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Report No: PAD2764

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT PAPER
ON A
PROPOSED SECOND ADDITIONAL CREDIT

IN THE AMOUNT OF EURO 11.30 MILLION
(US\$12.84 MILLION EQUIVALENT)
OF WHICH US\$9.16 MILLION FROM REFUGEE SUB-WINDOW

AND A

PROPOSED ADDITIONAL GRANT

IN THE AMOUNT OF SDR 6.70 MILLION
(US\$9.16 MILLION EQUIVALENT)
FROM REFUGEE SUB-WINDOW

TO THE

REPUBLIC OF CONGO

FOR THE
LISUNGI SAFETY NETS SYSTEM PROJECT II

January 15, 2019

Social Protection and Jobs Global Practice
Africa Region

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CURRENCY EQUIVALENTS

(Exchange Rate Effective November 30, 2018)

Currency Unit =	CFA Francs (FCFA)
	Euros
	American Dollars (US\$)
FCFA 579.49 =	US\$1
SDR 0.72295 =	US\$1
Euro 0.8794 =	US\$1

FISCAL YEAR

January 1 - December 31

ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
AFD	French Development Agency (<i>Agence Française de Développement</i>)
APMU	PMU Likouala Antenna
CAR	Central African Republic
CAS	Social Assistance Offices (<i>Circonscription d'Action Sociale</i>)
CCC	Commune Level Targeting Committees (<i>Comités Communaux de Ciblage</i>)
CCT	Conditional Cash Transfer
CDD	Community-driven Development
CDS	Departmental Steering Committee (<i>Comité Départemental Stratégique</i>)
CHM	Complaints Handling Mechanism
CLD	District Level Monitoring Committees (<i>Comités Locaux de Suivi du Projet</i>)
CNAR	National Refugee Assistance Committee (<i>Comité National d'Assistance aux Réfugiés</i>)
COS	Inter-sectoral Steering Committee (<i>Comité d'Orientation Stratégique</i>)
CPF	Country Partnership Framework
CT	Cash Transfer
DA	Designated Account
DRC	Democratic Republic of Congo
EA	Environmental Assessment
FCFA	African Financial Community Francs, CFA Francs (<i>Communauté Financière Africaine Francs</i>)
FM	Financial Management
FMA	Financial Management Assessment
GAC	Governance and Anticorruption
GBV	Gender-based Violence
GDP	Gross Domestic Product
GPN	General Procurement Notice
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
HSP	Health Service Providers

IBRD	International Bank for Reconstruction and Development
ICB	International Competitive Bidding
IDA	International Development Association
IDP	Internally Displaced Persons
IFRs	Interim Financial Reports
IGA	Income-generating Activities
IP	Indigenous People
IPP	Indigenous Peoples Plan
IPPF	Indigenous Peoples Policy Framework
ISDS	Integrated Safeguards Data Sheet
ISP	Implementation Support Plan
LDP	Letter of Development Policy
M&E	Monitoring and Evaluation
MASAH	Ministry of Social Affairs and Humanitarian Action (<i>Ministère des Affaires Sociales de l'Action Humanitaire</i>)
MDG	Millennium Development Goals
MIS	Management Information System
MoU	Memorandum of Understanding
MWMP	Medical Waste Management Plan
NCB	National Competitive Bidding
NGO	Non-governmental Organization
PAD	Project Appraisal Document
PBF	Performance Based Financing
PDCE	Skills Development for Employability Project (<i>Projet de Développement des Compétences pour l'Employabilité</i>)
PDSS	Health Sector Project (<i>Projet de Développement du Système de Santé</i>)
PDO	Project Development Objectives
PIM	Project Implementation Manual
PMU	Project Management Unit or Safety Net Technical Management Unit or PMU Lisungi (<i>Unité de Gestion du Projet</i>)
PPSD	Project Procurement Strategy for Development
PRAASED	Education Sector Support Project (<i>Projet d'Appui au Secteur de l'Éducation</i>)
Renapac	National Network of Indigenous People (<i>Réseau National des Peuples Autochtones</i>)
RoC	Republic of Congo
RPF	Resettlement Policy Framework
RSU	Social Registry (<i>Registre Social Unifié</i>)
SBD	Standard Bidding Documents
SCD	Systematic Country Diagnostic
SDR	Special Drawing Right
SGBV	Sexual and Gender-based Violence
SSN	Social Safety Net
ToR	Terms of Reference
UN	United Nations
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
WFP	World Food Programme

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BASIC INFORMATION – PARENT (CG Rep. LISUNGI Safety Nets System Project - P145263)

Country	Product Line	Team Leader(s)		
Congo, Republic of	IBRD/IDA	Phillippe George Pereira Guimaraes Leite		
Project ID	Financing Instrument	Resp CC	Req CC	Practice Area (Lead)
P145263	Investment Project Financing	GSP07 (9346)	AFCC2 (6546)	Social Protection & Labor

Implementing Agency: Ministry of Social Affairs, UGP LISUNGI

Is this a regionally tagged project?	
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Bank/IFC Collaboration
No

Approval Date	Closing Date	Original Environmental Assessment Category	Current EA Category
29-Jan-2014	31-Dec-2019	Not Required (C)	Not Required (C)

Financing & Implementation Modalities

<input type="checkbox"/> Multiphase Programmatic Approach [MPA]	<input type="checkbox"/> Contingent Emergency Response Component (CERC)
<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Disbursement-Linked Indicators (DLIs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a Non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	

Development Objective(s)

"Strengthen the social safety nets system and its programs aimed at improving both access to health and education services and productivity among poor and vulnerable households in participating areas."

Ratings (from Parent ISR)

	Implementation					Latest ISR
	10-Jun-2015	07-Jan-2016	01-Aug-2016	10-May-2017	04-Dec-2017	02-Aug-2018
Progress towards achievement of PDO	S	S	S	MS	MS	S
Overall Implementation Progress (IP)	S	S	S	S	MS	S
Overall Safeguards Rating					S	S
Overall Risk	S	S	S	M	M	M

BASIC INFORMATION – ADDITIONAL FINANCING (LISUNGI Safety Nets System Project II - P166143)

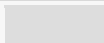

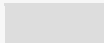
Project ID P166143	Project Name LISUNGI Safety Nets System Project II	Additional Financing Type Scale Up	Urgent Need or Capacity Constraints No
Financing instrument Investment Project Financing	Product line IBRD/IDA	Approval Date 06-Feb-2019	
Projected Date of Full Disbursement 30-Dec-2022	Bank/IFC Collaboration No		

Is this a regionally tagged project?	
No	

Financing & Implementation Modalities

<input type="checkbox"/> Series of Projects (SOP)	<input type="checkbox"/> Fragile State(s)
<input type="checkbox"/> Disbursement-Linked Indicators (DLIs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a Non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	
<input type="checkbox"/> Contingent Emergency Response Component (CERC)	

Disbursement Summary (from Parent ISR)

Source of Funds	Net Commitments	Total Disbursed	Remaining Balance	Disbursed
IBRD				 %
IDA	12.00	5.41	6.92	 44 %
Grants				 %

PROJECT FINANCING DATA – ADDITIONAL FINANCING (LISUNGI Safety Nets System Project II - P166143)

FINANCING DATA (US\$, Millions)

SUMMARY (Total Financing)

	Current Financing	Proposed Additional Financing	Total Proposed Financing
Total Project Cost	17.00	22.00	39.00
Total Financing	17.00	22.00	39.00
of which IBRD/IDA	2.00	22.00	24.00



Financing Gap	0.00	0.00	0.00
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DETAILS - Additional Financing

World Bank Group Financing

International Development Association (IDA)	22.00
IDA Credit	12.84
IDA Grant	9.16

IDA Resources (in US\$, Millions)

	Credit Amount	Grant Amount	Guarantee Amount	Total Amount
National PBA	3.68	0.00	0.00	3.68
Refugee	9.16	9.16	0.00	18.32
Total	12.84	9.16	0.00	22.00

COMPLIANCE

Policy

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

Yes No

Does the project require any other Policy waiver(s)?

Yes No

INSTITUTIONAL DATA

Practice Area (Lead)

Social Protection & Labor

Contributing Practice Areas

Education

Fragile, Conflict & Violence

Gender

Health, Nutrition & Population

Climate Change and Disaster Screening

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

Gender Tag

Does the project plan to undertake any of the following?

a. Analysis to identify Project-relevant gaps between males and females, especially in light of country gaps identified through SCD and CPF

Yes

b. Specific action(s) to address the gender gaps identified in (a) and/or to improve women or men's empowerment

Yes

c. Include Indicators in results framework to monitor outcomes from actions identified in (b)

Yes

PROJECT TEAM

Bank Staff

Name	Role	Specialization	Unit
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Sidy Diop	Team Member	Procurement	GGOPC
Siobhan McInerney-Lankford	Counsel	Legal	LEGAM
Extended Team			
Name	Title	Organization	Location



CONGO, REPUBLIC OF

LISUNGI SAFETY NETS SYSTEM PROJECT

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I. BACKGROUND AND RATIONALE FOR ADDITIONAL FINANCING

1. The present project paper proposes second additional financing (AF) in the form of IDA credit in the amount of Euro 11.30 million (US\$12.84 million equivalent) of which US\$9.16 million is from IDA refugee sub-window, and in the form of IDA grant in the amount of SDR 6.70 million (US\$9.16 equivalent) from IDA refugee sub-window. The paper also includes a description of changes on: a) project components and costs; and b) environmental and social safeguards.

2. The proposed AF2 aims to help the Government of the Republic of Congo (RoC) foster socioeconomic inclusion for refugees and host communities primarily in Likouala region of the country as well as in Brazzaville and Pointe Noire. As expressed in the Letter of Development Policy (LDP) of August 2017, the Government made commitments to promote socioeconomic integration of refugees and improve basic service delivery for the host communities. These commitments include (a) planned improvements to the legal, institutional, and organizational framework for managing the refugee situation; (b) enhanced economic opportunities for refugees and host communities; and (c) the creation of new institutions to advance reforms. This AF2, partially funded by the IDA 18 sub-window for refugees and host communities, responds to the request of the Government to implement the above commitments and to start improving the living conditions of the refugees and host communities.

Country Context

3. Since 2015, the RoC has been experiencing an economic contraction triggered by low oil prices. The growth rate declined to 2.3 percent in 2015 followed by a contraction of 2.1 percent in 2016. Fiscal and current account balances also deteriorated during the same time reflecting increased Government spending and lower oil receipts with twin deficits of more than 10 percent. After enjoying year-on-year gross domestic product (GDP) growth from 2010 to 2013, the country now faces a challenging economic environment that has exposed the country's fragile economy and exacerbated the poor performance in its human development sector.

4. Following the onset of the economic contraction, the absolute poverty rate is forecast to rise, and the human development sectors are not well equipped to face the challenge. The absolute poverty rate declined from 50.1 percent in 2005 to 40.9 percent in 2011 and was estimated to have declined to 38 percent by 2015. These gains were largely driven by oil revenue, political stability, and the Government's investment in infrastructure. However, the substantial reduction in poverty and steady growth have not resulted in broad based improvements in living standards despite Congo's rich natural resource endowments. In the past, the country did not sufficiently invest in inclusive social policies, effective public institutions and implementation capacity. As such, there were limited opportunities for the poor and the vulnerable to benefit from the country's economic growth. The refugee population has also been affected by the lack of opportunities. If no action is taken, the low quality of and insufficient investment in the social sectors may exacerbate and prolong the negative impact of the economic downturn.



5. UNHCR estimates that as of December 31, 2017, a total of 59,468 refugees¹ representing about 1.2 percent of the country's population, lived in the country. A large concentration of refugees is in the department of Likouala (60 percent), followed by Brazzaville (27 percent) and Pointe Noire (5 percent). The rest are scattered in Sangha, Pool, Plateaux, Cuvette, Niari, and Bouenza. Both refugees and host communities have significant unmet needs in nutrition and access to basic services, such as health, education, water, and sanitation.

6. The presence of refugees exacerbates poverty and existing human development issues in Likouala and some neighborhoods/outskirts in the departments of Brazzaville and Pointe Noire, which are already suffering from higher levels of poverty and vulnerability. Likouala is a remote and isolated department with main access through air and waterways. Even before the refugee influx, human development indicators were very low, poverty levels high, and access to basic services was severely limited. Today, the refugee population accounts for 17 percent of the population, putting significant pressure on social service delivery as well as on resources such as water, forest, and cultivable land. There are very few employment opportunities beyond subsistence agriculture and the only wood mill. Despite competition over access to services and resources, the relationship between refugees and the Congolese living in Likouala has been relatively good compared to other departments. In both Brazzaville and Pointe Noire, a relatively large number of refugees lives in the poorest neighborhoods (including the refugee site of Kintélé on the outskirts of Brazzaville), and the relationship between the refugees and the host communities is more problematic compared to the rural setting due to the economic contraction and limited job opportunities for the population in general, and the lack of alternatives such as subsistence agriculture.

7. UNHCR and World Food Programme (WFP) have traditionally provided the bulk of the assistance to refugees and internally displaced persons (IDPs), but not directly to host communities. Such assistance has been delivered in-kind, with limited needs-based targeting, and has been accompanied by several programs aimed at providing basic social services and livelihoods. When UNHCR supports a school or a hospital in a host community, all populations living in the locality including non-refugees can benefit from the services. However, this assistance has focused on short-term emergency response due to budget limitations and the lack of multiyear sources of funding to enable long-term planning. The Government has launched the Lisungi Project in selected areas as a pilot to provide medium-term support to the vulnerable population, but due to the economic downturn, since 2015 the Lisungi Project has been

¹ Main groups are as follows: (a) **Refugees from the Central African Republic (CAR)**. Most of the 32,000 CAR refugees arrived between 2012 and 2014 and have no clear prospect of return to their country in the short to medium term (only 648 had returned so far). Almost 65 percent of the CAR refugees are in the border region of Likouala, with 40 percent living in host communities and 25 percent sheltered in two camps; (b) **Refugees from the Democratic Republic of Congo (DRC)**. More than 15,000 DRC refugees are the remnants of an earlier, much larger group of DRC refugees (about 120,000 of whom have been repatriated between 2012 and 2014) and have unclear prospects of return, and most of those remnant refugees live in the Likouala region; and (c) **Refugees from Rwanda**. Rwandese refugees arrived in 1997 from the DRC where they were living in the aftermath of the 1994 genocide. Today, more than 9,000 people are considered refugees from Rwanda, but more than half of them are children and were born in the RoC. Until today, given the enforcement of the cessation clause in December 2017, 3,820 refugees have applied for the exemption of the cessation clause, and 804 individuals received it. Those who received the exemption remain as refugees, while those who have not received are illegal on the Congolese territory. About 45 percent of the Rwandese refugees live in Brazzaville, where living conditions tend to be better than those from CAR or DRC living in Likouala, although they often live in the poorest neighborhoods. Other Rwandese refugees are spread across the regions of Sangha, Cuvette, Plateaux, and Likouala.



supported mostly by the World Bank and AFD. Going forward, the Government intends to use the Lisungi Project as a platform to provide longer-term support to vulnerable populations, including refugees.

