



RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
SOCIAL SAFETY NETS MODERNIZATION PROJECT
APPROVED ON JULY 3, 2014
TO
UKRAINE

SOCIAL PROTECTION & JOBS

EUROPE AND CENTRAL ASIA

Regional Vice President:	Antonella Bassani
Country Director:	Arup Banerji
Regional Director:	Michal Rutkowski
Practice Manager/Manager:	Paolo Belli
Task Team Leader(s):	Kateryna Petryna



ABBREVIATIONS AND ACRONYMS

ACU	Accounting Chamber of Ukraine
AF	Additional Financing
AF2	Second Additional Financing to SSNMP for COVID-19 Response
CPA	Central Procurement Agency
DLI	Disbursement-Linked Indicator
DLR	Disbursement-Linked Result
DPC	Data Processing Center of the Ministry of Social Policy of Ukraine
ES	Environmental and Social
ESMF	Environmental and Social Management Framework
FM	Financial Management
GMI	Guaranteed Minimum Income
GoU	Government of Ukraine
IBRD	International Bank for Reconstruction and Development
HUS	Housing and Utilities Subsidy
IDP	Internally Displaced Person
MIS	Management Information System
MoSP	Ministry of Social Policy
PBC	Performance-Based Condition
PDI	Project Development Indicator
PDO	Project Development Objective
POM	Project Operational Manual
SM	Subsistence Minimum
SSN	Social Safety Net
SSNMP	Social Safety Nets Modernization Project
TC	Territorial Community
USIF	Ukrainian Social Investment Fund
CPA	Central Procurement Agency



BASIC DATA

Product Information

Project ID P128344	Financing Instrument Investment Project Financing
Original EA Category Partial Assessment (B)	Current EA Category Partial Assessment (B)
Approval Date 03-Jul-2014	Current Closing Date 31-Aug-2024

Organizations

Borrower Ukraine	Responsible Agency
---------------------	--------------------

Project Development Objective (PDO)

Original PDO

The objective of the Project is to improve the performance of the Borrower's social assistance and social services system for low-income families.

Current PDO

Improve the performance of Ukraine's social assistance and social services system for low-income households and provide income support to households affected by the economic impact of the COVID-19 pandemic

Summary Status of Financing (US\$, Millions)

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net Commitment	Disbursed	Undisbursed
IBRD-91960	11-Dec-2020	14-Dec-2020	14-Dec-2020	31-Aug-2024	300.00	265.00	35.00
IBRD-91070	30-Apr-2020	05-May-2020	20-May-2020	31-Aug-2024	150.00	135.00	15.00
IBRD-84040	03-Jul-2014	09-Jul-2014	02-Oct-2014	31-Aug-2024	300.00	230.58	69.42



Policy Waiver(s)

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

No

I. PROJECT STATUS AND RATIONALE FOR RESTRUCTURING

A. ORIGINAL PROJECT APPROVAL AND PDO

1. **The original Social Safety Nets Modernization Project (SSNMP) is financed by an IBRD loan of US\$300 million, which was approved by the World Bank Board of Executive Directors on July 4, 2014 and became effective on October 2, 2014.** The Project Development Objective (PDO) is to improve the performance of Ukraine's social assistance and social services system for low-income households and provide income support to households affected by the economic impact of the COVID-19 pandemic. The Project is tackling three important areas across the social protection system in Ukraine: expansion and financing of the Guaranteed Minimum Income program (GMI), continued administrative modernization of the social protection system, and de-institutionalization of children. As of April 2023, the disbursed amount under the original project (IBRD Loan No. 8404-UA) reached US\$230 million.

2. **On April 30, 2020, the Board of Executive Directors approved an Additional Financing (AF) in the amount of US\$150 million for the parent project.** This additional loan was aimed to support the reforms of the Social Safety Net (SSN) and disburse based on the achievement of the Performance-Based Conditions (PBCs), which capture reform progress under Component 1. During the preparation of the AF, the outbreak of the COVID-19 pandemic started posing a large negative impact on the poor and vulnerable in Ukraine. The Government of Ukraine (GoU) developed its COVID-19 Emergency Response Plan that included a social protection component and requested the World Bank's support to co-finance it. On May 21, 2020, one of the PBCs of the AF (US\$50 million), linked to the COVID-19 emergency cash transfers for SSN beneficiaries, was successfully achieved. As of April 2023, the disbursed amount under the AF (IBRD Loan No. 9107-UA) reached US\$135 million.

3. **In response to the GoU request for an emergency assistance to address the impacts of the pandemic, on December 11, 2020, the Board of Executive Directors approved a Second Additional Financing (AF2) to the SSNMP in the amount of US\$300 million.** The AF2 is financing the social protection emergency response to the COVID-19 pandemic and long-term structural improvements of the SSN by: (a) introducing emergency cash transfers to individuals and households who have lost their jobs or income sources because of the COVID-19 pandemic; (b) supporting poor households using the country's existing GMI Program; and (c) strengthening social protection delivery systems and institutions to improve their response to future shocks. The AF2 deploys additional funds under Component 1 of the original Project. As of April 2023, the disbursed amount under the AF2 (IBRD Loan No. 9196-UA) reached US\$265 million.

4. **Project restructurings.** The SSNMP has had five Level II restructurings. *The first* restructuring, approved in October 2015, revised the titles of Component 3, PBC 17, and Results Indicator 5 by replacing the reference to 'four oblasts' with 'selected oblasts'. *The second* restructuring, in January 2020, introduced the following changes: (a) extending the loan



closing date from October 1, 2020, to March 31, 2023, to synchronize the original loan's closing date with the first AF's closing date; (b) updating Project Development Indicators' (PDIs) end target dates to reflect the extension of the closing date; (c) excluding the financing of civil works while increasing the financing of services, equipment, and furniture for family-based care and homes, as well as the training of social workers under Component 3; and (d) removing the Ukrainian Social Investment Fund (USIF) as an implementing agency from Component 3, given the exclusion of civil works. *The third* restructuring, approved in May 2021, specified the goods that could be purchased under Component 2 of the Project by including vehicles and other equipment required to provide social services to ensure complementarity of the ongoing GoU program and the Project activities. *The fourth* restructuring, approved in September 2021, specified the Data Processing Center of the Ministry of Social Policy of Ukraine (MoSP) as the entity that will be provided with server and network equipment financed by the Project to improve information processing and management. *The fifth* restructuring, approved in June 2022, adjusted the Project design by dropping several Disbursement-Linked Indicators (DLIs) and Disbursement-Linked Result (DLRs) which became irrelevant as activities linked to them were no longer viable due to the ongoing war in Ukraine. These indicators were substituted with a new DLI and a new DLR linked to the (a) extension of benefit duration under the GMI and other selected SSN programs to protect social assistance beneficiaries throughout the war and (b) adjustment of the payment model to enable delivery of benefits in the war-affected areas of the country.

B. PROJECT IMPLEMENTATION STATUS

5. **Progress toward achievement of the PDO and PDIs.** There is good progress in achieving all PDIs due to increased support of the poor and vulnerable households. The progress toward achievement of the PDO and overall implementation progress are Moderately Satisfactory. There is strong progress in PBCs' achievement, and disbursement under Component 1 is high (US\$590 million out of US\$650 million allocated for the component). Thus, the progress toward achievement of the PDO is good but not always measurable if original indicators are to be used. The MoSP and the World Bank team agreed to substitute those PDIs and intermediate results indicators (IRIs) that became unmeasurable or irrelevant during the war with new ones that could still capture the progress toward achieving the PDO. Agreed changes to the results framework will be reflected in the proposed restructuring.

COMPONENT 1

6. **Progress under Component 1 is significant.** As of April 2023, the MoSP achieved 26 out of 31 indicators linked to disbursement, including DLIs, DLRs, and PBCs,¹ which triggered the disbursement of US\$590 million out of a total of US\$650 to the state budget. Over the past eight years, the Project directly co-financed the expansion of the GMI Program. During 2021–2023, the increase in the income eligibility threshold for able-to-work members of the GMI families – from 25 percent of the Subsistence Minimum (SM) in 2020 to 50 percent of the SM in 2024 – is expected to expand the program's coverage to about 5 percent of the population. PBC 25 (US\$20 million), which supports the increase of the GMI Program eligibility income threshold to 50 percent of the SM, is expected to be achieved in CY2024.

COMPONENT 2

7. **Despite the ongoing war and fast-evolving challenges, the Project has intensified activities under Component 2.** Progress on Component 2 is assessed as moderately satisfactory. As of February 1, 2023, the project covered 82 percent of all Ukrainian Territorial Communities (TCs) with technical support, including computer equipment, furniture, and training, to enable smooth and efficient client intake using the new application software "Social Community". The supply

¹ For projects approved before January 2020, Performance-Based Conditions were referred to as Disbursement-Linked Indicators and/or Disbursement-Linked Results. The Project and the Borrower use terminology indicated in the respective loan agreements: Loan No. 8404-UA – DLIs, Loan No. 9107-UA – DLIs and DLRs, and Loan No. 9196-UA – PBCs.



of computer equipment was completed in full to all TCs in 11 regions (657 TC),² and partially in other regions, namely, in Donetsk, Luhansk, and Odessa oblasts 35% of TCs got the equipment, while in Kyiv, Kharkiv, and Chernihiv oblasts about 40 percent of TCs got the equipment. As a result, the workplaces of 5,072 social welfare staff were equipped with computer equipment. Technical support to TCs has been provided in stages since 2018. First four stages were completed by the end of 2020 and the 5th and the 6th stages are under implementation and are expected to be completed in 2023.

