Public Disclosure Authorized

Pathways to Sustainable Livelihoods Project (P177814)

EASTERN AND SOUTHERN AFRICA | Lesotho | IBRD/IDA | Investment Project Financing (IPF) | FY 2022 | Seq No: 7 | Archived on 19-Jun-2025 | ISR04231

1. OBJECTIVE

1.1 Development Objective

Original Development Objective (Approved as part of Approval package on 23-Jun-2022)

To improve the efficiency and equity of selected social assistance programs and to strengthen the livelihoods of poor and vulnerable households

Has the Development Objective been changed since Board Approval of the Project Objective?

No

2. COMPONENTS

Name
Component 1: Strengthening livelihoods with economic and social inclusion activities:(Cost 13,000,000.00)
Component 2: Contingency finance for shock-responsive social assistance:(Cost 8,000,000.00)
Component 3: Developing equitable and efficient social assistance delivery systems:(Cost 3,000,000.00)
Component 4: Project management, M&E and capacity building:(Cost 2,500,000.00)

3. OVERALL RATINGS

Name	Previous	Current
Progress towards achievement of PDO	Moderately Satisfactory	Moderately Satisfactory
Overall Implementation Progress (IP)	Moderately Satisfactory	Moderately Satisfactory
Overall Risk Rating	Moderate	Moderate

4. KEY ISSUES & STATUS

4.1 Implementation Status and Key Decisions

The project is demonstrating progress, with some activities and outcomes moving faster than others. The main project ratings for Progress towards the Project Development Objective (PDO), and for implementation Progress (IP) are sustained at Moderately Satisfactory. Subcomponent 1A (Economic inclusion activities and referral services) has made notable progress in implementing core activities of the EIP for the first cohort of 2,500 beneficiaries across five community councils. Out of the 2,500 participants, 2,220 (1,391 female beneficiaries) completed the six-week Personal Initiative Training, and 2,023 (1,302 female beneficiaries) received the LSL 5,000 productive grant. Of those who received the productive grant, 21 percent launched initiatives related to poultry, 20 percent to spaza shops, 19 percent to piggery, 14 percent to crop production, and 9 percent to hawking. Through subcomponent 1B (Disability inclusiveness), the project successfully implemented a pilot in four inclusive schools in Maseru - assistive devices were distributed to students with disabilities in October 2024. The subsequent roll-out of the component to other districts is still pending. Through component 2 (Emergency Response Financing), the project has already financed two round of cash transfer top-ups to Child Grant Program beneficiaries in response to food insecurity issues caused by droughts in 2023 and 2024. Progress in social registry data updates in rural areas, financed through component 3, is back on track. Digitization of Old Age Pension program payments, also financed through component 3, are progressing steadily and the PDO indicator linked to this activity is close to its target result.

5. SYSTEMATIC OPERATIONS RISK-RATING TOOL

Risk Category	Rating at Approval Approval Package - 23 Jun 2022	Last Approved Rating ISR Seq. 06 - 16 Dec 2024	Proposed Rating
Political and Governance	High	High	High
Macroeconomic	Substantial	Substantial	Substantial
Sector Strategies and Policies	Low	Low	Low
Technical Design of Project or Program	Moderate	Moderate	Moderate
Institutional Capacity for Implementation and Sustainability	Substantial	Substantial	Substantial
Fiduciary	Substantial	Substantial	Substantial
Environment and Social	Moderate	Moderate	Moderate
Stakeholders	Moderate	Moderate	Moderate
Overall	Moderate	Moderate	Moderate

6. RESULTS

6.1 PDO Indicators by PDO Outcomes

Results area 1: Strengthen the livelihoods of poor and vulnerable households								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Number of program beneficiaries receiving economic inclusion interventions (Number)	0.00	Jun/2022	0.00	31-Oct-2024	2,220	30-May-2025	10,000.00	Jun/2027
Number of female program beneficiaries receiving economic inclusion interventions (Number)	0.00	Jun/2022	0.00	31-Oct-2024	1,391	30-May-2025	5,000.00	Jun/2027
Share of beneficiaries of economic inclusion programs reporting increased income (Percentage)	0.00	Jun/2022	0.00	31-Oct-2024	0.00	30-May-2025	50.00	Jun/2027
Share of female beneficiaries of economic inclusion programs reporting increased income (Percentage)	0.00	Jun/2022	0.00	31-Oct-2024	0.00	31-Oct-2024	50.00	Jun/2027

Results area 2: Improve the efficiency and equity of selected social assistance programs								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year

