kengtung), Naypyitaw, and Chiang Mai (Thailand) in February and March of 2019 with over 300 participants from line ministries, parliament, media, civil society and ethnic groups (over 30% is women). Feedback from consultations have been incorporated to the CPF.</td>
</tr>
<tr>
<td>Involuntary Resettlement OP/BP 4.12</td>
<td>No</td>
<td>Component 2 will finance minor civil works, including new construction, renovation and rehabilitation, to support the functioning of the State/Region Social Welfare Department and Township Departments in Shan and Ayeyarwady. The Bank and the government have agreed that any civil works that would trigger World Bank’s Operational Policy 4.12 will not be eligible for project funding. The civil works locations will be screened according to procedures incorporated to the Operations Manual to ensure that the works are being done on government land that is free of users or claims of any kind. The Bank will verify the</td>
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KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

The project triggers Operation Policy 4.01 on Environmental Assessment. No other environmental safeguard policies are triggered. The potential environmental risks and impacts (e.g. construction waste, noise, dust and water pollution etc.) are considered as minor, site-specific, and the risks are readily managed through standard operating procedures for small civil works. Preparation of an Environmental Codes of Practice (ECOP) that covers environmentally sound construction aspects for minor civil works, was prepared and disclosed for consultations on January 10, 2019.

On the social side, under OP 4.01 and 4.10, the project carries the following risks as identified in the social assessment: 1) The risk of exclusion of ethnic and linguistic minorities and vulnerable households, especially in remote and/or conflict-affected areas, from access to benefits or access to communication campaigns; 2) the risk that may arise from providing cash transfers to women, and altered dynamics within the household; and 3) the risk of Department of Social Welfare (DSW) and the WBG being unable to implement, monitor or supervise these in certain areas, due to conflict and/or lack of control – for instance in areas under the control of EAOs. The project will indeed support areas with ethnic minorities and varying type and intensity of conflict, especially in Shan state.

Risk of exclusion. The project aims to benefit communities through enhanced nutrition interventions, but due to the absence of culturally and linguistically appropriate mechanisms to access health care services, communication channels and participatory mechanisms, there is a risk of exclusion for beneficiaries of some ethno-linguistic groups. Similarly, the social assessment conducted for the project found that households in remote locations face significant challenges in access to services and benefits of communication campaigns. Each project intervention will need to be designed with remoteness, mobility, ethnic diversity and conflict in mind, and offer multiple modalities for cash transfers and communication campaigns. Community volunteers can play an important role in this regard, especially if attention is paid for communication efforts to be conducted in ethnic languages and culturally sensitive ways. In addition, as described above, monitoring and systematic assessments of inclusion through MIS, GRM and systematic processes set up for these purposes will help mitigate these risks.

Risks stemming from cash transfers. Since the project will involve cash transfers, communicating that there is a transparent, fair and consistent system in place to monitor implementation and gather feedback from beneficiaries in culturally and linguistically accessible ways will be crucial. Setting up an accessible and functioning GRM will help
mitigate the risk for those who feel excluded and for those who feel that cash is mismanaged to bring up concerns. Certain areas are so remote that women do not have the means to use cash to procure different, nutritious food (subsistence economy villages with the nearest market hours away). In addition, the social assessment has found that use of alcohol among men is a widespread issue. In such conditions, providing cash to women can generate potential tension on how money is spent in the household, including risk of gender-based violence. Mapping of service providers for gender-based violence will be conducted and including these in the communications campaigns and grievance procedures will provide options for support to women.

Risks due to conflict. Some areas are affected by active conflicts and are inaccessible, while others remain outside government control, whereby ethnic organizations may provide services to the communities. In some of those areas, there is mistrust of government broadening its services, so there is a risk of resistance to implementation, lack of access to project benefits in these areas, or even heightening tensions or conflict. Inclusion of areas and communities in project benefits requires outreach to, dialogue and agreements with ethnic organizations. With no current offices or staff at the township level, DSW’s ability to reach out to ethnic organizations remains limited. Lastly, the project is likely to be implemented in townships where WBG team would not be able to travel, as experienced in conducting the social assessment for the project. Setting up a systematic process to monitor and record accessibility issues, due to evolving conflict and/or EAO resistance, will allow to identify such barriers and remedy to lack of access, according to predefined protocols and adjust implementation accordingly. Mobilizing third party monitors may help ensure adequate supervision. The project will also finance independent assessments on the inclusion of different groups into the project, using MIS, GRM and other data sources, as described above. Those findings will allow, to remedy to the situation wherever possible, and suggest adaptations during the annual discussions with the Social Protection Steering Committee.