8. **The Project includes a multifaceted activity to develop the Unified Information System for the Social Sphere - an integrated management information system (MIS) covering all social assistance and social care services provision.** The MoSP with financial resources from the donors and budget funds finalized the pilot stage for application software development for the new MIS and began its nationwide implementation. Its nationwide implementation envisages that the application software will gradually cover all types of benefits and services and will be integrated with the application software that is developed in the Pension Fund of Ukraine (PFU) to administer the housing and utility subsidy (HUS). For 2023, the plan includes coverage of 12 social assistance program, HUS, and the Registry of Social Care providers. The MIS implementation plan is supported by both the Component 1 through respective DLIs that amount to US\$48 million dollars, and by Component 2 through provision of computer equipment to the TCs and PFU and financing server equipment and cloud technologies for the Data Processing Centers (DPCs).

9. **There is good progress on activation of the GMI beneficiaries.** The first major achievement was the successful completion of the piloting of activation services to support labor market activation of work able GMI Program beneficiaries from dependency on benefits to self-sufficiency. The pilot was named 'Hand of Help' and has been operating since 2017 in Kharkiv, Poltava, and Lviv Oblasts and since 2018 also in three amalgamated local communities.³ By mid-2018, 3,300 GMI Program beneficiaries and internally displaced persons (IDPs) received activation services that helped them return to the labor market. With the financial support that was envisaged under the pilot, 230 participants managed to establish their own business. As a result of the pilot, around 30 percent of the able-to-work GMI Program beneficiaries were activated.

10. **The national rollout of the activation pilot started in 2021** simultaneously with the changes to the GMI program eligibility rules that included GMI extension through the increase in income thresholds and tightening requirements to search and find a job for able-to-work GMI beneficiaries. In 2022, the MoSP established the exchange of data with the Public Employment Service to enable monitoring of the results of activation activities. In 2021, the number of able-to-work GMI beneficiaries that were registered in the Public Employment Service reached 22 thousand, and in 2022 this number reached almost 38 thousand, of which 28 percent became employed, 6 percent received training, and 4 percent participated in the temporary employment schemes or public works. In March 2023, the GoU launched the provision of financial support for GMI beneficiaries to establish their own business.

COMPONENT 3

11. **The progress in childcare deinstitutionalization is modest.** Preparation for the transformation of 19 residential institutions for children and provision of family-based care to support orphans, children deprived of parental care, children with disabilities, and vulnerable families in four selected oblasts, namely in the city of Kyiv, Kyiv, Chernihiv, and Ternopil oblasts, has been completed by the Project.⁴ Due to the war, the transformation of the residential institutions for children

² Vinnytsia, Volyn, Zakarpattia, Ivano-Frankivsk, Kirovohrad, Lviv, Rivne, Ternopil, Khmelnytskyi, Cherkasy and Chernivtsi regions

³ Baraniv City amalgamated local community of Zhytomyr Oblast, Kipti Village amalgamated local community of Chernihiv Oblast, and Mykolayiv City amalgamated local community of Donetsk Oblast.

⁴ The plans to transform 19 residential care institutions were developed under the SSNMP, including 2 in Kyiv, 8 in Kyiv oblast, 3 in Chernihiv, and 6 in Ternopil oblast.



has been deferred at least until the restoration of peace and project activities that were planned to finance the transformations were canceled.

12. **Since February 2022, the Project closely monitors the evolving situation to adequately support the Government's response targeted at orphans, children deprived of parental care, and vulnerable families with children during and after the war.** The MoSP and the World Bank team agreed to support developing alternative and family-based forms of care in the safer oblasts of Ukraine by purchasing goods, services, equipment, furniture, and vehicles for social services delivery centers, social support centers for families and children, as well as for family homes and other types of family-based care facilities in selected TCs that comply with certain criteria established by the MoSP. The criteria are meant to confirm TC's support to deinstitutionalization. These activities are expected to cost around US\$1 million. All other funds in the amount of US\$2.4 million that were committed for Component 3 activities will be reallocated to Component 1 under the proposed restructuring.

13. **Financial management (FM).** Based on the latest FM supervision⁵ of the SSNMP, it was confirmed that the FM and disbursement arrangements are rated Satisfactory, and the FM risk remains Moderate. The MoSP has qualified financial staff responsible for all FM and disbursement aspects of the Project. There is no overdue Interim Financial Reports (IFRs) for the Project. Quarterly IFRs are submitted on time being of acceptable quality. Withdrawal Applications were submitted on a regular basis. In July 2020, the Accounting Chamber of Ukraine (ACU) completed a Project Performance audit that covered years 2018-2019 of the Project implementation. In addition, in December 2021, the ACU submitted financial audit report covering 2019-2020. The next financial audit covering 2021-2022 is expected in July 2023. Thus, the Project is in compliance with audit requirements.

C. RATIONALE FOR PROJECT RESTRUCTURING

14. **February 24, 2022 marked the escalation of the armed conflict in the east that erupted in early 2014 following Russia's unvasion of the Crimea peninsula.** The share of the population with income below the national poverty line may reach nearly 60 percent in 2022, up from 18 percent in 2021. Based on the global poverty line of US\$6.85 a day (2017PPP), poverty is projected to increase from 5.5 percent in 2021 to 25 percent in 2022, with high downside risks if the war and energy security situations worsen⁶. The war in Ukraine is resulting in substantial casualties, Europe's largest refugee crisis since World War II, unprecedented internal displacement, disruption of service delivery, and humanitarian crisis, with millions of people in need, including those who have fled across borders and many more who are internally displaced or unable to leave occupied territories. Since February 2022, the Office of the UN High Commissioner for Human Rights recorded 23,375 civilian casualties in Ukraine, including 8,709 killed and 14,666 injured, while the actual number can be several times higher⁷. Over eight years of active fighting in eastern Ukraine led to the internal displacement of more than 1.4 million Ukrainians⁸. Since February 2022, forced displacement has increased significantly: nearly 5.35 million people are currently displaced within the country⁹. An estimated 8.18 million Ukrainians have fled to Europe, where around 5 million Ukrainian refugees have been registered in temporary protection or national protection schemes¹⁰. The poor and

⁵ Completed in August of 2022

⁶ World Bank, October 21, <https://www.worldbank.org/en/country/ukraine/overview#3>

⁷ OHCHR, Ukraine: civilian casualty update May 2, 2023, <https://www.ohchr.org/en/news/2023/02/ukraine-civilian-casualty-update-13-february-2023>

⁸ MoSP, July 2021, <https://www.msp.gov.ua/news/20309.html>

⁹ IOM, January 2023, General Population Survey, Round 12, <https://dtm.iom.int/reports/ukraine-internal-displacement-report-general-population-survey-round-12-16-23-january-2023>

¹⁰ UNHCR, May 2, 2023,

<https://data.unhcr.org/en/situations/ukraine#:~:text=Almost%203.7%20million%20refugees%20have,people%20crossing%20has%20f...>



vulnerable need adequate support to mitigate the impacts of the war. Well-functioning social protection programs are essential to protect households from vulnerability to shocks caused by the war.

15. **Ukraine operates a complex SSN system that redistributes a large share of its GDP with spending of around 3 percent of GDP on social assistance.** During the war, over 10 million pensioners and more than 6 million social assistance programs beneficiaries continue to receive pensions, benefits, subsidies, and privileges under the regular SP programs. In response to the unprecedented social and economic crisis, the GoU introduced a package of measures to protect the war-affected groups, including:

- The SSN benefits for the most vulnerable groups were extended for the duration of martial law without re-enrollment.
- The GoU introduced a mechanism to provide benefits and pensions in the war-affected areas where social welfare units have limited capacity to administer payments and make transfers.
- A one-time payment for small entrepreneurs and private sector workers to compensate for loss of business and livelihoods was introduced eight days into the war. Between March and June 2022 (when the program was closed), the “ePidtrymka” program reached 5 million beneficiaries who enrolled via the Diia app.
- A social assistance program for IDPs to cover living expenses was introduced on March 20, 2022 and currently provides monthly support to around 1.5 million beneficiaries. The total spending on social assistance for IDPs in 2022 was over UAH 53.5 billion.
- Assistance is also provided to families who are hosting IDPs without charging rent and is intended to compensate for utilities. By November 2022, families had received benefits for hosting over 4 million IDPs. The spending on the program amounted to UAH 900 million.
- A wage subsidy program aimed at encouraging employers to hire IDPs was introduced in March 2022. By the end of 2022, over 16,500 IDPs had been hired under this program, with employers receiving over UAH 200 million. 23,000 IDPs are expected to be employed with the support of this program in 2023.

