

Document of
The World Bank

FOR OFFICIAL USE ONLY

Report No: PAD4705

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT PAPER

ON A

PROPOSED ADDITIONAL CREDIT

IN THE AMOUNT OF US\$80 MILLION

TO THE

REPUBLIC OF GUINEA

FOR THE

EMERGENCY RESPONSE AND NAFA PROGRAM SUPPORT PROJECT

April 5, 2023

Social Protection and Jobs Global Practice
Western and Central Africa Region

This document has a restricted distribution and may be used by recipients only in the performance of their official duties. Its contents may not otherwise be disclosed without World Bank authorization.

CURRENCY EQUIVALENTS

(Exchange Rate Effective February 28, 2023)

Currency Unit = Guinean Franc (GNF)
8,610.3 GNF = 1 US\$

FISCAL YEAR

January 1 - December 31

Regional Vice President: Ousmane Diagana

Country Director: Coralie Gevers

Regional Director: Dena Ringold

Practice Manager: Christian Bodewig

Task Team Leader: Claudia Zambra Taibo

ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
ANIES	<i>Agence Nationale d’Inclusion Economique et Sociale</i> Agency for Economic and Social Inclusion
CERC	Contingent Emergency Response Component
CNRD	<i>Comité National du Rassemblement pour le Développement</i> National Committee on Development
COVID-19	Corona Virus Disease 2019
CPF	Country Partnership Framework
CT	Cash Transfer
ECOWAS	Economic Community of West African States
ECT	Emergency Cash Transfer
EHCVM	<i>Enquête Harmonisée sur les Conditions de Vie des Ménages</i> Harmonized Living Conditions Household Survey
EPA	<i>Etablissement Public Administratif</i> Administrative Public Entity
ERNPSP	Emergency Response and Nafa Program Support Project
ESCP	Environmental and Social Commitment Plan
ESMF	Environmental and Social Management Framework
FGM/C	Female Genital Mutilation/Cutting
FM	Financial Management
GDP	Gross Domestic Product
GNF	Guinean Franc
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
IFR	Interim Financial Report
IPF	Investment Project Financing
IPV	Intimate Partner Violence
IRI	Intermediate Results Indicator
INS	<i>Institut National de la Statistique</i> National Statistical Institute
ISR	Implementation Status and Results Report
MIS	Management Information System
M&E	Monitoring and Evaluation
MOU	Memorandum of Understanding
NGO	Non-Governmental Organization
PDO	Project Development Objective
PIM	Project Implementation Manual
PMT	Proxy Means Test
PNDES	<i>Plan national de développement économique et social</i>

	National Plan for Economic and Social Development
PPA	Project Preparation Advance
PPSD	Project Procurement Strategy for Development
RMR	Risk Mitigation Regime
SEA	Sexual Exploitation and Abuse
SEP	Stakeholder Engagement Plan
SGBV	Sexual and Gender Based Violence
SH	Sexual Harassment
SP	Social Protection
STEP	Systematic Tracking of Exchanges in Procurement
WAEMU	West African Economic and Monetary Union

Republic of Guinea

Additional Financing for the Emergency Response and Nafa Program Support Project

TABLE OF CONTENTS

I.	BACKGROUND AND RATIONALE FOR ADDITIONAL FINANCING	7
II.	DESCRIPTION OF ADDITIONAL FINANCING	16
III.	KEY RISKS	26
IV.	APPRAISAL SUMMARY	27
V.	WORLD BANK GRIEVANCE REDRESS	39
VI.	SUMMARY TABLE OF CHANGES	40
VII.	DETAILED CHANGE(S).....	40
VIII.	RESULTS FRAMEWORK AND MONITORING	46
	ANNEX 1. UPDATED THEORY OF CHANGE	61



BASIC INFORMATION – PARENT (Emergency Response and Nafa Program Support Project - P168777)

Country Guinea	Product Line IBRD/IDA	Team Leader(s) Claudia Zambra Taibo		
Project ID P168777	Financing Instrument Investment Project Financing	Resp CC HAWS2 (9346)	Req CC AWCF2 (6551)	Practice Area (Lead) Social Protection & Jobs

Implementing Agency: Agence nationale d'inclusion économique et sociale (ANIES)

Is this a regionally tagged project? No	
--	--

Bank/IFC Collaboration No	
----------------------------------	--

Approval Date 29-May-2020	Closing Date 30-Jun-2024	Expected Guarantee Expiration Date	Environmental and Social Risk Classification Moderate
------------------------------	-----------------------------	------------------------------------	--

Financing & Implementation Modalities

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



Development Objective(s)

The Project Development Objectives are to: develop the building blocks of a national shock-responsive social protection system and increase access to shock-responsive safety nets for poor and vulnerable households.

Ratings (from Parent ISR)

	Implementation			Latest ISR
	28-Jan-2021	02-Nov-2021	25-Mar-2022	14-Sep-2022
Progress towards achievement of PDO	MU	MU	MS	MS
Overall Implementation Progress (IP)	MU	MU	MS	MS
Overall ESS Performance	S	S	S	MS
Overall Risk	S	S	S	S
Financial Management	MU	MS	MS	MS
Project Management	MU	MU	MS	MS
Procurement	MS	MS	MS	MS
Monitoring and Evaluation	MS	MS	MS	MS

BASIC INFORMATION – ADDITIONAL FINANCING (Emergency Response and Nafa Program Support Project Additional Financing - P177214)

Project ID P177214	Project Name Emergency Response and Nafa Program Support Project Additional Financing	Additional Financing Type Restructuring, Scale Up	Urgent Need or Capacity Constraints No
Financing instrument Investment Project Financing	Product line IBRD/IDA	Approval Date 26-Apr-2023	



Projected Date of Full Disbursement 30-Sep-2026	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"/> Performance-Based Conditions (PBCs)	<input type="checkbox"/> Small State(s)
<input type="checkbox"/> Financial Intermediaries (FI)	<input type="checkbox"/> Fragile within a Non-fragile Country
<input type="checkbox"/> Project-Based Guarantee	<input type="checkbox"/> Conflict
<input type="checkbox"/> Deferred Drawdown	<input type="checkbox"/> Responding to Natural or Man-made disaster
<input type="checkbox"/> Alternate Procurement Arrangements (APA)	<input type="checkbox"/> Hands-on Expanded Implementation Support (HEIS)
<input checked="" type="checkbox"/> Contingent Emergency Response Component (CERC)	

Disbursement Summary (from Parent ISR)

Source of Funds	Net Commitments	Total Disbursed	Remaining Balance	Disbursed
IBRD				%
IDA	70.00	17.64	52.15	25 %
Grants				%

PROJECT FINANCING DATA – ADDITIONAL FINANCING (Emergency Response and Nafa Program Support Project Additional Financing - P177214)

FINANCING DATA (US\$, Millions)

SUMMARY (Total Financing)

	Current Financing	Proposed Additional Financing	Total Proposed Financing
Total Project Cost	70.00	80.00	150.00



Total Financing	70.00	80.00	150.00
of which IBRD/IDA	70.00	80.00	150.00
Financing Gap	0.00	0.00	0.00

DETAILS - Additional Financing

World Bank Group Financing

International Development Association (IDA)	80.00
IDA Credit	80.00

IDA Resources (in US\$, Millions)

	Credit Amount	Grant Amount	SML Amount	Guarantee Amount	Total Amount
Guinea	80.00	0.00	0.00	0.00	80.00
National Performance-Based Allocations (PBA)	80.00	0.00	0.00	0.00	80.00
Total	80.00	0.00	0.00	0.00	80.00

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



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

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

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

INSTITUTIONAL DATA

Practice Area (Lead)

Social Protection & Jobs

Contributing Practice Areas

- Energy & Extractives
- Gender
- Health, Nutrition & Population

Climate Change and Disaster Screening

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



PROJECT TEAM

Bank Staff

Name	Role	Specialization	Unit
Claudia Zambra Taibo	Team Leader (ADM Responsible)	Social protection and jobs	HAES1
Koulako Camara	Procurement Specialist (ADM Responsible)	Procurement	EAWRU
Tahirou Kalam	Financial Management Specialist (ADM Responsible)	Financial management	EAWG1
Alexandra Annabelle Niesslein	Social Specialist (ADM Responsible)	Social safeguards	SAWS4
Mamady Kobele Keita	Environmental Specialist (ADM Responsible)	Environmental safeguards	SAWE1
Abdoullahi Beidou	Team Member	Economist	EAWPV
Aissatou Ouedraogo	Team Member	Economist	EAWPV
Fatoumata Toure	Team Member	Financial management	EAWG1
Franco Russo	Team Member	Operations	HAWS2
Gbetoho Joachim Boko	Team Member	Social protection and jobs	HAWS2
Lydie Anne Billey	Team Member	Social protection and jobs	HAWS2
Mamadou Angelo Diallo	Team Member	Operations	AWMGN
Odyssia Sophie Si Jia Ng	Team Member	Social protection and jobs	HAWS2
Ramiro Ignacio Jauregui-Zabalaga	Counsel	Legal	LEGAM
Thierno Hamidou Diallo	Procurement Team	Operations	AWMGN

Extended Team

Name	Title	Organization	Location
------	-------	--------------	----------



I. BACKGROUND AND RATIONALE FOR ADDITIONAL FINANCING

A. Introduction:

1. **The project paper seeks the approval of the World Bank’s Board of Executive Directors to provide an additional financing (AF) in the amount of US\$80 million to the Republic of Guinea for the Emergency Response and Nafa Program Support Project - ERNPSP (P168777).** The purpose of the AF is to expand coverage of social safety nets for poor households in targeted areas of Guinea, thereby contributing to a more inclusive recovery from the COVID-19 pandemic and the subsequent food and fuel crisis, safeguarding livelihoods and human capital, and improving resilience to shocks. The proposed AF would enable the ERNPSP to reach more households at a time of need and would help to fill existing gaps in safety nets coverage. The proposed AF would allow new beneficiaries to be easily and quickly included in planned ERNPSP activities. As part of the proposed AF, the project would be restructured to include new subcomponents and activities, revise the Results Framework, and extend the closing date from June 30, 2024 to June 30, 2026. It also serves to reallocate funds between categories and adjust the legal covenant related to key project staff. The total duration of the overall project, with the proposed AF, would be six years. An exception to proceed with preparation of the AF even though the project has not been consistently rated Moderately Satisfactory or better over the most recent 12 months, was approved on November 11, 2022, by the World Bank Regional Vice President for Western and Central Africa.

Background and rationale for Additional Financing:

Country context:

2. **The Republic of Guinea’s development has been affected by years of political and economic instability.** Following a *coup d’état* on September 5, 2021, the National Committee on Development (*Comité National du Rassemblement pour le Développement*, CNRD) suspended the Constitution, published a transition charter making Colonel Mamady Doumbouya President of the Transition, and established a National Transition Council (*Conseil National de la Transition*) to serve as parliament and to draft a new constitution. In late 2022, the CNRD agreed with Economic Community of West African States (ECOWAS) on a calendar to hold new elections within 24 months. A World Bank OP 7.30 assessment mission in December 2021 obtained assurances that flagship development investments initiated under the previous regime would continue to enjoy the full support of the new administration. Nonetheless, the commitment and ability of the transitional government to reestablish democratic rule remains to be demonstrated; so is its capacity to tackle Guinea’s many development challenges.

3. **Guinea continues to face significant challenges to sustainable development.** Guinea’s modest growth over the past decade saw a peak Gross Domestic Product (GDP) growth rate of 10.8 percent in 2016, mostly driven by mining, construction, and agriculture. In recent years, Guinea has suffered a number of setbacks, however: (a) the COVID-19 pandemic in 2020; (b) an Ebola outbreak in the same year; (c) significant political unrest leading up to the presidential election in December 2020; and (d) the *coup d’état* in September 2021, the full impact of which is still unknown. Since then, Russia’s invasion of Ukraine, the global food and fuel crisis, inflation, and supply chain disruptions are placing continued pressure on the Guinean economy and local livelihoods.



4. **Guinea remains one of the poorest countries in the world, with higher poverty rates in rural areas**¹. GDP per capita grew substantially between 2015 and 2019, from US\$756 to US\$1,044, but in 2018, 43.7 percent of the population still lived below the poverty line². Guinea's Human Capital Index of 0.37 is below the Sub-Saharan Africa average of 0.40³, hampering much of the next generations' ability to reach their full capacity and productivity. Access to basic services like education and health is limited, especially in rural areas. Around 80 percent of Guinea's poor reside in rural areas, where the estimated poverty rate in 2018 was 55.4 percent, compared to 22.2 percent in urban areas.⁴ Since much of the population in rural areas lacks official proof of identification, they face additional barriers to accessing services, which also hinder their financial inclusion. In rural areas, 93 percent of the poor were primarily engaged in subsistence agriculture in 2018⁵, with few if any opportunities for diversification of economic activities or wage work. Women are disproportionately affected by the lack of economic opportunities, with fewer opportunities than men to participate in wage work or entrepreneurial activities.

5. **Guineans are persistently vulnerable to climate- and health-related shocks, and especially the poor, who tend to reside in rural areas and rely on agriculture.** On average, 93 percent of poor households can be labeled as agricultural, either cultivating crops or possessing livestock. Around 84 percent of the rural poor engage in crop production, and nearly 60 percent in livestock production.⁶ The poor's heavy reliance on agriculture renders them particularly vulnerable to climate shocks. Floods are a recurring natural disaster in Guinea, and their frequency has been on the rise since the early 2000s. The projected sea level rise is expected to further contribute to the increase in inundation in the coastal regions. Because of poor sewage and water systems, flooding also contributes to the transmission of diseases such as cholera, typhoid fever, malaria, and polio. Drought, however, is expected to be the highest climate risk for Guinea, and decreases in rainfall will affect the main economic activity (agriculture) of most Guineans, leading to disruptions of income, agricultural production and food security. Disturbances in rainfall could also lead to the interruption of the agricultural calendar, the disturbance of river regimes, and water scarcity. The incidence of health epidemics has also increased in the last two decades. The 2013-2014 Ebola epidemic led to a two-percentage point increase in poverty, reversing previous gains in poverty reduction. In 2018, 88 percent of people reported being affected by a shock, including both covariate and idiosyncratic shocks.⁷

6. **Climate and health shocks further exacerbate vulnerability, weakening household incomes and dampening poverty reduction efforts.** An estimated 64 percent of Guinea's population is vulnerable to poverty, of which 48 percent are both poor and vulnerable, and 16 percent are not poor but vulnerable to falling into poverty, also known as "near-poor".⁸ While persistently low levels of human capital and limited economic opportunities have helped to perpetuate this vulnerability, rural and poor households are also more likely to be severely affected by climate-related covariate shocks. Additionally, climate shocks lead to food price increases, which also affect the urban poor. Shocks contribute to weakening household incomes, and often force households to adopt negative coping mechanisms like diminishing

¹ World Bank: Guinea Poverty Assessment (June 2021).

² World Bank Development Indicators. GDP per capita is in nominal US\$.

³ World Bank: Guinea Human Capital Index 2020 (October 2020).

⁴ World Bank: Guinea Poverty Assessment (June 2021).

⁵ World Bank: Guinea Poverty Assessment (June 2021).

⁶ World Bank: Guinea Poverty Assessment (June 2021).

⁷ World Bank: Guinea Poverty Assessment (June 2021).

⁸ World Bank: Guinea Poverty Assessment (June 2021).



consumption (including food), going into debt, or prematurely selling productive assets, thereby undermining prospects for resilience. Around 64 percent of Guineans report resorting to their savings to cope with shocks.⁹ These negative coping strategies can prove detrimental for human capital outcomes. A large literature on shocks that occur in early life or in utero shows long-lasting negative impacts on adult education and health.