Share of OAP beneficiaries who receive their payment digitally (Percentage)	0.00	May/2022	36.60	31-Oct-2024	56.40	30-May-2025	60.00	Jun/2027
Share of CGP beneficiary households who are the bottom 40% of the population (Percentage)	64.00	May/2022	0	31-Oct-2024	0	30-May-2025	70.00	Jun/2027

6.2 Intermediate Results Indicators by Components

Component 1: Strengthening livelihoods with economic and social inclusion activities								
Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Beneficiaries of social safety net programs (Number of people) CRI	0	Jun/2022			224,488	30-May-2025	277,800	Jun/2027
	Comments on achieving targets		Progress has been made in digitizing OAP, reaching 56% completion. The CGP target was met through emergency transfers. While PA has a caseload of 15,557, it currently counts as 0 toward project goals because it hasn't yet received project support (no recertification or digitization as of May 2025).					
Beneficiaries of social safety net programs – Youth (Number of people) CRI	0	Jun/2022			89,795	30-May-2025	91,200	Jun/2027
	Comments on achieving targets		Assuming 40% of total SSN beneficiaries					
Beneficiaries of social safety net programs – Female (Number of people) CRI	0	Jun/2022			112,244	30-May-2025	138,900	Jun/2027
	Comments on achieving targets		Assuming 50% of total SSN beneficiaries					
	0.00	Jun/2022	0.00	31-Oct-2024	2,023	30-May-2025	10,000.00	Jun/2027

Number of beneficiaries receiving investment grants (Number)	Comments on achieving targets		Measures the number of individual program beneficiaries of economic inclusion activities who received investment grants.					
Number of female beneficiaries receiving investment grants (Number)	0.00	Jun/2022	0.00	31-Oct-2024	1,302	30-May-2025	5,000.00	Jun/2027
	Comments on achieving targets		Measures the number of individual female program beneficiaries of economic inclusion activities who received investment grants.					
Eligible economic inclusion beneficiaries with ongoing income generating investments one year after receipt of the economic inclusion package (Percentage)	0.00	Jun/2022	0.00	31-Oct-2024	0.00	31-Oct-2024	60.00	Jun/2027
Eligible female economic inclusion beneficiaries with ongoing income generating investments one year after receipt of the economic inclusion package (Percentage)	0.00	Jun/2022	0.00	31-Oct-2024	0.00	31-Oct-2024	40.00	Jun/2027
Percentage of eligible social assistance program beneficiaries participating in economic inclusion activities who are referred to health, nutrition, financial or agriculture services (Percentage)	0.00	Jun/2022	0.00	31-Oct-2024	1.76	30-May-2025	50.00	Jun/2027

Share of female social assistance program beneficiaries who are referred to health, nutrition or agriculture services (Percentage)	0.00	Jun/2022	0.00	31-Oct-2024	0	30-Apr-2025	50.00	Jun/2027
Number of people with disabilities receiving assistive devices through project (of which, percent children and female) (Number)	0.00	May/2022	130	31-Oct-2024	130	30-May-2025	2,500.00	Jun/2027
	Comments on achieving targets		This indicator describes the total number of individual with disabilities receiving assistive devices delivered by the project. After the initial assessment of four schools in Maseru, learners with disabilities were identified and procurement of assistive devices is ongoing.					

Component 2: Contingency finance for shock-responsive social assistance

Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Number of households receiving emergency cash transfers during an eligible emergency, shock, or crisis, including climate shocks (Number)	0.00	May/2022	45,000	31-Oct-2024	44,502	30-May-2025	45,000.00	Jun/2027
	Comments on achieving targets		This indicator is only measured if there is an emergency for which component 2 is used to respond. This indicator is cumulative and adds the number of beneficiaries (individual for individual programs and households for households targeted programs) who have received emergency cash transfer payments over the duration of the project. The eligible shocks would also include climate shocks. In the previous ISR, it was reported that 80,135 beneficiaries received top-up emergency cash transfers during the emergency response (44,502 CGP beneficiaries in 2023 and 44,502 in 2024). However, since this indicator should only count unique beneficiaries, the correct figure is 45,000.					
Number of payees receiving emergency cash transfers during an eligible emergency, shock, or crisis that are women (Number)	0.00	Jun/2022	0	31-Oct-2024	24,122	30-May-2025	22,500.00	Jun/2027
	Comments on achieving targets		This indicator is only measured if there is an emergency for which component 2 is used to respond. This indicator is cumulative and adds the number of female payees who have received emergency cash transfer payments over the duration of the project. In the previous ISR, it was reported that 43,446 beneficiaries received top-up emergency cash transfers during the emergency response, whivch inclufded CGP beneficiariers that					

		received benefit in 2023 and 2024. However, since this indicator should only count unique beneficiaries, the correct figure should be recalculated.