16. **Ukraine has made significant progress in building its Social Protection administration over the past 15 years, but it still needs to be consolidated.** The country has developed solid institutions, a good mix of social programs, and a functional delivery system with adequate coverage of its main social programs and systems. In order to further reduce fragmentation and improve coordination between social programs, the GoU adopted Resolution No. 1041 of September 16, 2022,¹¹ which introduced changes to the administration and payment model used to provide energy assistance benefits to allow enrollment flexibility and enhance access of the internally displaced to these types of benefits. The energy assistance SSN programs include (i) the Housing and Utilities Subsidy - the largest means-tested program, which provides financial support for the payment of utility bills by capping how much households spend to cover a normative amount of consumption, (ii) subsidy to purchase solid and liquid fuel and liquefied gas, and monetized *privileges* related to the (iii) payments for the housing and utility services and (iv) purchase of solid and liquid fuel and liquefied gas. The new model envisages the centralization of functions related to the client intake, benefits provision, and payments - to be performed by the PFU to ensure access to benefits regardless of the beneficiary’s place of residence/registration and strengthen beneficiaries’ data protection using the PFU capacities. Transitioning responsibilities from local social welfare to the Pension Fund bodies is going seamlessly for the existing energy assistance beneficiaries and does not require re-enrollment. The new model is expected to gradually cover other SSN benefit programs. Comparative table 1 below presents changes to the administration and payment model utilized for the energy assistance programs.

Table 1. Changes to the administration and payment model utilized for the energy assistance programs

¹¹ Resolution of the Cabinet of Ministers No 1041, <https://zakon.rada.gov.ua/laws/show/1041-2022-%D0%BF#Text>



Previously used model for administration and payment of benefits	New model for administration and payment of benefits
Legislation regulating provision of the energy assistance:	
Resolution of the Cabinet of Ministers No. 848 dated October 21, 1995 “On simplification of the procedures for provision of subsidies to compensate for utilities and purchase of solid and liquid fuel and liquefied gas”	
Client intake:	
At the place of registration/residence	Regardless of the place of registration/residence – to ensure inclusion of IDPs
Application (enrollment channels):	
Social welfare bodies (application in a paper format) Local executive bodies Centers for Administrative Service Delivery “Diia” portal (online) Website of the MoSP (online)	Pension Fund bodies (application in a paper or electronic format) Local executive bodies Centers for Administrative Service Delivery “Diia” portal (online) Website of the MoSP (online)
Decision on the benefit provision:	
Social welfare bodies	Pension Fund bodies
Data storage (electronic beneficiaries’ files/cases):	
Locally	Centralized (using the capacities of the PFU Management Information System) – to ensure data security, scalability and accessibility and protect personal/sensitive information during the war (e.g., about ex-combatants)
Financing:	
Through the regional welfare bodies	Centralized (see paragraph 17 for more details)
Payment:	
Digital payments on the beneficiaries’ bank accounts Cash payments provided by the national postal operator “Ukrposhta”	

17. **Starting from January 2023, the following payment procedure for the HUS and privileges to purchase liquefied gas and solid and liquid fuel are used:** (i) the MoSP is the main administrator of the budgetary funds allocated for the respective programs; (ii) by the 22th day of each month, the PFU bodies calculate the total amount of benefits to be paid; (iii) based on the needs for funds to finance benefits and pay for services related to payments in cash and home delivery of payments by the Ukrposhta, the PFU forms applications and submits them to the MoSP; (iv) based on these applications, the overall sum of benefits is transferred by the MoSP to the separate account of the PFU in the State Savings Bank of Ukraine (Oshchadbank) no later than on the 2nd day of the month following the month when the subsidies were provided; (v) The Oshchadbank transfers payments to the beneficiaries, who receive payments either on individual accounts in the authorized banks or through the Ukrposhta units. Starting from January 2023, the Data Processing Center of the MoSP ensures the migration of data sets on the subsidy beneficiaries (as of January 1, 2023) to the PFU.

18. **The GoU decision to transition responsibilities from local social welfare to the PFU and consolidate all functions related to the client intake, benefits provision, and payments in the PFU is the final step toward creating the single social protection administration in Ukraine and requested the World Bank support of this reform measure through the PBC.** During the war, this reform measure becomes even more important taking into the account the number of the IDPs that require access to benefits regardless of the beneficiary’s place of residence/registration and strengthen beneficiaries’ data protection using the PFU capacities.



19. **The MoSP and the World Bank team conducted a thorough review of all project activities to adjust them to social protection priorities during the war.** The MoSP always demonstrated strong progress in the PBCs' achievement. However, the current set of the PBCs requires an adjustment to reflect new priorities in social protection administration during the war time and an adjustment of the Project design in recognition that some activities are no longer viable due to Russia's invasion of Ukraine. The traditional investment part of the Project also requires revisions to reflect a new vision for main and backup Data Processing Centers (DPCs) for the new integrated management information system (MIS), resulting in lower financing needs. The released funds under Component 2 and most of the funds under Component 3 reserved to support the transformation of residential institutions, which is no longer needed due to the war, need to be reallocated to Component 1.

20. **As a response to the evolving emergency and deteriorating fiscal situation, on August 11, 2023, the GoU requested a Project restructuring to**

- (i) Drop DLRs #19.3 and #20.2 in the total amount of US\$15 million that became irrelevant during the war and reallocate the amount to new DLR 20.2 to support achievement of the results linked to the improved administration and payment model used to provide the HUS and other energy assistance benefits.
- (ii) Reallocate US\$28 million from Component 2 and 3 to Component 1 for one new DLI and one reformulated DLI that are linked with the progress in implementing the new integrated MIS. These two DLIs, new and reformulated one, are meant to acknowledge both the gradual progress in the new integrated MIS development and the delays in completing all MIS related activities due to the war; the updated DLIs will reward the gradual inclusion of the benefits in the new MIS that comprise 70 percent in July 2023 and then 80 percent in December 2023 of the overall spending on the SSN benefits.
- (iii) Transfer the remaining procurement packages of goods, including National Competitive Bidding (NCB) and International Competitive Bidding (ICB), to the national e-procurement system Prozorro, and involve the Central Procurement Agency (CPA) "Profesiyni Zakupivli", which is a state enterprise subordinated to the Ministry of Economy, to assist the MoSP by conducting procurement processes on their behalf. The division of the responsibilities between the MoSP, CPA, and other government agencies is defined in the Cabinet of Ministers Resolution No. 803 adopted on August 4, 2023¹² with a prior assessment and agreement to the overall arrangement from the World Bank. Specifically, (i) the Ministry of Economy will provide advisory and methodological assistance to the MoSP and CPA related to procurement through the national e-procurement system; (ii) the Ministry of Social Policy will identify procurement needs related to goods, prepare the packages of documents indicating the need and purpose for procurement, including all the specific requirements and information needed to launch the procurement procedure and conclude contracts (including source of financing, terms of payment, delivery details, quantity of goods, etc.). The MoSP will be responsible for signing the contracts, making payments, and accepting the goods. (iii) the CPA, "Profesiyni Zakupivli", will research and analyze the supply market, prepare bidding documents, conduct the procurement process on behalf of the MoSP, evaluate bids, prepare proposals on the contract award, and submit bid evaluation reports to the MoSP for approval and signing contracts.
- (iv) Revise the results framework including the PDI target values to reflect changes in the planned activities caused by the ongoing war.

¹² Resolution of the Cabinet of Ministers No. 803 dated August 4, 2023, <https://zakon.rada.gov.ua/laws/show/803-2023-%D0%BF#Text>



21. **The proposed restructuring also envisages to revise wording of PBC 28 (US\$15 million) that supported introduction of the online enrollments for social assistance benefits and payments of most benefits through bank accounts and PBC 25 (US\$20 million) that support increase in the GMI income eligibility threshold that was postponed from 2023 to 2024.** The MoSP introduced remote on-line accessibility that allows remote enrollment to (a) the HUS program; (b) birth grants; (c) temporary social assistance to individual entrepreneurs' children under 10 years old during the COVID-19 quarantine; and (d) allowance to compensate costs on babysitter called "municipal babysitter". During the war, the remote online enrollment has been introduced to the IDP program. Spending on the benefits with availability of the remote online enrollment comprises around 65 percent of the overall SSN spending in Ukraine, which signals a strong progress in online accessibility of the benefits. However, during the war, the payment of all the benefits through the banks became impossible due to the following reasons: (1) occupation of around 20 percent of the territory of Ukraine where the majority of the banks closed around 35 percent their offices and are slow in reopening them even after the de-occupation; (2) the current payment model for benefits and pensions through the offices of national postal operator (*Ukrposhta*¹³) became the only way to get payments. *Ukrposhta* also opened mobile offices in all deoccupied areas of Ukraine to deliver benefits. Thus, the plans for moving payments of social assistance and pensions benefits through direct deposits to bank accounts to at least 90 percent of beneficiaries has been canceled during the war. The teams agreed to remove this condition from the PBC.