External shocks:

7. **The prolonged economic impact of the COVID-19 pandemic has already shown signs of its devastating effects on poor and vulnerable households.** The World Bank's 2020 High Frequency Phone Survey found that 44 percent of respondents reported reducing food consumption because of the pandemic.¹⁰ The crisis also led to a sharp increase in inflation, with prices increasing by over 10 percent, and by April 2021, year-on-year inflation had reached 12.6 percent, driven largely by higher food prices, as well as transportation and other related costs resulting from supply disruptions created by COVID-19 restrictions. A World Bank simulation suggests that the tendency toward poverty reduction was reversed, with an estimated four percentage points increase in 2020, resulting in 490,000 additional poor individuals. Guinea's *Cadre Harmonisé* indicated that in 2020, around 590,000 people became food insecure, and estimated that another 645,000 people were food insecure by August 2021.¹¹

8. **The pandemic's effects are being compounded by Russia's invasion of Ukraine, which is likely to lead to a further erosion of welfare in Guinea.** Adding to the supply chain disruptions caused by the pandemic, disruptions to trade patterns and global supply chains caused by Russia's invasion of Ukraine have led to global increases in food, fuel, and fertilizer prices and rising inflation across the world. Inflation, which stood at around 12 percent in May 2022 in Guinea, is affecting the purchasing power of Guinean households, and particularly the poor, and is expected to remain above 10 percent well into 2023.¹² Supply shortages caused by Russia's invasion of Ukraine are pushing up food prices, and the high price of fertilizer will likely further depress local food production, leading to additional price hikes. This is a worrisome outlook, considering that the Consumer Price Index for food has been steadily on the rise since 2018.¹³ As a result, there is a heightened risk of food insecurity for the poor, and 21 percent of the population was already considered food insecure in April 2022.¹⁴ For poor and vulnerable households, for whom food comprises around 60 percent of their total consumption, food inflation could lead to higher risk of food insecurity and a worsening of nutrition-related outcomes, with potentially detrimental effects on human capital development for children in their early years.

Sector context:

9. **Social protection systems are nascent in Guinea, but they are being gradually embraced as an important tool for poverty reduction and inclusive growth.** Through the ERNPSP, the implementing

⁹ World Bank: Guinea Poverty Assessment (June 2021).

¹⁰ World Bank: Guinea Poverty Assessment (June 2021).

¹¹ The *Cadre Harmonisé* is a common analytical framework used to analyze acute food and nutrition insecurity across the ECOWAS region.

¹² African Economic Outlook 2022: Supporting Climate Resilience and a Just Energy Transition in Africa. African Development Bank (May 2022).

¹³ World Bank staff calculation using Consumer Price Index data collected by the National Institute of Statistics for Guinea.

¹⁴ World Food Program: Guinea Country Brief (April 2022).



agency, the National Agency for Economic and Social Inclusion (*Agence Nationale d'Inclusion Economique et Sociale*, ANIES), has embarked its flagship Nafa Program that aims to provide adaptive cash transfers and accompanying measures to poor households in all regions of Guinea. ANIES was created in January 2019 under the President's office, with the objective to alleviate poverty through programs that focus on economic and social inclusion of the bottom 40 percent of the population. The creation of this agency, and its anchoring in the Presidency with technical tutelage by the Prime Minister's office, helped raised the profile of social protection in Guinea. In late 2019, ANIES set out to identify the poorest households in nine of the poorest prefectures around the country and in five communes in Conakry, with the aim of developing a registry of potential beneficiaries of its programs. Because of this, ANIES was able to quickly identify poor households in Conakry and set out to deliver services, mainly cash transfers, in response to the COVID-19 crisis starting in late 2020 as part of the government's COVID-19 response. ANIES' ability to provide emergency cash transfers (ECT) in response to the COVID-19 crisis as early as 2020 (financed through the government budget) helped to establish greater credibility for the institution and for adaptive safety nets in general.

10. **Nevertheless, access to critical social safety net programs remains extremely limited.** Only one percent of Guinean households reported receiving any assistance from the government following the onset of a shock in 2018.¹⁵ The most recent Safety Nets Assessment (2016) indicates that coverage of safety nets is severely limited compared to the needs. Most safety nets programs are fragmented, small in scale, and entirely reliant on donor funding. Despite increased spending on social safety nets in 2020 (ECT and in-kind support), it only accounted for 0.5 percent of public spending in 2020, or less than 0.01 percent of GDP. This is low compared to the Sub-Saharan Africa average safety nets expenditure of 1.5 percent of GDP. In response to the pandemic, several donors provided short-term assistance to vulnerable households, but again, mostly as fragmented and small-scale responses. There is great unmet need for social safety nets beyond the current coverage, to help build the resilience of the poor to future shocks and put Guinea on a path toward more inclusive growth. Rural areas in particular need stronger focus, as they host a large proportion of the poor, who substantially rely on seasonal activities for income.

11. **Gender inequality is a key challenge in Guinea across multiple dimensions.** Gender gaps in education emerge from as early as primary school enrolment and continue into secondary school. Mean years of schooling among women are only 1.5, compared to 3.9 for Guinean men, and 4.7 for women on average in Sub-Saharan Africa.¹⁶ Although there were advancements in poverty reduction prior to the onset of COVID-19, gender disparities in education in fact were stagnant before the pandemic and are expected to increase further. For example, the gender parity index in gross primary school enrollment saw no increase between 2012 and 2019, remaining at 84 percent.¹⁷ High rates of child marriage are associated with early childbearing and school dropout, with negative spillover effects on women's health, well-being, human capital development, and productive capacity. Virtually all poor households headed by a household head who married before age 15 are headed by a woman (92.3 percent), and early marriage is associated with higher rates of poverty.¹⁸ Female Genital Mutilation/Cutting (FGM/C), which is culturally linked to marriageability, is nearly universal in the country (94.5¹⁹ percent in 2018, the second

¹⁵ World Bank: Guinea Poverty Assessment (June 2021).

¹⁶ World Bank. Guinea: The Economic Benefits of a Gender Inclusive Society (June 2019).

¹⁷ World Bank Development Indicators.

¹⁸ World Bank: Guinea Poverty Assessment (June 2021).

¹⁹ World Bank Development Indicators

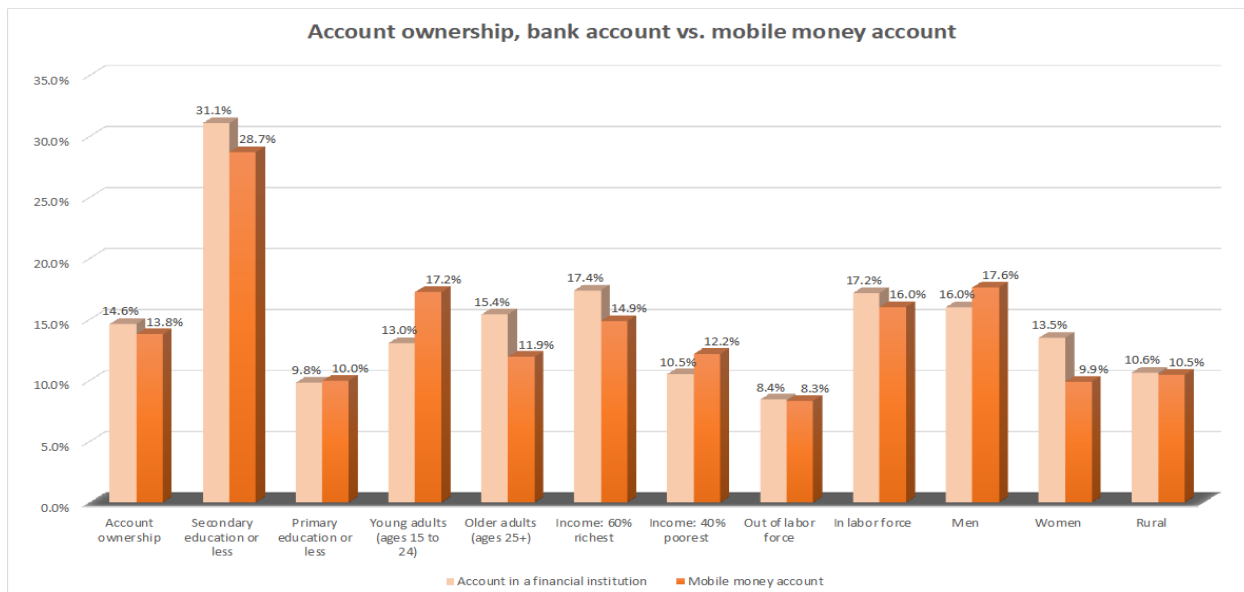


highest rate in the world). The combination of these factors hinders women from accessing opportunities to participate in wage work or entrepreneurial activities and do so at a lower rate than men. For these same reasons, women are also more vulnerable to shocks.

12. **Lack of economic opportunities disproportionately affect women, especially in rural areas.** Income-generating activities in rural areas differ by gender, where men are mostly employed in farm work and women are predominantly engaged in household maintenance (e.g., housework, childcare). Women are less likely to participate in nonfarm self-employment (21 percent, versus 26 percent for men), and are seldom employed as wage workers (1 percent versus 8 percent).²⁰ In addition, results from the newly adopted Harmonized Living Conditions Household Survey (*Enquête harmonisée sur les Conditions de Vie des Ménages*, EHCVM) show that men have greater control over household income sources. Women hence do not have the same decision-making powers as men, which hampers their ability to shape their families', and by extension the country's, socioeconomic development.

13. **Financial access indicators are also lower for women overall, and lower still among women living in rural areas.** Rural populations show a particularly large gender gap not only in terms of bank account ownership, but also in terms of ownership of other financial services and in terms of the active use of financial services (Figure 1). As such, in addition to having more limited income generating opportunities, women also have far less exposure to financial instruments which explains their lack of economic autonomy and control over household resources. Also, women's access to any kind of financial services remains low, especially compared to men, which includes ownership of any type of banking accounts. In addition to gender, other household characteristics, such as having a household member with a disability, are correlated with a higher risk of being poor or food insecure.

Figure 1: Account ownership of the Guinean population



Source: The Global Findex Database 2017

²⁰ World Bank: Guinea Poverty Assessment (June 2021).



Poverty data and statistics:

14. **The generation and analysis of reliable poverty data and statistics in Guinea faces several challenges, despite progress made in recent years.** The National Statistical Institute (*Institut National de la Statistiques*, INS) is the provider of national surveys for the production of official poverty numbers. Through its actions plan, the former Ministry of Planning and Economic Development²¹ made it possible to improve statistical governance by the adoption of the second generation of the National Statistical Development Strategy, aligned with the 2016-2020 National Economic and Social Development Plan. This, with support from the World Bank, led to improvements in the availability and quality of statistical information observed over the past six years in Guinea, e.g., the updating of the poverty estimates in 2018 through the newly adopted EHCVM. However, the overall capacity of the INS remains limited as a result of many challenges including inadequate financial, human, and infrastructure resources that weaken its capacity to fulfil its mandate. The limited statistical capacity of Guinea is reflected in a low Statistical Capacity Index score. Specifically, according to the World Bank's 2020 Country Statistical Information Database, Guinea has an overall score of 51, which is lower than the Sub-Saharan Africa average of 57.2 and much lower than neighboring countries (Cote d'Ivoire, 71; Liberia, 58; Mali, 60; and Sierra Leone, 60).

15. **Furthermore, there are data limitations for accessing poverty trends over the past decade.** The EHCVM data, which was used to produce the most recent poverty incidence, is a comprehensive survey that considers all dimensions of poverty measurement, while previous surveys were designed to provide a light assessment of poverty. Due to these methodological differences in surveys and poverty measurements, it is not possible to determine how poverty evolved by simply comparing the poverty number from 2018 to that of previous years. Although simulation exercises provided estimates that poverty was reduced by approximately 5 percentage points between 2014 and 2018 at the national level, it is not possible to determine poverty trends at the regional level, which may hamper a clear understanding of lagging regions and, consequently, the design of policies that promote inclusive poverty reduction and shared prosperity.

Project Implementation Status:

16. **The parent project, in the amount of US\$70 million equivalent, was approved by the World Bank's Board of Executive Directors on May 29, 2020 and became effective on February 5, 2021.** The Project Development Objectives (PDOs) are to: develop the building blocks of a national shock-responsive social protection system and increase access to shock-responsive safety nets for poor and vulnerable households.

17. **The project includes five components: (a) Emergency cash transfers (ECT); (b) Support to cash transfers and accompanying measures under the Nafa Program; (c) Strengthening social protection institutions and shock-responsive delivery systems; (d) Project Management, Monitoring and Evaluation (M&E) and (e) Contingent Emergency Response Component.** The project is supporting the development of an adaptive safety net system to address immediate needs in response to external shocks, and to provide longer-term support for poverty reduction and resilience through improved productivity and human capital development for poor households. Activities were sequenced to address immediate

²¹ Under the transition government, which is in place since September 5, 2021, the Ministry of Planning and Economic Development became the Ministry of the Economy, Finance and Planning.



needs due to the COVID-19 pandemic first under Component 1 while subsequently addressing medium to longer term challenges through components 2, 3, and 4. Overall progress towards achievement of the PDO is rated moderately satisfactory due to the fact that all ECT were completed in Conakry, benefitting approximately 21,000 beneficiaries and the validation of future recipients in the country's interior to reach the expected 150,000 beneficiaries. Beneficiaries of regular cash transfers would only receive benefits once ECT activities have been completed per the sequenced design of the project, hence no progress can be reported to date. The project has also hired the required staff to support the development of a Management Information System. Specifically, the project has made progress in the following areas:

(a) **Component 1 “Emergency Cash Transfers”**: Five payment operators were recruited to deliver ECT in all target areas to 150,000 households in five communes in Conakry, and nine prefectures in the interior of the country (across all eight regions).^{22,23} ANIES distributed all six rounds of cash transfers of GNF 250,000 (equivalent to around US\$29) to approximately 21,000 households in Conakry, effectively completing the six-month ECT payment cycle in Conakry.²⁴ ANIES was able to launch these payments rapidly in 2021 since beneficiaries had been registered and given mobile phones prior to effectiveness, financed with government funds. The verification process of households in the ANIES registry in the remaining areas of the country was completed in August 2021, but the registration/enrollment of eligible beneficiaries was put on hold after the World Bank paused disbursements to Guinea in accordance with the OP 7.30 (“Dealings with De Facto Governments”). Disbursements were reinitiated in March 2022 following an OP 7.30 assessment by the World Bank. It was decided that to ensure community ownership of the program, in a transparent manner, and with a perception of equity, targeting would be done through a combination of socio-economic, Proxy Means Test, and community validation criteria. This has proven to be especially effective in identifying eligible beneficiaries and ensuring community support. A community validation exercise was launched in October 2022 and was finalized in all nine prefectures in February 2023. It is expected that ECT in the remaining areas of the country will commence in April 2023, following the enrollment of the 130,174 selected households and distribution of phones and SIM cards to female beneficiaries.

(b) **Component 2 “Support to Cash Transfers (CT) and Accompanying Measures under the Nafa Program”**: This component aims to support poor and vulnerable populations after emergency support under Component 1 ends—in other words, it is a continuation of the CT program for 48,000 households, along with accompanying measures. Given that Nafa Program beneficiaries are much fewer in number than those of the ECT, Component 2 would finance transfers to a subset of Component 1 households within a smaller set of prefectures, i.e., the poorest. ANIES has begun to update its geographic and household targeting strategy in preparation for Component 2 activities to coordinate interventions and avoid duplications/overlap with other programs. ANIES is planning to undertake some studies (market opportunities and constraints in targeted areas) to inform this component.

(c) **Component 3 “Strengthening Social Protection Institutions and Shock-responsive Delivery Systems”** supported the data collection for approximately 220,000 households in the ANIES registry, and

²² The nine prefectures include: Gaoual, Forécariah, Kindia, Beyla, Dabola, Kérouané, Kouroussa, Mamou, and Tougué.

²³ One of the five payment operators recruited subsequently closed its operations in the Republic of Guinea on June 30, 2022. As such, only four operators will provide the transfers.

²⁴ Beneficiary households in Conakry were selected by ANIES through a proxy means test formula that was applied to the households in their registry per the data collected in 2019.



data cleaning and analysis has been completed.²⁵ It also supported the verification of Component 1 beneficiaries in all targeted areas in collaboration with the INS, an assessment of digital payment systems coverage in selected areas, and the development of payment systems. ANIES also developed a community targeting strategy for the interior of the country, which includes a combined Proxy Means Test (PMT) and community validation approach. ANIES launched the community targeting in October 2022 in around 660 districts in the nine selected prefectures. ANIES also developed and launched digital modules to help collect data at the local level in real time during this process through Kobo Toolbox, with technical assistance from the World Bank. ANIES has also been working with the World Bank's CORE-MIS²⁶ team to develop a customization version for the purposes of the ERNPSP, which is in the piloting phase. Lastly, a Grievance Redress Mechanism (GRM) has been put in place and ANIES has completed a manual to guide this work going forward.