Component 3: Developing equitable and efficient social assistance delivery systems

Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Unit cost (administrative overhead) of payment delivery of the OAP program (Percentage)	5.60	May/2022	4.22	31-Oct-2024	4.22	30-May-2025	2.70	Jun/2027
NISSA has been made interoperable with NICR (Text)	No	May/2022	no	31-Oct-2024	no	30-May-2025	Yes	Jun/2027
	Comments on achieving targets		This indicator measures whether an Application Programming Interface (API) has been built and is active between NISSA and NICR so that MoGYSD can verify the ID number of the MoGYSD social grant program beneficiaries upon enrollment and exit. Revived collaboration established between Social Development and NICR for NISSA/NICR interoperability. It is expecting to establish interoperability with the National Identity and Civil Registry -NICR- by mid-December 2024.					
Share of CGP payees who have national ID numbers in MoSD system (Percentage)	40.00	May/2022	64	31-Oct-2024	67	30-May-2025	60.00	Jun/2027
Share of CGP households who have had their CGP eligibility recertified based on new NISSA data (Percentage)	0.00	May/2022	0.00	31-Oct-2024	0.00	30-May-2025	50.00	Jun/2027
Share of PA households who have had their PA eligibility recertified based on new NISSA data (Percentage)	0.00	May/2022	0.00	31-Oct-2024	0.00	30-May-2025	50.00	Jun/2027
	Comments on achieving targets		The indicator measures the share of PA beneficiaries who have had a new NISSA score calculated based on newly collected NISSA data (urban data collected 2020-21, and rural data collected from 2022 and later) in the NISSA and who have been assessed as being eligible for receiving PA benefits. All others should be exited from the program. As the					

			target, we estimate that 50% those who receive PA benefits at that time, have had their program eligibility confirmed using the NISSA and that all of those who receive payments ae poor or ultra poor according to the NISSA classification (have a score below the NISSA cut off score for PA eligibility). For the urban NISSA data collected in 2020-2021, the ministry has recently made progress in accessing the data and will soon apply the proxy means test (PMT) to all households. During the MTR, it was agreed to hire a firm to conduct data collection across the target 32 community councils, with work expected to commence in April 2025.					
Tertiary bursary program uses NISSA to select beneficiaries (Text)	No	May/2022	no	31-Oct-2024	no	30-May-2025	Yes	Jun/2027
	Comments on achieving targets		This indicator measures whether the tertiary bursary program has introduced and is actively using a methodology to identify students from lower income households drawing from the NISSA database to improve the targeting of bursaries for students from lower income households. The Means Testing Bill was retracted from parliament by the Ministry of Finance and Development Planning for review since it had taken a long time to pass through the parliament. The review of the Lesotho National Tertiary Education Student Fund which is aimed at reforming the entire Tertiary Education Fund is still ongoing. Once completed, anticipated to be at the end of June 2024, all relevant stakeholders will be invited to revalidate the policy which informs the bill. These drafts of the Bill and the Policy are intended to adopt and legalize the newly method of means testing for the government scholarship beneficiaries.					
Share of rural community councils with updated information in NISSA (Percentage)	0.00	May/2022	0.00	31-Oct-2024	0.00	30-May-2025	50.00	Jun/2027
The full CGP and PA payroll is processed through MISSA for disbursement of payments to beneficiaries (Text)	No	Jun/2022	no	31-Oct-2024	Yes	30-May-2025	Yes	Jun/2027