22. **Thus, the proposed restructuring is both an emergency response and in line with the reform directions of the system to consolidate the social protection administration and digitalize it.** The proposed restructuring will not change the fiduciary arrangements envisaged under the Project and will add CPA to the institutional arrangements related to procurement process. The revisions introduced under the restructuring will be duly reflected in the Project Operational Manual.

23. **Environmental and Social (E&S) risks associated with the Project restructuring are Low.** The restructuring will have an overall positive social impact as the proposed changes will help strengthen the social protection of the poor and vulnerable throughout the war. The Borrower, through the MoSP, will ensure that disadvantaged and vulnerable groups and individuals that may be affected by the project are identified, and risks related to the social exclusion of those groups and individuals are duly addressed through differentiated mitigation measures. Thus, social risks associated with the Project-financed activities remain Low. The environmental category of the SSNMP Project (Category B) will remain unchanged. The only Safeguard Policy triggered for the SSNMP (OP 4.01 – Environmental Assessment) will continue to be triggered after the restructuring. Civil works that were anticipated under the original Project were dropped under the 2nd restructuring to reflect the shift of responsibility for renovation to local authorities. The restructuring will not introduce any civil works or rehabilitation/repair works. No civil works or rehabilitation/repair works have been performed under the Project to date.

II. DESCRIPTION OF PROPOSED CHANGES

24. **In summary, the proposed restructuring envisages the following changes to the DLIs, DLRs, and PBCs:**

¹³ The *Ukrposhta*, the joint-stock company with 100 percent state ownership, currently operates over 11,000 post offices, including over 8,000 offices located in the rural area, that serve as cash-out points for social assistance payments and pensions.



- (i) dropping DLRs 19.3 and 20.2 that became irrelevant during the war and reallocating the corresponding loan amount to a new DLR 20.2 to support achievement of the results linked to the improved administration and payment model used to provide the HUS and other energy assistance benefits.

Loan Agreement № 9107-UA: proposed changes			
DLRs to be dropped	DLR 19.3	Integrated social services for GMI Program beneficiaries have been introduced nationwide.	US\$10,000,000
	DLR 20.2	Legislation to delink wages of public officials from Subsistence Minimum has been enacted.	US\$5,000,000
New DLR to be introduced	DLR 20.2	The Borrower has enacted legislation to consolidate administration of the HUS in the PFU.	US\$15,000,000

- (ii) amending PBC 28 to reflect adjustment of the plans to move to the new benefits payment model due to the war in Ukraine; and amending PBC 25 to reflect the shift of the planned increase in the GMI income eligibility threshold from 2023 to 2024.

Loan Agreement № 9196-UA: proposed changes		
The table in Schedule 4 of Loan Agreement No. 9196-UA shall be amended as follows:		
PBC 25	The Borrower has increased the GMI Program eligibility income threshold for “able to work” members of applying households to at least 50 percent of the Subsistence Minimum in calendar year 2024.	US\$20,000,000
PBC 28	The Borrower has introduced remote on-line accessibility to social assistance benefits that comprise at least 65% of the overall spending on social assistance.	US\$15,000,000

- (iii) rewording DLI 12 and increasing the amount allocated for this DLI; and introducing new DLI 15 be financed with US\$28 million reallocated from Component 2 and 3 to Component 1.

Loan Agreement № 8404-UA: proposed changes		
Amended DLI 12	The Unified Information System for the Social Sphere that processes seven social assistance benefits, HUS and the Registry of social care providers is operationalized nation-wide	US\$18,000,000
New DLI 15 to be introduced	The Unified Information System for the Social Sphere that processes twelve social assistance benefits is operationalized nation-wide	US\$20,000,000



25. **The proposed changes to the Loan # 8404-UA also include the following:**

(i) The table under Section IV.A.2 of Schedule 2 to the Loan Agreement is hereby amended to read as follows:

Category	Amount of the Loan Allocated (expressed in USD)	Percentage of Expenditures to be financed (inclusive of Taxes)
(1) Payments under the EEP under Part 1 of the Project	228,000,000	100% of the amount up to withdrawal ceiling set forth in the table in paragraph B.2 (a) of this Section
(2) Goods, works, non- consulting services, consultants' services, Operating Costs and Training under Parts 2 and 3 of the Project	71,250,000	100%
(3) Front-end Fee	750,000	Amount payable pursuant to Section 2.03 of this Agreement in accordance with Section 2.07 (b) of the General Conditions
(4) Interest Rate Cap or Interest Rate Collar premium	0	Amount due pursuant to Section 2.07(c) of this Agreement
TOTAL AMOUNT	300.000.000	

(ii) To reflect introduction of the Central Procurement Agency, a new section I.A.3 will be added to Schedule 2 to the Loan Agreement to read as follows:

3. (a) To facilitate the carrying out of Parts 2 and 3 of the Project, the Borrower, through the MOSP, shall enter into, and thereafter maintain throughout the implementation of the Project, an agreement with the Central Procurement Agency (CPA) on terms and conditions approved by the Bank (the CPA Agreement), whereby MOSP shall hire CPA to carry out procurement activities under Parts 2 and 3 of the Project in accordance with the provisions of this Agreement, the POM, the Procurement Regulations and the Anti-corruption Guidelines through the Borrower's electronic procurement system;

(b) The Borrower, through the MOSP, shall exercise its rights under the CPA Agreement in such manner as to protect the interests of the Borrower and the Bank and to accomplish the purposes of the Project;

(c) Except as the Bank shall otherwise agree, the Borrower shall not assign, amend, abrogate or waive the CPA Agreement or any of its provisions.

(iii) To update the reference to the most recent World Bank procurement rules and regulations, Section III.A of Schedule 2 of the Loan Agreement will be amended to read as follows:

A. General



1. **Goods, Works, and Non-consulting Services.** All goods, works and non-consulting services required for the Project and to be financed out of the proceeds of the Loan shall be procured in accordance with the requirements set forth or referred to in Sections V and VI of the "World Bank Procurement Regulations for IPF Borrowers" dated November 2020 and with the provisions of this Section.
 2. **Consultants' Services.** All consultants' services required for the Project and to be financed out of the proceeds of the Loan shall be procured in accordance with the requirements set forth or referred to in Section VII of the "World Bank Procurement Regulations for IPF Borrowers" dated November 2020 and with the provisions of this Section.
 3. **Definitions.** The capitalized terms used below in this Section to describe particular procurement methods or methods of review by the Bank of particular contracts refer to the corresponding method described in Sections IV, V, VI and VII of the "World Bank Procurement Regulations for IPF Borrowers" dated November 2020, as the case may be.
- (iv) In order to update the reference to the most recent World Bank procurement rules and regulations as well as to the most recent Ukrainian legislation on procurement the Annex to Schedule 2 should be amended as follows:

**ANNEX
to
SCHEDULE 2**

***"Mandatory Provisions for Procurement under
Bank-Financed Contracts Subject to National Competitive Bidding***

The procedure to be followed for National Competitive Bidding ("NCB") shall be the Open Tender Procedure set forth in the Law on Public Procurement No. 922-VIII dated December 25, 2015 (the PPL) taking into account all regulatory and legal acts that supplement it, provided, however, that such procedure shall be subject to the provisions of Section V and Paragraphs 5.3 and 5.4 of the "World Bank Procurement Regulations for IPF Borrowers" dated November 2020 (the "Procurement Regulations") and the following additional provisions:

- (i) *Bidding Documents, acceptable to the Bank, shall be used.*
- (ii) *The eligibility of bidders to participate in a procurement process and to be awarded a Bank-financed contract shall be as defined under Section III of the Procurement Regulations; accordingly, no bidder or potential bidder shall be declared ineligible for contracts financed by the Bank for reasons other than those provided in Section III of the Procurement Regulations.*
- (iii) *After the public opening of the bids, information relating to the examination, clarification, and evaluation of bids and recommendations concerning awards shall not be disclosed to bidders or other persons not officially concerned with this process until the publication of the contract award notice.*
- (iv) *Qualification criteria shall be clearly specified in the bidding documents. Qualification shall be assessed on a "pass or fail" basis, and merit points shall not be used. Such assessment shall be based entirely upon the bidder's or prospective bidder's capability and resources to effectively perform the contract, taking into*