(d) Finally, **Component 4 “Project Management, Monitoring and Evaluation”** supported the establishment of the project implementation unit, and the recruitment of a fiduciary agent, which was responsible for all fiduciary aspects of the project until December 2022. In parallel, the project recruited fiduciary staff (two Accountants, a Financial Management Specialist, and a Procurement Specialist) who effectively replaced the fiduciary agent per the project's legal covenants since January 2023. A Project Coordinator was also hired in December 2022. On the technical side, several specialists were recruited including a Director for Information Systems, a Director for Financial Inclusion, four Community Affairs Specialists, and an Environmental and a Social Safeguards specialist. Several other technical positions are also being recruited, including two IT specialists, and a communications and M&E specialist each.

18. **The project was rated Moderately Satisfactory for Implementation Progress and Progress towards achievement of the PDO in the March and September 2022 Implementation Status and Results Reports (ISRs).** This signaled improvements in the project's performance and an upgrade relative to a Moderately Unsatisfactory rating in the November 2021 and January 2021 ISRs. Delays in meeting the conditions of effectiveness led to the first Moderately Unsatisfactory rating. Although the implementation pace began to increase significantly, the *coup d'état* on September 5, 2021, and the World Bank pausing disbursements per its OP 7.30 (“Dealings with De Facto Governments”) effectively halted implementation. Although the project was unable to disburse during that period, the project made several significant advances, such as: (a) the finalization of a financial management (FM) manual; (b) the contracting of a fiduciary agent; (c) the launch of various key recruitments; (d) resolution of operational issues regarding the departure from Guinea of one of the payment providers; and (e) subsequent implementation progress as discussed above.

19. **Fiduciary and safeguards.** The project has been in compliance with its legal covenants. Procurement and FM were rated Moderately Satisfactory and there are no overdue audits or quarterly interim unaudited financial reports (IFRs). Compliance with environmental and social management aspects is currently rated Moderately Satisfactory.

²⁵ The INS initially collected data for 255,000 households, as noted in the Project Appraisal Document of the parent project. Since then, ANIES and INS undertook a joint verification exercise to ensure that households in the registry were located in their supposed place of residence. This verification process yielded a lower number of households in the registry as some records had been duplicated or split, and other households were never found.

²⁶ The CORE-MIS is a secure web-based management information system designed to support the delivery of emergency cash transfers to safety net beneficiaries and to vulnerable informal sector workers in response to the COVID-19 pandemic.



Rationale for Additional Financing:

20. **Although the ERNPSP recently started, there is ample justification for the proposed AF given the sustained economic impact of the COVID-19 pandemic in Guinea, inflationary pressures brought about by Russia’s invasion of Ukraine and rising food and fuel costs, and the recent political upheaval.** Although the ERNPSP already represents a substantial increase in safety nets coverage in Guinea, its coverage remains limited in its current form in the face of overwhelming and increasing needs. The parent project will provide six months’ equivalent of ECT to around 150,000 households, but continued support to only 48,000 of them under Component 2.²⁷ The impact of the most recent food and fuel price shocks alone require a larger scale response by the government to protect its most vulnerable and to preserve their livelihoods and human capital, while also working to build their resilience to future shocks, including climate-related, health-related, and others. The activities under the proposed AF would provide households with a basic set of tools, specifically cash transfers and productive inclusion activities, to help diversify their livelihoods away from agriculture into non-farm activities that are less vulnerable to climate shocks. This diversification will also facilitate savings and food security, thus enhancing resilience to shocks. The proposed AF aims to increase coverage of social protection programs for poor and vulnerable households in targeted areas under Components 1 and 2, thereby contributing to a more resilient and inclusive recovery process in Guinea.

21. **To generate efficiency gains, the proposed AF would build on existing structures and delivery systems and scale up planned activities under the ERNPSP.** The proposed AF would substantially increase the coverage of social safety nets in the medium term for poor Guinean households under ANIES’ Nafa Program (Component 2). It would also provide adaptive transfers to new households in response to other shocks. The ERNPSP has already shown its ability to deliver cash transfers quickly and effectively, thus offering a convenient platform for the government to scale up assistance to poor households. Delivery systems developed under the ERNPSP, such as the registry which will continue to be expanded, would be leveraged to reach a larger number of beneficiaries. The identification of viable digital payment systems that are already being used under the ERNPSP can also be quickly adapted to support a larger number of beneficiaries.

22. **While most of the proposed AF resources would go into expanding coverage of planned activities, it also provides an opportunity to embed new activities and best practices that complement those of the parent project.** It is estimated that the proposed AF would provide coverage to an additional 10,000 households, or 60,000 individuals, through ECTs under Component 1 and to 88,000 households, or 528,000 individuals, through cash transfers and accompanying measures under Component 2. In addition, if and where productive inclusion activities benefit non-CT households, these will be additional beneficiaries of the project. Specifically, the AF aims to strengthen its focus on building resilience to shocks by providing a more comprehensive productive inclusion package that includes the provision of a small seed grant for new economic activities. This would help to ensure that a larger number of households transition into more sustained support after the initial six months of ECTs, thus sustaining consumption levels and building resilience to shocks while helping households cope with the combined economic fallout of the COVID-19 pandemic and Russia’s invasion of Ukraine. The AF represents a logical continuation and

²⁷ This would include an additional 18 months of cash transfers, for a total of 24 months’ equivalent, and human development and productive inclusion accompanying measures.



evolution of support to beneficiaries from immediate support to longer-term interventions which then allow them to transition out of poverty.

23. **The proposed AF will continue to contribute to all pillars of the World Bank Group Country Partnership Framework (CPF) for FY2018-23 for Guinea (Report No. 125899), the Government’s National Plan for Economic and Social Development (*Plan national de développement économique et social, PNDES*) 2016-2020, and the Interim Reference Program (2022-2025) adopted by the Transition Government.** The PNDES, and its subsequent Interim Reference Program, aim to trigger the structural transformation of the economy to improve the overall well-being of the population, and the CPF addresses key constraints to growth such as poor governance, unproductive agriculture, low human capital, and lack of access to basic services. The AF would support Pillar 1 of the CPF by strengthening government capacity to deliver basic social protection services, and Pillar 2 by promoting household level investments in early childhood and education. Under Pillar 3, the project will promote economic inclusion of poor and vulnerable households and help with identification of sustainable sources of revenue through productive inclusion activities. The AF is also aligned with the World Bank’s approach to fragile situations in which the World Bank remains engaged by centering its efforts on supporting the most vulnerable people.

24. **The proposed AF is aligned with the World Bank Group’s Global Crisis Response Framework (GCRF).** The GCRF highlights the need to (a) respond to food insecurity; (b) protect people and preserve jobs; (c) strengthen resilience; and (d) strengthen policies, institutions, and investments for rebuilding better. The activities under the proposed AF will contribute to building an inclusive and resilient recovery from the pandemic and ongoing crises, in addition to building resilience through productive inclusion and strengthening institutions, such as ANIES and INS. The proposed AF will also support the development and strengthening of adaptive social protection systems which will also prepare government to respond to future shocks. The proposed AF also remains aligned with the objectives of the IDA18 Risk Mitigation Regime (RMR) and would contribute to the third priority area highlighted in the Implementation Note of the Guinea RMR (January 2018). Specifically, it supports improved resilience to shocks and access to employment opportunities by supporting short-term economic recovery and longer-term resilience through the institutionalization and expansion of the reach and coverage of social safety nets. Productive inclusion measures would also diversify income-generating opportunities for the poorest and build resilience, thereby helping to defuse social unrest and discontent. Finally, the AF continues to be aligned with the World Bank Group’s Twin Goals of eliminating extreme poverty and boosting shared prosperity in a sustainable manner.

II. DESCRIPTION OF ADDITIONAL FINANCING

Summary of proposed changes:

25. The proposed AF will primarily scale up activities under the parent project, without modifying the PDO or institutional arrangements, and it will also finance some new, complementary activities. It proposes to: (a) add new activities to Component 1 and expand coverage of ECT in response to rising food insecurity and other shocks; (b) restructure Component 2 to accommodate expansion of project scope and type of activities; (c) restructure Component 3 to include new EHCVM activities; (d) increase costs of Components 1, 2, 3 and 4 accordingly; (e) align the results framework with the newly proposed activities; and (f) extend the closing date and modify disbursement projections. Finally, this PP also serves to clarify



the institutional arrangements of the project. In addition, the unused balance of the project preparation advance (PPA) of the parent project will be reallocated to Category 1.²⁸ The legal covenants will also be adjusted to reflect the fact that the fiduciary staff currently on board will be replaced by a fiduciary agent. The theory of change has also been updated to account for these changes and is included in Annex 1.

Description of Additional Financing:

26. **Component 1: Emergency Cash Transfers (ECT) – original allocation US\$25.1 million equivalent; revised amount US\$34.2 million equivalent.**²⁹ Component 1 is being restructured to: (a) expand coverage of ECTs; and (b) expand sensitization and communications and accommodate new activities under Sub-component 1.2.

27. **Sub-component 1.1: Emergency Cash Transfers (ECT) – original allocation US\$24.2 million equivalent; revised amount US\$30.0 million equivalent.** In addition to the COVID-19 related ECTs envisaged under the parent project, which are under implementation, this sub-component will expand coverage of ECT in response to other shocks to 10,000 additional households during the lifetime of the project, bringing the new total of beneficiary households to 160,000. This would entail the provision of timely and targeted transfers to poor and vulnerable households to address climate-related or other covariate shocks,³⁰ and/or seasonal needs (i.e., heightened food insecurity during the lean season). The 150,000 households under the parent project are being selected through a combination of PMT and categorical targeting, with additional validation at the community level.³¹ For the 10,000 new households of the proposed AF, targeting will be based on categorical and/or poverty criteria. The areas of intervention will be selected based on food security assessments and in collaboration with early warning systems, for example Guinea’s annual *Cadre Harmonisé* exercise, and will be identified in cooperation with humanitarian agencies like the World Food Program to avoid overlaps in coverage of similar programs.

28. **Sub-component 1.2: Communications, Sensitization, and Accompanying Measures—original allocation US\$0.9 million equivalent; revised amount US\$4.2 million equivalent.** This sub-component would expand the parent project’s activities on parallel communications and sensitization campaigns (alongside ECTs) and provide additional resources for communications and sensitization for the 10,000 new beneficiaries under Sub-component 1.1. This sub-component includes new activities, namely the purchase of mobile phones and SIM cards for all beneficiaries in the nine targeted prefectures in the interior of the country, and the associated costs of distribution and registration.³² The purchase of mobile

²⁸ The PPA was in the amount of SDR 3 million, of which only SDR 271,000 were utilized. The remaining balance of SDR 2,279,000 was reallocated to Category 1 of the original financing.

²⁹ The parent project is in SDR, whereas the AF is in US\$. Therefore, for any amount that includes SDR from the parent project, the US\$ equivalent is being provided.

³⁰ Covariate shocks could include floods, price shocks from Russia’s invasion of Ukraine leading to heightened food insecurity, outbreak of diseases such as COVID-19 or Ebola, etc.

³¹ Categorical targeting resulted from vulnerability analysis of households in the ANIES registry to determine household characteristics that are correlated with deeper poverty. Households are eligible based on three main characteristics: those that are female headed, those with children 0-5, and those that self-identify as having a member with a disability. Households are then ranked by PMT to determine eligibility based on poverty and then subject to community validation.

³² Beneficiaries in Conakry were given mobile phones by ANIES before project effectiveness in order to launch cash transfers that preceded the project and were financed by the National Budget. Beneficiaries in the interior of the country, however, did not



phones was originally foreseen under Component 2 of the parent project for some female beneficiaries as needed. An assessment of payment systems and Know Your Customer requirements completed in 2021 suggests that the model used by ANIES in Conakry prior to the launch of the project was sound (providing mobile phones and SIM cards to all beneficiaries), and greatly facilitated the provision of digital payments to households, many of whom (whether they are male or female) do not possess adequate forms of identification to open a digital banking account on their own. It was also found that a large share of direct beneficiaries, i.e., women, do not own mobile phones. As such, ANIES has decided to expand the provision of mobile phones to ECT beneficiaries to help facilitate cash payments through electronic transfers wherever possible. The purchase of mobile phones and SIM cards will greatly increase the transparency and traceability of cash payments and help to ensure that cash payments go directly to their intended recipients.

29. **Component 2: Support to Unconditional Cash Transfers and Accompanying Measures under the Nafa Program—original allocation US\$31.4 million equivalent; revised amount US\$89.5 million equivalent.** The proposed AF will restructure Component 2 in its entirety by organizing it into two sub-components and revising activity descriptions, facilitating the logical and sequential implementation of original and AF activities. As a result, the original Component 2 description will be replaced by the descriptions below, and all original Component 2 funding allocated to Sub-component 2.1. This will allow the project to strengthen the proposed activities, capitalize on synergies and clarify interventions. The detailed Sub-component description is as follows:

30. **Sub-component 2.1 (restructured): Unconditional Cash Transfers and Accompanying Measures—original allocation US\$31.4 million equivalent currently allocated to Component 2 of the parent project; revised amount US\$82.0 million equivalent.** This sub-component will finance (a) unconditional cash transfers targeted to poor households, and (b) human development accompanying measures to promote foundational behavior change and investments at the household level, especially for women and children. This sub-component aims to transition ECT beneficiaries under Component 1 to longer-term support through the equivalent of 18 additional months of cash transfers and accompanying measures. Accompanying measures will include some “light touch” financial literacy and productive enhancement activities (formerly referred to in the parent project as “productive inclusion measures”). The proposed AF will scale up the activities of the parent project to an additional 88,000 households, or around 528,000 individuals, for a total of 136,000 households, or around 816,000 individuals. This includes 130,000 households in the interior of the country and 6,000 households in Conakry.³³

31. The additional 18 months of support to a larger number of households after the initial six months of ECTs (as originally envisaged under the parent project), would expand support for the preservation of human capital and help mitigate the economic impacts of the ongoing food, fuel, and fertilizer crisis through income support plus accompanying measures. Cash transfers will mitigate the longer-term economic impact of COVID-19 and also build household resilience to future climate-related and other types of shocks by encouraging savings and household behaviors that strengthen human capital, and avoiding negative coping strategies. The proposed AF would allow a much larger group of households that

receive mobile phones or SIM cards at that time. Since the same beneficiaries in Conakry carried over into the project, the same phones and SIM cards are being used to deliver cash transfers under Component 1 in Conakry.

³³ In Conakry, Component 2 activities will provide continued support for female-headed households that were ECT beneficiaries, which are approximately 6,000 households.



rely on climate-vulnerable sectors, namely agriculture, to diversify their livelihoods and increase savings, thereby reducing their dependence on these sectors.

32. Accompanying measures will continue to be a soft condition of the program, as in the parent project, and attendance, while not mandatory, will be encouraged and monitored. Accompanying measures will address education and health-related behaviors, early childhood development and nutrition, gender relations and power dynamics, promoting girls' education, etc., with the objective of generating discussion around social norms related to FGM/C, Sexual and Gender Based Violence (SGBV), and early marriage and pregnancy. These would seek to engage men and boys as well as women. Modules on financial inclusion will also be developed, as well as modules on shock preparedness and climate change awareness (i.e., information on climate change, climate hazards, livelihood diversification, and agricultural practices that can mitigate the negative impacts of climate shocks). Based on the experience of other shock-responsive operations, there is evidence to suggest that households may benefit from preventive measures for behavioral change such as preparing homes against floods, saving money or storing grains ahead of the lean season, or joining a microcredit institution or community savings group that will help pool risk in case of shocks, including climate-related droughts. Non-Governmental Organizations (NGOs) may be recruited to help manage training and roll-out of these activities through community agents.

33. Accompanying measures will be implemented via the same modalities as originally envisaged under the parent project. The proposed AF will finance increased costs associated with the implementation of the activity given its larger scope, such as the deployment of community agents (and their stipends) that will assist in the registration and enrollment of beneficiaries, mobilization of beneficiaries at the local level, communications, etc. This sub-component will finance costs related to (a) developing materials promoting positive behavior change related to key human development and livelihoods; (b) organizing community workshops and/or trainings through radio and social media, and in person through NGOs, local agents, or a combination thereof; (c) providing mobile phones and SIM cards to women beneficiaries as needed;³⁴ and (d) designing and delivering productive and financial literacy training for cash transfer beneficiaries. The proposed pilots in the parent project will be dropped to concentrate scarce resources (including human resources) on the core activities of the project.