Sectoral Context

8. Coverage of the population by social protection in the RoC is dismally low (0.9 percent in 2005) compared to 14.3 percent for Sub-Saharan Africa and 21.3 percent for lower-middle-income countries over 1998–2014. The Congolese social protection system for the poor, measured by the SSNs coverage, is still under development but it is mostly small and therefore unable to be effective in reducing poverty, helping the poor access services, or increasing their productivity.

9. The social protection system is underfunded to generate a sizable impact on poverty and vulnerability, as well as to both increase household productivity and build human capital effectively. The budget of the *Ministère des Affaires Sociales et de l'Action Humanitaire* (Ministry of Social Affairs and Humanitarian Action, MASA) made only 0.51 percent of the 2012 revised national budget, which represented 0.15 percent to 0.2 percent of GDP, and remains at similar levels today. As a comparison, a median of 1.2 percent of GDP is spent on social protection across developing and emerging countries, according to the World Bank's ASPIRE.²

10. Since 2014, the Government made a commitment to develop a harmonized system, moving away from ineffective and fragmented programs. Moreover, it aims to bring SSNs to the forefront of the poverty reduction strategy. The Government has developed a new *Politique Nationale d'Action Sociale* (National Policy for Social Action) in 2014 aiming at developing a national safety nets system that will take a more systematic approach to support vulnerable populations. This systematic approach targeted at specific groups of the population (the poorest and most vulnerable) has yielded results regarding poverty reduction and human development across the globe. Evidence shows that SSN programs play an important role in speeding up the momentum of poverty reduction, improving the uneven distribution of the benefits of growth across the population, and improving social indicators. Studies such as the Independent Evaluation Group's Safety Nets Review of 2011 have shown that safety nets increase the quantity and improve the quality of household consumption, improve children's nutritional intake, improve children's education and health status, and increase expenditures on the productive activities and assets needed to build the resilience of the most disadvantaged population.

Status of the Parent Project

11. Safety Nets System Project (P145263, thereafter referred as Lisungi Project), originally a US\$17 million project co-financed by IDA (US\$2 million equivalent) and by the RoC (US\$15 million equivalent), aims to establish the key building blocks of a national safety net program and pilot a cash transfer (CT) program to improve access to health and education services of the poorest households in the participating areas. In 2016, the *Agence Française de Développement* (French Development Agency, AFD) provided financing of Euro 8 million (US\$9.5 million equivalent) for an extension of CTs to new areas, and the United Nations Children's Fund (UNICEF) has made available CFAF 83 million (US\$150,000 equivalent) to strengthen the delivery of accompanying measures to families with children, to improve communication

² ASPIRE - The Atlas of Social Protection Indicators of Resilience and Equity - data (www.worldbank.org/aspire).



to the households, and to reinforce the capacity of the social workers working at the local *Circumscription d'Action Sociale* (Social Assistance Center, CAS) office in parallel financing to the Lisungi Project.

12. Following the economic contraction and the resulting fiscal challenges, the Government requested an AF1 of US\$10 million equivalent that became effective on February 1, 2018. The AF1 also included a restructuring to unblock the project implementation, which was constrained by the inability of the Government to provide envisaged counterpart funding. The AF1 and the restructuring removed the counterpart funding constraint and changed the ratio of IDA to Government financing from 2:15 to 4:5. The Lisungi Project implementation accelerated following the AF1 effectiveness. Payments to 3,821 households were resumed in April 2018, and the disbursement rate increased from low 11 percent in December 2017 to 44 percent in December 2018. MASAHA has focused the development of an SSN system on the consolidation and coordination of CT programs for the poor and vulnerable population. The Lisungi Project is the Government's key vehicle to strengthen the SSN system and to launch a program aimed at improving both access to health and education services, while increasing income and productivity of the poor and vulnerable households. The implementation of the Lisungi Project has been under way for more than four years, and the World Bank has rated both the achievement of the project development objective (PDO) and implementation progress as Satisfactory.

National Framework for Protection of Refugees

13. The RoC is a party to the 1951 Convention relating to the Status of Refugees and its 1967 Protocol (no reservations) as well as the 1969 Convention Governing the Specific Aspects of Refugee Problems in Africa and the African Union Convention for the Protection and Assistance of Internally Displaced Persons in Africa. The country has not yet ratified the conventions relating to statelessness. The status and treatment of refugees is not governed by specific refugee legislation, but under several provisions in the Congolese Constitution of October 25, 2015 (Articles 21 and 223) and Act No. 23-96 of June 6, 1996 which includes conditions for entry, stay and exit of foreigners, and general provisions on refugees in Chapter III. Refugees fall under the legal provisions that relate to foreigners in general rather than as refugees with a distinct type of legal status. A draft national asylum law was prepared in 2012 but it has not yet been discussed in the Parliament. The adoption of comprehensive national legislation on access, the asylum procedure and access to rights is of a priority to comply with international standards.

14. The Government has assumed primary responsibility for assessing asylum claims. Refugee status determination is made by the *Comité National d'Assistance aux Réfugiés* (National Refugee Assistance Committee, CNAR), decisions are issued by the Eligibility Committee, and appeals are considered by the Refugee Appeals Committee. CNAR was created by a Decree in 1999 and was composed of several ministries. It is presently under the Department of Multilateral Affairs of the Ministry of Foreign Affairs. The United Nations High Commissioner for Refugees (UNHCR) has observer status in the Eligibility and Appeals Committees, which convene on an ad hoc basis. It provides technical support and training to Government officials, to CNAR and its associated committees with a view to improving standards and procedures and strengthening practices. In summary, several ministries and various levels of government share overlapping responsibilities regarding the refugee population, and UNHCR is the leading agency managing on-site operations and providing direct support to refugees.

15. The RoC fulfilled the eligibility criteria for the IDA Refugee sub-window, including: (i) the number of UNHCR-registered refugees (including persons in refugee-like situations) is at least 25,000 or at least



0.1 percent of its population; (ii) maintenance of an adequate framework for the protection of refugees as determined by the World Bank in consultation with UNHCR; and (iii) adoption of an action plan that describes concrete steps, including planned policy reforms that will be undertaken to promote long-term solutions that benefit refugees and host communities as presented in the LDP #609.17/MPSIR/CAB dated August 14, 2017. The commitments made in the LDP can be grouped into three main areas:

- (a) **Legal changes.** The Government has pledged to adopt a set of laws and implementing decrees related to the right of asylum and the status of refugees. In addition, it has pledged to reduce the time to process asylum applications. Together, these measures are expected to result in quicker, more efficient access to the needed services by asylum applicants.
- (b) **Socioeconomic inclusion.** The authorities have committed to harmonize access to basic social services for all people living in refugee-hosting areas and to allow refugees to benefit from the social safety nets (SSNs). The Government has also stated its ambition to launch a concerted development strategy for the impoverished Likouala region, which hosts most refugees.
- (c) **Institutional reforms.** The Government has proposed the creation of a Nationally Standardized Emergency Management System to coordinate decision making among different ministries and territories in response to shocks, including shocks related to refugee influx. Further, the Government has stated its plans to establish new institutions to contribute to the management of forced displacement.

16. In addition, given the specific situation of the Rwandese refugees that arrived in 1997 from the DRC, where they were living in the aftermath of the 1994 genocide, and upon the recommendation of UNHCR, the Government has invoked the ‘cessation clause’, which translates in most Rwandese no longer being recognized as refugees after December 31, 2017. The former refugees totaling about 3,820 had requested the exemption from the clause to retain the refugee status and 804 received it. Some received a Rwandese passport and a permission to live in the RoC with a ‘Titre de Séjour’, and very few returned to Rwanda with support from UNHCR and from the RoC Government. Many have not completed the process and their stay in the country is de-facto illegal. The Government has exercised tolerance so far but has launched a campaign to increase the demand of this population to regularize their status, and UNHCR is ready to provide the legal support needed to either get the necessary paperwork to stay or return to Rwanda. To be eligible for the Lisungi Project support, the former Rwandan refugees will need to regularize their status in the country.

Specificity of the Likouala Department

17. As mentioned previously, the significant size of the refugee population and the low quality of and investment in the social sectors is common across the country but is more pronounced in Likouala region. The large concentration of refugees and the significant unmet needs regarding nutrition and access to basic services, such as health, education, water, and sanitation, and even housing of the resident population pose a threat to the human and social development of the department. In addition, the influx of refugees put pressure on the access to the already limited basic services.



18. The geographic isolation, poverty, and limited provision of basic social services (mainly education, health, and access to water) for all the resident population of Likouala are significant constraints for the development of the department. In addition, the indigenous population is suffering from specific disadvantages and makes an important share of the very vulnerable population expected to benefit from the project. More specifically, the problems faced by the population in Likouala are as follows:

- (a) The geographic isolation is a constraint for trade between departments, and thus, an increase in production does not guarantee increased profit for producers. In addition, due to lack of adequate storage infrastructure (that is, cold storage warehouses), many of the products are lost before reaching the key markets.
- (b) The level of poverty and vulnerability is striking in the area. A large part of the resident population is engaged in small-scale subsistence activities that do not allow them to generate income to pay school or hospital fees or to buy medicines when they fall ill.
- (c) The inadequate supply of basic services is a huge constraint to the long-term development of the department. The districts in the department have basic infrastructure available, such as schools, learning centers, clinics, and health clinics, located mostly in urban areas. Rural populations have very little or no access to these services. In general, (i) basic public education is not inclusive because a significant share of the population, particularly the indigenous, are not able to pay fees; (ii) the number of schools is insufficient, including colleges and high schools; (iii) in most schools, a significant share of teachers is paid by UNHCR; (iv) supply of health services is inadequate and health centers are mainly funded and run by international organizations; (v) most children in host communities have no birth certificates; and (vi) the lack of safe drinking water increases exposure of the population to parasites and diseases caused by the poor quality water, negatively impacting children's nutrition.

19. The specific constraints faced by each population group in the department are described as follows:

- (a) **Refugees.** Refugees report difficulties in (i) the access to basic services and (ii) the respect of their rights by host communities and local authorities (for example, verbal and physical violence, expulsion, and the collection of 'irregular taxes' for decentralized services). Refugees are organized in associations, and many are engaged in economic activities; however, they face problems related to access to land. It is important to note that the refugees from different countries do receive different types of assistance from UNHCR, WFP, and other actors, which makes the selection of potential beneficiaries for programs complex. In addition, this support provided by humanitarian actors is too volatile since they can stop provision of the assistance from one day to the next. Therefore, it is important that the Government leads a dialogue between all the actors involved to define the contours, the scope, and the project activities in the department.
- (b) **Indigenous people.** The significant presence of the indigenous people (IP) and their specific vulnerabilities require specific attention, including the following:



- **Land access.** This is among the leading causes of conflict in the area, as availability of cultivable land is limited. Although some IP are engaged in subsistence farming and agricultural activities, a majority of these take place on Bantu-owned lands. This is one of the main issues that may prevent IP from benefitting from the income generation activities under the project.
 - **Education.** The education of children is currently largely provided by charitable associations in Observe, Read and Act schools (ORA schools). These schools offer cycles CP1 and CP2 (first and second grades) and offer one meal to children through a school feeding program supported by WFP. To continue their studies, children must move to the inner towns, falling into a more precarious situation because parents, when leaving their communities, do not have the means to (i) rent adequate housing; (ii) pay the tuition; and (iii) purchase uniforms and school supplies for their children. In addition, major centers do not have boarding schools dedicated to these children.
 - **Health.** It is difficult for the IP to access health services in inner towns. Even when they do, they are unable to pay hospital/clinic bills.
 - **Illiteracy.** Rate of illiteracy is high among adults, and a large number of them is abused by traders who take advantage of their poor knowledge of prices and the value of money.
 - **Inclusion.** The IP community's participation in planning and decision making at the Departmental level is severely limited. In addition, the civil society (non-governmental organizations (NGOs) and non-profits for IP) is not fully active in some of the remote areas where IP are present, to be able to advocate for inclusion. Overall, this means that the level of participation of IP is limited and the risk of their exclusion is high.
 - **Human rights.** There is anecdotal evidence of forced labor practices in which IP work in exchange for a small amount of money (not salary), clothing, salt, and so on. This arrangement is neither official nor clear on the duration and conditions of the arrangements. This situation is particularly precarious and striking, because IP are subject to extreme forms of exploitation and violation of their rights. Moreover, the Indigenous communities have little to no access to legal services (lawyers, courts/tribunals, etc.) and this makes it nearly impossible for them to assert their rights before the departmental legal authorities. In addition, few of the IP know their rights, nor the main existing protection instruments and mechanisms to protect themselves.
- (c) **Bantu and others.** The Bantu and other legal residents of the department, including the IDPs, also suffer due to poor living conditions and low investment in the department. A large share of them is poor and vulnerable and do not benefit from international humanitarian aid. This vulnerable population (including women, children, young mothers, and older people) suffer from the same issues such as difficult and limited access to basic services (education and health), vocational training, and drinking water. Those engaged in agriculture production encounter many difficulties trying to sell their products in the main economic centers. In addition, the lack of access to land and the lack of support to start activities affect their



production capacity. A significant number of children have no birth certificates. Many parents are not able to pay school fees. There is a strong feeling of despair given the situation with basic services provision and increased competition for natural resources (including access to land). There is a feeling among this population group that their concerns are not addressed while refugees receive support from international organizations.

20. The decentralized structure of MASAHA is present in the department, and the work that local MASAHA officers conduct, despite the difficulties caused by the specific characteristics of the department, is of good quality. The MASAHA staff are motivated and professional, but they need to be better equipped and strengthened to conduct the daily activities.

21. Many NGOs (for example, *Agence d'Assistance aux Rapatriés et Réfugiés au Congo; Terre Sans Frontières; Association des Spiritains du Congo, Wildlife Conservation Society, African Initiative for Relief and Development; and Père Lucien- Congrégation des Pères Spiritains*) are present in the department. These NGOs, local and international, have experience working with the different groups of the population, including IP and refugees, and are familiar with the local situation. The NGOs have the capacity to expand their operations and increase investment in human resources if need be.