- account objective and measurable factors, including: (i) relevant general and specific experience, and satisfactory past performance and successful completion of similar contracts over a given period; (ii) financial position; and where relevant (iii) capability of construction and/or manufacturing facilities. The availability of equipment, material, and technical basis, including owning production facilities and/or service centers within the territory of Ukraine shall not be required as part of qualification requirements.*
- (v) *Government-owned enterprises are eligible to bid only if they (i) are legally and financially autonomous, (ii) operate under commercial law, and (iii) are not dependent agencies of Borrower.*
 - (vi) *Evaluation of bids shall be made in strict adherence to the evaluation criteria specified in the bidding documents. Evaluation criteria other than price shall be quantified in monetary terms. Merit points shall not be used, and no minimum point or percentage value shall be assigned to the significance of price, in bid evaluation.*
 - (vii) *If required, bid security amount shall not exceed two percent (2%) of the estimated cost of the contract.*
 - (viii) *No advance payments shall be made to contractors/suppliers without a suitable advance payment security.*
 - (ix) *Contracts shall be awarded to the qualified bidder whose bid has been determined: (i) to be substantially responsive to the bidding documents, and (ii) to offer the lowest-evaluated cost. A bidder shall not be eliminated from detailed evaluation on the basis of minor, non-substantial deviations.*
 - (x) *No bid shall be rejected on the basis of a comparison with the employer's estimate or budget allocation ceiling without the Bank's prior concurrence.*
 - (xi) *All bids (including in the case when less than two bids are received) shall not be rejected, the procurement process shall not be cancelled, and new bids shall not be solicited without the Bank's prior concurrence.*
 - (xii) *Restrictions to the contract amendments, as contemplated under Article 41 of the PPL will not apply. With respect to contracts subject to the Bank's prior review, the Borrower shall obtain the Bank's no objection before agreeing to: (a) a material extension of the stipulated time for performance of a contract; (b) any substantial modification of the scope of services or other significant changes to the terms and conditions of the contract; (c) any variation order or amendment which, singly or combined with all variation orders or amendments previously issued, increases the original contract amount by more than 15 percent; or (d) the proposed termination of the contract. A copy of all contract amendments shall be provided to the Bank.*
 - (xiii) *The bidding document and contract as deemed acceptable by the Bank shall include provisions stating the Bank's policy to sanction firms or individuals, found to have engaged in fraud and corruption as defined in the Procurement Regulations.*
 - (xiv) *In accordance with the Procurement Regulations, each bidding document and contract financed out of the proceeds of the Bank financing shall provide that bidders, suppliers, contractors and their subcontractors, agents, personnel, consultants, service providers, or suppliers to permit the Bank to inspect all accounts, records and other documents relating to the bid submission and performance of the contract and to have said accounts and records audited by auditors appointed by the Bank. Acts intended to materially impede the exercise of the Bank's inspection and audit rights provided for in the Procurement Regulations constitute an obstructive practice as defined in the Procurement Regulations.*



- (v) The proposed restructuring also envisages the changes to the Appendix. Section I. Definitions of the Loan Agreement No. 8404-UA to include definition of the Centralize Procurement organization “Professional Procurement” and updates in the legislation, numbers, and dates in all the definitions that are used in the Loan Agreement:

APPENDIX

Definitions

1. *“ACU” means the Accounting Chamber of Ukraine, the Borrower’s supreme audit institution, established pursuant to the Borrower’s Law “On the Accounting Chamber” No.576-VIII, dated July 2, 2015.*
2. *“Anti-Corruption Guidelines” means, for purposes of paragraph 6 of the Appendix to the General Conditions, 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*
3. *“Category” means a category set forth in the table in Section IV of Schedule 2 to this Agreement.*
4. *“Central Procurement Agency” or “CPA” means the state institution “Profesiyni Zakupivli”, established by the Borrower’s Ministry of Economic Development and Trade Order No. 2015, dated November 30, 2016, and registered in the Unified State Register of Enterprises and Organizations of Ukraine under number (code) 40996564, whose activity is regulated by the Borrower’s Cabinet of Ministers Resolution No. 1216, dated December 27, 2018, and any successor thereto acceptable for the Bank.*
5. *“CPA Agreement” - an agreement referred to in Section I.A.3 of Schedule 2 to this Agreement.*
6. *“Data Processing Center of the MOSP” means the state-owned enterprise subordinated to the MOSP, which is the legal successor of the Data Processing Center established by the Order of the Ministry of Social Security of the Ukrainian Soviet Socialist Republic (USSR) No. 97 dated July 30, 1982, pursuant to the decision of the Council of Ministers of the USSR No. 8818/4 dated July 13, 1982, and registered in the Unified State Register of Enterprises and Organizations of Ukraine under number (code) 03562649, that, in accordance with its Charter, develops, implements and supports application software and provides data processing services to the MOSP and structural divisions for social protection of the population.*
7. *“DLIs” means the Disbursement-linked Indicators as set forth in Section IV.B.2 (a) of Schedule 2 to this Agreement.*
8. *“EEP” means Eligible Expenditure Programs, namely a portion of the Borrower’s budgetary allocation for financing benefits under GMI Program.*
9. *“EMF” means the environmental management framework prepared by the Borrower, for the Project dated January 17, 2014, being the framework setting forth the modalities for site-specific environmental screening and procedures/actions for the preparation and implementation of environmental assessments and EMPs under the Project, setting forth the set of mitigation, monitoring, and institutional measures and procedures required under the Project, in order to eliminate adverse environmental and social impacts,*



offset them, or reduce them to acceptable levels, as well as actions needed to implement said measures, as the same may be amended from time to time with the agreement of the Bank.

10. *“Environmental Management Plan” or “EMP” means any site-specific environmental management plan, prepared in accordance with the EMF and the provisions of Section I.D.1 of Schedule 2 to this Agreement and acceptable to the Bank, and giving details the specific actions, measures and policies designed to facilitate the achievement of the objective of the EMF, setting forth the mitigating, monitoring and institutional measures to be taken during the implementation and operation of Project activities and the Sub-projects, to offset or reduce adverse environmental impacts to levels acceptable to the Bank, including the budget and cost estimates, and sources of funding, along with the institutional and procedural measures needed to implement such actions, measures and policies.*
11. *“General Conditions” means the “International Bank for Reconstruction and Development General Conditions for IBRD Financing, Investment Project Financing”, dated December 14, 2018 (Last revised on July 15, 2023).*
12. *“GMI Program” means the Borrower’s enhanced last resort anti-poverty program called Guaranteed Minimum Income established by the Borrower’s Law “On State Social Assistance for Low-Income Families” dated June 01, 2000 No.1768-III.*
13. *“GMI Program Legislation” means the Borrower’s Law “On State Social Assistance for Low-Income Families” dated June 01, 2000 No.1768-III and related relevant legislation regulating the GMI Program, as amended from time to time.*
14. *“Ministry of Economic Development and Trade” means the Borrower’s Ministry of Economic Development and Trade and includes any successors thereto.*
15. *“MOSP” means the Borrower’s Ministry of Social Policy and includes any successors thereto.*
16. *“MOF” means the Borrower’s Ministry of Finance and includes any successors thereto.*
17. *“Oblast” means a prime administrative-territorial unit of the Borrower forming the territorial basis for organization and operation of the local government bodies and local self-governments.*
18. *“Operating Costs” means the PMG’s reasonable and necessary incremental expenditures related to the management and implementation of the Project, all based on periodic budgets acceptable to the Bank, including on account of vehicle rental; rent of premises; miscellaneous utilities; bank charges; stationary and office supplies and equipment and hardware and their repair; upgrading of software; operation, maintenance and spare parts of equipment; consumables; transportation; local and international travel; communication and advertisement costs; printing and publications (electronic and/or paper); translation; and other expenditures as may be agreed with the Bank, but excluding consultants’ services and salaries or honoraria of officials and employees of the Borrower’s civil services.*
19. *“Payments under the EEP” means monthly transfer payments, conducted by the Borrower to eligible beneficiaries under the GMI Program, made in accordance with the eligibility criteria, terms and provisions set forth in the respective Borrower’s laws and regulations applicable to the GMI Program.*



- 20. *“PMG” means the MOSP’s Project Management Group for the Project, referred to in Section I.A.1(c) of Schedule 2 to this Agreement.*
- 21. *“POM” means the Project Operational Manual referred to in Section I.A.1 of Schedule 2 of this Agreement, adopted by the MOSP for the Project, as the same may be amended from time to time with the prior written approval of the Bank.*
- 22. *“Procurement Regulations” means, for purposes of paragraph 84 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated November 2020.*
- 23. *“Procurement Plan” means the Borrower’s procurement plan for the Project, dated April 14, 2014 and referred to in paragraphs 4.4 and 4.5 of the “World Bank Procurement Regulations for IPF Borrowers” dated July 2016 (Fourth Edition, November 2020), as the same shall be updated from time to time in accordance with the provisions of said paragraphs.*
- 24. *“Training” means Project-related training, and includes Project related study tours, training courses, seminars, workshops and other training activities, not included under service providers’ contracts, including costs of training materials, space and equipment rental, reasonable and necessary local and international travel by participants in training activities, reasonable lodging and accommodation, subsistence and local and international per diem of trainees and trainers, registration, tuition and facilitators’ fees, translation and interpretation, and other training related miscellaneous costs, all based on budgets acceptable to the Bank.*
- 25. *“Registry of Social Care Providers” means the automated information and telecommunications system designed to collect, register, accumulate, store, use, depersonalize, and dispose data on providers and beneficiaries of social services in accordance with the provisions of the Borrower’s Cabinet of Ministers Resolution No. 99 dated January 27, 2021.*
- 26. *“Unified Information System for the Social Sphere” means the unified integrated management information system designed to accumulate, store, and process data on the social protection of the population, which functions in accordance with the provisions of the Borrower’s Cabinet of Ministers Resolution No. 404 dated April 14, 2021.”*