34. **Sub-component 2.2 (new): Productive Inclusion Program—US\$7.5 million.** This sub-component will finance the design and delivery of a new productive inclusion program to around 15,000 households. The proposed AF will finance studies to identify key constraints to productivity and market assessments at the local level, and the development of training and communication materials, based on best practices from other parts of the region and adapted to the local context. It would also finance a new and more robust package of productive inclusion measures than that envisaged under the parent project (and still included under Sub-component 2.1 as “light touch” financial literacy and productive enhancement activities) to improve productivity and/or livelihoods diversification. The productive inclusion program would provide households relying on climate-vulnerable sectors (e.g., agriculture) training and mentorship and group savings at the community level to promote and help diversification of livelihoods and income generating capacity to non-farm activities that are more resilient to climate shocks. Productive inclusion activities will provide beneficiaries with business development and entrepreneurship

³⁴ Although most beneficiaries from component 1 will transition into component 2, and will have thus received phones, this subcomponent may finance additional purchase of mobile phones and SIM cards as needed for beneficiaries.



training, complemented as necessary by specific modules on psychosocial skills, organized in locations that are safe and easily accessible to women. Support might also include referrals to existing programs such as agricultural extension or employment services, where available and applicable, as originally envisaged under the parent project. The objective is to build capacity for sustainable and diversified income generation and resilience in the face of shocks (climate, health, etc.), while improving prospects to break the intergenerational cycle of poverty.

35. The productive inclusion program will be delivered by NGOs, community organizations, or government agencies, or a combination thereof, and the proposed AF will finance the related operational costs. Productive inclusion activities would be delivered in parallel with CTs under Sub-component 2.1, potentially to a subset of those beneficiaries (this differs from the “light touch” financial inclusion and productive enhancement accompanying measures under Sub-component 2.1, which will be provided to all CT beneficiaries). While the literature to date has shown positive returns when combining cash transfers with productive inclusion programs, the project will explore the differentiated impacts between the combined CT and productive inclusion approach, and the productive inclusion program alone. An impact evaluation, which will be financed under Component 3 and supported through technical assistance from the World Bank, will examine these impacts. The activity will, to the extent possible, target females that are able to work, even if they are not the heads of household. A targeting strategy will be developed and will determine paths to identifying those households with a higher potential of benefiting from the activity amongst cash transfer and non-cash transfer beneficiaries.

36. Beneficiaries would also receive a small productive grant of around US\$200 equivalent to be used as start-up capital for an economic activity. Productive grants will be delivered through electronic means, and the proposed AF may finance mobile phones and SIM cards for non-CT beneficiaries as needed—productive grants will be provided to households that participate actively in the program and fulfill a clear set of requirements, to be defined in the project implementation manual.

37. **Component 3: Strengthening Social Protection Delivery Systems and Poverty Data—original allocation US\$5.5 million equivalent; revised amount US\$12.0 million equivalent.** Component 3 will be restructured into two sub-components to streamline implementation of activities. Original Component 3 activities will include a new activity related to the development of a new national social protection strategy under Sub-component 3.1, and some of the original activities have been restructured. Component 3 will also include a second round of the EHCVM and will be treated as a separate Sub-component 3.2 to clearly differentiate it from the institutional and shock-responsive activities included under the new Sub-component 3.1. Finally, Component 3 will be renamed from “Strengthening social protection institutions and shock-responsive delivery systems” to “Strengthening social protection delivery systems and poverty data”, and its overall financing envelope will be increased to reflect its expanded scope and activities.

38. **Sub-component 3.1 (Restructured): Strengthening Social Protection Institutions and Shock-responsive delivery systems—original allocation US\$5.5 million equivalent from Component 2 of the parent project; revised amount US\$9.0 million equivalent.** As envisioned under the parent project, this sub-component will finance the development of shock-responsive social protection delivery systems and instruments that contribute to the establishment of a national, shock-responsive safety net system, anchored within ANIES. The AF would increase the financing envelope for activities that were already



included in the parent project in consideration of its newly enlarged scope. Activities under Sub-component 3.1 will include: (a) capacity building for ANIES; (b) development/strengthening of social protection delivery systems; and (c) impact and process evaluations.

39. Capacity building for ANIES would include trainings, workshops, and other technical support for ANIES as well as study visits to benefit from South-South learning opportunities to consolidate its ability to effectively work towards economic and social inclusion. These may comprise workshops and learning events in-country, to include other stakeholders in Guinea, and the recruitment of consultants to provide technical assistance on the preparation or updating of legal and strategy documents for the agency. It will no longer finance the development of a financial inclusion strategy, since ANIES has used national budget resources to undertake this activity. Instead, restructured resources from that activity, as well as new resources under the AF, will be used to provide technical assistance for the preparation of a new social protection strategy for Guinea.

40. This sub-component would provide technical assistance and equipment for developing and/or strengthening social protection delivery systems. Existing systems that carried over from the previous project will be improved to the extent possible given existing needs. Furthermore, this sub-component will finance scaled up technical assistance, training and equipment for: (i) setting up and managing a management information system (MIS) that incorporates or is interoperable with the ANIES household registry and the GRM; (ii) improving and scaling up the registration, targeting, enrollment, payments, and GRM systems of the project; (iii) enhancing supervision with geo-technologies; and (iv) creating a dedicated green (phone) line to report irregularities and complaints and to address questions.. This sub-component will also finance activities to roll out further data collection efforts in other parts of the country to expand the coverage of the ANIES registry. Instead of creating a separate database for a social registry, however, the AF is restructuring this approach and utilizing the MIS platform to also manage ANIES' registry of potential beneficiaries.³⁵ As noted above, the AF will finance additional equipment (computers, printers, tablets, smart phones, etc.) for the set up and operation of expanded delivery systems.

41. Finally, to help refine ANIES' future social protection programming based on lessons from the project, this sub-component will finance an impact evaluation and a process evaluation of different project interventions. The impact evaluation will, among other things, assess the impact of the productive inclusion program on CT and non-CT households.

42. **Sub-component 3.2 (NEW): Strengthening Poverty Data—US\$3.0 million.** This sub-component will finance the implementation of a new round of the EHCVM survey. The main objective of the EHCVM activity is to build the capacity of the INS in the design, implementation, processing, and analysis of household survey data for poverty assessment through harmonized survey and welfare measurement methodologies with the West African Economic and Monetary Union (WAEMU) countries and Chad. The specific activities will consist of data collection, quality enhancement, and dissemination to enhance the use of core economic and social statistics. The data collection will be implemented in two waves over the period of one year to account for seasonality in consumption. By participating in the first wave of the EHCVM survey carried out in 2018/19, which involved the WAEMU countries and Chad, Guinea benefited through the INS from a sustained technical assistance, strengthened collaboration, and exchanged

³⁵ Since the legal mandate for the development of a unified social registry in under the Fund for Social Development and Indigence (*Fonds de développement sociale et de l'indigence*), ANIES will instead host a registry of its own, linked to the project MIS.



experience with the other participating countries. Guinea's participation in this second generation of the EHCVM survey will ensure the continuous availability of quality statistics for monitoring poverty and household living conditions as well as their vulnerability, comparable over time within the country and across countries. The INS will be the focal point for this activity and will lead its implementation under a Memorandum of Understanding (MOU) with ANIES that outlines the specific activities, timeline, and expenses for the entire activity.

43. **Component 4: Project Management, Monitoring and Evaluation; original allocation US\$8.0 million equivalent; revised amount US\$14.3 million equivalent.** This component will continue to finance expenditures related to the procurement of goods, works, consultants, and services needed for the day-to-day management, implementation and monitoring of project-related activities. The proposed AF will finance additional operating costs to account for the significant scale up of activities under Components 2 and 3, additional staff to support the new activities of the project, including the EHCVM, and the extended duration of the project. Additional decentralized staff will also be recruited in the targeted areas to improve coordination at the local level. The component will also finance the recruitment of a new fiduciary agent no later than three months after effectiveness that will be responsible for all fiduciary tasks for the remainder of the project: during appraisal of the AF, it was deemed necessary to continue with the fiduciary arrangements of hiring an external entity to carry fiduciary aspects of the project, rather than relying on the newly recruited fiduciary staff.³⁶ Finally, this component would continue to finance technical and operational assistance and day-to-day coordination, planning, fiduciary, safeguards, citizen engagement, and routine M&E aspects of the project, as well as third party monitoring arrangements.

44. **Component 5: Contingency Emergency Response (US\$0).** The additional financing also includes a contingent emergency response component (CERC) to provide an immediate response to an eligible crisis or emergency as needed.

45. **Theory of Change:** To reflect the expanded scope of the project within the theory of change, the original diagram has been updated and is included in Annex 1.

³⁶ The hiring of the fiduciary staff was completed prior to the decision to continue with a fiduciary agent, as it was a legal covenant. As a result, the contracts of the newly recruited staff will not be renewed at the end of their one-year term. This will ensure that there is sufficient fiduciary oversight until the fiduciary agent has been hired.



46. **Costs.** The following table summarizes the costs by component.

Table 1: Revised Costs by Component

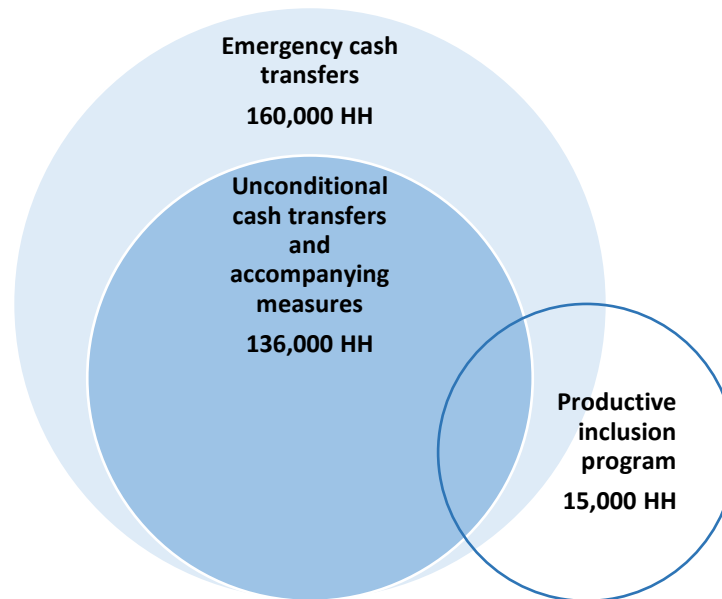
Component name	Parent project (ERNPSP) US\$, millions	Restructured parent project US\$, millions	Additional Financing (GCRF Pillars) US\$, millions	Total US\$, millions
Component 1	25.1	-	9.1 (Pillar 1)	34.2
Sub-component 1.1	24.2	-	5.8	30.0
Sub-component 1.2	0.9	-	3.3	4.2
Component 2	31.4	-	58.1	89.5
Sub-component 2.1 (restructured)	-	31.4	50.6 (Pillar 1)	82.0
Sub-component 2.2 (New)	-	-	7.5 (Pillar 2)	7.5
Component 3	5.5	-	6.5	12
Sub-component 3.1 (restructured)	-	5.5	3.5 (Pillar 3)	9.0
Sub-component 3.2 (New)	-	-	3.0 (Pillar 4)	3.0
Component 4	8.0	-	6.3	14.3
Component 5	0.0	-	0.0	0.0
Total	70.0	-	80.0	150.0

47. **Beneficiaries.** The proposed AF would expand safety nets coverage for the poorest and most vulnerable households in selected areas of Guinea under Components 1 and 2. An additional 10,000 poor and vulnerable households, equivalent to approximately 60,000 individuals, will be targeted under Component 1, bringing the total number of beneficiary households to 160,000, or 960,000 individuals. Under Component 2, an additional 88,000 households, or around 528,000 individuals, would transition from ECT to the Nafa program and will receive 18 more months of CTs and human development accompanying measures for a new total of 136,000 households. Around 15,000 households (some of which may be CT beneficiaries as well) will benefit from the productive inclusion program under Component 2. In sum, and controlling for those households that may receive more than one intervention, the project will benefit at least 160,000 households, or 960,000 individuals. The breakdown is as follows:

Table 2. Beneficiary Households by Component

	Activity	Parent Project beneficiaries (Households)	Additional Financing new beneficiaries (Households)	Total (Households)
Sub-component 1.1	Emergency cash transfers	150,000	10,000	160,000
Sub-component 2.1	Cash transfers and HD accompanying measures	48,000	88,000	136,000
Sub-component 2.2	Productive inclusion	0	15,000	15,000

Figure 2. Project beneficiaries



48. **Results framework.** Since most activities will remain the same, most PDO indicators will not be changed except for their targets where relevant and the target dates. The PDO indicator, “Development of a national social registry linked to the project MIS (Yes/No)”, has been deleted. Since the legal mandate for the development of a unified social registry is under the Fund for Social Development and Indigence (*Fonds de développement sociale et de l’indigence*), ANIES will instead host a registry of its own, linked to the project MIS—as such, the indicator is no longer relevant and its removal will not undermine achievement of the PDO. Some Intermediate Results Indicators (IRIs) have been added or removed from the original project, and relevant targets have been updated on other IRIs to account for the scale-up of beneficiaries through the AF, as well as the extended end date of the project. Specifically, the proposed AF is removing three IRIs. The first IRI to be removed is “Total amount received by beneficiaries through ECTs (Amount (US\$))”. This indicator is being removed because ECTs are being provided in GNF rather than in US\$—as such, fluctuations in the exchange rate have already modified the total US\$ equivalent of cash transfers. Because there is an expense category that is specifically dedicated to ECT payments, the project will still be able to monitor the total amount received by beneficiaries at the end of the project, and this will not affect the PDO. The second IRI is “Children re-enrolling in school after Covid-19 (Percentage)”, and its sub-indicator, “Children re-enrolling in school after Covid-19-Female (Percentage)”. Due to effectiveness delays, COVID-19 related restrictions were lifted prior to the launch of ECTs under the project, and this indicator was not possible to measure or monitor as it was intended. Inability to measure this indicator will not affect the ability to measure the PDO; nevertheless, an impact evaluation of the project will explore any potential impacts of the CT program on children’s and girls’ enrollment in school. The third IRI that will be removed is “Total amount received by beneficiaries of regular cash transfers under the Nafa Program (Amount (US\$))”. This IRI is being removed for the same reasons as described above for the similar indicator relating to ECTs. Three new IRIs have been added to measure the percent of beneficiary households with a self-identified member with a disability, the percent of female beneficiaries owning and using a mobile banking account, and the percent of regular cash transfer beneficiaries receiving accompanying measures to raise awareness of climate risks and resilience.



49. **Disbursement estimates.** With an increase in overall project funds, the disbursement estimates have been adjusted.

50. **Implementation schedule and closing date.** The implementation schedule will be adapted to consider the new activities under the project and the scale-up of activities. An extension of the closing date from June 30, 2024 to June 30, 2026 is being proposed to facilitate the timely implementation of all project activities.

51. **Institutional arrangements.** ANIES, an administrative public entity (*Etablissement Public Administratif*) created in 2019, will remain the implementing agency of the project. ANIES is under the authority of the Presidency and is governed by an inter-ministerial committee (*Conseil d'Administration*), led by a representative from the Presidency, that approves yearly plans and budgets. The Prime Minister's office was initially tasked with overseeing the technical operations of ANIES. Following the government change, the technical oversight has been assigned to the Secretary General of the Presidency.

52. ANIES relied exclusively on a fiduciary agent recruited through the project to manage all fiduciary aspects of the project until December 2022. This allowed sufficient time to finalize the recruitment and onboarding of new, dedicated fiduciary staff for the project (i.e., a procurement specialist, financial management specialist, two accountants, and an internal auditor). All of these positions (except for an internal auditor which is expected to be completed by May 31, 2023) as well as a Project Coordinator, were recruited and comprise the core management team of the project since January 2023.

53. In view of the scale of the proposed AF, and to mitigate potential fiduciary risks in a context of political transition, ANIES will once again retain the services of a fiduciary agent to manage all fiduciary tasks pertaining to the parent project and the proposed AF henceforth. The new fiduciary agent is expected to be recruited within three months of the effectiveness date, replacing the existing fiduciary team who will transition out after a brief period of overlap and their one-year contracts expire.