22. The implementation of the program in the Likouala region raises additional safeguards issues. The challenges for protecting the indigenous population rights in the region are numerous and a collaboration with *the Réseau national des peuples autochtones* (National Network of Indigenous People, Renapac) is envisaged to reduce the tensions that could occur. Renapac will be part of the local committee to be formed in the region to reduce the following risks:

- a. Risk of exclusion of IP from CTs interventions;
- b. Risk of using resources allocated to IP for other purposes;
- c. Risk of land and social conflicts between the IP and the Bantus;
- d. Risk of Gender-based violence towards the Indigenous women.

23. Several activities identified in the safeguards instruments prepared by the counterparts highlights the need for carrying out information and education sessions towards the hosting population and the refugees on the need to involve the IP in all project interventions. Moreover, other targeted communications campaigns on use of resources allocated to promote human capital investment and financial education, and awareness of existing laws such as the Law No. # 05-2011 of February 25, 2011, for the Promotion and Protection of the Indigenous Population will be designed and delivered to all population in the department.

Key activities to be Financed by the Proposed AF2

24. The AF2 seeks to contribute to the Government's objectives described in the LDP by promoting the socioeconomic inclusion of refugees and host communities into the national social protection system. The project's original PDO remains relevant and is not being changed. It remains as follows: "*Strengthen the social safety nets system and its programs aimed at improving both access to health and education*



services and productivity among poor and vulnerable households in participating areas." The AF2 introduces some adjustments to the three components of the project and will allow to:

- (a) Increase the coverage of households, henceforth AF2 population in the RSU in the departments of Brazzaville, Pointe Noire, and, mainly, Likouala;
- (b) Increase the access of the AF2 population to CTs to reduce food insecurity and increase their productivity;
- (c) Increase the utilization of health and education services among children and pregnant women of CTs beneficiaries in Likouala and in other areas of Lisungi where services are already available.
- (d) Support the development of local capacities and promote accompanying measures and activities in collaboration with implementing partners; and
- (e) Support the Government to apply the engagements presented in the LDP.

25. These objectives are well aligned with the IDA 18 Refugee Sub-Window to help enhance the management of refugee situations, focusing on enhancing economic opportunities for the AF2 population, while promoting some capacity building to support (a) the implementation and management of CNAR operational mandate and (b) the progress in providing legal protection for refugees; compliance with international treaties, protocols, and agreements; and platforms for public debate on refugees' needs to be provided by additional resources through technical assistance to reach all commitments stated in the LDP of 2017.

26. However, it is important to recognize the limitations of the Lisungi Project to address the multiple challenges for supporting the refugees and host communities, mainly in Likouala. It is important that the Government, both at the central and local levels, understands the importance, among other things, of:

- (a) Investing to create a vibrant local economy in the host community where the monetary constraints are still significant,
- (b) Increasing the supply and quality of basic services (education, health, and sanitation) that are inclusive to everyone resident in the host community,
- (c) Investing to unlock the isolation of Likouala and support the local products trade with the main urban centers, and for the storage of the products,
- (d) Addressing land issues,
- (e) Upholding respect for human rights and Law #05-2011 of February 25, 2011, for the promotion and protection of IP, and
- (f) Harmonizing humanitarian interventions and support provided by humanitarian actors in the region.



27. In the health sector, despite the Government commitment to improving the health of Congo's population including taking on Universal Health Coverage across the country, coverage and quality of health services in remotes areas is still limited. Congo is not spending enough and not spending efficiently to improve the health of its population and some new statistics indicate that Total Health Expenditure from Government Sources dropped due to the economic crisis. To address these issues this AF2 aims at improving the quality and efficiency of health services through expanding the Performance Based Financing (PBF) approach supported by the PDSS II (P143849) program to refugee and host communities.

28. Regarding the education sector, good progress in enhancing access to primary and secondary education has been achieved recently but equity remains a concern given the challenges faced by the poor and vulnerable to access education. Quality remains the most significant challenge with limited access to learning materials, outdated curriculum, irregular tracking of learning outcomes and inadequate number of trained teachers. The education sector is also suffering from lack of efficient budget planning and inadequate human resource management, particularly teacher management. Government is engaged in creating conducive conditions for better access and quality in schools particularly in rural areas, among adolescent girls, ethnic minorities and other vulnerable groups but financing remains an obstacle. In collaboration with the World Bank and other partners, the Government is working to improve education outcomes of primary and lower secondary school children by reducing gender and regional disparities and addressing the needs of vulnerable populations. In addition, a skills and development program aims at improving job and entrepreneurship skills for vulnerable urban youth to improve their labor market insertion and earnings.

29. The AF2 is aligned and consistent with the World Bank Group strategy in the country. The Country Partnership Framework (CPF) under development has been structured around three focus areas, where the second focus area is aligned with the Government's national development plan (2018–2022) underscoring the importance of strengthening inclusion through the development of human capital for inclusive growth and improved well-being of the population, which are also objectives of this AF2.

30. The closing date of the project will be extended by 36 months, from December 31, 2019, to December 30, 2022, to allow sufficient time for all the target indicators to be reached. The Results Framework will be modified to adjust the target values of the parent project and reflect the project's expected impact.

II. DESCRIPTION OF ADDITIONAL FINANCING

Components of the Parent Project

31. The Lisungi Project aims at increasing the purchasing power of families to reduce their monetary constraints while increasing families' demand for basic services. By providing CTs to the poor and vulnerable families, the project promotes an increase in the use of the education and health services because families can use the transfers to pay tuition, buy uniforms and school supplies for children, and pay for medicines and supplies. In addition, through CTs, it is expected that families will start investing in productive activities to become more autonomous. The accompanying measures will help families to (a) know more about the services available to them, including obtaining birth certificates and services related



to the protection of their rights; (b) have access to information in the essential area of good familial practices and economy; and (c) be better organized in groups to increase their production and bargaining power. However, it will be necessary to make some adjustments to the project implementation arrangements to adapt to the specificities of Likouala.

32. The Lisungi Project has three components:

- (a) **Component 1: Establishment of key building blocks of a national safety net program and enhancement of local capacities.** The Social Registry (*Registre Social Unifié*, RSU) aims at reducing some of the gaps and binding constraints on the population by offering a unique platform to access social programs. The RSU already consolidates information on about 60,000 households. The RSU allows the provision of direct support to poor families and promotes human development through access to CTs, free access to health care, and access to training/capacity-building programs. The RSU has complete and verified information that can be used for all social programs that aim to target the poor and vulnerable and is, currently, serving the Lisungi CT programs (conditional cash transfers [CCTs] and income-generating activities [IGAs]) and the Health Sector Project supported by the World Bank (P143849), as well as programs supported by the AFD. The utilization of the RSU by the Skills Development for Employability Project (*Project Projet de Développement des Compétences pour l'Employabilité*, PDCE, P128628) and Health Sector Project (*Health Sector Project, Projet de Développement du Système de Santé*, PDSS, P143849) is already formalized and in place, and there is a dialogue for signing an agreement between Lisungi and the Urban Development and Poor Neighborhood Upgrading Project (P146933) Project Implementation Unit (PIU). In addition, the project developed the CT program management information system (MIS), which includes modules for (a) tracking payments, beneficiaries' compliance with the project's health, and education conditionalities and (b) supporting the Lisungi Project management unit (Lisungi PMU, henceforth PMU) in generating regular reports and tracking grievances related to the delivery of the CTs.
- (b) **Component 2: Development and implementation of cash transfer programs:** In May 2018, after a year-long gap on delivering the quarterly CTs due to the economic crisis, CTs were resumed to 3,455 households and 2,794 elderly people (634 of those living alone). Before this year-long gap, the monitoring and evaluation (M&E) assessments conducted showed that (a) health center visits for growth monitoring of children 0–11 months was at 70 percent and for 12–23 months was at 47 percent; (b) 95 percent of 0–11 month children had received at least one vaccine, but low supplies of vaccines against whooping cough, influenza, hepatitis B and pneumococcus virus were significant; (c) 100 percent of the pregnant women enrolled in the project before pregnancy week 16 had benefitted from four prenatal exams; (d) most beneficiaries did at least one postnatal exam, and 46 percent did at least two postnatal exams; (e) the monthly average participation rate had increased above 80 percent in the target areas; and (f) about one-quarter of the beneficiaries had invested part of the benefits to open their own micro-business by the purchase of small equipment for the cassava fields and market gardening, the purchase of nets and canoes for fishing, and the small trade of food products and to sell local drink, gasoline, oil, hairstyle articles for women, and so on. By December 2018, more than 9,000 households received the CTs due to the addition of new beneficiary households financed by both World Bank (through AF1) and AFD.



In addition, the Government has approved in the 2018 budget a line for LISUNGI that would allow increasing number of beneficiaries. However, due to the weak macroeconomic situation, this commitment did not materialize until today.

- (c) **Component 3: Project management, monitoring and evaluation (M&E).** The project has made significant progress in institutional strengthening, coordination, and capacity building at the MASAH. Specifically, the project (i) has a functional implementation unit; (ii) is effectively providing capacity building for staff of the implementation unit and the MASAH; and (iii) has developed an M&E strategy to track the project's operational, financial, and procurement activities.

AF2 Description

33. The AF2 aims to increase the coverage of the Lisungi Project to refugees and host communities in Brazzaville (Kintele and Ignie), Pointe Noire (Tietie and Ngoyo), and Likouala (Impfondo, Bétou and Enyellé). The revised components are summarized in the following paragraphs.

Component 1: Establishment of key building blocks of a national safety net program and enhancement of local capacities (AF2 US\$2 million equivalent)

34. This component will continue to support the development of the RSU and related information systems for the benefit of refugee and host communities, including its expansion to Likouala.

35. This component will support scaling up the coverage of the RSU to add about 8,000 households in the system according to the criteria specified in Component 2.

36. In addition, the component will finance the development of the accompanying measures to be provided by social workers in Brazzaville and Pointe Noire, and by NGOs in Likouala, and the hiring of implementing agencies that also support Component 2 implementation. Those agencies are to be selected competitively following the procurement guidelines and must follow the rules and procedures for subcomponent implementation as described in the PIM.

37. The rationale for having the accompanying measures is to maximize the benefits of CTs in Component 2. These accompanying measures give households information and incentives to promote the human capital of their children and to do the right investments with the goal of reducing both the current and the intergenerational transmission of poverty. These accompanying measures are provided at the commune/village level. Several accompanying measures can be envisaged to be added to the current UNICEF Communication for Development collaboration with the project. The proposed sessions include hygiene practices and information related to early childhood development, financial literacy training, nutrition, family planning, and investment and savings planning.

38. **Targeting.** Given the complexity of the context for the selection of potential beneficiaries in the project such as remoteness of the region of Likouala and particularities of the refugee, host communities and IP, UNHCR, Renapac and MASAH social workers will be an integral part of the process. For the refugees, UNHCR maintains a database of refugees grouping them into four groups, ranging from "most in need" to "better off". Those in the category "most in need" are priority for the intervention and will be



invited to enroll in the project for participating in component two activities. For the IP, MASA social workers and Renapac have been working closely with the IP and they will support pre-identification for reaching the most in need to be part of the project for participating in Component 2 activities. For the bantus, MASA social workers will work with committees to identify those that could benefit from the program following the regular Lisungi process described in the current implementation manual. Progressively, once beneficiaries selection for Component 2 is completed, other UNHCR database households and other IP are expected to be part of the Social Registry. Consideration will be also given to the existing gender disparities when selecting project beneficiaries as detailed below.

39. The activities financed in this component have started in the parent project and will continue to be financed by AF2 for the benefit of refugee and host communities.

Component 2: Development and implementation of human development programs (AF2 US\$16.3 million equivalent)

Subcomponent 2A: Direct Cash Transfer to Poor Households³ (AF2 US\$6.5 million)

40. As in the parent project, this AF2 will provide direct transfers for the benefit of refugee and host communities, where the beneficiary children are required to fulfil the following conditions:

- (a) **Health.** Regular health center visits including age-relevant checkups and vaccination to improve children's health status and prenatal and postnatal exams to improve maternal health care that hinders female potential and women's empowerment through their inclusion in the labor market
- (b) **Education.** A minimum of 80 percent regular school attendance per child per month

41. To mitigate the weak provision of services in certain areas, the accompanying measures on early childhood development, financial literacy, and others will be developed and provided by the selected NGOs as part of the Component 1 activities.

42. This subcomponent will provide timely, predictable, and regular transfers for refugees and host communities households. Regular transfers ensure the achievement of program objectives and smooth and increased household consumption and protect household assets. Predictable transfers allow households to maximize the use of their money and help them make livelihood investments because the timeliness and predictability of transfers enables households to plan and invest in the future, particularly in the human capital of their children.

43. **Eligibility criteria.** The CT will be delivered following the same approach used in the parent project. Preidentified households by CCC will have information collected and updated to the RSU. In Brazzaville and Pointe Noire, a needs and conditions assessment will be done based on socioeconomic characteristics using the full RSU questionnaire, and households will be classified according to the poverty levels. Those households classified as extreme poor are eligible for the program. The eligible households' list is then validated by the CCC and CLSs before program enrollment. In Likouala, given the high levels of

³ Beneficiary of cash transfers is defined as Poor or Vulnerable Household, comprising a refugee or host community household which is eligible to receive a cash transfer under the Cash Transfer Program and is duly registered for the purpose.



poverty, the needs and conditions assessment will be done based on the short RSU questionnaire (*fiche signaletique*). Then, the full RSU questionnaire will be collected once all selected households are enrolled in the project.

44. **Benefit level.** The minimum benefit level remains at CFAF 10,000 per month. A variable child benefit is set at CFAF 5,000 per child per month. A variable elderly benefit is set at CFAF 10,000 per elderly per month. The maximum number of variable child benefits is CFAF 15,000, which represents three children. Due to the multigenerational households, the maximum transfer per household is CFAF 45,000 that represents a household with three children and two elders.

45. **Number of beneficiaries.** The project will benefit 2,000 refugee households and 2,000 households living in host communities. For both groups, the partition of the population among the three departments will be proportional to the refugees' population in each department, that is, 66 percent in Likouala, 29 percent in Brazzaville, and 5 percent in Pointe Noire. The correct number of IP will be provided once the CAS social mapping is concluded. Therefore, the AF2 is financing the conditional CTs to these new 4,000 households in the selected areas, but this component is being implemented under the parent project in other areas of the country.

46. As in the parent project, women are considered the main recipients of the CTs and accredited payment agencies will make payments to beneficiaries under this subcomponent. However, in areas of difficult access or in Likouala where the financial market remains limited, other ways of making the transfers may be explored, such as direct payments made through NGOs or UN agencies such as UNHCR, UNICEF, and WFP.