26. **The performance monitoring indicators for Loan Agreements № 8404-UA, № 9107-UA and № 9196-UA shall be changed to substitute those PDIs and intermediate results indicators (IRIs) that became unmeasurable or irrelevant during the war with new ones that could still capture the progress toward achieving the PDO. The agreed changes to the PDIs are as follows:**

Original PDI	Revised PDI	Comments on PDI status
Results Area 1. Increase access of extreme poor to the GMI Program		
<i>PDI 1. The share of individuals from the poorest decile receiving GMI increases from 10 percent in 2012 (baseline) to 17 percent in 2024</i>	<i>The monthly number of GMI beneficiary families reached increased from 160 thousand in 2012 to</i>	<i>PDI 1 was measured using the annual data from the Household Budget Surveys (HBS). The latest HBS data is available for 2021. The HBS has been cancelled during the war, so no data will be available for 2022 and 2023. However, the access</i>



	235 thousand in 2023	of the poor to the GMI program could still be measured in absolute values by the number of the households that receive GMI benefits. The target value for the number of GMI beneficiaries has been also adjusted to consider the reduced Ukrainian population due to over 7.8 million refugees from Ukraine that have been recorded across Europe, and around 30% of the Ukrainian occupied territory.
<i>PDI 2.</i> The GMI Program budget increases at least sevenfold in nominal terms	The GMI Program budget increases at least fourfold in nominal terms.	The number of the GMI beneficiaries is lower due to the war, thus the program budget is also reduced, leading to the need to change the end target of the PDI 2
Results Area 2. Improved administration of benefits and services		
<i>PDI 3.</i> An effective and efficient system to prevent, detect, deter, and monitor error, fraud, and corruption (EFC) is in place.	No changes	In 2020 the GoU established the National Social Service of Ukraine (NSSU), the state executive body that must ensure implementation of the social protection policy at the regional and sub-regional levels during the decentralization reform in Ukraine and perform social inspection and fraud and error control. Three inspections of the GMI program using different methodology, including random sample approach, data matching and risk-based profiling were completed, and all showed a very low level of fraud in the GMI. In 2021 the NSSU conducted inspection of the HUS using data matching technology with high detection rate, thus proving that the effective system of the EFC is in place and the PDI 3 is achieved
<i>PDI 4.</i> MIS collects social assistance and service programs' information nationwide	<i>PDI 4:</i> The Unified Information System for the Social Sphere collects social assistance and service programs' information nationwide	This PDI is not yet achieved, but there is progress in the development of the new application software for integrated MIS, and the establishment of the Social Registry is underway. This PDI is on track to be achieved in 2024. The title of the MIS was changed to correspond to the Ukrainian title of the system.
Results Area 3. Enhanced provision of family-based care to support families in need and vulnerable families		
<i>PDI 5.</i> Number of children de-institutionalized and moved to alternative forms of care in three selected pilot oblasts increased by 40 percent	Dropped	The planned transformation of 19 residential institutions for children has been canceled during the war so no progress is expected. In addition, many of the residential institutions were evacuated internally, and then to the EU, so both the data collection and its comparison to the baseline became impossible.



Results Area 4. Number of poor and vulnerable households and individuals affected by COVID-19 receiving cash support		
<p><i>PDI 6.</i> Number of families provided with cash benefits under the GMI Program that was expanded to protect the poor affected by COVID-19 economic crisis.</p> <p><i>PDI 7.</i> Number of individuals receiving unemployment benefits.</p> <p><i>PDI 8.</i> Number of small entrepreneurs, operating without the creation of the legal entities, provided with temporary child benefits</p>	No changes	The <i>PDIs 6, 7 and 8</i> were achieved in 2020, thus showing the increased support to the poor households that were affected by the COVID-19 pandemic

27. **The MoSP will continue to use the simplified templates of Interim Financial Reports (IFRs) to report expenditures on the GMI program.** The MoSP will revert to the old format of the Form #8 three months after the war ends and will re-submit the reports in the form that was originally approved for the SSNMP.

III. SUMMARY OF CHANGES

	Changed	Not Changed
Results Framework	✓	
PBCs	✓	
Reallocation between Disbursement Categories	✓	
Institutional Arrangements	✓	
Procurement	✓	
Other Change(s)	✓	
Implementing Agency		✓
DDO Status		✓
Project's Development Objectives		✓
Components and Cost		✓
Loan Closing Date(s)		✓
Cancellations Proposed		✓



Disbursements Arrangements		✓
Disbursement Estimates		✓
Overall Risk Rating		✓
Safeguard Policies Triggered		✓
EA category		✓
Legal Covenants		✓
Financial Management		✓
APA Reliance		✓
Implementation Schedule		✓
Economic and Financial Analysis		✓
Technical Analysis		✓
Social Analysis		✓
Environmental Analysis		✓

IV. DETAILED CHANGE(S)

REALLOCATION BETWEEN DISBURSEMENT CATEGORIES

Current Allocation	Actuals + Committed	Proposed Allocation	Financing % (Type Total)	
			Current	Proposed
IBRD-84040-001 Currency: USD				
iLap Category Sequence No: 1	Current Expenditure Category: Payments for EEP for Part 1			
200,000,000.00	190,000,000.00	228,000,000.00	100.00	100.00
iLap Category Sequence No: 2	Current Expenditure Category: GD,CW,Non-CS,CS,IOC,TRNG for P.2&3			
99,250,000.00	39,110,129.31	71,250,000.00	100.00	100.00
iLap Category Sequence No: 4	Current Expenditure Category: Interest Rate Cap & Collar premium			



	0.00	0.00	0.00
iLap Category Sequence No: FEF		Current Expenditure Category: FRONT END FEE	
	750,000.00	750,000.00	750,000.00
Total	300,000,000.00	229,860,129.31	300,000,000.00



Results framework

COUNTRY: Ukraine

Social Safety Nets Modernization Project

Project Development Objectives(s)

Improve the performance of Ukraine’s social assistance and social services system for low-income households and provide income support to households affected by the economic impact of the COVID-19 pandemic

Project Development Objective Indicators by Objectives/ Outcomes

Indicator Name	PBC	Baseline	End Target
Increase access of extreme poor to the GMI program			
The monthly number of GMI beneficiary families reached increased from 160 thousand in 2012 to 235 thousand in 2023 (Number)		160,000.00	235,000.00
Action: This indicator has been Revised	Rationale: <i>PDI 1 was measured using the annual data from the Household Budget Surveys (HBS). The latest HBS data is available for 2021. The HBS has been canceled during the war so no data will be available for 2022 and 2023. However, the access of the poor to the GMI program could still be measured in absolute values - by the number of families that receive GMI benefits. The target value for the number of GMI beneficiaries has also been adjusted to consider the reduced Ukrainian population due to over 8 million refugees from Ukraine recorded across Europe and around 20% of the Ukrainian territory, which is temporarily not under government control.</i>		
The GMI budget increases at least four-fold in nominal terms (Amount(USD))		3.90	15.60
Action: This indicator has been Revised	Rationale:		



The World Bank

Social Safety Nets Modernization Project (P128344)

Indicator Name	PBC	Baseline	End Target
<i>The number of the GMI beneficiaries is lower due to the war, thus the program budget is also reduced, leading to the need to change the end target of the PDI 2.</i>			
Improved administration of benefits and services			
An effective and efficient system to prevent, detect, deter and monitor error, fraud and corruption (EFC) in place (Yes/No)		No	Yes
The Unified Information System for the Social Sphere collects social assistance and service programs' information nationwide (Yes/No)		No	Yes
Action: This indicator has been Revised	Rationale: <i>Changed the name of the MIS to correspond to the Ukrainian title</i>		
Enhanced provision of family-based care to families in need and vulnerable families (Action: This Objective has been Marked for Deletion)			
Number of children de-institutionalized and moved to alternative forms of care in four selected pilot oblasts increased by 40 percent (Percentage)		0.00	40.00
Action: This indicator has been Marked for Deletion	Rationale: <i>The planned transformation of 19 residential institutions for children has been canceled due to the ongoing war, so no progress is expected. In addition, many of the residential institutions were evacuated internally and then to the EU, so the data collection and its comparison to the baseline became impossible.</i>		
Number of poor and vulnerable households and individuals affected by COVID-19 receiving cash support			
Number of families provided with cash benefits under the GMI Program that was expanded to protect the poor affected by COVID-19 economic crisis (Number)		160,000.00	250,000.00