Gender

54. **Support to the reduction of specific gender gaps will continue to be a priority under the proposed AF, in line with the parent project.** Like the parent project, the AF will contribute to closing the gender gaps in ownership of productive assets, bank accounts, and financial inclusion. Cash transfers and productive grants will help women to overcome systemic constraints like low access to finance, skills and social norms that limit their ability to expand their economic activities. Productive inclusion activities will provide a cash grant to women primarily for the purchase of productive assets and will include sensitization activities and mentoring designed to address pervasive social barriers and to boost skills and self-confidence. Furthermore, the project will open digital banking accounts for women to receive their benefits from the project and will provide training on how to use them. As shown in Figure 1, the share of women's mobile money accounts (9.9 percent) is significantly lower than that of men (16.6 percent). Across different countries, increasing access to mobile financial services and ownership of financial accounts, including mobile money accounts, has had positive impacts on women's well-being³⁷ and even poverty reduction.³⁸ The AF will therefore contribute to closing gender gaps in mobile money account

³⁷ <https://www.science.org/doi/10.1126/science.aah5309>

³⁸ <https://blogs.worldbank.org/voices/empowering-women-send-social-assistance-payments-directly-her>



ownership to be tracked by the indicator, “female beneficiaries owning and using a mobile money banking account”.

Climate Co-benefits

55. **The proposed AF would address climate change adaptation through the proposed activities.** The development of adaptive social protection systems under the Project, and the proposed AF would enable Government to provide a more swift and targeted response for vulnerable households to external shocks, such as floods or drought. This type of response is already being demonstrated under Component 1 through the ECT and could be applied to different scenarios and based on different pre-defined triggers in the future once delivery systems are well in place. Additionally, future rounds of the PMT survey could gather climate and environmental vulnerability indicators to better target vulnerable households in the event of a climate shock. The proposed AF would seek to build household resilience and to provide households with a basic set of tools to withstand future shocks by helping them adapt and diversify their livelihoods and income generating capacity to non-farm activities and facilitate savings.

KEY RISKS

56. The project overall risk rating is substantial based on the context of fragility, recent political and social unrest, the shifting institutional context, restricted fiscal space, and limited capacity to implement complex operations in Guinea.

57. **Political and governance risk is rated high.** The political climate remains fragile and uncertain after the establishment of a new transition government in November 2021. The 24-month transition roadmap to the general elections adopted by the government and endorsed by ECOWAS, has been met with resistance from some parts of civil society and opposing political parties demanding an inclusive dialogue for a peaceful transition. Political and social disturbances continue and could potentially disrupt or prevent implementation of activities. The project will continue to use digital payments and work closely with NGOs and other local actors to facilitate delivery, even in challenging circumstances. In the face of upcoming elections, there are also risks of political interference in the decision-making process at the central level and local levels. To mitigate these risks, the project will continue to strengthen targeting and to ensure that it is underpinned by robust data, for example from the EHCVM and PMT surveys, and validated at the community level. There will also be increased implementation support and close monitoring by the field-based World Bank staff.

58. **Institutional capacity for implementation and sustainability risk is rated substantial.** ANIES is a new agency and has limited experience in the implementation of safety net programs. The agency is now properly staffed and implementation progress in the last year points to its growing experience. The World Bank will closely accompany ANIES through technical assistance and capacity building for implementation and sustainability. ANIES will also be accompanied by experienced third parties, mainly NGOs, to design and implement some of the more technically challenging activities such as productive inclusion. There are also risks of overlapping mandates and activities, real or perceived, with other line ministries. The World Bank will encourage coordination with relevant stakeholders and other related program such as the World Bank-financed Sahel Women’s Empowerment and Demographics (SWEDD) operations and support the development of a clear institutional pathway to be described in the next social protection strategy.



59. **Fiduciary risk is rated substantial.** A fiduciary agent was recruited in 2021 to manage all fiduciary duties of the project. The agent transitioned out in December 2022 after recruiting and training new project fiduciary staff. Although this phase out was carried out as planned under the parent project, the expansion of the project in a context of political transition could be associated with an increased fiduciary risk. To mitigate this risk, it has been agreed that a new fiduciary agent would be recruited to manage all fiduciary matters for the project for the duration of the project. The World Bank will continue to play an active role in supporting implementation and fiduciary functions under the new arrangement through additional capacity building.

60. **Stakeholder risk is rated substantial.** Stakeholder risks of the project emerge from the direct and indirect beneficiaries of the project and their communities. The social, ethnic, and political tensions in the country, juxtaposed with the economic pressures felt by the Guinean population, could lead to heightened tensions. This could, in turn, lead stakeholders to challenge the scale and fairness of the program. The project will invest heavily in communications strategies and materials to instill confidence in the transparency and fairness of the project and its targeting methodology, and to manage expectations accordingly. Community engagement will remain a central theme of the project to help identify risks on an ongoing basis and to develop strategies for mitigation. A parallel dialogue will also continue at the policy level to encourage greater investment by the government on social protection programs to encourage the sustainability and increased scale of these programs.

APPRAISAL SUMMARY

1. Economic Analysis

61. **The project supports a two-pronged approach to poverty reduction by: (a) lessening the impact of shocks on vulnerable households through ECT; and (b) improving their resilience through cash plus interventions.** These interventions are guided by best practices from social protection interventions across several countries, including Guinea’s own experience with the previous Bank-financed project, the Productive Social Safety Net Project (P123900). Component 1 provides emergency support following an approach grounded in simplicity, practicality, and reliance on existing systems to the extent possible. Component 2’s design integrates features of “cash plus” interventions that have been successful in similar contexts, namely, cash transfers, human development accompanying measures, and productive inclusion measures. The latter have been shown to be effective in both short- and long-term poverty alleviation. The present economic analysis is organized in three parts. The first section outlines the economic rationale behind the selected design, the second presents an analysis of the level of benefits that can be expected, and the third discusses the cost, coverage, and fiscal sustainability of the project.

Economic rationale

62. **The COVID-19 crisis has eroded the livelihoods of Guineans across the country, affecting both the formal and informal sectors.** A High-Frequency Phone Survey conducted in October-November 2020 revealed that 85 percent of households reported a decrease in their total income since the start of the pandemic. While the situation had improved for households in Conakry by April-May 2021, it remained unchanged among households in other rural and urban areas. Although economic growth has been



resilient to the pandemic (4.1 percent in per capita terms in 2020), it has been driven by investments in bauxite and gold mining. Disruptions caused by the pandemic are expected to have led the service sector to contract by one percent. Additionally, supply disruptions and increases in central bank financing have led to important increases in inflation (9.5 percent in 2019, 11.6 percent in 2020, and 12.6 percent in 2021, and estimated at 12.8 percent in 2022). These inflationary pressures are likely to impose an additional burden on many Guineans. High food prices are a particular concern given that 21.8 percent of households are food insecure.³⁹

63. **Safety net programs in Guinea are necessary to respond to widespread poverty.** The World Bank estimates that 43.7 percent of the population lived below the national poverty line in 2018, which corresponds to approximately 5.3 million people. Poverty disproportionately affects rural areas: although only 65 percent of the population is rural, over 80 percent of the poor live in rural areas. The ERNPSF is designed to target the poorest households in both rural and urban areas. Three types of activities will be implemented: (a) cash transfers; (b) human capital measures; and (c) productive inclusion measures.

64. **Women will be the main recipients of the regular cash transfers in Component 2 to promote a reduction in unequal access to education and economic opportunities between men and women.** Besides promoting gender equality, targeting women has been shown to have a significant positive impact on outcomes related to child development, education and health.^{40,41} Not only can cash transfers to women lead to higher investment in human capital (e.g., in children's education, including for young girls), they also have the potential to increase women's agency, decision making power, productivity, and earnings.⁴² They can also reduce intra-household stress and tension over food security.⁴³ A growing body of evidence shows that cash transfers can also help reduce intimate partner violence (IPV) and SGBV, a widespread problem in Guinea. A recent meta-analysis that examined 14 evaluations of cash transfer programs found that 11 of them found a decrease in IPV attributable to the intervention.⁴⁴ Evidence from Bangladesh highlights the importance of combining behavior change interventions with cash transfers (as opposed to cash transfers alone) to address IPV. Addressing SGBV is particularly important in the context of COVID-19, since the shock and distress caused by the pandemic led to increased violence against women.

65. **Cash transfers are effective at helping individuals manage risk, volatility, and protecting themselves from poverty and destitution.**⁴⁵ A rigorous review⁴⁶ of 165 studies of cash transfers shows

³⁹ <https://www.wfp.org/countries/guinea>

⁴⁰ Young, J; Rabinovich, L.; Diepeveen, S. 2012. "The impact of economic resource transfers to women versus men: a systematic review." Technical report. London: EPPI-Centre, Social Science Research Unit, Institute of Education, University of London

⁴¹ J-PAL Policy Briefcase. 2021. "Empowering Women through Targeted Conditional Cash Transfers." Cambridge, MA: Abdul Latif Jameel Poverty Action Lab. Action Lab.

⁴² Food Agricultural Organisation. 2015. "The impact of cash transfers on the economic advancement and decision-making capacity of rural women" From Protection to Production. Policy Brief.

⁴³ Concern Worldwide and Oxfam. 2011. "Walking the Talk: Cash Transfers and Gender Dynamics A Report by Concern Worldwide and Oxfam GB."

⁴⁴ Buller, A. M., Peterman, A., Ranganathan, M., Bleile, A., Hidrobo, M., & Heise, L. (2018). A mixed-method review of cash transfers and intimate partner violence in low-and middle-income countries. *The World Bank Research Observer*, 33(2), 218-258.

⁴⁵ Beegle, Kathleen, Aline Coudouel, and Emma Monsalve. (2018). *Realizing the Full Potential of Social Safety Nets in Africa*. Africa Development Forum series. Washington, DC: World Bank. doi:10.1596/978-1-4648-1164-7.

⁴⁶ Bastagli, Francesca, Jessica Hagen-Zanker, Luke Harman, Valentina Barca, Georgina Sturge, and Tanja Schmidt. (2019). "The Impact of Cash Transfers: A Review of the Evidence from Low- and Middle-Income Countries." *Journal of Social Policy* 48 (3): 569–94. <https://doi.org/10.1017/S0047279418000715>.



that they contributed to improvements in monetary poverty, education, health, investment, production and savings. Recent impact evaluations find that cash transfers can help beneficiary households to manage risk more effectively by diversifying income-generating activities,⁴⁷ boosting investments in productive assets such as livestock or agricultural tools,^{48,49,50,51,52} increasing savings,^{53,54,55} and reducing detrimental coping strategies.⁵⁶ Recent studies show that cash transfer programs led to average increases in consumption of 74 percent of the transfer value (or US\$0.74 for every dollar transferred).⁵⁷ Furthermore, cash transfer programs have been found to have positive long-term effects against malnutrition. For example, a 2018 study find improved height-for-age Z-scores among children born to unconditional cash transfer beneficiaries during the program.⁵⁸ The AF will improve households' resilience to shocks by allowing 10,000 additional households to benefit from ECTs under Component 1.

66. Component 2 is a “cash plus” intervention that aims to tackle poverty following a coordinated, multi-sectoral approach that has been shown to be effective at tackling extreme poverty in similar contexts. “Cash plus” programs add interventions such as training, coaching, savings encouragement, health education or services to cash transfers to address the diverse and inter-linked constraints that households face. Randomized control trials of “cash plus” programs in six countries⁵⁹ found statistically significant impacts on key outcomes relating to food security, consumption, income, assets, and financial inclusion.⁶⁰ Impact assessments also showed that beneficiaries spent more time working, went hungry on fewer days, experienced lower levels of stress, and reported improved physical health. Importantly, some studies have shown that cash transfers alone only have short-term impacts on nutrition, morbidity, education, and gender-based violence, whereas the same transfers augmented with “cash plus”

⁴⁷ Daidone, S., Davis, B., Handa, S., & Winters, P. (2019). The Household and Individual-Level Productive Impacts of Cash Transfer Programs in Sub-Saharan Africa. *American Journal of Agricultural Economics*.

⁴⁸ Stoeffler, Q., Mills, B. F., & Premand, P. (2016). Poor households' productive investments of cash transfers: quasi-experimental evidence from Niger. Technical report, Virginia Tech.

⁴⁹ Abdoulayi, S., Angeles, G., & Barrington, C. (2015). Malawi Social Cash Transfer Program: Midline Impact Evaluation Report. Working Paper.

⁵⁰ Covarrubias, K., Davis, B., & Winters, P. (2012). From protection to production: productive impacts of the Malawi social cash transfer scheme. *Journal of Development Effectiveness*, 4(1), 50-77.

⁵¹ Evans, D.K., S. Hausladen, K. Kosec, and N. Reese. (2014). "Community-based Conditional Cash Transfers in Tanzania: Results from a Randomized Trial." World Bank Study. Washington, DC: The World Bank.

⁵² Daidone et al., 2019.

⁵³ Evans et al., 2014.

⁵⁴ Aker, J. 2013. "Cash or coupons? Testing the impacts of cash versus vouchers in the Democratic Republic of Congo." Working Paper 320. Washington, DC: Center for Global Development.

⁵⁵ Stoeffler et al., 2016.

⁵⁶ Daidone et al., 2019.

⁵⁷ See Beegle et al. (2018); and Ralston, L., Andrews, C., Hsiao, A. (2017). The Impacts of Safety Nets in Africa : What Are We Learning?. Policy Research Working Paper;No. 8255. World Bank, Washington, DC. © World Bank. <https://openknowledge.worldbank.org/handle/10986/28916> License: CC BY 3.0 IGO.

⁵⁸ Baird, Sarah, Craig McIntosh, and Berk Özler. (2018). When the Money Runs Out: Do Cash Transfers Have Sustained Effects on Human Capital Accumulation? February 6, 2018.

⁵⁹ Ethiopia, Ghana, Honduras, India, Pakistan, Peru.

⁶⁰ Banerjee, A., Duflo, E., Goldberg, N., Karlan, D., Osei, R., Parienté, W., Shapiro, J., Thuysbaert, B., & Udry, C. (2015). A multifaceted program causes lasting progress for the very poor: Evidence from six countries. *Science*, 348(6236), 1260799.



interventions had long lasting impacts.^{61,62} The proposed interventions in Component 2 draw from similar adaptive social protection programs in the Sahel launched by the World Bank in 2014. Initial results for Niger and Senegal show strong increases in household consumption (15 percent in Niger, 4-6 percent in Senegal), female labor force participation, income, and savings. It is expected that the proposed programs will have similar results in Guinea.

67. Sub-component 2.2, which will provide 15,000 households with productive inclusion measures, is modeled after productive inclusion interventions that have been shown to be highly effective. The AF includes funding for a one-time grant of up to US\$200 per beneficiary to help households expand their income-generating opportunities and build resilience. Cash grants of similar sizes, associated with other measures such as skills training, have been shown to have positive, long-lasting impacts on beneficiaries' incomes. For example, in Uganda, a productive inclusion package consisting of US\$150 in cash, business skills training and supervision led to a twofold increase in income sixteen months after the grant.⁶³ The size of the grant is also in line with other Sahel Adaptive Social Protection programs, which range from US\$142 (Niger) to US\$258 (Senegal) per beneficiary.

68. Beyond improving the livelihoods of direct beneficiaries, the project is expected to have positive spillovers on the local economy. By expanding coverage of the ERNPSP, the proposed AF can also be expected to have multiplier effects by boosting the local economy. Studies have shown that cash transfers stimulate local demand for goods and services, thus indirectly benefiting households who are not recipients of cash transfers.⁶⁴ Evidence from Ethiopia, Ghana, Zimbabwe, Lesotho, Malawi, and Kenya shows that cash transfers raise the purchasing power of recipient households and through that channel have multiplier effects on the local economy^{65,66,67,68}. These multiplier effects can be quite substantial.⁶⁹ According to estimates from a multi-country study focused on Sub-Saharan Africa, each US dollar transferred to poor eligible households generates an additional 0.27 to 1.52 of local income.⁷⁰

⁶¹Roelen, K., Devereux, S., Abdulai, A., Martorano, B., Palermo, T., & Ragno L.P. (2017). "How to Make 'Cash Plus' Work: Linking Cash Transfers to Services and Sectors." Innocenti Working Papers no. 2017-10.

⁶² Shalini, R., Hidrobo, M., Hoddinott, J., & Ahmed, A.; "Transfers, Behavior Change Communication, and Intimate Partner Violence: Postprogram Evidence from Rural Bangladesh." *The Review of Economics and Statistics* 2019; 101 (5): 865–877. doi: https://doi.org/10.1162/rest_a_00791

⁶³ Blattman, C, Green, E. P., Jamison, J., Kehmann, M. C., & Annan, J. (2016). "The Returns to Microenterprise Support among the Ultrapoor: A Field experiment in Postwar Uganda." *American Economic Journal: Applied Economics*, 8(2): 35-64.