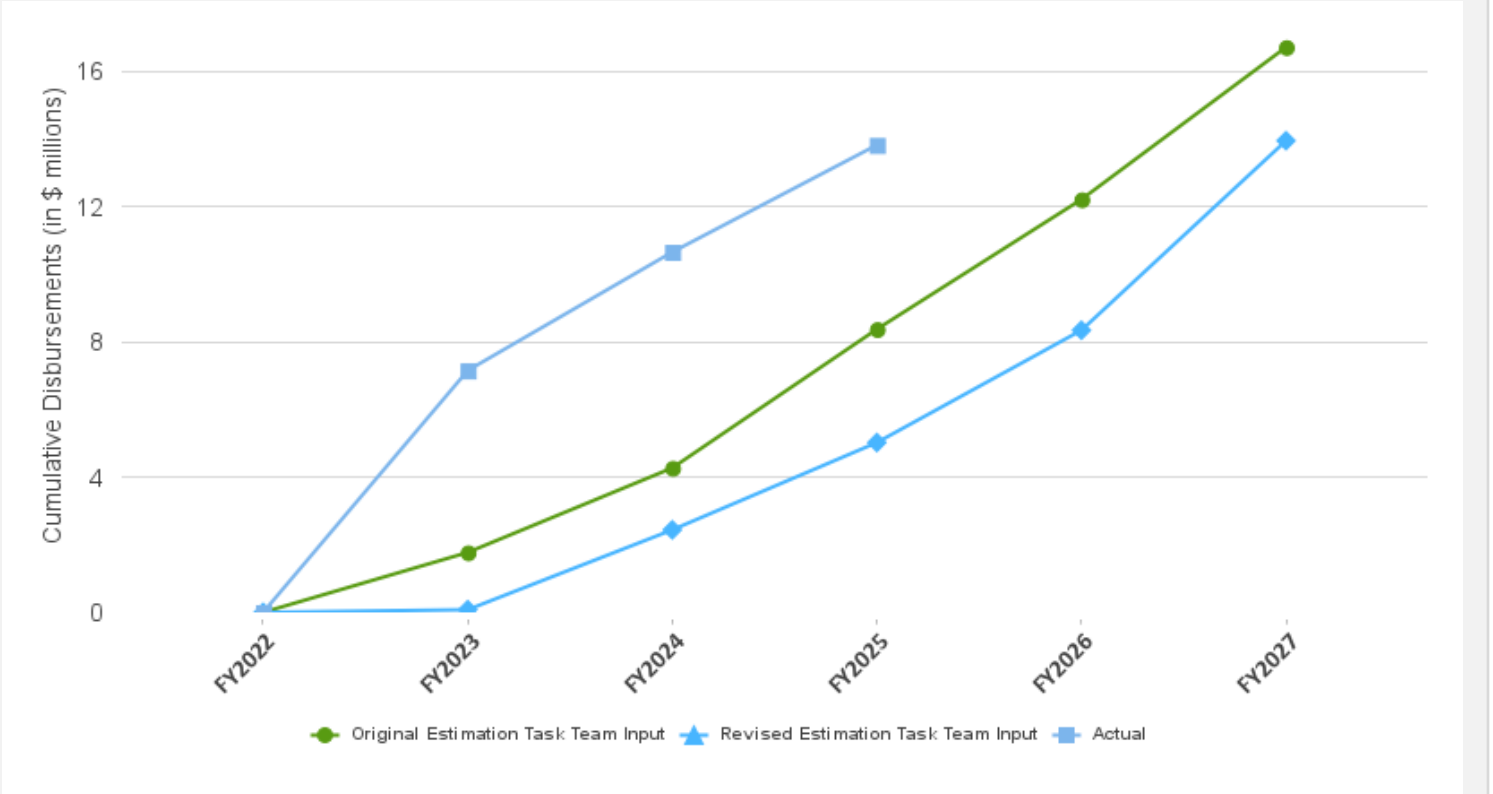
Urban NISSA data made functional and are used for identification of beneficiaries by PA program (Text)	No	Jun/2022	no	31-Oct-2024	No	30-May-2025	Yes	Jun/2027
GOLSABS is used for administering OAP payments, reconciliation, intake and exit processes according to business processes manual (Text)	No	May/2022	no	31-Oct-2024	no	30-May-2025	Yes	Jun/2027

Component 4: Project management, M&E and capacity building

Indicator Name	Baseline		Actual (Previous)		Actual (Current)		Closing Period	
	Value	Month/Year	Value	Date	Value	Date	Value	Month/Year
Share of beneficiaries satisfied with services and interventions under the economic inclusion program under comp 1 (Percentage)	0.00	Jun/2022	0.00	31-Oct-2024	0.00	30-Apr-2025	80.00	Jun/2027
	Comments on achieving targets		It refers to the share of a sample of beneficiaries of economic inclusion interventions that report satisfaction of the services received. This indicator will be measured by Citizen engagement survey collected for sample of beneficiaries of EIP					

7. DATA ON FINANCIAL PERFORMANCE

7.1 Cumulative Disbursements



7.2 Disbursements (by loan)

Loan/Credit/TF	Status	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
IDA-71480	Effective	26.50	26.93	0.00	13.81	12.91	51.68%

7.3 Key Dates (by loan)

Loan/Credit/TF	Status	Approval	Signing	Effectiveness	Orig. Closing	Rev. Closing
IDA-71480	Effective	23-Jun-2022	07-Jul-2022	29-Aug-2022	30-Jun-2027	30-Jun-2027

8. KEY DATES

Key Events	Planned	Actual
Approval	23-Jun-2022	23-Jun-2022
Effectiveness	29-Aug-2022	29-Aug-2022
Mid-Term Review No. 01	11-Nov-2024	04-Nov-2024
Operation Closing/Cancellation	30-Jun-2027	

9. RESTRUCTURING HISTORY

Restructuring Level 2 Approved on 04-May-2023

10. ASSOCIATED OPERATION(S)

There are no associated operations