Indicator Name	PBC	Baseline	End Target
Percentage of females in the families provided with cash benefits under the GMI Program that was expanded to protect the poor affected by COVID-19 economic crisis (Percentage)		60.00	65.00
Number of individuals receiving unemployment benefits (Number)		285,000.00	400,000.00
Percentage of females receiving unemployment benefits (Percentage)		50.00	55.00
Number of small entrepreneurs, operating without the creation of the legal entities, provided with temporary child benefits (Number)		0.00	88,000.00

Intermediate Results Indicators by Components

Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
Component 1. Improving social assistance provision to the most vulnerable				
GMI coverage expanded: monthly number of beneficiary families reached and maintained for at least 3 consecutive months (Number)		160.00	580.00	600.00
Action: This indicator has been Marked for Deletion	Rationale: <i>PDI 1 was substituted with this intermediate results indicator, so to reduce repetition this intermediate indicator is deleted</i>			
Improved mechanisms of the GMI program adopted and implementation started including		No		Yes



Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
simplified application procedures to achieve stronger targeting accuracy and lower its delivery cost (Yes/No)				
SSN system complemented with activation services for work-able GMI beneficiaries to help families graduate from benefits into employment and self-sufficiency (Text)		No activation services under GMI		Activation services delivery implemented nationwide
Share of women among able to work GMI beneficiaries benefitting from the activation services increases (Percentage)		0.00	10.00	20.00
Share of women-entrepreneurs among able to work GMI beneficiaries who benefited from the start-up grants for small business development increases (Percentage)		0.00	5.00	10.00
Component 2. Supportive Investments for Institutional Strengthening for Administration of Social Assistance and Social Services				
Improved oversight and control established (Text)		No Social Inspectorate established		In 2023 thematic inspections for HUS is completed using an adequate risk-profiling system
Improved collection and use of program information in new MIS established (Text)		MIS E-Social is not operational		The MIS that process benefits and social services is operationalized nation-wide
Share of the clients satisfied with complaint handling mechanism increases (Percentage)		0.00		10.00
Number of the persons from amalgamated communities involved in consultations on new model for delivery of social benefits and service and reported that new model reflects their views increases (Percentage)		0.00		50.00



Indicator Name	PBC	Baseline	Intermediate Targets	End Target
			1	
Action: This indicator has been Marked for Deletion				
	<p>Rationale: <i>The following documents have been developed: Questionnaire for a survey through the Social Community software, 2 survey scenarios, reporting forms. However due to the war with Russia the survey has been put on hold and measurement of this indicator became impossible.</i></p>			
Number of amalgamated communities that have implemented participatory budgeting increases (Number)		24.00		72.00
Number of GMI beneficiaries that are satisfied with complementary services that were developed and agreed through participatory dialogue increases (Percentage)		0.00		10.00
Action: This indicator has been Marked for Deletion				
	<p>Rationale: <i>A pilot to connect GMI beneficiaries with social services using a modern client profiling system to match beneficiaries to services included client satisfaction surveys to be conducted by the end of 2022 to establish a baseline for the indicator. Due to the war, the client satisfaction surveys have been canceled and measurement of this indicator became impossible.</i></p>			
Component 3 Supportive Investments for Increasing Provision of Family-based Care in Selected Oblasts (Action: This Component has been Marked for Deletion)				
Increased provision of day-time services and alternative care as opposed to residential care for orphans, children deprived of parental care and children from vulnerable families in place (Text)		There are 3854 children in total in all 68 residential care institutions in 4 oblasts where the transformation started.		Number of children in residential care institutions in selected pilot oblasts decreased by 40 percent compared to baseline
Action: This indicator has been Marked for Deletion				
	<p>Rationale: <i>Monitoring of this indicator has been suspended due to the war in Ukraine</i></p>			



Performance-Based Conditions Matrix

Performance-Based Conditions Matrix				
PBC 1	Monthly number of GMI beneficiaries families reaches 200,000 and is maintained for, at least, 3 consecutive months			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Number	20,000,000.00	100.00
Period	Value	Allocated Amount (USD)		Formula
Baseline	160.00			
October, 2014 - September, 2024		20,000,000.00		
PBC 2	Monthly number of GMI beneficiaries families reaches 250,000 and is maintained for, at least, 3 consecutive months			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Number	20,000,000.00	0.00
Period	Value	Allocated Amount (USD)		Formula
Baseline	160.00			
October, 2014 - September, 2024		20,000,000.00		



The World Bank

Social Safety Nets Modernization Project (P128344)

PBC 3				
Monthly number of GMI beneficiaries families reaches 300,000 and is maintained for, at least, 3 consecutive months				
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Number	20,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	160.00			
October, 2014 - September, 2024			20,000,000.00	
PBC 4				
Improved mechanisms of the GMI Program adopted and implementation started including simplified application procedures so as to lead to better targeting of the poor				
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	No	Yes/No	10,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
October, 2014 - September, 2024			10,000,000.00	



The World Bank

Social Safety Nets Modernization Project (P128344)

PBC 5				
Mechanisms of activation services delivery for work-able GMI beneficiaries developed for piloting and the pilot in 3 oblasts started				
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	No	Text	10,000,000.00	100.00
Period	Value	Allocated Amount (USD)		Formula
Baseline	No activation services for GMI beneficiaries available			
October, 2014 - September, 2024		10,000,000.00		
PBC 6				
Piloting activation services for workable GMI beneficiaries completed in 3 oblasts				
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Text	10,000,000.00	100.00
Period	Value	Allocated Amount (USD)		Formula
Baseline	No activation services for GMI beneficiaries available			
October, 2014 - September, 2024		10,000,000.00		



The World Bank

Social Safety Nets Modernization Project (P128344)

PBC 7				
Activation services delivery for work-able GMI beneficiaries implemented nation wide				
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Text	15,000,000.00	100.00
Period	Value	Allocated Amount (USD)		Formula
Baseline	No activation services for GMI beneficiaries available			
October, 2014 - September, 2024		15,000,000.00		
PBC 8				
Social Inspectorate established at the Ministry of Social Policy				
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Text	20,000,000.00	0.00
Period	Value	Allocated Amount (USD)		Formula
Baseline	No Social Inspectorate established			
October, 2014 - September, 2024		20,000,000.00		
PBC 9				
Inspection of 80% of all GMI beneficiaries' cases is completed				
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Text	10,000,000.00	0.00
Period	Value	Allocated Amount (USD)		Formula



The World Bank

Social Safety Nets Modernization Project (P128344)

Baseline	No inspection of 80% of GMI cases carried			
October, 2014 - September, 2024			10,000,000.00	
PBC 10	Inspection of GMI program is completed based on analyzed discrepancies found during data exchange with external databases and remedy proposals provided			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Text	10,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No Social Inspectorate established			
October, 2014 - September, 2024			10,000,000.00	
PBC 11	Two thematic inspections: one for GMI and one risk-prone social assistance program is completed using an adequate risk-profiling system			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Text	10,000,000.00	100.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No thematic inspections			
October, 2014 - September, 2024			10,000,000.00	



PBC 12	The MIS that process benefits and social services is operationalized nationwide			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	10,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
October, 2014 - September, 2024			10,000,000.00	

Action: This PBC has been Revised. See below.

PBC 12	<i>The Unified Information System for the Social Sphere that processes seven social assistance benefits, HUS and the Registry of social care providers is operationalized nation-wide</i>			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	18,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
October, 2014 - September, 2024			18,000,000.00	

Rationale:

The team acknowledged both the gradual progress in the new integrated MIS development and the delays in completing all MIS related activities due to the war and suggested changes to the DLI 12 to reward the gradual inclusion of the benefits in the new MIS that comprise 70 percent of the overall spending on the SSN benefits.



The World Bank

Social Safety Nets Modernization Project (P128344)

PBC 13		Legal framework adopted for residential care transformation and family-based care development for orphans and children deprived of parental care		
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	No	Text	5,000,000.00	100.00
Period	Value	Allocated Amount (USD)		Formula
Baseline	Weak legal base for transformation of residential institutions			
October, 2014 - September, 2024		5,000,000.00		
PBC 14		The Borrower has enacted legislation to extend the duration of the social safety net benefits, including GMI, under the martial law plus one month without re-enrollment		
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Outcome	No	Text	30,000,000.00	100.00
Period	Value	Allocated Amount (USD)		Formula
Baseline	No legislation is in place to extend the duration of the SSN benefits under the martial law			
October, 2014 - September, 2024		30,000,000.00		



The World Bank

Social Safety Nets Modernization Project (P128344)

PBC 15	The Unified Information System for the Social Sphere that processes twelve social assistance benefits is operationalized nation-wide			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Yes/No	20,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No			
October, 2014 - September, 2024	Yes		20,000,000.00	
<i>Action: This PBC is New</i>	<i>Rationale: The team acknowledged both the gradual progress in the new integrated MIS development and the delays in completing all MIS related activities due to the war and suggested to add new DLI 15 to reward the gradual inclusion of the benefits in the new MIS that comprise 80 percent of the overall spending on the SSN benefits.</i>			
PBC 16	Improving efficiency and targeting of state support to the poor and vulnerable			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Outcome	Yes	Text	35,000,000.00	100.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No changes to expand GMI and downscale HUS introduced			
October, 2014 - September, 2024	GMI expanded and HUS downscaled		35,000,000.00	