Subcomponent 2B: Income-Generating Activities (AF2 US\$3.6 million)

47. This subcomponent will provide IGAs for selected households among refugees and host communities. It will benefit from the accompanying measures offered by implementing partners to support the preparation of business plan; to provide information on financial education, savings, and credit; and to support the implementation of the activities.

48. The proposed IGAs will be small-scale (undertaken at the household level) and could include:

- (a) The purchase of inputs for gardens or subsistence farming to improve dietary diversity of households;
- (b) The establishment of community savings groups; and
- (c) The support to adopt alternative livelihoods such as the purchase of small equipment, for example, a sewing machine or the means to deliver goods to market.

49. Those households that demand support for subsistence activities will be working on their own small plot or at development partners' plots such as those provided by UNHCR in selected areas to increase subsistence activities to improve dietary diversity and food security, while receiving one-to-one accompanying measures on how to run such activities.



50. The project will not finance the purchase of land or buildings leading to involuntary resettlement, nor will the project procure any pesticides, but the project will carry out extension services toward project beneficiaries on the proper use of pesticides and other agro-chemicals although the project does not finance any of these products. Therefore, IGA beneficiaries will receive guidance on how to undertake their proposed activities in an environmentally friendly, sustainable, and successful manner. The subcomponent can offer small materials or agricultural input as community goods in selected areas.

51. The participation of women in the subcomponent will be strongly encouraged, since women are traditionally involved in small-scale IGA and are economically marginalized.

52. **Eligibility criteria.** The IGAs will be delivered following the same approach used in the parent project and in the Subcomponent 2a. Based on socioeconomic characteristics poverty classification, households classified as extreme poor or poor are eligible for the project.

53. **Benefit level.** The package of services to be provided to selected beneficiaries includes the transfer of CFAF 200,000 (US\$400) in three installments (50 percent, 25 percent, and 25 percent)—according to the specifications included in the business plan and the PIM. The first transfer of 50 percent is provided upon receipt of a validated business plan to allow for up-front investments; the second transfer of 25 percent is provided midway through the implementation of the activities; and the third transfer of 25 percent is provided six or nine months from the first payment. In addition, the beneficiaries will receive

- (a) Training on the preparation of an action plan and other technical skills;
- (b) Communication and mentoring of beneficiaries to support implementation and boost their self-confidence and social capital; and
- (c) Financial literacy training to improve their income management and to encourage them to save in case of shocks.

54. **Number of beneficiaries.** The project will benefit 4,000 refugee households and 4,000 households living in host communities. For both groups, the partition of the population among the three departments will be proportional to the refugees' population in each department, that is, 66 percent in Likouala, 29 percent in Brazzaville, and 5 percent in Pointe Noire. The correct number of IP will be provided once the CAS social mapping is concluded, and some overlap with Subcomponent 2A beneficiaries is envisaged.

55. Therefore, the AF2 is financing the CCTs to these new 8,000 households for refugees and host communities, but this component is being implemented since the AF1 in other areas of the country.

56. The project will not finance the purchase of pesticides and will provide guidance to beneficiaries on how to avoid the use of pesticides, including a do-not-use list.

57. The PIM will further provide a checklist for the regional selection committees to capture potential social and environmental risks of subprojects.

58. As in the parent project, accredited payment agencies will make payments to the beneficiaries under this subcomponent. However, in areas of difficult access or in the north where the market remains



limited, other ways of making the transfers may be explored, such as vouchers to be ‘cashed’ at local payment points or direct payments made through NGOs or UN agencies such as UNHCR, UNICEF, and WFP.

Links with Health and Education projects to address supply issues.

Subcomponent 2C. Health services program (AF2 US\$3.1 million).

59. Currently, a Health System Strengthening Project AF is being discussed with the Government to expand a modified version of the PBF approach to all departments nationwide. This modified version will involve performance contracting for quality services in public and quasi-public health facilities, and performance contracting of the sub-national health administration (Departmental Health Bureau and District Health Office and DDS). The foundation of PBF is based on a contractual relationship between the different actors of the health system where health providers are paid based on their performance through a prospective payment system for service quantity and quality, and regulatory bodies and the subnational health administration are paid through meeting certain performance requirements, and payments are based on contracts. As such, the PBF addresses critical impediments confronting the delivery of services at frontline health facilities, including the (i) shortage of funds to meet operating expenses; and (ii) lack of autonomy to manage resources to procure drugs and attract and motivate qualified human resources. The project will make PBF Grants available to eligible Health Services Providers (“HSPs”) for delivery of Health Subprojects to augment supply of basic health services in Likouala. However, the update of the Medical Waste Management Plan (MWMP) developed under the PDSS project in November 7, 2013 is a disbursement condition for the PBF grants.

60. For the three districts of the department of Likouala (Impfondo, Bétou and Enyellé) the estimated population to be covered with the health intervention is of 60,000, of those, 10,000-12,000 are indigenous. Therefore, the AF2 will finance the expansion of the program or the benefit of refugees and host communities of the fee-exemption package for defined extreme poor and IP through PBF at an estimated cost of US\$450,000 per year, expanding the existent collaboration of PDSS and Lisungi to make sure that all Lisungi beneficiaries can use health facilities and that all population in the area can have access to a health service that is functional and of quality. This AF2 will provide financial support to (a) development and implementation of a health services program for the benefit of refugees and host communities, aimed to increasing access to health services through the provision of PBF Grants to eligible HSPs for delivery of Health Subprojects and Fee-Exempt Packages for Eligible Beneficiaries and (b) Support for the administration, management and internal verification and delivery of Health Subprojects through: (i) the provision of technical advisory services, goods, non-consulting services, Training and Operating Costs for the purpose; (ii) running costs of the PDSS PIU; and (iii) Accompanying Measures. Details on the package to be provided will be provided in the updated implementation manual.

Subcomponent 2D. Education services (AF2 US\$3.1 million).

61. Through this AF, the Lisungi implementing unit will work with the implementing units of the Education Sector Support Project (P152910), ESSP, to improve access of Lisungi beneficiaries to services and to guarantee that schools are functional for the benefit of refugees and host communities in the three districts of Likouala. This AF2 will provide finance support to (a) provision of learning materials including (i) acquisition and distribution of books; (ii) provision of didactic material and classroom learning support;



and (iii) provision of standardized teaching materials in primary schools and in training centers; (b) teachers' costs including (i) personnel recruitment, deployment, remuneration and advancement and (ii) training and professional development; (c) school fees for Eligible Students in primary schools or training centers; and (d) running costs of PRAASED PIU and the PDCE PIU.

62. For both health and education supply, the PMU remains responsible for coordinating and managing the Project in collaboration with the existing PDSS, PRAASED and PDCE PIU. The PMU will be responsible for overall management of the Project, including preparation of the annual work plans and budgets, FM and procurement, general supervision of the implementation of project activities, implementation of safeguards plans and frameworks, M&E of project outcome and outputs. It will be answerable to the Steering Committee. Both health and education implementing unit will be responsible for implementing the tasks to guarantee supply of services, based on implementation plans approved by the PMU and COS. MoU will be signed between the MASA and the three ministries that host the implementing units, and a special account will be set up with both implementing units to allow withdrawals in line with agreed work plans and Statements of Expenditures. Finally, APMU will work together with the District Director of the Minister of Health and Population, and Minister of Education to guarantee that the local project oversight is multi-sectoral too.

63. Therefore, the AF2 is creating these new activities to be financed for the first time since they were not part of the parent project.

Component 3: Project management, monitoring and evaluation (M&E) (AF2 US\$3.7 million equivalent)

64. This component will support project management. It will ensure that the PMU is operational and that it successfully and efficiently implements the project in conformity with the Financing Agreement, Project Document, and the PIM. This component will finance:

- (a) The PMU staff (non-civil servant) salaries including operational costs at the regional levels;
- (b) Performance grants set by the World Bank to civil servants detached to work on the project implementation.
- (c) The equipment and operating costs for the PMU directly linked to the daily management of the project (office space; utilities and supplies; bank charges; communications; vehicle operation, maintenance, and insurance; building and equipment maintenance costs; travel and supervision costs; and so on);
- (d) The regular internal audits and annual external audits (according to World Bank legal requirements, the audits of financial and procurement aspects); and
- (e) The training of the personnel of the PMU (at both the central and regional levels).

65. Within the framework of the monitoring cycle, a midterm review will involve the project's stakeholders and civil society in the review of project performance, intermediary results, and outcomes.



The progress and impact of the project will be measured using the data collected at the midterm review and at the end of the project.

66. In addition, this component will finance the revision of the current social accountability and citizens' engagement approach to mitigate the risks in the project associated with the project implementation, to promote nondiscrimination against any population group, and to address prevalence of Sexual and Gender-based Violence (SGBV) that persists within communities, as well as across the country. This component will also revise the Information Campaign strategy that aims to make the overall project more transparent for the population by clarifying the overall implementation process, roles, and responsibilities.

67. More specifically, the project will support updating the grievance redress mechanism (GRM) system. The new GRM will encompass the development of a Complaints Handling Mechanism (CHM) that will have specific communication and training materials, and a CHM manual. The GRM system will support delivering several capacity building workshops on CHM and citizen engagement. However, modifications to the complaints handling system needs to be complemented with behavior change to increase the effectiveness of complaints handling. Trainings with officials about the importance and value of citizen engagement as well as clarification about roles and responsibilities in handling complaints contribute to increased awareness and knowledge and have the potential of affecting behaviors. The updated GRM will be described in the PIM.

68. M&E remains a key subcomponent in the project because the project must be analyzed regularly to inform the Government, the World Bank, and other development partners about its results and impacts. The designed system will transform data collection, data processing, and information management to facilitate the operation of the project components through the entire implementation period, and across all levels (PMU and Regional), to follow the project's progress and measure its results. More specifically, the M&E subcomponent of the project will finance the following:

- (a) Annual process evaluation
- (b) Annual spot checks for the new activities under the AF2 (including beneficiaries' surveys and qualitative evaluations) at the village level;
- (c) Annual independent audits of the project.

69. **Monitoring arrangements for Likouala.** Given the complexity of the project and specificities of the Likouala region, the project is allocating resources under this component to strengthen supervision of project and of the safeguards compliance in the region. The project will extend PMU and World Bank supervision activities in the region given the specific risks involved (refugee and IP protection among others and engage additional expertise (possibly fragility, conflict and violence (FCV)) to prevent and manage potential social conflicts. The Implementation Support Plan (ISP) will require four PMU missions a year, two World Bank implementation support missions a year as described in Annex 2. In addition, monitoring activities would be performed by UNHCR in the region of Likouala.



Implementation Arrangements

70. The implementation arrangements of the project remain the same as in the parent project but with some adjustments. The MASAH continues to have the overall responsibility for the implementation of the project and the PMU remains the implementation unit with the mandate to implement the project. However, the current Inter-sectoral Steering Committee (*Comité d'Orientation Stratégique, COS*) that oversees the project's implementation will be expanded to incorporate other relevant ministries such as the Ministries of Interior and Decentralization; Foreign Affairs and Cooperation; Forest Economy; Justice, Human Rights, and Promotion of the Indigenous Population; Tourism and Environment; and Land.

71. A new committee, a technical one, will be created with relevant members from all COS-represented ministries to discuss implementation strategies and program features and parameters to support the country to reach the overall program objectives.

72. Memorandums of Understanding and project level collaboration agreements will be signed to address the multisectoral aspects of the program.

73. The PMU continues to rely on different committees for implementing the project. Committees are set at:

- (a) The department level (*Comité Départemental Stratégique, CDS*) to oversee the project implementation in the department according to the guidance provided by the PMU and to guarantee the support of all sectoral actors involved in the project implementation, that is, to guarantee project ownership by the local authorities. They meet every six months;
- (b) The district level (*Comités Locaux de Suivi du Projet, CLS*) to support the supervision and monitoring of the project; and
- (c) The commune level (*Comités Comunaux de Ciblage, CCC*) to support project implementation in different activities including information and education campaigns, identification of potential beneficiaries, monitoring of project implementation, and both collection and treatment of complaints.

74. More specifically, the committee's composition is as follows:

- (a) **CDS members.** *Préfet* or its representative, the department directors for the MASAH and for all other relevant sectors represented at the COS, and at least two representatives of the civil society working in the department and one member of Renapac in the Likouala region.
- (b) **CLS members.** *Sous-préfet*, head of the CAS, school and health district directors, head of department of police force, the heads of health committees, and other key actors from sectors represented at the COS, and at least one representative of the civil society working in the district and one member of Renapac in the Likouala region.
- (c) **CCC members.** CAS head of social sector, CAS social workers, local representatives, and the civil society to be the liaison between the project administrators and the population and one member of Renapac in the Likouala region.



75. In addition to the committees, the PMU relies on the local social assistance offices named CAS. The CAS staff that includes the head of CAS, which is the deputy of CLS, and social workers, which are members of CCC in each respective community.

76. Institutional arrangements with health and education sectors will be in place to address the multisectoral nature of the project. The project will rely on collaboration agreements between the ministries and between projects implementation units. First, Ministry Level Memorandums of Understanding between the MASA and all three ministries involved, that is, the Ministry of Health and of Population, the Ministry of Primary and Secondary Education and of Alphabetization, and the Ministry of Technical, Vocational and Professional training and of Employment will be prepared and signed. The three ministries are already members of the *Committee d'Orientation Strategique* headed by the Minister of Social Affairs and Humanitarian Action and Solidarity and consequently, they are already overseeing and supporting Lisungi implementation. Due to the specificities of Likouala and the fact that supply of services is still weak in the region, Memorandums of Understandings (MoUs) will be signed between the Ministries to support collaboration and define the roles and responsibilities of each party in the implementation of project activities in Likouala. Then, project level implementing units of Lisungi and of PDSS, Education Sector Support Project (*Education Sector Support Project, Projet d'Appui au Secteur de l'Éducation, PRAASED, P152910*) and PDCE will sign new collaboration agreements for the implementation of the project in Likouala in addition to the coordinators of the projects already being members of the *Committee d'Orientation Strategique* and partners of Lisungi. The signature of the collaboration agreements between the PMU Lisungi and PDSS, PDCE and PRASED PIUs will be subject to project effectiveness condition.

77. To address potential limited capacity to implement the project and monitor activities in the region, UNHCR has agreed to act as a key partner for monitoring, and NGOs can be hired as service delivery providers following a regular procurement process. UNHCR will provide logistical support to the Lisungi Project implementing unit in Likouala and assist with monitoring of activities in the region in addition to the regular Lisungi and World Bank supervision activities due to specific risks associated with the project. The collaboration between Lisungi and UNHCR will be formalized through a collaboration agreement and will be detailed in the Project Implementation Manual (PIM).