⁶⁴ Davis, B., Handa, S., Hypher, N., Rossi, N. W., Winters, P., & Yablonski, J. (Eds.). (2016). *From evidence to action: the story of cash transfers and impact evaluation in sub Saharan Africa*. Oxford University Press.

⁶⁵ Davies, S., & Davey, J. (2008). A regional multiplier approach to estimating the impact of cash transfers on the market: The case of cash transfers in rural Malawi. *Development Policy Review*, 26(1), 91-111.

⁶⁶ Kagin, J., Taylor, J. E., Alfani, F., & Davis, B. (2014). *Local Economy-Wide Impact Evaluation (LEWIE) of Ethiopia's Social Cash Transfer Pilot Programme'*. PtoP Project Report, FAO and The World Bank.

⁶⁷ Thome, K., Taylor, J. E., Filipiski, M., Davis, B., & Handa, S. (2016). *The local economy impacts of social cash transfers: A comparative analysis of seven sub-Saharan countries*. FAO, Roma.

⁶⁸ Egger, D., Haushofer, J., Miguel, E., Niehaus, P., & Walker, M. W. (2019). *General equilibrium effects of cash transfers: experimental evidence from Kenya* (No. w26600). National Bureau of Economic Research.

⁶⁹ For example, according to Taylor et al. (2016), the Ghanaian Livelihood Empowerment Against Poverty program (LEAP) increased local income by 2.5 cedis (US\$ 0.57) for every 2 cedis (US\$ 0.46) transferred to beneficiary households.

⁷⁰ Taylor, J. E., Thome, K., & Filipiski, J. (2016). *Local economy-wide impact evaluation of social cash transfer programmes*. From Evidence to Action: The Story of Cash Transfers and Impact Evaluation in Sub Saharan Africa, 94-116.



69. **However, cash transfers can also lead to small negative spillovers by leading to inflation.** This is more likely to be the case if program coverage rates are high and the local economy is not well integrated to outside markets. Cash transfers stimulate local demand and by doing so could lead to a rise in prices through general equilibrium effects. Recent studies on general equilibrium effects of cash transfers find that local prices increase only in beneficiary communities that are remote, and documented price increases are economically small. In a study of cash transfers in Mexico, cash transfers led to a 1.5 percent increase in overall food prices in less developed villages; there were no price effects in more developed villages.⁷¹ Similarly, in the Philippines, a different study has found such price increases only for perishable and less-easily traded protein rich foods.⁷² Importantly, price increases are less likely in well-integrated economies and in areas with lower coverage rates. It is possible that with the expanded coverage of ECTs and unconditional CTs under the AF, could lead to inflation in remote communities; however, the evidence suggests these effects are likely to be small.

70. **The project will also finance the implementation of the EHCVM survey in Component 3, which is expected to positively impact the population of Guinea.** Indeed, the provision of statistical data is a public good. While it is difficult to quantify the benefits of the EHCVM activity and the recovery of the funds invested in it, the public good nature of the availability of timely and reliable statistics is key for evidence-based poverty reduction policies, accountability and transparency, and provides a strong rationale for public involvement. The capacity of Guinea's national statistics system would remain limited without the EHCVM activity and it would be a missed opportunity for the country to generate comparable welfare indicators over time within the country and across peer countries in the region. Beneficiaries of the EHCVM activity include the public and private sectors, civil society, and development partners.

Cash transfer amounts

71. **The proposed cash transfer amount of GNF 250,000 (US\$29 equivalent) per household per month, which is equivalent to GNF 500,000 (US\$58 equivalent) per capita per year, is enough to lift a large number of households out of poverty.** The ERNPSP (the parent project) transfers correspond to 8.9 percent of the average consumption of the poor, and 4.8 percent of the average consumption of all households, adjusting for private consumption growth since 2018⁷³. Yet, the transfers are expected to play an important role in poverty alleviation: the national poverty gap was estimated at 12.5 percent in 2018/19, suggesting that a large proportion of the population is actually very close to the poverty line. The transfers represent around 29 percent of the amount needed to lift someone above the poverty line for the average poor (GNF 857,800 or US\$99.6 equivalent per household per month), and 27 percent for a rural poor (GNF 913,500 or US\$106 equivalent per household per month; based on data from 2018, adjusted for private consumption growth since then). They are also equivalent to 41 percent of the amount needed to lift an average urban poor out of poverty (GNF 606,639 or US\$70 equivalent per household per month).

⁷¹ Cunha, J. M., De Giorgi, G., & Jayachandran, S. (2019). The price effects of cash versus in-kind transfers. *The Review of Economic Studies*, 86(1), 240-281.

⁷² Kandpal, E., Alderman, H., Friedman, J., Filmer, D., Onishi, J., & Avalos, J. (2016). A conditional cash transfer program in the Philippines reduces severe stunting. *The Journal of nutrition*, 146(9), 1793-1800.

⁷³ This assumes yearly private consumption growth of 5.5, 3.5, 5.5 and 4.1 percent in 2019, 2020, 2021 and 2022, respectively, as estimated in the World Bank's Macro Poverty Outlook (October 2022).



72. **Reaching 136,000 poor households through regular cash transfers is hence expected to reduce total poverty headcount by 1.8 percentage points from 43.7 percent to 41.9 percent.** This assumes that 14.6 percent of all beneficiaries will be lifted out of poverty and that the population targeted by the project follows the same distribution as the national poor.

73. **The relatively low cost of proposed benefits (8.9 percent of the average expenditure of the poor) allows the program to reach more beneficiaries, given budgetary constraints.** This is a typical tradeoff when deciding on the size of the benefit. The benefit levels were chosen here to allow beneficiaries to reach a minimum level of consumption to avoid missing critical human capital investments and malnutrition, as necessary for program impact.⁷⁴ A second tradeoff is that larger benefits may be a disincentive to work. In this case, however, the relatively low level of proposed benefits and the fact that most beneficiaries will be below the poverty line largely decrease the risk of hindering labor supply.

74. **The duration of the non-emergency component of the program is two years, the typical duration for cash transfer programs.**⁷⁵ This duration was chosen after consultations with ANIES, to align with best practices used in similar programs around the world. Payments for the ECT are being transferred using mobile money thanks to mobile phones that ANIES will provide to beneficiaries as they continue to roll out the transfers. It is expected that all cash transfers will be made monthly via mobile money, which is very cost-effective.

Cost and coverage

75. **The cost-effectiveness of this program is expected to be high.** The program is similar to other adaptive social protection programs in the Sahel, which are overall very cost-effective. For example, the adaptive social protection program in Niger has internal rates of return reaching 39 percent depending on the “cash plus” interventions that were implemented⁷⁶. Additionally, the cost of delivery of World Bank financed cash transfer programs has been lower than that of other forms of social protection programs. For example, in Malawi, public works and cash transfer programs offered under the Malawi Social Action Fund have delivered a US\$1 benefit for a cost of 16.5 cents, whereas this amount was 24.3 cents on average for programs such as subsidies, food for assets public works, and school meals programs.⁷⁷ Humanitarian aid, on the other hand, delivers this benefit at a cost of 55 cents. In Guinea, the expected cost to deliver a US\$1 benefit was approximately 10 cents for the cash transfer before the emergency.

76. **Unfortunately, given the considerable number of poor people in Guinea (5.3 million, or 43.7 percent of the population), it would not be fiscally affordable to cover all the poor (both the chronically and transitionally poor) on a continuous basis.** Therefore, a compromise must be made in terms of the number of people that can be covered by the program and for how long. The AF aims to increase the number of beneficiaries of regular cash transfers and associated accompanying measures from 48,000 to 136,000 households, a more than two-fold, and nearly three-fold increase.

⁷⁴ Ardington et al (2009) find that in South Africa payments made to the elderly increased the labor supply of the middle aged in the household, as they allowed prime-aged adults to look for work elsewhere.

⁷⁵ World Bank, 2018.

⁷⁶ Bossuroy et al. 2018. “Pathways out of Extreme Poverty. Tackling Psychosocial and Capital Constraints with a Multi-faceted Social Protection Program in Niger.” World Bank Policy Research Working Paper 9562.

⁷⁷ World Bank. 2019. Public Expenditure Review of Social Protection Spending in Malawi.



77. **The project will support the cash transfer program in eight regions (plus Conakry) for a total of 160,000 beneficiary households and a total cost of US\$150 million which represents around one percent of the country's GDP.** The 160,000 ECT beneficiary households translate to approximately 960,000 individuals, or 18 percent of Guinea's poor population, according to the latest estimates available. The proposed AF would provide unconditional cash transfers and accompanying measures to an additional 88,000 households, which corresponds to 10 percent of Guinea's poor population. The AF will increase spending on regular non-ECT from US\$31.4 million equivalent to US\$82 million equivalent. Combined with spending on the ECT, this will increase spending on cash transfers to US\$108.5 million equivalent (0.68 percent of GDP) to benefit 160,000 households⁷⁸. This does not include another US\$7.5 million equivalent that will finance productive inclusion activities under Sub-component 2.2. The combined amount is still below the average spending on safety nets in Africa of 1.2 percent of GDP.

78. **By dedicating substantial resources to social safety nets, the project will improve institutional capacity building in Guinea.** The creation of a social registry, the development of a digital payment system and other delivery systems, among other implementation activities, is facilitating the creation of more robust social protection delivery systems, which will pave the way for a more sustainable approach to poverty reduction.

2. Technical

79. The proposed AF contributes to expanded support for activities under the parent project which combine best practices from the sector, as well as lessons learned to date through implementation of the parent project. Although the parent project is relatively recent, ANIES has worked to develop some of the key social protection delivery systems that will enable a quick expansion of activities to additional beneficiaries. Components 2 and 3, are guided by previous interventions that have provided sustainable strategies for improved livelihoods and resilience. The proposed AF will dedicate additional resources to institutional capacity building and social protection delivery systems, to support strong implementation capacity.

80. **Phased and flexible approach:** The proposed AF would keep intact the phased approach that was introduced under the parent project to avoid overexerting the limited technical and institutional capacity of ANIES. Component 2 activities will be implemented following the completion of six months of ECT under Component 1. Previous experience in Guinea in social protection, as well as the in other projects such as the World Bank-financed Chad Refugees and Host Communities Support Project (P164748) and the Pakistan Flood Emergency Cash Transfer Project (P125105), demonstrate that it is important to undertake project activities sequentially in low-capacity environments. Implementation modalities have also been made flexible in response to the uncertain operational context.

81. **Support for national systems:** The proposed AF, like the parent project, aims to continue building national social protection delivery systems that can help support scaled up interventions beyond the scope of the project, and even the sector. Component 3 includes significant resources for building capacity within ANIES, including for the development of a new social protection strategy for Guinea. The project will support coordination mechanisms to ensure that complementary interventions and institutions are

⁷⁸ Up to an additional 15,000 households may benefit from the productive inclusion measures, depending on how these households will be targeted (among cash transfer recipients or among non-recipients).



consulted, and their contributions are accounted for in the planning, implementation, and monitoring of project activities. The development of a social registry, which is being supported by the project, is an important tool for outreach and targeting of project activities, but also potentially for improved coordination across sectors. It would allow for adequate and real-time tracking of beneficiaries across different projects which could also help avoid duplication of activities. Since most project activities will take place across the various regions of Guinea, the project will also include support for local governments and stakeholders, who will benefit from trainings and other types of support. In addition to the registry, other delivery systems like the GRM, and even payment systems which are among the first digital government-to-person payments made by the Government of Guinea, could help inform those of other sectors thereby promoting harmonization of instruments and efficiency gains.

82. **Targeting:** The proposed AF will continue to rely on flexible targeting strategies at the geographic and household level and will adapt these strategies as needed. This will allow the project to self-correct (for example during the transition from Component 1 to Component 2 activities) if needed, and based on the feedback from operators and beneficiaries alike. In 2021, ANIES worked on verifying its database of beneficiaries to ensure that the necessary household data was accurate, as well as the data for each sub-prefecture regarding network coverage, distance to major towns, presence of other donors, etc. This exercise, together with community validation at the district level, will ensure that ANIES can reach the poorest in selected areas. It will also ensure that targeting is done in a fair and transparent manner that will reassure communities. To specifically target climate-vulnerable households, future rounds of the PMT survey could collect data on households' reliance on sectors prone to climate shocks and identify households living in areas vulnerable to drought.

83. **Gender:** The proposed AF will target women as the direct recipients of cash transfers in sub-component 2.1 to address gender gaps pertaining to empowerment, financial inclusion, and unequal economic opportunities. Evidence shows that cash transfer programs targeted to women have significant positive impact, not only in terms of investments in human capital, but also women's agency, decision making power, productivity, and earnings. There is some evidence suggesting that cash transfers plus also help reduce IPV and SGBV, which is a widespread problem in Guinea. The project will also seek to address gender gaps in terms of financial inclusion, productivity, and access to economic opportunities through productive inclusion activities that will be targeted to women, and starting with simple activities like providing phones and mobile wallet accounts for women (and training them in their use). The RF includes indicators to measure women's access to mobile financial services and their direct engagement as project beneficiaries. The project will also develop communication campaigns and develop appropriate grievance redress mechanisms and ensure that these are equally available to women.

84. **Climate:** Social safety nets can help mitigate climate shocks by providing resources to offset food insecurity and prevent divestments in human capital. The adoption of adaptive social protection schemes has proven successful at offsetting the negative impact of covariate shocks in several settings. A recent evaluation of a cash transfer program in Niger has shown that cash transfers increase consumption, and this increase is mostly concentrated among households affected by drought shocks, for whom welfare impacts are larger than transfer amounts. By facilitating savings and income smoothing, cash transfers, like those provided under Sub-components 1.1 and 2.1 of the project and proposed AF, provide a direct way to help the most vulnerable households mitigate the poverty-inducing impacts of climate shocks and build their resilience before a shock strikes. Accompanying measures provided under Sub-components 2.1



and 2.2 will also focus on educating households to adopt more effective risk management strategies. The project and proposed AF would also support the expansion of ANIES' social registry under Component 3, which would enable the agency or other institutions to quickly identify beneficiaries to scale up support in the event of a future shock. Future rounds of the PMT survey could collect data to identify households vulnerable to climate shocks, for example by identifying households living in drought-prone areas or with high reliance on agriculture. Similarly, support for the development of other delivery systems, like digital payment systems, can be easily replicated and scaled in the event of a shock and help facilitate larger scale and better coordinated responses across government.

85. Safety nets are also critical for climate change adaptation for poor households and their surrounding communities, by building resilience through the diversification of livelihoods, avoidance of negative coping strategies, and encouraging savings. Sub-component 2.2 will provide this specific type of support through a package of productive inclusion activities that would help households transition into livelihood strategies that are less susceptible to the impacts of climate change. Moreover, the project aims to provide climate change adaptation strategies as previously described to those who are most negatively impacted by it in Guinea: the poor; and among them, the women and girls. As noted earlier, the poor suffer disproportionate impacts from climate shocks, and women and girls face social and economic barriers that enhance their vulnerability to shocks and climate change more generally, and hinder their ability to embrace adequate adaptation strategies. By targeting women as direct beneficiaries of cash transfers and productive inclusion activities, the project will help to enhance their agency and well-being, diversify their livelihoods, and lend opportunities to increase their productivity and incomes.

86. **Citizen engagement:** The proposed AF would follow the same approach to citizen engagement as the ERNPSP. In addition to continuing to adapt and improve the GRM for the parent project, the AF will promote active consultations between ANIES and the different stakeholders including the beneficiary communities to facilitate their views and concerns being accounted for in the design of project activities. These activities would be supplemented through iterative beneficiary monitoring. The Stakeholder Engagement Plan (SEP) has also been updated and outlines the consultations to take place and a communication strategy to reach all the different stakeholder categories.

87. **Sustainability:** The total resources from the proposed AF combined with the parent project represent about 0.9 percent of Guinea's GDP. The cost of providing cash transfers to all poor households in Guinea would be approximately 2 percent of Guinea's 2021 GDP on an annual basis, which would be feasible for the Government to adopt and in line with social safety nets spending in many other countries. The cost of expanding the full productive inclusion package to all poor households in Guinea would cost around 2.4 percent of GDP, for a combined 4.4 percent of GDP. Productive inclusion activities have shown to be a viable strategy for households to exit poverty sustainably, and the planned impact evaluation will provide contextual evidence on the impact of both interventions (cash transfers and productive inclusion, whether separate or combined). Investments that will help deepen the reach of the social protection system, coupled with strengthening of social protection institutions like ANIES and of delivery systems, will also lay the groundwork for scaling up interventions in the long run.