The project includes small scale of civil works in the project areas, such as construction of new buildings and renovation of existing ones in Shan State, Ayeyawaddy Region and Nay Pyi Taw. OP 4.12 is not triggered however, as new buildings will be constructed on lands already owned by the DSW and free of any other users. The Bank and the government have agreed on a screening process to ensure that no buildings will be built on land that would trigger OP 4.12.

The project will also support strengthening of monitoring and GIS systems for the DSW programs as a whole. The terms of reference and outputs/recommendations of any technical assistance under this component will be informed by, and consistent with the World Bank’s safeguard policies.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
No adverse long term impacts are anticipated due to project activities.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
Not relevant.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.
The project has conducted a social assessment in Ayeyarwady region and Shan state, prepared an ECOP to manage minor civil works impacts, and prepared a Community Participation Framework (CPF) to ensure that there is free, prior and informed consultations resulting in broad community support for the project.

Ministry of Social Welfare, Relief and Resettlement does not have any prior experience implementing a World Bank
project or working with safeguards policies at the union level. At the township level, DSW has limited capacity in numbers of offices and staff. Component 2 of the project will provide funding for capacity building and staffing at union and township levels. Capacity building to oversee ECOP and CPF implementation will be needed for all union and township level staff, with cascading and periodic training. The establishment of a grievance mechanism will similarly require a coordinating focal person at the union level, cascading and periodic training to township level staff, and resourcing for communications materials.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

The social assessment identified and conducted consultations with the following sets of stakeholders: Pregnant mothers, mothers with children under 2 years old, households with such mothers, village committees, mid-wives, traditional birth attendants, women's groups, civil society organizations, Ministry of Health state/region and township staff, other service providers, ethnic groups and representatives. The consultations and focus group discussions were conducted in 3 townships in Ayeyarwady and 3 townships in Shan state in 18 villages and some urban areas in order to provide input into project design and the CPF, which provides a framework for free, prior and informed consultations at the community level during project implementation.

The social assessment findings and the CPF have been disclosed on January 10, 2019. DSW held a series of public consultations in Ayeyarwady, Shan (three locations: Taunggyi, Lashio, Kengtung), Naypyitaw, and Chiang Mai (Thailand) in February and March of 2019 with over 300 participants from line ministries, parliament, media, civil society and ethnic groups (over 30% is women).

Key issues that were raised in consultations include difficulty in getting project benefits to remote areas, lack of trust between some ethnic communities and the government, and use of ethnic languages for communications. The project design and the CPF were tailored to address these concerns through the need for government to hire third party, trusted local intermediaries for project benefit delivery. Such local intermediaries and community facilitators will help with language and trust concerns, as well as better knowledge of local context and remote communities that may be hard to reach.

B. Disclosure Requirements

<table>
<thead>
<tr>
<th>Environmental Assessment/Audit/Management Plan/Other</th>
<th>Date of receipt by the Bank</th>
<th>Date of submission for disclosure</th>
<th>For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>07-Jan-2019</td>
<td>24-May-2019</td>
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"In country" Disclosure

Myanmar
24-May-2019

Comments

An Environmental Code of Practice was prepared to fulfill OP 4.01 requirements for this project.
Indigenous Peoples Development Plan/Framework

<table>
<thead>
<tr>
<th>Date of receipt by the Bank</th>
<th>Date of submission for disclosure</th>
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</thead>
<tbody>
<tr>
<td>07-Jan-2019</td>
<td>24-May-2019</td>
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"In country" Disclosure

Myanmar

24-May-2019

Comments

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)

OP/BP/GP 4.01 - Environment Assessment

Does the project require a stand-alone EA (including EMP) report?
Yes

If yes, then did the Regional Environment Unit or Practice Manager (PM) review and approve the EA report?
NA

Are the cost and the accountabilities for the EMP incorporated in the credit/loan?
NA

OP/BP 4.10 - Indigenous Peoples

Has a separate Indigenous Peoples Plan/Planning Framework (as appropriate) been prepared in consultation with affected Indigenous Peoples?
Yes

If yes, then did the Regional unit responsible for safeguards or Practice Manager review the plan?
Yes

If the whole project is designed to benefit IP, has the design been reviewed and approved by the Regional Social Development Unit or Practice Manager?
NA

The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank for disclosure?
Yes
Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs?
   Yes

All Safeguard Policies

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies?
   Yes

Have costs related to safeguard policy measures been included in the project cost?
   Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies?
   Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents?
   Yes

CONTACT POINT

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APPROVAL

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<td>Practice Manager/Manager:</td>
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<td>Country Director:</td>
<td>Bronwyn Grieve</td>
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