78. **Gender.** Women occupy a variety of roles in Congo's economy, including agricultural production and household income, but with overall very low productivity and limited autonomy. The primary factors that contribute to low female productivity are (a) farm labor, with women facing significant challenges in accessing, using, and supervising male farm labor; (b) low access to appropriate production and processing technologies; (c) low technical and business development skills; and (d) landownership characteristics, with men owning more land and enjoying higher returns to ownership than women. A careful and gender sensitive approach will be necessary to empower women under the project, and the following actions were identified:

- a. Participation in income generating activities will be strongly encouraged. Women are traditionally involved in small-scale activities and are economically marginalized. In rural areas, their participation in income generating activities will be strongly encouraged. This will be done by encouraging them (a) to receive training and information in preparing investment plans; (b) to engage in capacity-building activities for diversification of livelihoods; and (c) to exploit access to and promotion of emerging new crops and production techniques, so they



can benefit from the project investment and increase productivity. Gender-tailored activities will benefit from current experience under the Lisungi Project.

- b. Direct CTs are mainly provided to women. As part of the implementation process for the direct CT, households will be informed about core objectives of the program and left to take the final decision about the Recipient, since a key objective of this component is to address food security and empower women.
- c. To counter gender-based violence (GBV), the project will prepare a robust and well-planned information and education campaign for both men and women in targeted communities. The project will also provide the right channels in all communities to collect grievances and to provide referral for extra support when necessary.

Adjustments for Likouala

79. In Brazzaville and Pointe Noire, those committees are up and running, but the participation of UNHCR representatives at the three committees, CDS, CLS, and CCC, is now mandatory due to the nature of this AF2. In contrast, in Likouala, committees need to be created and CASs are neither fully functional nor have the implementation capacity to support program implementation due to limited resources allocation.

80. In Likouala, besides the CDS that will be set up to oversee the implementation of the project in Impfondo, the PMU will create a PMU Likouala Antenna (APMU) to support the daily management of the program. This antenna will ensure the implementation of the project by following the procedures and rules made available by the PMU at the central level. Operationally, among other things, this antenna's missions are the preparation of the work plan in collaboration with the PMU, the implementation of the annual program of activities to be approved by the PMU, the implementation of the M&E activities, the administrative and financial management (FM) activities, the annual budget preparation, and so on. To achieve the goals, physical and human investment at the decentralized services of the MASAH is needed, including at the CAS level, and will be carried out by the project. In addition, APMU and CAS staff will be trained by the Lisungi Project. The APMU will be led by the District Director of the MASAH, and it will be completed with consultants to be recruited by the project such as three experts in safeguards (two social and one environmental), an accountant, and an M&E officer.

81. One CLS per district, Impfondo, Bétou and Enyelle, will be in place and will have the benefit of the participation of UNHCR. In addition, in each district, CCCs will be created and will benefit from the participation of representatives of Renapac and of NGOs working for the project-targeted population. Finally, the implementation of the project will be carried out through a consortium formed by the CCCs and selected NGOs to be procured using agreed procurement procedures. In other words, local NGOs working with refugee and IP will be recruited by the project at the central level to support the implementation of the project in collaboration with the CAS and social workers. Committees must include representatives of the populations concerned, and mixed population committees are envisaged. This last adjustment is necessary because of strained relations in some communities between the populations concerned, including refugees and IP. Thus, mixed committees aim to improve relationships and prevent conflicts.



82. In addition, NGO partners to be recruited by the project following World Bank procurement guidelines will work under the general direction of the PMU and APMU and in close collaboration with social workers on the ground as providers of services rather than as independent actors. They should use their tools and their experience to promote the objectives of the project. Clear terms of reference (ToR) will be developed for this purpose. It is expected that UNHCR will continue to provide logistical support and become a key partner for the follow-up and monitoring of the project.

83. **More specifically regarding NGOs.** Many NGOs are present in the Likouala department and can support the implementation of the project. These NGOs, local and international, have been encountered during the preparation of the project, and they have a good experience working with the different categories of the population, including IP and refugees. This experience will be exploited to provide support that is relevant and adapted to local conditions for decentralized structures of the state. NGOs are familiar with the local situation and can expand their operations and build capacity in human resources if need be. The selected ones will be involved in the process of (a) identification of potential beneficiaries; (b) data collection for the RSU; (c) project implementation; and (d) running of accompanying measures. Following the GRM new procedures that will be described in the updated PIM, the NGOs can be responsible too for providing social accountability mechanisms support, such as collecting the complaints and grievance system to strengthen project governance. NGOs are expected to hire local expertise to support the project implementation. Therefore, NGOs are to be hired as service delivery providers following the regular procurement process due to low capacity of implementation in the region.

84. **Program implementation manuals.** The PIM including fiduciary manuals of the Lisungi Project is in place and fiduciary and procurement arrangements are acceptable to the World Bank. The health and education programs also have program implementation manuals in place. Due to the specificities of the project in Likouala, and the fact that the PMU will hold fiduciary and procurement for both education and health interventions, the PIM will be updated to reflect the new implementation arrangements agreed between the ministries and project implementation units involved. This updated Lisungi implementation manual will be finalized and made available as project effectiveness condition.

III. KEY RISKS

85. Mitigation measures for risks that are rated High and Substantial include the following:

- (a) **Political and governance (high).** A Governance and Anticorruption (GAC) Action Plan (which will be included in the updated PIM) will establish a list of mitigation measures, such as (i) an information campaign to promote transparency and accountability both at the central and local levels; (ii) an efficient and confidential complaint management system; (iii) applying of strict rules, norms, and World Bank procurement and FM guidelines; and (iv) physical verifications and independent assessments to ensure the transfer mechanism functions appropriately (including among others, identification, registration, and payment). The aim is to ensure transparent identification and registration of beneficiary households and to avoid any sort of discrimination against a group.
- (b) **Macroeconomic (substantial).** The macro framework remains under strain, and the fiscal space can jeopardize the sustainability of the project by the Government and the release of



the counterpart funds of the current project. The macro risk cannot be mitigated within this project; however, the World Bank will continue to monitor the situation and coordinate with the International Monetary Fund and other partners to provide support where possible.

- (c) **Technical design and others - refugees protection (substantial).** In the process of determining the RoC's eligibility to the IDA 18 Refugee Sub-Window for Refugees and Host Communities, the World Bank Group in consultation with UNHCR confirmed that the protection framework for refugees was adequate. However, this area of engagement is new for the World Bank, and many issues closely related to refugee protection will need to be closely monitored in view of the following: (i) sentiments of frustration have become evident among some host communities; (ii) there is a need for the adoption of national legislation on the asylum procedure and access to rights to ensure compliance with the international standards, especially the right to work; (iii) national education and health systems remain weak; and (iv) a high prevalence of SGBV persists within the refugee communities. The project supports the policy dialogue toward more socioeconomic inclusion of the refugees within the vision of the adoption of comprehensive national legislation that should protect the rights of refugees such as the right to work, freedom of movement, and access to documentation. In its interventions, the project will seek close collaboration with UNHCR to ensure refugee protection remains central.
- (d) **Indigenous population.** The project will revise the social accountability and citizens' engagement approach currently in place to mitigate any other risks in the project associated with the project implementation and to promote nondiscrimination against any population group and to address the prevalence of SGBV that persists within refugee communities and across the country. Finally, due of the vulnerability of the department, there is a risk that the support provided by the project to the target populations can be co-opted by others, either due to land issues or by appropriation of CTs provided to another person/group of people, and the project must pay special attention to the severe level of vulnerability and exploitation of the IP in the department caused by the non-respect of Law No. # 05-2011 of February 25, 2011, for the Promotion and Protection of the Indigenous Population. Thus, the project will work with local authorities, UNHCR, and NGOs to develop an awareness campaign and a rigorous monitoring plan with clearly defined penalties for those that break program rules and measures for the protection of the IP will be described in the safeguards documents prepared by the project.

86. In addition, as part of the project design, the World Bank with the Government of the RoC agreed on a set of measures to address all kinds of potential implementation failures, grievances and complaints, and errors and frauds. The overall process involves setting up an information, education, and communication campaign; setting up M&E procedures; and having regular internal and external audits, as described in Component 3. Moreover, the PIM describes the grievance and complaints system in detail to ensure transparency and social accountability. Thus, the project has developed with the PMU an evolving and open process that is constantly adapted to address the risks associated with this complex project.

87. The team will also review and revise the comprehensive social accountability and citizens' engagement approach already in place for the parent project to mitigate any such risks in the project. In



addition, the PMU is revising its Information Campaign strategy that aims to make the overall program more transparent for the population by clarifying the overall implementation process, roles, and responsibilities, and besides that, to prevent discrimination against a group or elite capture, the project methodology will be used and reinforced to ensure transparent identification and registration of beneficiary households. Moreover, the grievance system, accessible and easy to use by the communities, will be strengthened to achieve greater accountability in the safety net system and to provide a vehicle for addressing complaints and grievances that arise during the AF implementation process.

IV. APPRAISAL SUMMARY

A. Economic and Financial Analysis

88. Since 2015, the RoC has been experiencing an economic contraction fueled by low oil prices. The oil price decline lowered the growth rate to 2.3 percent in 2015 and contracted further at 2.1 percent in 2016. Fiscal and current account balances also deteriorated during the same time reflecting increased Government spending and lower oil receipts with the twin deficit of more than 10 percent. After enjoying year-on-year GDP growth from 2010 to 2013, the country now faces a challenging economic environment that has exposed the country's fragile economy and exacerbated the poor performance in its human development sector.

89. Following the onset of this economic contraction, the absolute poverty rate is forecast to rise, and the human development sector is not well equipped to meet the challenge. The country's absolute poverty rate decline until recently was largely driven by oil revenue, political stability, and the Government's investment in infrastructure. With the poverty rate declining, the country had not actively pursued and promoted inclusive social policies due to weak public institutions and limited implementation capacity. As such, there were limited opportunities for the poor and the vulnerable to benefit from the country's economic growth. Moreover, low, inefficient, and inequitable resource allocation in the social sectors has resulted in limited physical and economic access to quality services. In addition, with rapid urbanization, high youth unemployment, fast growing population, and inequality have translated into complex and multifaceted vulnerabilities and threats to the country's development aspirations, including the following:

- (a) **Social protection coverage.** The social protection system is underfunded and unable to effectively reduce poverty and vulnerability, increase household productivity, or build and protect human capital.
- (b) **Health outcomes.** The country has not reached any of the health-related Millennium Development Goals (MDG), and poor health is lowering the quality of human capital, limiting the ability of the economy to take full advantage of its labor force.
- (c) **Education outcomes.** Even though the RoC on average invested 2.3 percent of its GDP in education (2007–2012), the quality of its educational outcomes remains discouraging.



- (d) **Urban and rural disparities.** There are significant geographic disparities in service delivery in health, education, water, and sanitation in the RoC. Rural areas are more prone to poverty and low quality of public services.
- (e) **Low financial inclusion.** The RoC suffers from low investment to improve access to financial markets.
- (f) **Gender gaps.** Women have lower levels of education and more limited employment opportunities, and poor maternal health care hinders female potential and their empowerment through their inclusion in the labor market.

90. The country has both demand and supply constraints that affect its human development sector. On the demand side, the experience with the current human development engagement in the country indicates, for example, lack of information about programs and services, high private cost to access some of the services provided, and eligibility errors due to discrimination or political influence. In terms of supply, inadequate financing, inefficient programs due to low implementation capacity, and duplication and wastage of resources due to low coordination hinder human development, especially for the poor.

91. The recent development of the Lisungi as the RoC's social protection system can play an increasing role in protecting families from poverty and promoting their productivity. The development over the last few years of the basic building blocks of a National Safety Nets System takes a more systematic approach to targeting vulnerable populations. This systematic approach targeted at specific groups of the populations (the poorest and most vulnerable) has yielded results regarding poverty reduction and human development across the globe. From a situation of no SSN in 2011, the RoC is now in a position of increasing capacity in SSNs, although it has yet to scale up to the national level.

92. Therefore, the Lisungi Project offers a platform for a better social protection system through three pathways:

- (a) Income support - Contribute to the poverty reduction strategy and to the promotion of food security of the poor and vulnerable households.
- (b) Access to services and information - Promote access to basic services (education and health) and access to the civil registry among the poor and vulnerable population, mainly children.
- (c) Productive inclusion - Promote the improvement of skills and qualifications of young people and adults to improve employment opportunities and the access to IGAs.

93. Expanding its coverage to the refugees' population and promoting socioeconomic development on the host communities can generate larger impacts to the population than scattered interventions. The program can be used not only to channel direct CTs (either conditional or unconditional), but also to support IGAs to help both the poor and the vulnerable refugees and non-refugees to increase resilience and, therefore, structurally reduce poverty.

94. Moreover, the poor and vulnerable households are cash constrained and cannot afford to adopt activities that may offer higher returns, while incentives push toward allocating assets to reduce risk



exposure, trading off expected gains for lower risk. Developing stronger links between the National SSN and other Government programs, such as in agriculture, education (PDCE), and health (PDSS), can be an effective way of addressing some of the most stubborn development gaps that require more comprehensive solutions. As presented in the recently developed Systematic Country Diagnostic (SCD)⁴, the key priorities for improving impacts on poverty can be organized around the following points:

- (a) Increase coverage of CT programs.
- (b) Institutionalize the RSU as an entry point for social policies.
- (c) Build links with other sectors for the provision of a bundle of services for the poor population.
- (d) Build resilience by improving the productivity of the beneficiary households of social policies.

B. Technical

95. The design of the project follows best practices for CT and IGA. A grievance system, which needs to be strengthened in the upcoming months, is already in place to respond to the beneficiary complaints and to ensure a satisfactory level of social accountability. The design of this AF2 maximizes targeting accuracy to the refugees and will be effective in channeling the limited project resources to the neediest. The payment system will continue to follow best practices and the latest developments in mobile payment systems and central information systems for project management. The information system is integrated with other operational processes such as the selection and registration of beneficiaries, the preparation of the list of people to be paid, the reconciliation of accounts, and the reporting of information for project M&E.

96. The focus of this AF2 on refugees will certainly add a level of complexity to the project. The M&E plan and the Grievance Redress Mechanism will be enhanced to reduce any potential issues or conflicts. Additional staff can be hired by the PMU to support the implementation of the AF2. Finally, the World Bank will continue to support the PMU in the implementation of all project activities, including technical assistance and advice to mitigate any risks related to the increased project complexity.