3. Financial Management

88. **FM assessment.** The current FM arrangements meet the minimum fiduciary requirements under the “Bank Directive: Financial Management in Bank-Financed Operations and Other Operational Matters”, effective September 2021, subject to the implementation of the mitigation measures documented below. In the last ISR of the parent project, FM was rated as Moderately Satisfactory.

89. **Overall residual financial management risk for the project is Substantial.** In addition to the risks emanating from the implementation agency’s first experience managing a World Bank-financed project, the fiduciary risk is substantial primarily because of the project design and the following factors: (a) a multiplicity of actors, resulting in a large number of transactions expected; (b) the country’s and project’s inherent risk level; (c) the design of the project which includes cash transfers to a large number of beneficiaries located in geographically dispersed, remote areas of the country; and (d) the lack of an effective internal audit function which is being implemented.

90. **FM arrangements.** The project will maintain the same implementation arrangements as the parent project and will continue to be implemented by ANIES. The Project Implementation Manual, as well as the FM manual, will be updated by ANIES to strengthen internal controls around cash transfers, to document implementation arrangements, and include new activities as needed. Other FM arrangements relating to budgeting, accounting, and the overall disbursement mechanism of the project, will remain unchanged. As mentioned before, the original fiduciary agent’s contract was extended through the end of 2022 to account for implementation delays until ANIES’ fiduciary staff recruitments were completed. These positions have been fully staffed and are currently responsible for the fiduciary tasks of the parent project per the terms of the Financing Agreement. Going forward, and as previously mentioned, ANIES will return to the previous arrangement through the recruitment of a new fiduciary agent that will take over all fiduciary responsibilities pertaining to the parent project and the proposed AF. This will include financial management, accounting, and internal audit functions. This recruitment shall be completed no later than three months after project effectiveness. ANIES is also in the process of developing an internal audit manual and charter of audit.

91. **Auditing arrangements.** The annual audited financial statements and audit reports will be submitted to the World Bank no later than six months from the end of the fiscal year. The audit will be carried out in accordance with the International Standards on Auditing issued by the International Federation of Accountants. The scope of the external audit will be widened to include additional procedures to be carried out and reported on by the auditor. The extended scope will be agreed between the World Bank and the government prior to the recruitment of the external auditor, and will include procedures relating to cash transfers and productive stipends, and use of project funds by the INS.

92. **Funding of activities and operational costs of the INS.** ANIES will retain the overall fiduciary responsibility for all project activities through the new fiduciary agent that is to be recruited, including those activities to be carried out by INS under Sub-component 3.2. To this end, a MOU will be signed between ANIES and the INS no later than one month after effectiveness. The MOU will define requirements and arrangements for budgeting, accounting, reporting, disbursement, and auditing under the project. The World Bank and ANIES will agree on the content of the MOU prior to its signature and to the effective implementation of project activities by these entities.



93. **Financial Reporting Arrangements.** ANIES will submit to the World Bank: (a) an annual work plan and budget no later than November 30 of the year preceding implementation; (b) consolidated un-audited IFRs on a quarterly basis no later than 45 days following the end of the quarter; and (c) audited annual financial statements of the project no later than six months after the end of the fiscal year.

4. Procurement

94. **Procurement rules and procedures.** Procurement for the project will be carried out in accordance with the World Bank's Procurement Regulations for Investment Project Financing (IPF) Borrowers for Goods, Works, Non-Consulting and Consulting Services, dated November 2020. The project will be subject to 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 the provisions stipulated in the Financing Agreement.

95. The project will use the Systematic Tracking of Exchanges in Procurement (STEP) to plan, record and track procurement transactions. The major planned procurements include consultants' services, goods, capacity building and training, and support to the project implementation and monitoring.

96. **Project Procurement Strategy for Development (PPSD) and Procurement Plan:** The project has prepared a streamlined PPSD, highlighting the fact that in Guinea procurement activities follow World Bank Regulations including on-time invoice payments and a transparent complaints mechanism despite political and security challenges. There also exists a certain level of competitiveness in terms of cash transfer service providers but expertise in other specialized areas such as socio-economic data collection remains weak. A procurement plan for the next six months has been agreed with ANIES and will be updated during implementation as needed.

97. **An assessment of the capacity of ANIES to implement procurement activities conducted by the World Bank as part of AF preparation reflects that:** ANIES is a relatively new agency with limited experience in World Bank procurement procedures. Guinea itself is undertaking an ongoing procurement reform, with a new Public Procurement Code (Decret N°D/333/PRG/SGG dated December 19, 2019) having been adopted in Guinea. ANIES is under Article 2 of this Decree as an Administrative Public Entity (*Etablissement Public Administratif*, EPA). As an EPA, which is autonomous, its procurement activities will not be handled by the Presidency's procurement officer. Consequently, ANIES must handle procurement activities itself. A fiduciary agent was recruited in 2021 to manage all fiduciary duties of the project and mitigate some of the fiduciary risks of the project, particularly given ANIES' inexperience in managing World Bank-financed projects. A new Procurement Specialist was recruited per the Legal Covenants and is responsible for procurement since the departure of the initial fiduciary agency in December 2022. As previously noted, the new fiduciary arrangements will require a return to the early model of the parent project, for which a new fiduciary agent will be recruited within three months of effectiveness of the AF. The fiduciary agent will be responsible for project procurement.

98. **The key risks identified for procurement under the AF are as follows:** (a) the main risk lies in the fact that ANIES is a relatively new agency with limited experience in World Bank procurement procedures; (b) there is lack of proficient procurement staff to implement actions on time and in line with the World Bank New Procurement Framework; (c) there is also a lack of a decision making system for procurement processes; (d) interaction between ANIES and the other partners involved in the project implementation



may lead to delays in procurement processes (Prime Minister’s Office, MEF, etc.); and (e) there exists a poor contract management system.

99. **The procurement risk is substantial.** The World Bank’s oversight of procurement will be done through close implementation and capacity-building support to the implementing agency staff to mitigate the risks. The World Bank’s standard prior and post review arrangements apply as specified in the procurement plan.

5. Legal Operational Policies

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

6. Environmental and Social

100. The proposed AF aims to increase access to social protection programs for poor and vulnerable households in targeted areas, thereby contributing to a more resilient and inclusive recovery process in Guinea. The AF would substantially increase the coverage of social safety nets in the medium term for poor Guinean households. It is estimated that the proposed AF would provide support to an additional 588,000 individuals through emergency and unconditional cash transfers and accompanying measures, with additional support to activities under Components 1 (ECT), 2 (Support to cash transfers and accompanying measures under the Nafa Program), 3 (Strengthening social protection delivery systems and poverty data) and 4 (Project Management, Monitoring and Evaluation), and new activities under Components 2 and 3, with the majority of funds supporting expanded coverage under Component 2.

101. ANIES has hired full time environmental and social specialists who are currently managing all the environmental and social aspects of the parent project. These specialists will be responsible for the implementation of the AF environmental and social activities as well. To date, the implementation of the Environmental and Social Commitment Pland (ESCP) commitments is considered to be on good track, with quaterly reports provided in due time. The negotiated ESCP (which covers both the parent project as well as the additional financing activities) was disclosed on April 4, 2023 both in country and on the World Bank’s website.

Environment:

102. The impacts likely to be generated by the project activities are site-specific, limited in number and can be mitigated with measures identified in the various instruments and the ESCP. There are limited new environmental risks, as neither the project nor the proposed AF support physical infrastructure as part of the coverage of the cash transfer and human development accompanying measures. More specifically, for a number of new start-ups that will be receiving productive grants, the safeguards instruments that were developed for the project will be slightly revised to reflect new activities in the AF and will be applied. The project has experienced safeguard specialists who are already following up all the issues that



could be raised. In addition, the existing Environmental and Social Management Framework (ESMF) will be reviewed and updated, if necessary, and redisclosed within one month of effectiveness.

Social:

103. The social risk is moderate. It is not anticipated that any acquisition of land or restriction of land use will be required as the additional financing will not include infrastructure activities in line with the parent project. The potential negative impact of the labor risks on community health will also be reduced and any labor management issues such as child labor will be addressed through the updated labor management procedures. Other social risks of the project such as Sexual Exploitation and Abuse/Sexual Harassment (SEA/SH) will be addressed by SEA/SH-sensitive GRM with multiple entry points, with an accountability framework that includes training for GRM committees and project staff on SGBV, referrals for survivors to SGBV services, and an awareness raising strategy on SGBV/SEA/SH. To promote active stakeholder participation especially in the new areas/activities to be covered by the project, the SEP has been updated and redisclosed on February 7, 2023 both in-country and on the World Bank website to ensure stakeholder access to a timely, comprehensive and relevant information about the project and its potential environmental and social risks. Finally, and as mentioned above, the ESMF will be reviewed and (if necessary) updated to ensure social risks and aspects are adequately reflected.

V. WORLD BANK GRIEVANCE REDRESS

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

**VI SUMMARY TABLE OF CHANGES**

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

VII DETAILED CHANGE(S)**COMPONENTS**

Current Component Name	Current Cost (US\$, millions)	Action	Proposed Component Name	Proposed Cost (US\$, millions)
Emergency cash transfers	25.10	Revised	Emergency cash transfers	34.20
Support to cash transfers and accompanying measures under the Nafa Program	31.40	Revised	Support to unconditional cash transfers and accompanying measures under the Nafa Program	89.50
Strengthening social protection institutions and	5.50	Revised	Strengthening social protection delivery	12.00



shock-responsive delivery systems			systems and poverty data	
Project Management, Monitoring and Evaluation	8.00	Revised	Project Management, Monitoring and Evaluation	14.30
Contingent Emergency Response Component	0.00	No Change	Contingent Emergency Response Component	0.00
TOTAL	70.00			150.00

LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Current Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-D6540	Effective	30-Jun-2024	30-Jun-2024	30-Jun-2026	30-Oct-2026

REALLOCATION BETWEEN DISBURSEMENT CATEGORIES

Current Allocation	Actuals + Committed	Proposed Allocation	Financing % (Type Total)	
			Current	Proposed

IDA-D6540-001 | Currency: XDR

iLap Category Sequence No: 1	Current Expenditure Category: G,W,NCS,CS,TR,OC exp Pt1.1,2a,5				
14,300,000.00	3,049,247.19	17,029,828.31	100.00	100.00	
iLap Category Sequence No: 2	Current Expenditure Category: EMERGENCY CASH TRSF Pt1.1				
17,300,000.00	1,622,453.50	17,300,000.00	100.00	100.00	
iLap Category Sequence No: 3	Current Expenditure Category: UNCOND. CASH TRSF Pt2a				
16,600,000.00	0.00	16,600,000.00	100.00	100.00	
iLap Category Sequence No: 4	Current Expenditure Category: EMERGENCY EXPENDITURES Pt5				
0.00	0.00	0.00	100.00	100.00	
iLap Category Sequence No: 5	Current Expenditure Category: PPF REFINANCING				



	3,100,000.00	370,171.69	370,171.69		
--	--------------	------------	------------	--	--

Total	51,300,000.00	5,467,668.62	51,300,000.00		
--------------	----------------------	---------------------	----------------------	--	--

Expected Disbursements (in US\$)

Fiscal Year	Annual	Cumulative
2020	0.00	0.00
2021	12,228,552.50	12,228,552.50
2022	2,061,065.24	14,289,617.74
2023	20,000,000.00	34,289,617.74
2024	52,000,000.00	86,289,617.74
2025	40,000,000.00	126,289,617.74
2026	20,000,000.00	146,289,617.74
2027	3,710,382.26	150,000,000.00

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

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



LEGAL COVENANTS – Emergency Response and Nafa Program Support Project (P168777)

Loan/Credit/TF	Description	Status	Action
IDA-D6540	Schedule 2, Section I: No later than two (2) months after the Effective Date, the Recipient shall ensure the Project Implementation Entity (i) acquires and updates an accounting software; and (ii) prepares and adopts a financial management procedures manual.	After delay complied with	No Change
IDA-D6540	Schedule 2, Section I: No later than five (5) months after the Effective Date, the Recipient shall ensure the Project Implementation Entity selects an external auditor, with qualifications, experience and terms of reference acceptable to the Association.	After delay complied with	No Change
IDA-D6540	Schedule 2, Section I: No later than six (6) months after the Effective Date, the Recipient shall ensure the Project Implementation Entity (i) prepares and adopts a manual and charter of audit, (ii) recruits a financial management specialist, two (2) accountants, a procurement specialist and an internal auditor, all with qualifications, experience and terms of reference acceptable to the Association.	Expected soon	Revised
Proposed	Schedule 2, Section I: No later than six (6) months after the Effective Date, the Recipient shall ensure the Project Implementation Entity prepares and adopts a manual and charter of audit satisfactory to the Association.	Expected soon	
IDA-D6540	Schedule 2, Section I: No later than one (1) month after the Effective Date, the Recipient shall cause the Project Implementation Entity to conclude and thereafter implement, until it has expired in accordance with its terms, a payment agreement, in form and substance satisfactory to the Association and in accordance with criteria and procedures set forth in the PIM, with an Emergency Cash Transfers Payment	After delay complied with	No Change



	Service Provider or Emergency Cash Transfer Payment Service Providers, as applicable (“Emergency Cash Transfers Payment Agreement”).		
IDA-D6540	Schedule 2, Section I: No later than six (6) months after the Effective Date, the Recipient shall cause the Project Implementation Entity to conclude and thereafter implement, until it has expired in accordance with its terms, a unconditional cash transfer payment agreement, in form and substance satisfactory to the Association and in accordance with criteria and procedures set forth in the Unconditional Cash Transfers Manual, with an Unconditional Cash Transfer Payment Service Provider or Unconditional Cash Transfer Payment Service Providers, as applicable (“Unconditional Cash Transfers Payment Agreement”).	Complied with	No Change

LEGAL COVENANTS – Emergency Response and Nafa Program Support Project Additional Financing (P177214)

Sections and Description

Schedule 2, Section I.C.4: The Recipient shall ensure that no later than one (1) month after the Effective Date, a memorandum of understanding, on terms and conditions acceptable to the Association, is signed between the Project Implementing Entity and the National Institute of Statistics, outlining the specific activities, timeline and expenses associated with the implementation of Part 3.2 of the Project (the “NIS MOU”).

Schedule 2, Section I.A.1.(b): No later than three (3) months after the Effective Date, the Recipient shall cause the Project Implementing Entity to hire and thereafter maintain on terms of reference, conditions, and in a manner satisfactory to the Association: (i) a Fiduciary Agent which shall be responsible for fiduciary management of the Project; and (ii) a monitoring and evaluation specialist.

Schedule 2, Section I.A.1.(d): The Recipient shall ensure the Project Implementing Entity hires no later than December 31 in each year of Project implementation, an external auditor with qualifications, experience and terms of reference acceptable to the Association.

Environmental and Social Commitment Plan: Following the review of the ESMF, if needed, update the ESMF, redisclose and adopt the updated ESMF within one (1) month after the Effective Date of the Additional Financing.

Schedule 2, Section I.A.2(a): No later than thirty (30) days following the Effective Date, the Recipient shall establish and thereafter maintain at all times during the implementation of the Project, a project steering committee with a composition, mandate, and resources satisfactory to the Association (“Project Steering Committee” or “PSC”).

Conditions



Type Effectiveness	Financing source IBRD/IDA	Description The Recipient has adopted the Project Implementation Manual prepared or updated in accordance with the provisions of Section I.C.1 of Schedule 2 to the Financing Agreement.
Type Effectiveness	Financing source IBRD/IDA	Description The Subsidiary Agreement: (i) has been executed on behalf of the Recipient and the Project Implementing Entity; (ii) has been duly authorized or ratified by the Recipient and the Project Implementing Entity; and (iii) is legally binding upon the Recipient and the Project Implementing Entity in accordance with its terms.
Type Disbursement	Financing source IBRD/IDA	Description Notwithstanding the provisions of Part A of Schedule 2, Section III, no withdrawal shall be made under Category (4), for Emergency Expenditures under Part 5 of the Project, unless and until all of the following conditions have been met in respect of said expenditures: (i) (A) the Recipient has determined that Eligible Crisis or Emergency has occurred, and has furnished to the Association a request to withdraw Financing amounts under Category (4); and (B) the Association has agreed with such determination, accepted said request and notified the Recipient thereof; and (ii) the Recipient has adopted the CERC Manual and Emergency Action Plan, in form and substance acceptable to the Association.
Type Disbursement	Financing source IBRD/IDA	Description Notwithstanding the provisions of Part A of Schedule 2, Section III, no withdrawal shall be made under Category (8) until the NIS MOU has been signed and is in effect.
Type Disbursement	Financing source IBRD/IDA	Description Notwithstanding the provisions of Part A of Schedule 2, Section III, no withdrawal shall be made under Category (7), until the Productive Grants Manual has been adopted and incorporated into the PIM.