C. Financial Management

97. A FM assessment (FMA) of the implementing unit of Lisungi indicated that the PMU is deemed performant and the FM arrangements for the AF2 project will rely on such good performance. FM of the components remains under the PMU, but both PDSS II and ESSP Projects are the implementation partners. The overall FM performance of the PMU is Satisfactory, and all the units are familiar with the World Bank FM requirements. The relationship between the PMU and both PDSS and ESSPP will be regulated through an MoU agreed between the parties. A special account will be opened for managing the funds for health and education from which the PMU will withdraw funds in line with work plans and statements of

⁴ World Bank. 2018. Policy Priorities for Ending Extreme Poverty and Boosting Shared Prosperity in a Non-Diversified and Fragile Country: Diversification Within and Away from Natural Resources Sectors (English). Washington, D.C.: World Bank Group. Report Number 117335.



expenditures agreed with the PMU Lisungi and both units. As such, Lisungi keeps the fiduciary responsibility for Subcomponent 2C and Subcomponent 2D.

98. Arrangements are acceptable if they are capable of accurately recording all transactions and balances, supporting the preparation of regular and reliable financial statements, safeguarding the project's assets, and are subject to auditing arrangements acceptable to the World Bank. These arrangements should be in place when project implementation starts and be maintained as such during project implementation. The PMU satisfies the World Bank's minimum FM requirements under World Bank Policy and the Directive for Investment Project Financing, and therefore is adequate to provide, with reasonable assurance, accurate and timely FM information on the status of the project required by the World Bank.

Table 1: Eligible Expenditures

Category	Amount of the Credit Allocated (expressed in Euros)		Amount of the Grant Allocated (expressed in SDR)		Percentage of Expenditures to be Financed (inclusive of Taxes)
(1) Goods, works, non-consulting services, consulting services, training and operating costs for refugees and host communities under					[100%]
(a) Parts 1 and 3 of the project;	2,937,000	58.4%	1,792,000	41.6%	
(b) Parts 2.3 (b) of the project	413,000	58.4%	238,000	41.6%	
(c) Parts 2.4 (a) and 2.4 (d) of the project	642,000	58.4%	376,000	41.6%	
(2) Goods, works, consulting services, non-consulting services, school fees, training and operating costs for refugees and host communities under Parts 2.4 (b) and 2.4 (c) of the project	941,000	58.4%	564,000	41.6%	
(3) Cash transfers for refugees and host communities:					[100%]
(a) under Part 2.1 of the project	3,342,000	58.4%	1,952,000	41.6%	



Category	Amount of the Credit Allocated (expressed in Euros)		Amount of the Grant Allocated (expressed in SDR)		Percentage of Expenditures to be Financed (inclusive of Taxes)
(b) under Part 2.2 of the project	1,847,000	58.4%	1,084,000	41.6%	
(4) PBF Grants for refugees and host communities under Part 2.3 (a) of the project	1,178,000	58.4%	694,000	41.6%	[100% of amounts disbursed]
TOTAL AMOUNT	EUR 11,300,000		SDR 6,700,000		

99. The AF2 will, then, benefit from the FM system currently in place. For each one, the FM staff include a financial and administrative officer who is responsible for financial and administrative matters, an accountant, and an administrative assistant. The FM arrangement has been maintained throughout the implementation of the project. There are proper books of accounts, which include a cash book, ledgers, journal vouchers and a contract register, and there are no overdue external audit reports or interim financial reports (IFR) from this unit. It is expected that this arrangement will be used for the implementation of the Lisungi AF2, but some measures to reduce risks must be added, as follows:

- (a) **Risk environment.** Transaction-based disbursements will continue to be used. An initial advance up to the ceiling of the Designated Account (DA) will be made into the DA, and subsequent disbursements will be made monthly against the submission of Statements of Expenditures or records as specified in the Disbursement Letter. The signatories of the current project will continue for this AF2.
- (b) **Governance and accountability.** The risk of fraud and corruption within the project activities is high given the country context, and the current fiduciary arrangement that helped mitigate the risks must continuously be applied.

D. Procurement

100. The PMU will be responsible for the project for procurement planning and management. The Procurement Procedures Manual will set out detailed procedures for maintaining and providing readily available access to project procurement records, in compliance with the Financing Agreement. Archiving room will be available and the PMU will assign one person responsible for maintaining the records. The logbook of the contracts with a unique numbering system shall be maintained. Signed contracts as in the logbook shall be reflected in the commitment control system of the Recipient’s accounting system or books of accounts as commitments whose payments should be updated with reference made to the payment voucher. This will put in place a complete record system whereby the contracts and related payments can be corroborated.

101. The project procurement strategy is linked to the project implementation strategy at the country, regional, and international levels, ensuring proper sequencing of the activities. It considers institutional



arrangements for procurement; roles and responsibilities; thresholds, procurement methods, and prior review; and the requirements for carrying out procurement. It also includes a detailed assessment and description of PMU and government capacities for carrying out procurement and managing contract implementation, within an acceptable governance structure and accountability framework. Other issues considered include behaviors, trends, and capabilities of the market (that is, market analysis) to inform the procurement plan. Special arrangements like direct contracting, use of state-owned enterprises, United Nations Agencies, third-party monitors, local NGOs, force accounts, use of civil servants, results-based arrangements, need for prequalification, if any, are considered and addressed.

102. UN agencies can be hired by the government on a sole-source basis for contracts for which they offer their unique roles and qualifications in responding to emergency situations. Standard forms of agreement for UN agencies as acceptable to the World Bank will be adopted. For those UN agencies, if such forms have not been agreed with the World Bank, the World Bank team will provide acceptable sample forms for use by the countries. For the UN agencies hired by the Government of the RoC, certain quick-disbursing arrangements may be agreed upon to finance a positive list of imported or locally produced goods that are required for the project, further subject to the World Bank's prior agreement on the conditions for the release of the financial tranches and the required documentation and certifications, such as customs and tax certificates or invoices.

103. The "New Procurement Framework (NPF) will be applied. Procurement for the proposed AF2 will be carried out in accordance with the World Bank's "Procurement Regulations for IPF Borrowers" (Procurement Regulations) dated July 2016 and revised in November 2017 and August 2018 under the "New Procurement Framework (NPF), and the provisions stipulated in the Legal Agreement; and the 'Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by International Bank for Reconstruction and Development (IBRD) Loans and IDA Credits and Grants', dated October 15, 2006, and revised as of July 1, 2016. All procurement of goods under this project will be carried out using the World Bank's Standard Bidding Documents (SBDs) or Standard Request for Proposals, respectively, for all international competitive bidding (ICB) for goods and all recruitment of international consultants. For national competitive bidding (NCB), while the World Bank is assessing the implementation of the Government's new procurement system (under the procurement code adopted December 2009) outside the context of this project, the Borrower will use the World Bank's SBD for ICB for goods and the World Bank's Standard Request for Proposals for the recruitment of consultants. The procurement activities for this AF2 will be carried out by the unit that is managing the parent project (the PMU). The procurement arrangements will include community-driven development (CDD) procurement arrangements related to the activities under the Subcomponent 2B and to the possible partnership with UN agencies such as UNHCR, UNICEF, and WFP in areas where the local capacities are not ready to execute such a project.. The manual of administrative, financial, and accounting procedures of the parent project will be updated to consider the AF2 specificities. Annual procurement audits will be carried out throughout the duration of the project.

E. Social (including Safeguards)

104. The project activities are not expected to have an adverse social or environmental impact. Expansion to new areas follows a similar approach to that of the parent project so that the targeting approach does not discriminate against any population, a grievance and complaints mechanism is in place, and there is a transparent process for selecting beneficiaries with the support of community committees



to mitigate any social risk. Moreover, committees (CLSs and CCCs) must include representatives of the concerned populations, and mixed committees formed with representatives from the concerned populations are envisaged. This last adjustment is necessary because of the strained relations in some communities between the populations concerned, including the refugees and IPs. Thus, with mixed committees, the project aims to follow an approach that improves relationships and prevents conflicts.

105. The creation of mixed groups of beneficiaries involved in IGAs is also planned. To the extent possible, the project could support mixed groups of producers, which would include host populations and refugees to promote social cohesion and to allow the exchange of knowledge and experiences between the two communities. Some refugees have the knowledge and skills in agriculture they could share with the host populations, and vice versa.

106. However, the project triggers OP 4.10 (Indigenous Peoples) due to the presence of indigenous peoples in the Likouala region to be covered, as well as in Plateaux that is currently covered by the project. Although the targeting selection, as specified in the PIM, does not discriminate against IPs or any other population such as the refugees and aims to provide equal opportunity to benefit from any of the Lisungi activities, the project has added a layer of risk management to ensure that IP are indeed included. The project has prepared an Indigenous Peoples Policy Framework (IPPF) which identifies and lays out the challenges faced by the IP communities, the consultation process, the risks and impacts, and provides an outline of the priorities for the communities in the context of this project. The IPPF was disclosed in country on September 21, 2018 and the World Bank external website on December 4, 2018. After effectiveness, and prior to implementation, the project will prepare an Indigenous Peoples Plan (IPP) which will provide an action plan based on the IPPF.

107. Regarding the issues of social safeguards, it will be necessary to trigger the backup policy OP 4.12 (Involuntary Resettlement) because of land issues identified (e.g. in Likouala arable land is a scarce resource and there is a high density of refugee population and local communities, including Indigenous Peoples) even though the project activities will not result in any form of land take leading to involuntary resettlement and/or restriction of access to assets and/or involuntary restriction to legally designed parks or negatively affect livelihoods. A resettlement policy framework (RPF) is prepared by the project, and disclosed in-country on September 21, 2018 and in the Association's website on December 4, 2018. The RPF describes a program of actions, measures and policies designed to avoid or minimize any adverse impact or hardship to Displaced Persons.

108. There is also social risk due to SGBV in communities as pointed out during project preparation consultations. As such, this AF2 will review and revise the comprehensive social accountability and citizens' engagement approach already in place for the parent project to mitigate any such risks in the project. In addition, the PMU is revising its Information Campaign Strategy that aims to make the overall program more transparent for the population by clarifying the overall implementation process, roles, and responsibilities.

F. Environment (including Safeguards)

109. The environment category is B because new activities to be performed are likely to cause some negative impacts on the environment. They come especially from activities in the agro-forest pastoral field, which will bring benefits to the local population but may also have some cases of negative



environmental and social effects. The proposed IGAs will be on a small scale (undertaken at the level of the household) and could include the purchase of agricultural inputs (through the CTs) for a small production for subsistence agricultural activities to improve the food diversity of households. Therefore, the project will trigger OP 4.01 (Environmental Assessment), OP 4.36 (Forests), OP 4.11 (Physical Cultural Resources) and OP 4.09 (Pest Management).

110. To reduce the concerns, the alignment of agricultural technical procedures (resilience to climate change, respecting the criteria of REDD+⁵, and agroforestry) for IGA is necessary. These technical procedures will be made available to the PMU by the World Bank.

111. Finally, the project will benefit from the recruitment of a social and environmental specialist at the PMU and at the APMU to manage agreed social and environmental mitigation measures to support the project activities as previously agreed and monitor the activities and safeguards presented in the Environmental and Social Management Framework, IPP, and RPF.

V. WORLD BANK GRIEVANCE REDRESS

112. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, because of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit <http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service>. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

⁵ REDD+ refers to reducing emissions from deforestation and forest degradation in developing countries, and the role of conservation, sustainable management of forests, and enhancement of forest carbon stocks in developing countries.



VI. SUMMARY TABLE OF CHANGES

	Changed	Not Changed
Implementing Agency	✓	
Results Framework	✓	
Components and Cost	✓	
Loan Closing Date(s)	✓	
Safeguard Policies Triggered	✓	
EA category	✓	
Legal Covenants	✓	
Project's Development Objectives		✓
Cancellations Proposed		✓
Reallocation between Disbursement Categories		✓
Disbursements Arrangements		✓
Institutional Arrangements		✓
Procurement		✓
Other Change(s)		✓

VII. DETAILED CHANGE(S)

IMPLEMENTING AGENCY

Implementing Agency Name	Type	Action
Ministry of Social Affairs	Central Ministry	Marked for Deletion
UGP LISUNGI		Marked for Deletion
Ministry of Social Affairs and Humanitarian Action	Central Ministry	New
PMU Lisungi	Line Ministry/Ministerial	New



	Department	
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COMPONENTS

Current Component Name	Current Cost (US\$, millions)	Action	Proposed Component Name	Proposed Cost (US\$, millions)
Establishment of key building blocks of a national safety net program and enhancement of local capacities	1.60	Revised	Establishment of key building blocks of a national safety net program and enhancement of local capacities	3.60
Development and implementation of cash transfer programs	21.60	Revised	Development and implementation of human development programs	37.90
Project management, Monitoring and Evaluation (M&E)	3.80	Revised	Project management, Monitoring and Evaluation (M&E)	7.50
TOTAL	27.00			49.00

LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Current Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-53580	Effective	28-Feb-2018	31-Dec-2019	31-Dec-2019	30-Apr-2020
IDA-59860	Effective	31-Dec-2019	31-Dec-2019	30-Dec-2022	30-Apr-2023

Expected Disbursements (in US\$)

Fiscal Year	Annual	Cumulative
2014	86,328.00	86,328.00
2015	714,494.00	800,822.00
2016	946,110.00	1,746,932.00
2017	1,222,826.00	2,969,758.00
2018	2,627,164.00	5,596,922.00
2019	7,533,960.00	13,130,882.00



2020	7,307,414.00	20,438,296.00
2021	8,420,394.00	28,858,690.00
2022	4,628,228.00	33,486,918.00
2023	513,082.00	34,000,000.00

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category	Latest ISR Rating	Current Rating
Political and Governance	● High	● High
Macroeconomic	● Substantial	● Substantial
Sector Strategies and Policies	● Moderate	● Moderate
Technical Design of Project or Program	● Moderate	● Substantial
Institutional Capacity for Implementation and Sustainability	● Moderate	● Substantial
Fiduciary	● Moderate	● Moderate
Environment and Social	● Low	● Moderate
Stakeholders	● Low	● Low
Other		
Overall	● Moderate	● Substantial

COMPLIANCE

Change in Safeguard Policies Triggered

Yes

Safeguard Policies Triggered	Current	Proposed
Environmental Assessment OP/BP 4.01	No	Yes
Performance Standards for Private Sector Activities OP/BP 4.03	No	No
Natural Habitats OP/BP 4.04	No	No
Forests OP/BP 4.36	No	Yes



Pest Management OP 4.09	No	Yes
Physical Cultural Resources OP/BP 4.11	No	Yes
Indigenous Peoples OP/BP 4.10	Yes	Yes
Involuntary Resettlement OP/BP 4.12	No	Yes
Safety of Dams OP/BP 4.37	No	No
Projects on International Waterways OP/BP 7.50	No	No
Projects in Disputed Areas OP/BP 7.60	No	No

Environmental Assessment (EA) Category

Change of EA Category	Original EA Category
Yes	Not Required (C)
Current EA Category	Proposed EA Category
Not Required (C)	Partial Assessment (B)

LEGAL COVENANTS – CG Rep. LISUNGI Safety Nets System Project (P145263)

Loan/Credit/TF	Description	Status	Action
IDA-53580	Finance Agreement :Financial management/accounting software Description :To facilitate the proper maintenance of its financial management system as referred to in Part B.1 of Section II to the Financing Agreement, the Recipient shall, not later than three (3) months after the Effective Date: (a) acquire and install appropriate financial management/accounting software, in accordance with the provisions of Section III of Schedule 2 to the Financing Agreement. Due Date :31-Dec-2014	Complied with	No Change
IDA-53580	Finance Agreement :Financial	Complied with	No Change



	Management training Description :To facilitate the proper maintenance of its financial management system as referred to in Part B.1 of Section II to the Financing Agreement, the Recipient shall, not later than three (3) months after the Effective Date provide financial management Training for staff involved in financial management of the Project, under terms of reference acceptable to the Association. Due Date :31-Dec-2014		
IDA-53580	Finance Agreement :Project's procurement staff training Description :The Recipient shall, not later than twelve (12) months after the Effective Date, provide Training for the Project's procurement staff, under terms of reference acceptable to the Association. Due Date :30-Sep-2015	Complied with	No Change
IDA-53580	Finance Agreement :Update its procurement filing and record keeping system Description :The Recipient shall, not later than six (6) months after the Effective Date, update its procurement filing and record keeping system, in form and substance acceptable to the Association. Due Date :31-Mar-2015	After delay complied with	No Change
IDA-53580	Finance Agreement :Appoint External Audit Description :To facilitate the carrying out of independent audits under Part B.3 of Section II of the Financing Agreement, the Recipient shall, not later than six (6) months after the Effective Date, appoint an external auditor. Due Date :31-Mar-2015	Complied with	No Change
IDA-53580	Finance Agreement :Counterpart funding 2015 Description :The Recipient has deposited 3,200,000,000 CFA Francs into the Project Counterpart Funds Account in accordance with the provisions of Section I.E of Schedule 2 to the Financing Agreement. Due Date :05-Apr-2015	Not complied with	No Change



IDA-53580	Finance Agreement :Counterpart funding 2016 Description :The Recipient has deposited 2,000,000,000 CFA Francs into the Project Counterpart Funds Account in accordance with the provisions of Section I.E of Schedule 2 to the Financing Agreement. Due Date :01-Jun-2016	Not complied with	No Change
IDA-59860	Finance Agreement :Project Reports Description :The Recipient shall, not later than eighteen (18) months after the Effective Date, undertake, in conjunction with all agencies involved in the Project, a comprehensive mid-term review of the Project during which it shall exchange views with the Association and implementing agencies generally on all matters relating to the progress of the Project, the performance by the Recipient of its obligations Due Date :31-Jan-2019	Complied with	No Change
IDA-59860	Finance Agreement :Safeguards: Compliance with, and Monitoring of, the Indigenous Peoples Plan Description :The Recipient, through the LISUNGI Project Management Unit, shall: (i) comply with, and carry out, the IPP with due diligence and efficiency and at all times provide the funds necessary therefor; (ii) adequately monitor and evaluate the carrying out of the activities provided in the IPP in the carrying out of the Project; and (iii) maintain the Association suitably informed of the progress in. Frequency :CONTINUOUS	Complied with	No Change
IDA-59860	The Lisungi PMU will hire, and thereafter retain, an environmental specialist and a social specialist with experience and qualifications satisfactory to the Association, to be responsible for the implementation arrangements required for the carrying out of the ESMF, RPF and IPPF.	Not yet due	New



LEGAL COVENANTS – LISUNGI Safety Nets System Project II (P166143)

Sections and Description

The Association is satisfied that the Recipient has an adequate refugee protection framework: CONTINUOUS

The LISUNGI PMU shall, not later than three (3) months after the Effective Date, hire, and thereafter retain, an environmental specialist and a social specialist with experience and qualifications satisfactory to the Association, to be responsible for the implementation arrangements required for the carrying out of the ESMF, RPF and IPPF.

The Recipient shall, not later than three (3) months after the Effective Date, through the LISUNGI PMU, recruit and thereafter retain, two (2) social development specialists and one (1) environmental specialist in the Likoula antenna, each with terms of reference, qualifications and experience satisfactory to the Association.

Conditions

Type	Description
Effectiveness	The Recipient has concluded three Memoranda of Understanding in form and substance acceptable to the Association (i) between the LISUNGI PMU and the PDSS PIU; (ii) between the LISUNGI PMU and the PRAASED PIU; and (iii) between the LISUNGI PMU and the PDCE PIU.
Effectiveness	The Recipient has updated the PIM in form and substance satisfactory to the Association.
Effectiveness	The Association is satisfied that the Recipient has an adequate refugee protection framework.
Disbursement	No withdrawal shall be made under Category (4) unless and until the MWMP has been updated in form and substance satisfactory to the Association.



VIII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Congo, Republic of
LISUNGI Safety Nets System Project II

Project Development Objective(s)

"Strengthen the social safety nets system and its programs aimed at improving both access to health and education services and productivity among poor and vulnerable households in participating areas."

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	DLI	Baseline	End Target
Development of a Social Registry (Action: This Objective is New)			
The number of potential beneficiary households enrolled in the unique registry for safety net programs (Number (Thousand))		60,000.00	80,000.00
<i>Action: This indicator is New</i>			
Increase number of social safety nets beneficiaries (Action: This Objective is New)			
Beneficiaries of social safety net programs (CRI, Number)		38,780.00	80,000.00
<i>Action: This indicator is New</i>			
Beneficiaries of social safety net programs - Female (CRI, Number)		22,000.00	40,000.00



Indicator Name	DLI	Baseline	End Target
Action: This indicator is New			
Beneficiaries of Safety Nets programs - Social Pensions (number) (CRI, Number)		3,367.00	10,000.00
Action: This indicator is New			
Beneficiaries of Safety Nets programs - Other cash transfers programs (number) (CRI, Number)		38,780.00	60,500.00
Action: This indicator is New Rationale: Conditional Cash transfer indicator			
Beneficiaries of Safety Nets programs - Other social assistance programs (number) (CRI, Number)		0.00	80,000.00
Action: This indicator is New Rationale: Income Generating Activities			
Beneficiaries of social safety net programs - Refugees (Number)		0.00	18,000.00
Action: This indicator is New			
Beneficiaries of social safety net programs - Indigenous population (Number)		210.00	12,000.00
Action: This indicator is New			
Increase access to health services (Action: This Objective is New)			
The percentage of infant beneficiaries aged between 0 and 11 months old who had regular monthly visits to health centers (Percentage)		95.80	90.00



Indicator Name	DLI	Baseline	End Target
<i>Action: This indicator is New</i>			
Increase access to education services (Action: This Objective is New)			
The percentage of beneficiary children aged between 6 and 14 years old who are regularly attending primary schools (at least 80 percent of the time every month) (Percentage)		85.20	90.00
<i>Action: This indicator is New</i>			

Intermediate Results Indicators by Components

Indicator Name	DLI	Baseline	End Target
Development and implementation of human development programs (Action: This Component is New)			
The percentage of households reporting that asset depletion is prevented as a result of transfers (CCT and, IGA) (Percentage)		0.00	50.00
<i>Action: This indicator is New</i>	Rationale: <i>For households that were affected by any shock, this indicator measures an increase of household resilience due to the cash transfers</i>		
The percentage of beneficiary households who live below the food poverty line (Percentage)		83.21	75.00
<i>Action: This indicator is New</i>	Rationale: <i>This indicator measures the targeting effectiveness of the cash transfer program meaning that by selection, more than 75%</i>		



Indicator Name	DLI	Baseline	End Target
<i>should be classified as poor (or in order words pre-transfer situation)</i>			
Establishment of key building blocks of a national safety net program - Citizen engagement (Action: This Component is New)			
Percentage of beneficiaries who know their rights and responsibilities regarding the program rules and entitlements (Percentage)		0.00	70.00
Action: This indicator is New	Rationale: <i>This indicator measures whether project communicates well with beneficiaries regarding program rules.</i>		
Percentage of claims and grievances of SR beneficiaries documented, processed, and resolved within 30 days (Percentage)		0.00	70.00
Action: This indicator is New	Rationale: <i>This indicator measures capacity of PMU to deal with complaints regarding the social registry.</i>		

Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
The number of potential beneficiary households enrolled in the unique registry for safety net programs	This indicator shows that the a key building block of the program, the unified registry, is functional in the participating areas of the pilot program.	Every 6 months	Social Registry Information System	Extraction from Social Registry Information System	Lisungi PMU



Beneficiaries of social safety net programs		Quarterly measured	Lisungi Information System	Extraction from Lisungi Information System	Lisungi PMU
Beneficiaries of social safety net programs - Female					
Beneficiaries of Safety Nets programs - Social Pensions (number)					
Beneficiaries of Safety Nets programs - Other cash transfers programs (number)					
Beneficiaries of Safety Nets programs - Other social assistance programs (number)					
Beneficiaries of social safety net programs - Refugees	<p>This indicator shows the total population (direct and indirect) of beneficiaries of social safety nets programs. This indicator will be broken down also by type of transfers:</p> <p>Conditional Cash Transfers: 6,000 direct and indirect beneficiaries Income Generating activities: 12,000 direct and indirect beneficiaries</p>	Quarterly measured	Lisungi Information System	Extraction from Lisungi Information System	Lisungi PMU



Beneficiaries of social safety net programs - Indigenous population	<p>This indicator shows the total population (direct and indirect) of beneficiaries of social safety nets programs. This indicator will be broken down also by type of transfers:</p> <p>Conditional Cash Transfers: 3,000 direct and indirect beneficiaries Income Generating activities: 9,000 direct and indirect beneficiaries</p>	Quarterly Measured	Lisungi Information system	Extraction from Lisungi Information System	Lisungi PMU
The percentage of infant beneficiaries aged between 0 and 11 months old who had regular monthly visits to health centers		Annual	Impact evaluation data or quantitative/qualitative surveys	Household and individual sample extracted from Lisungi Information System	Lisungi PMU
The percentage of beneficiary children aged between 6 and 14 years old who are regularly attending primary schools (at least 80 percent of the time every month)		Annual		Household and individual sample extracted from Lisungi Information System	Lisungi PMU



Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
The percentage of households reporting that asset depletion is prevented as a result of transfers (CCT and, IGA)		Annual	Impact evaluation data or quantitative/qualitative surveys	Household and individual sample extracted from Lisungi Information System	Lisungi PMU
The percentage of beneficiary households who live below the food poverty line		Impact evaluation cycle	Impact evaluation data or quantitative/qualitative surveys	Household and individual sample extracted from Lisungi Information System	Lisungi PMU
Percentage of beneficiaries who know their rights and responsibilities regarding the program rules and entitlements		Annual	Impact evaluation data or quantitative/qualitative surveys	Household and individual sample extracted from Lisungi Information System	Lisungi PMU
Percentage of claims and grievances of SR beneficiaries documented, processed, and resolved within 30 days		Every 6 months	Lisungi Information system, and Impact evaluation data or	Extraction from Lisungi Information System, and Household and individual sample extracted from Lisungi Information System	Lisungi PMU



			quantitative/q ualitative surveys		
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ANNEX 1: PROCUREMENT – DESCRIPTION AND INSTITUTIONAL ARRANGEMENTS

1. The Recipient will carry out procurement under the project in accordance with the World Bank's "Procurement Regulations for IPF Borrowers" (Procurement Regulations) dated July 2016 and revised in November 2017 and August 2018 under the "New Procurement Framework (NPF)," and the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants," dated October 15, 2006, and revised in January 2011 and as of July 1, 2016, and other provisions stipulated in the Financing Agreement.
2. All procuring entities, as well as bidders and service providers, that is, suppliers, contractors, and consultants, shall observe the highest standard of ethics during the procurement and execution of contracts financed under the project in accordance with paragraph 3.32 and Annex IV of the Procurement Regulations.
3. The Recipient shall prepare and submit to the World Bank a General Procurement Notice (GPN) and the World Bank will arrange for publication of GPN in United Nations Development Business online and on the World Bank's external website. The Recipient must also publish it in at least one national newspaper.
4. The Recipient shall publish the Specific Procurement Notices (SPN) for all goods, non-consulting services, and the Requests for Expressions of Interest (REOIs) on their free-access websites, if available, and in at least one newspaper of national circulation in the Borrower's country, and in the official gazette. For open international procurement selection of consultants using an international shortlist, the Recipient shall also publish the SPN in United Nations Development Business online and, if possible, in an international newspaper of wide circulation. The World Bank arranges for the simultaneous publication of the SPN on its external website.

Institutional Arrangements for Procurement

5. The PMU will be responsible for the project for procurement planning and management. The Coordinator will be responsible for decision making during the procurement process.
6. Filing and record keeping. The Procurement Procedures Manual will set out detailed procedures for maintaining and providing readily available access to project procurement records, in compliance with the Financing Agreement. Archiving room will be available and the PMU will assign one person responsible for maintaining the records. The logbook of the contracts with a unique numbering system shall be maintained.
7. Signed contracts as in the logbook shall be reflected in the commitment control system of the Recipient's accounting system or books of accounts as commitments whose payments should be updated with reference made to the payment voucher. This will put in place a complete record system whereby the contracts and related payments can be corroborated.
8. Project Procurement Strategy for Development. As part of the preparation of the Project, the Recipient (with support from the World Bank) has prepared its Project Procurement Strategy for Development (PPSD), which describes how fit-for-purpose procurement activities will support project

operations for the achievement of PDOs and deliver value for money. The procurement strategy is linked to the project implementation strategy at the country, regional, and international levels, ensuring proper sequencing of the activities. It considers institutional arrangements for procurement; roles and responsibilities; thresholds, procurement methods, and prior review; and the requirements for carrying out procurement. It also includes a detailed assessment and description of PMU and government capacities for carrying out procurement and managing contract implementation, within an acceptable governance structure and accountability framework. Other issues considered include behaviors, trends, and capabilities of the market (that is, market analysis) to inform the procurement plan. Special arrangements like direct contracting, use of state-owned enterprises, United Nations (UN) Agencies, third-party monitors, local NGOs, force accounts, use of civil servants, results-based arrangements, need for prequalification, if any, are considered and addressed.