VIII. RESULTS FRAMEWORK AND MONITORING

Results Framework

COUNTRY: Guinea

Emergency Response and Nafa Program Support Project Additional Financing

Project Development Objective(s)

The Project Development Objectives are to: develop the building blocks of a national shock-responsive social protection system and increase access to shock-responsive safety nets for poor and vulnerable households.

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
Develop the building blocks of a national shock-responsive social protection system (Action: This Objective has been Revised)				
Design, development and utilization of a Management Information system (MIS) (Text)		No MIS in place	MIS system developed and utilized to monitor and manage project activities	MIS system developed and utilized to monitor and manage project activities
Action: This indicator has been Revised	Rationale: The end target date of the indicator was revised.			
Development of a national social registry linked to the project MIS (Yes/No)		No		Yes
Action: This indicator has been Marked for Deletion				
Increase access to shock-responsive safety nets for poor and vulnerable households (Action: This Objective has been Revised)				

The World Bank

Emergency Response and Nafa Program Support Project Additional Financing (P177214)

Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
Beneficiaries of emergency cash transfers for COVID-19 and other shock response (Number)		0.00	150,000.00	160,000.00
Action: This indicator has been Revised		Rationale: <i>The target was revised to account for the expansion under the AF under Component 1 and the end target date was extended.</i>		
Beneficiaries of emergency cash transfers for COVID-19 and other shock response - female (Percentage)		0.00	70.00	85.00
Action: This indicator has been Revised		Rationale: <i>The target was revised upward to account for the new targeting approach for ECTs in the interior of the country under Component 1 and the end target date was extended.</i>		
Beneficiaries of regular cash transfers under the Nafa Program (Number)		0.00	130,000.00	136,000.00
Action: This indicator has been Revised		Rationale: <i>Target has been updated and end target date extended.</i>		
Beneficiaries of regular cash transfers under the Nafa Program- Female (Percentage)		0.00	90.00	90.00
Action: This indicator has been Revised		Rationale: <i>This end target date of the indicator was extended.</i>		
Beneficiaries of social safety net programs (CRI, Number)		0.00	780,000.00	960,000.00
Action: This indicator has been Revised		Rationale: <i>The indicator target was revised upward to account for the expanded coverage under the AF. The end target date was extended.</i>		

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
Emergency cash transfers (Action: This Component has been Revised)				
Beneficiaries of emergency cash transfers receiving payments on time (within 5 days of expected payment) (Percentage)		0.00	50.00	70.00
Action: This indicator has been Revised	Rationale: The end target date was extended.			
Reported exposure to sensitization messages among beneficiaries/target audience (Percentage)		0.00	70.00	80.00
Action: This indicator has been Revised	Rationale: The end target date was extended.			
Total amount received by beneficiaries through ECTs (Amount(USD))		0.00		23,600,000.00
Action: This indicator has been Marked for Deletion				
Support to unconditional cash transfers and accompanying measures under the Nafa program (Action: This Component has been Revised)				
Cash transfer beneficiary households receiving human development accompanying measures (Percentage)		0.00	60.00	80.00
Action: This indicator has been Revised	Rationale: The end target date was revised.			

The World Bank

Emergency Response and Nafa Program Support Project Additional Financing (P177214)

Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
Beneficiaries reporting investment in human capital development (Percentage)		0.00	50.00	75.00
Action: This indicator has been Revised		Rationale: The end target date was extended.		
Beneficiaries of productive inclusion program reporting diversification of livelihoods (Percentage)		0.00		70.00
Action: This indicator has been Revised				
Children re-enrolling in school after Covid-19 (Percentage)		0.00		75.00
Action: This indicator has been Marked for Deletion		Rationale: Given extensive delays in project effectiveness, the project was unable to measure the percent of children re-enrolling in school once pandemic related closures ended for ECT beneficiaries, since these measures came about before the launch of the ECT activity. Inability to measure this indicator will not affect the PDO.		
Children re-enrolling in school after Covid-19- Female (Percentage)		0.00		75.00
Action: This indicator has been Marked for Deletion				
Cash transfer beneficiaries receiving digital payments (Percentage)		0.00	50.00	80.00
Action: This indicator has been Revised		Rationale: The end target was revised upward and the end target date was extended.		
Total amount received by beneficiaries of regular cash transfers under the Nafa Program (Amount(USD))		0.00		22,700,000.00

The World Bank

Emergency Response and Nafa Program Support Project Additional Financing (P177214)

Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
Action: This indicator has been Marked for Deletion				
Regular cash transfer beneficiaries receiving accompanying measures to raise awareness of climate risks and resilience (Percentage)		0.00	50.00	80.00
Action: This indicator is New Rationale: This indicator was added to account for new activities under the AF.				
Beneficiaries of regular cash transfers under the Nafa Program with self-reported household member with a disability (Percentage)		0.00	8.00	10.00
Action: This indicator is New Rationale: This indicator was added to measure the program's coverage of self-reported households with a member with a disability in the targeted areas.				
Female beneficiaries owning a mobile money banking account (Percentage)		10.00	40.00	60.00
Action: This indicator is New Rationale: This indicator was added to account for the purchase of mobile phones for Component 1 and 2 beneficiaries (which will be targeted toward direct female recipients).				
Strengthening social protection delivery systems and poverty data (Action: This Component has been Revised)				
Regular cash transfer beneficiaries that have been selected through a combined PMT and community validation (Percentage)		0.00	70.00	80.00
Action: This indicator has been Revised Rationale: The end target date was extended.				

The World Bank

Emergency Response and Nafa Program Support Project Additional Financing (P177214)

Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
Process evaluation completed (Yes/No)		No		Yes
Action: This indicator has been Revised	Rationale: The end target date was extended.			
Impact evaluation implemented (Yes/No)		No		Yes
Action: This indicator has been Revised	Rationale: The end target date was extended.			
Complaints received through project GRM that are addressed in a timely manner (Percentage)		0.00	50.00	80.00
Action: This indicator has been Revised	Rationale: The target was revised upwards and the end target date was extended.			
Project Management, Monitoring and Evaluation				
Project management cost as share of total project value (Percentage)		0.00	13.00	13.00
Action: This indicator has been Revised	Rationale: End target date was extended.			
Beneficiary households reached through iterative beneficiary monitoring platform (Number)		0.00	3,000.00	8,000.00
Action: This indicator has been Revised	Rationale: The end target date was extended.			

Monitoring & Evaluation Plan: PDO Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Design, development and utilization of a Management Information system (MIS)	This indicator monitor will track the development and use of a dedicated MIS for the project as an essential element of an SP foundational system.	Bi-annually	Project reports	Supervision, routine monitoring and data collection	Agence nationale d'inclusion économique et sociale (ANIES)
Development of a national social registry linked to the project MIS	An institutionalized social registry exists with personally identifying data and socioeconomic data are registered for beneficiaries and potential beneficiaries (non-beneficiaries)	Yearly	Administrative data and reports, project reports	Supervision, routine monitoring and data collection	Agence nationale d'inclusion économique et sociale (ANIES)
Beneficiaries of emergency cash transfers for COVID-19 and other shock response	This is a cumulative indicator that tracks the total number of households that received emergency cash transfers under Component 1 of the project.	Quarterly	Project Management information system and payment operator financial reports	Routine monitoring and data collection	Agence National d'Inclusion Economique et Sociale (ANIES)
Beneficiaries of emergency cash transfers for COVID-19 and other shock response - female	This sub-indicator measures the percent of direct female beneficiaries	Quarterly	Project MIS	Routine monitoring and data collection	Agence National d'Inclusion Economique et Sociale (ANIES)

	of emergency cash transfers. Emergency cash transfers in Conakry were not targeted toward females (only heads of household whether male or female), but those in the interior of the country, including the AF expansion to 10,000 new beneficiary households, will be paid to female household members.				
Beneficiaries of regular cash transfers under the Nafa Program	This is a cumulative indicator that measures the total number of households that received unconditional cash transfers under component 2 of the project.	Quarterly	Project Management Information System	Routine monitoring and data collection	Agence nationale d'inclusion économique et sociale (ANIES)
Beneficiaries of regular cash transfers under the Nafa Program- Female	This indicator measures the percent of direct female beneficiaries of cash transfers under Component 2 of the project.	Quarterly	Project MIS	Routine monitoring and data collection	Agence nationale d'inclusion économique et sociale (ANIES)
Beneficiaries of social safety net programs		Quarterly	Project beneficiaries registry	Routine monitoring and data collection. This indicator will measure all (direct and indirect) beneficiaries of safety net programs, i.e.	Agence nationale d'inclusion économique et sociale (ANIES)

				ECTs, regular cash transfers under the Nafa Program, and the productive inclusion program. The target is calculated by multiplying the number of beneficiary households by average household size of 6.	
--	--	--	--	---	--

Monitoring & Evaluation Plan: Intermediate Results Indicators

Indicator Name	Definition/Description	Frequency	Datasource	Methodology for Data Collection	Responsibility for Data Collection
Beneficiaries of emergency cash transfers receiving payments on time (within 5 days of expected payment)	This indicator captures the efficiency of the cash transfer payment system and the ability to pay beneficiaries within a predictable timeline.	Quarterly	Project Management Information System	Routine data collection	Agence nationale d'inclusion économique et sociale (ANIES)
Reported exposure to sensitization messages among beneficiaries/target audience	This indicator captures the number of ECT beneficiaries that received sensitization messages about managing shocks including COVID-19 and other covariate shocks.	Quarterly	Project Management Information System	Post-distribution calls to beneficiaries, local outreach through local staff and community leaders	Agence nationale d'inclusion économique et sociale (ANIES)
Total amount received by beneficiaries through ECTs	Total cash amount (US\$ equivalent) disbursed to	Quarterly	Project Management	Routine monitoring and data collection, payment	Agence National d'Inclusion Economique

	beneficiaries through ECTs, where 150,000 households would receive 250,000 GNF (USD\$26.3 equivalent) per month for 6 months.		Information System, Payment Agency reconciliation reports	agency reports	et Sociale (ANIES)
Cash transfer beneficiary households receiving human development accompanying measures	This indicator will measure the total percent of unconditional cash transfer beneficiary households that receive human development accompanying measures over the course of the project.	Quarterly	Project MIS, monthly reports from community workers	Routine monitoring and data collection. This indicator is cumulative.	Agence nationale d'inclusion économique et sociale (ANIES)
Beneficiaries reporting investment in human capital development	This indicator will monitor unconditional cash transfer beneficiary households' reported investments in human capital (ie health or education). An impact evaluation will provide more granularity on the use of the transfers.	Annually	Beneficiary surveys, including phone surveys, and impact evaluation.	Beneficiary surveys	Agence nationale d'inclusion économique et sociale (ANIES)
Beneficiaries of productive inclusion program reporting diversification of livelihoods	This indicator will measure the impact of the productive inclusion program under Component 2.2 by examining whether beneficiaries of the program have diversified	Once through the impact evaluation	Impact evaluation end-line survey	Long-form survey	Agence nationale d'inclusion économique et sociale (ANIES)

	their livelihoods as a result of the program.				
Children re-enrolling in school after Covid-19		Quarterly starting in second year of the project	Project MIS	Beneficiary registration form, beneficiary surveys	Agence nationale d'inclusion economique et sociale (ANIES)
Children re-enrolling in school after Covid-19-Female		Quarterly starting in second year of the Project	Project MIS	Beneficiary survey	Agence national d'inclusion economique et sociale (ANIES)
Cash transfer beneficiaries receiving digital payments	This indicator measures the project's ability to develop a social protection delivery system that enables the use of transparent and reliable digital payments to beneficiaries under components 2 and 3.	Quarterly	Project MIS	Routine monitoring and data collection	Agence nationale d'inclusion economique et sociale (ANIES)
Total amount received by beneficiaries of regular cash transfers under the Nafa Program	This indicator will measure the total cash amount received by all Nafa Program beneficiaries combined (under Component 2) in US\$ equivalent. Each household would receive 18 months of cash transfers of 250,000 GNF (USD\$26.3	Quarterly	Project Management Information System, Payment Provider reconciliation reports	Routine monitoring and data collection and payment provider reports	Agence National d'Inclusion Economique et Sociale (ANIES)

	equivalent) per month.				
Regular cash transfer beneficiaries receiving accompanying measures to raise awareness of climate risks and resilience	This indicator will measure the percent of household among component 2 beneficiaries that receive accompanying measures that seek to raise awareness of climate risks and resilience, in an effort to strengthen shock responsiveness and prevention and to promote climate change adaptation measures.	Quarterly	Project MIS, NGOs	Routine project M&E	Agence National d'Inclusion Economique et Sociale (ANIES)
Beneficiaries of regular cash transfers under the Nafa Program with self-reported household member with a disability	This indicator measures program coverage of self-reported households with a member with a disability in the targeted areas. It will allow ANIES to assess the inclusiveness and accuracy of their targeting methodology which explicitly includes households with a member with a disability.	Quarterly	Project MIS	Routing monitoring and data collection	Agence National D'Inclusion Economique et Sociale (ANIES)
Female beneficiaries owning a mobile money banking account	This indicator will monitor progress toward the reduction in the gender gap pertaining to women's access to bank accounts,	Bi-annually	ANIES MIS	The indicator will be monitored by counting the number of direct female beneficiaries receiving unconditional	ANIES

	particularly mobile banking accounts, as a result of activities under Component 2.			cash transfers or productive inclusion grants, and for whom a mobile banking account is opened in order to make these transfers (instead of an account with a micro-finance institution, which will be the case for those whom are located in areas with limited network coverage or mobile banking providers). This number will be divided by the total number of beneficiaries of the program to obtain the percentage.	
Regular cash transfer beneficiaries that have been selected through a combined PMT and community validation	This indicator will measure what percent of all cash transfer beneficiaries (out of the total 160,000) are selected through a combined PMT and community validation approach to ensure that programs are under	Annually	Project MIS	Regular monitoring and data collection	Agence nationale d'inclusion économique et sociale (ANIES)
Process evaluation completed	This measures the completion of a process evaluation of the cash	Once by midterm review	Qualitative data collection	Qualitative data collection through a firm or NGO.	Agence nationale d'inclusion économique et sociale (ANIES)

	transfer program, which is one of the key activities under component 3 that will help to inform the operational manual and to improve some processes.		exercise.		
Impact evaluation implemented	This indicator measures the completion of the impact evaluation of the project, which will shed light on the impact of different design elements of the project and also inform a cost benefit analysis.	Two rounds of data collection at baseline and endline with final results after the endline survey.	Survey firm (public or private entity) and Project MIS	Supervision	Agence nationale d'inclusion économique et sociale (ANIES)
Complaints received through project GRM that are addressed in a timely manner	This indicator will measure the performance of the GRM system, which will be continually improved throughout the life of the project. This indicator will measure the timeliness of responses to formal grievances received by the project.	Quarterly	Project MIS and GRM	Routine monitoring and data collection, beneficiary surveys	Agence nationale d'inclusion économique et sociale (ANIES)
Project management cost as share of total project value	This indicator will track the management costs of the program as a share of the	Bi-annually	Project MIS, project reports	Routine monitoring and data collection, audited financial statements	Agence national d'inclusion économique et sociale (ANIES)

The World Bank

Emergency Response and Nafa Program Support Project Additional Financing (P177214)

	total cost with a view toward informing a cost benefit analysis.				
Beneficiary households reached through iterative beneficiary monitoring platform	This indicator will measure the number of beneficiaries that are reached by the project through alternative M&E methods.	Quarterly	Project MIS	Beneficiary survey/iterative beneficiary monitoring	Agence national d'inclusion economique et sociale (ANIES)

ANNEX 1. UPDATED THEORY OF CHANGE