9. UN agencies may be hired by the governments on a sole-source basis for contracts for which they offer their unique roles and qualifications in responding to emergency situations. Standard forms of agreement for UN agencies as acceptable to the World Bank will be adopted. For those UN agencies, if such forms have not been agreed with the World Bank, the World Bank team will provide acceptable sample forms for use by the countries. For the UN agencies hired by the Government of the RoC, certain quick-disbursing arrangements may be agreed upon to finance a positive list of imported or locally produced goods that are required for the project, further subject to the World Bank’s prior agreement on the conditions for the release of the financial tranches and the required documentation and certifications, such as customs and tax certificates or invoices.

10. The recruitment of civil servants as individual consultants or as part of the team of consulting firms on a case by case basis will abide by the provisions of paragraph 3.23 (d) of the Procurement Regulations.

11. Procurement Plan. The Recipient has prepared a detailed 18-month Procurement Plan, which has been agreed by the Government of the RoC and the World Bank on before negotiations. The Procurement Plan will be updated in agreement with the World Bank Team annually or as required to reflect the actual project implementation needs and improvements in institutional capacity. The Recipient shall use the World Bank’s online procurement planning and tracking tools (STEP) to prepare, clear, and update the Procurement Plans and manage all procurement transactions and related documentation.

12. The PMU will carry out procurement to implement the project, including procurement for the Ministries or entities involved in project implementation, and explained below. It will procure goods, works, or services for the project as included in the Procurement Plan and agreed with the World Bank.

13. The scope of procurement is described in the Project Procurement Strategy for Development and the Procurement Plan agreed by the World Bank and main activities are summarized in the table below.

Table A1.1: Summary of the Procurement Strategy for Development

Contracts Title, Description and Category	Estimated cost (US\$) and risk rating	World Bank Oversight	Procurement approach/ competition	Selection Method	Evaluation method



Acquisition of IT equipment for the local level, the RSU servers backup site (central servers, routers, inverters and machine room requirements) and for the system ladder	105,238/ Moderate risk	Posterior i	Call for Bid	National / Open	Qualification Criteria (the estimated Offer the Most Advantageous)
Acquisition of vehicles for PMU and antennas	308,007 / Moderate risk	Posterior i	Call for Bid	National / Open	Qualification Criteria (the estimated Offer the Most Advantageous)
Acquisition of office equipment and furniture for antennas	60,952 / Low risk	Posterior i	Price quote	National / Restricted	Qualification Criteria (the estimated Offer the Most Advantageous)
Acquisition of solar panels for antennas	142,857/ Low risk	Posterior i	Price quote	National / Restricted	Qualification Criteria (the estimated Offer the Most Advantageous)
Contract for payment of cash transfers and cash allowances	306,000/ Low Risk	Posterior i	Price quote	Quality and Cost Based Selection	Qualification Criteria (the estimated Offer the Most Advantageous)

NGO contract for Income generating activities	244,000 Low Risk	Posterior i	Direct/International/National/Op en	Quality and Cost Based Selection	Qualification Criteria (the estimated Offer the Most Advantageous)
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14. Training, Workshops, Study Tours, and Conferences. Training activities would comprise workshops and training, based on individual needs, as well as group requirements, on-the-job training, and hiring consultants for developing training materials and conducting training. Selection of consultants for training services follows the requirements for selection of consultants above. All training and workshop activities (other than consulting services) would be carried out on the basis of approved Annual Work Plans/Training Plans that would identify the general framework of training activities for the year, including (a) the type of training or workshop; (b) the personnel to be trained; (c) the institutions that would conduct the training and reason for selection of this particular institution; (d) the justification for the training, that is, how it would lead to effective performance and implementation of the project and/or sector; (e) the duration of the proposed training; and (f) the cost estimate of the training. Report by the trainee(s), including completion certificate/diploma upon completion of training, shall be provided to the Project Coordinator and will be kept as parts of the records, and will be shared with the World Bank if required.

15. Detailed training and workshop ToR providing the nature of training/workshop, number of trainees/participants, duration, staff months, timing, and estimated cost will be submitted to IDA for review and approval prior to initiating the process. The selection methods will derive from the activity requirement, schedule, and circumstance. After the training, the beneficiaries will be requested to submit a brief report indicating what skill or skills have been acquired and how these skills will contribute to enhancing their performance and attaining the project objective.

16. Operational Cost. Operational costs financed by the project would be incremental expenses, including office supplies, vehicles operation and maintenance costs, maintenance of equipment, communication costs, rental expenses, utility expenses, consumables, transport and accommodation, per diem, supervision costs, and salaries of locally contracted support staff. Such service needs will be procured using the procurement procedures specified in the PIM accepted and approved by the World Bank.

17. Procurement Manual. Procurement arrangements, roles and responsibilities, methods, and requirements for carrying out procurement shall be elaborated in detail in the Procurement Manual, which will be a section of the PIM. The PIM shall be prepared by the Recipient and agreed with the World Bank not later than three months from the effectiveness date.

18. Open National Market Approach is a competitive bidding procedure normally used for public procurement in the country of the Recipient and may be used to procure goods, works, or non-consultant services provided it meets the requirements of paragraphs 5.3 to 5.6 of the Procurement Regulations (see Table A1.2).

**Table A1.2: Requirements and Actions for National Open Competitive Procurement**

N°	Requirements	Actions
1	Open advertising of the procurement opportunity at the national level.	The advertising must be extended to all contracts through the inclusion of all contracts in the Procurement Plan and its publication.
2	The procurement is open to eligible firms from any country.	None.
3	The request for bids/request for proposals will require that Bidders/Proposers submitting Bids/Proposals present signed acceptance at the time of bidding to be incorporated in any resulting contracts, confirming application of, and compliance with, the World Bank's Anti-Corruption Guidelines, including without limitation the World Bank's right to sanction and the World Bank's inspection and audit.	Reinforce the related provisions (Public Procurement Code art. 29 / Code of ethics and professional conduct in Public Procurement [art. 8, 11, 12, 13, 28, 38, 39, 40, 41, 42, 44, and 47]) by taking into account the aspects related to the Bank's Anti-Corruption Guidelines (including without limitation the World Bank's right to sanction and the World Bank's inspection and audit rights). Introducing a template of this acceptance in the bidding documents. A World Bank-approved template will be provided.
4	Contracts with appropriate allocation of responsibilities, risks, and liabilities.	Update and consider the required new elements (to strengthen environmental and social performance, health, and safety).
5	Publication of contract award information.	The advertising must be extended to all contracts (the field of application of the public procurement code).
6	Rights for the World Bank to review procurement documents and activities.	The requirement must be included in the bidding documents to grant rights to the World Bank to review procurement documentation and activities. The legal agreement may also allow this provision.
7	An effective complaints mechanism.	None.
8	Maintenance of records of the Procurement Process.	The requirement must be included in the bidding documents and in the legal agreement. The PCU must spell out the practical modalities and the appropriate documentation to archive in the procurement manual of procedures.
9	Procurement Documents include provisions, as agreed with the World Bank, intended to adequately mitigate against environmental, social (including sexual exploitation and abuse and gender-based violence), health and safety ("ESHS") risks and impacts.	Update the procurement documents and agreed with the World Bank the provisions considering ESHS provisions.

19. Procurement Risk Assessment. Given the (a) country context and associated risk; and (b) the fact

that this AF2 will be implemented under the World Bank’s New Procurement Framework, the project procurement risk is rated High. The prevailing risk can be improved to Substantial provided that the following mitigation measures contained in the action plan are implemented.

Table A1.3: Action plan Mitigation Measures

Ref	Tasks	Responsibility	Due Date
1	Recruit a well-qualified and experienced procurement expert that will periodically train and assist the procurement team and technical staff involved in the procurement process on the World Bank’s New Procurement Framework (online courses and face-to-face courses) and on filing and record keeping.	PMU	As needed after effectiveness
2	Train the procurement team on the use of Systematic Tracking of Exchanges in Procurement (STEP) tools, which will be used to manage all procurement transactions and related documentation.	PMU/IDA	Three months after effectiveness
3	Update the PIM that will include procurement procedures and arrangements for the project along with the standard and sample documents to be used.	PMU	By effectiveness
4	Develop a contract management system to ensure that all contracts under the project are effectively and efficiently managed.	PMU	Continuously

20. Procurement supervision. In addition to the prior review and implementation support mission carried out by the World Bank, it is recommended that at least two missions be carried out each year, with one visit to the field to carry out post-review of procurement actions.

21. Post-review procurement. Post-reviews can be done either by World Bank staff or consultants hired by the World Bank. They may also be carried out by third parties such as supreme audit institutions, procurement regulatory authorities, consultancy firms, NGOs, and others, according to procedures acceptable to the World Bank to ascertain compliance with procurement procedures as defined in the legal documents. The sampling is risk based and considers (a) the project procurement risk rating, with the riskier projects having a larger sample; and (b) the contract risk rating, to ensure that riskier contracts constitute a higher proportion of the sample. Post-reviews contribute to the overall procurement performance rating of the project based on the rating of the post-procurement review and provide a basis for updating the project procurement risk and the risk mitigation plan.

22. Oversight and monitoring arrangements for procurement. The PIM will define the Project’s internal organization and its implementation procedures. It will include, among other things, all relevant procedures for calling for bids, selecting consultants, and awarding contracts. The project monitoring arrangements for procurement will be specified. Detailed procurement documentation (namely, the Project Procurement Strategy for Development) may be referenced as such and retained in the project



files. The detailed 18-month Procurement Plan was approved by negotiations and is uploaded to the World Bank website.

ANNEX 2: IMPLEMENTATION SUPPORT PLAN

Strategy and Approach for Implementation Support

1. The strategy and approach for implementation support is characterized by extensive preparation, and will be characterized by its flexibility, and decentralized supervision. This is because the project is enshrined within and seeks to boost the efforts of the government to develop a broader and, eventually, a national SSN system that will be increasingly pro-poor and thus help to reduce poverty more efficiently. The implementation of the project is thus expected to trigger collaboration between the Government and its development partners toward the establishment of a national safety net system. Some initial benefits resulting from the adoption of this approach were realized during the identification and preparation missions when the World Bank team consulted with and generated a common understanding among the Government and its development partners on the underpinning and options for the development of a national system.
2. Preparation. The design of this project relies heavily on the establishment of efficient systems to: (i) identify and register beneficiaries; (ii) control and verify payments to the beneficiaries; (iii) verify that recipients are complying with the conditions attached to receipt of the transfer; (iv) establish case management and complaints management arrangements; and (v) generate regular reports to support program administration and monitoring. The MIS, which will be extended and adapted to Likouala region specificity during the first year of the implementation in the region plays a central role in the development of the Safety Nets System.
3. Flexibility. The project is designed to ensure that a high degree of flexibility is maintained during the key stages of implementation. For example, the system relies heavily on CAS and UNHCR, and implementation committees' representatives to validate the final list of targeted beneficiaries. The payment system will also need to be flexible to accommodate different payment arrangements depending on their network coverage, experience, and capacity.
4. Supervision. Supervision will take place at different levels. At the center, the PMU will manage the MIS, while local supervision will be done by additional safeguards staff at the existing CAS offices, regular PMU missions by core PMU members, and by monitoring activities run by UNHCR. PMU is expected to run quarterly missions and the World Bank every 6 months to address safeguards, fiduciary and other implementation issues.
5. Role of CAS. CAS staff will play an important role in supporting and overseeing key project activities, such as the identification and payment of beneficiaries. An efficient and cost-effective grievance management system is designed, established, and maintained as part of the project. The objective of this will be to build more accountability into the safety net system and to provide a vehicle for addressing complaints and grievances that may arise during the implementation process. Both beneficiaries and non-beneficiaries will have access to the system at the CAS level. It will also be useful for managing fiduciary risks, enhancing social accountability, and detecting and addressing inclusion and exclusion errors, fraud, and corruption.
6. Frequency and scope of fiduciary oversight. Procurement and FM specialists based in Brazzaville are expected to join World Bank supervision missions in the region set to happen every 6 months but

since procurement and fiduciary are to be run from Brazzaville, they can sit at any moment with PMU experts.

7. Technical support. The World Bank will continue providing extensive and continuous technical support on targeting, the payment system, compliance with conditions, and M&E.

Implementation Support Plan (ISP)

8. The task team leadership as well as part of the core task team will be based in Washington or somewhere outside Congo. A few other support team members, particularly procurement specialists, will be based inside the country. This will require the PMU to have regular technical interactions with the World Bank team and support missions, especially during the first half of the project implementation in Likouala, to ensure that any emerging challenges are identified early enough, that recommendations are made in time, and any corrective actions are implemented long before the challenges can adversely affect progress toward the project’s development objectives.

9. In this regard, two kinds of implementation support arrangements have been designed as part of the project:

- a. Implementation support missions from the World Bank will be conducted every six months throughout the project. These missions will make continuous assessments of progress in the implementation of the project and toward the achievement of the project’s development objectives. These support missions will also ensure that corrective actions are taken to counter any emerging problems.
- b. From time to time as needed, experienced World Bank staff and/or consultants will make technical support visits in between missions to provide hands-on implementation support to the Government and other stakeholders in addressing emerging technical issues.

10. The World Bank is well placed to provide implementation support based on its worldwide experience with safety nets in general and CTs programs.

Table 2.1: World Bank’s Implementation Support to the LISUNGI Project

Time	Focus	Skills Needed	Resource Estimate	Comment
First 12 months	All implementation design and fiduciary aspects, mainly related to establishing the identification and payment systems and the administration modules.	Overall experience in designing effective SSNs.	World Bank TTL and Cash Transfer Specialist – 12 Staff Weeks	World Bank providing support through the World Bank budget.
		Technical knowledge of targeting, registry	FM specialist – 4 Staff Weeks	



	<p>Cash transfers program implemented.</p> <p>Piloting and setting up arrangements with education and health components</p>	<p>development, and payment mechanisms.</p> <p>Outreach, training, and sensitization campaigns started.</p> <p>PMU antennas functional</p>	<p>Procurement specialist – 4 Staff Weeks</p> <p>Safeguards specialist – 4 Staff Weeks</p> <p>Operations Analyst/Officer – 8 Staff Weeks</p>	
12-36 months	<p>Cash transfers program implemented.</p> <p>Education and health components implemented</p>	<p>Intensive support to implementation.</p> <p>Outreach, training, and sensitization skills in community nutrition and health.</p>	<p>World Bank TTL – 24 Staff Weeks</p> <p>Safeguards Specialists – 4 Staff Weeks</p> <p>Operations Analyst/Officer – 8 Staff Weeks</p>	World Bank providing support through the World Bank budget.