The World Bank

Social Safety Nets Modernization Project (P128344)

PBC 16.1		DLI 18.1 Expanding GMI program to promote comprehensive and equitable coverage of the poor		
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Number	30,000,000.00	100.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	260,000.00			
October, 2014 - September, 2024	500,000.00		30,000,000.00	
PBC 16.2		DLI 18.2 Increasing targeting accuracy of the HUS program		
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Intermediate Outcome	Yes	Text	5,000,000.00	100.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No changes aimed at downscaling HUS			
October, 2014 - September, 2024	Measures to improve targeting of HUS have been introduced		5,000,000.00	
PBC 17		Promoting introduction of complementary social and activation services for GMI beneficiaries to escape the poverty trap		
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	Yes	Text	25,000,000.00	60.00
Period	Value		Allocated Amount (USD)	Formula



The World Bank

Social Safety Nets Modernization Project (P128344)

Baseline	No complementary social and activation services for GMI beneficiaries			
October, 2014 - September, 2024	Complementary social and activation services for GMI beneficiaries introduced		25,000,000.00	
PBC 18	Rationalizing benefits to improve their targeting and administrative efficiency			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Process	Yes	Text	39,625,000.00	87.38
Period	Value		Allocated Amount (USD)	Formula
Baseline	Means-tested rules for SSN benefits are not unified. Payment model to provide benefits in the war-affected areas is not established.			
October, 2014 - September, 2024	Standardized eligibility rules and income computations to verify households' needs for assistance introduced. Legislation to adjust the benefits payment model to provide benefits in the war-affected areas enacted		39,625,000.00	
Action: This PBC has been Revised. See below.				
PBC 17	Rationalizing benefits to improve their targeting and administrative efficiency			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Process	Yes	Text	49,625,000.00	69.77
Period	Value		Allocated Amount (USD)	Formula
Baseline	Means-tested rules for SSN benefits are not unified. Payment model to (1) provide benefits in			



	<i>the war-affected areas is not established; and to (2) consolidate administration of the HUS in the PFU is not established.</i>		
October, 2014 - September, 2024	<i>Standardized eligibility rules and income computations to verify households' needs for assistance introduced. Legislation to adjust the benefits payment model to provide benefits in the war-affected areas enacted. Legislation to consolidate administration of the HUS in the PFU has been enacted.</i>	49,625,000.00	

Rationale:

Part of this indicator has been achieved and US\$34.625 million has been disbursed.

This restructuring envisage dropping condition related to DLR 20.2 to delink wages of public officials from Subsistence Minimum that became irrelevant during the war and reallocating the corresponding loan amount of US\$ 5 million together with US\$10 million from DLR 19.3 that was dropped to a revised DLR 20.2 to support achievement of the results linked to the improved administration and payment model used to provide the HUS and other energy assistance benefits.

DLRs to be dropped	DLR 19.3	Integrated social services for GMI Program beneficiaries have been introduced nationwide.	US\$10,000,000
	DLR 20.2	Legislation to delink wages of public officials from Subsistence Minimum has been enacted.	US\$5,000,000
New DLR to be introduced	DLR 20.2	The Borrower has enacted legislation to consolidate administration of the HUS in the PFU.	US\$15,000,000



The World Bank

Social Safety Nets Modernization Project (P128344)

PBC 19	Introduce temporary social assistance measures to mitigate the impact of COVID-19 pandemic on the welfare of vulnerable groups			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Outcome	Yes	Text	50,000,000.00	100.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	No temporary social assistance measures to mitigate the impact of COVID-19 pandemic on the welfare of vulnerable groups introduced			
October, 2014 - September, 2024	Temporary social assistance measures to mitigate the impact of COVID-19 pandemic on the welfare of vulnerable groups introduced		50,000,000.00	
PBC 20	Borrower increased GMI eligibility income threshold for able to work members and for children of applying households, to at least 25% of Subsistence Minimum (SM) and 130% of SM, respectively, in 2020			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Text	120,000,000.00	100.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	The GMI eligibility income threshold for able-to-work members and for children of applying households is not increased to 25% of the Subsistence Minimum and 130% of the Subsistence Minimum, respectively			
October, 2014 - September, 2024			120,000,000.00	



The World Bank

Social Safety Nets Modernization Project (P128344)

PBC 21				
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Text	40,000,000.00	100.00
Period	Value	Allocated Amount (USD)		Formula
Baseline	The GMI eligibility income threshold for able-to-work family members is not increased to 35 percent of the Subsistence Minimum in 2021.			
October, 2014 - September, 2024		40,000,000.00		
PBC 22				
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Text	40,000,000.00	100.00
Period	Value	Allocated Amount (USD)		Formula
Baseline	The GMI eligibility income threshold for able-to-work members of applying households is not increased to 45 percent of the Subsistence Minimum in calendar year 2022			
October, 2014 - September, 2024		40,000,000.00		



The World Bank

Social Safety Nets Modernization Project (P128344)

PBC 23	The Borrower has increased the GMI eligibility income threshold for able-to-work members of applying households to at least 50 percent of the Subsistence Minimum in calendar year 2023			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Text	20,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	The GMI eligibility income threshold for able-to-work members of applying households is not increased to 50 percent of the Subsistence Minimum in calendar year 2023			
October, 2014 - September, 2024			20,000,000.00	
Action: This PBC has been Revised. See below.				
PBC 22	<i>The Borrower has increased the GMI eligibility income threshold for able-to-work members of applying households to at least 50 percent of the Subsistence Minimum in calendar year 2024</i>			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Text	20,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	<i>The GMI eligibility income threshold for able-to-work members of applying households is not increased to 50 percent of the Subsistence Minimum in calendar year 2023</i>			
October, 2014 - September, 2024			20,000,000.00	



Rationale:

Due to the war in Ukraine the increase in the GMI eligibility income threshold for able-to-work members of applying households to at least 50 percent of the Subsistence Minimum has been shifted to calendar year 2024.

PBC 24	The Borrower completed the payment of (i) temporary child benefits to at least 88,000 Eligible Individual Entrepreneurs and (ii) unemployment benefits to at least 400,000 registered unemployed in 2020			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Number	49,250,000.00	100.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	285,000.00			
October, 2014 - September, 2024	488,000.00		49,250,000.00	
PBC 25	The Borrower has:(i) enacted modifications to legislation to eliminate Cashless Monetization Scheme (ii) issued regulations to limit discretion of local authorities to grant HUS on exceptional basis			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Text	15,000,000.00	100.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	Cashless monetization of the HUS is in use			
October, 2014 - September, 2024			15,000,000.00	



The World Bank

Social Safety Nets Modernization Project (P128344)

PBC 26	The Borrower has (i) introduced remote on-line accessibility to 80% of social benefits; and (ii) paid assistance and pensions through direct deposits to bank accounts to at least 90% of beneficiaries			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Text	15,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	(i) Online enrolments implemented for 3 types of social assistance benefits; (ii) Social assistance and pensions benefits are paid through direct deposits to bank accounts to 50 percent of beneficiaries in 2020			
October, 2014 - September, 2024			15,000,000.00	
Action: This PBC has been Revised. See below.				
PBC 25	<i>The Borrower has introduced remote on-line accessibility to social assistance benefits that comprise at least 65% of the overall spending on social assistance</i>			
Type of PBC	Scalability	Unit of Measure	Total Allocated Amount (USD)	As % of Total Financing Amount
Output	No	Text	15,000,000.00	0.00
Period	Value		Allocated Amount (USD)	Formula
Baseline	<i>Online enrolments implemented for 3 types of social assistance benefits</i>			
October, 2014 - September, 2024			15,000,000.00	
Rationale:				



The MoSP introduced remote on-line accessibility that allows remote enrollment to (a) the HUS program; (b) birth grants; (c) temporary social assistance to individual entrepreneurs' children under 10 years old during the COVID-19 quarantine; and (d) allowance to compensate costs on babysitter called "municipal babysitter". During the war, the remote online enrollment has been introduced to the IDP program. Spending on the benefits with availability of the remote online enrollment comprises around 65 percent of the overall SSN spending in Ukraine, which signals a strong progress in online accessibility of the benefits. However, during the war, the payment of all the benefits through the banks became impossible due to the following reasons: (1) occupation of around 20 percent of the territory of Ukraine where the majority of the banks closed around 35 percent their offices and are slow in reopening them even after the deoccupation of the territory; (2) the current payment model for benefits and pensions through the offices of national postal operator (Ukrposhta) became the only way to get payments. Ukrposhta also opened mobile offices in all deoccupied areas of Ukraine to deliver benefits. Thus, the plans for moving payments of social assistance and pensions benefits through direct deposits to bank accounts to at least 90 percent of beneficiaries has been canceled during the war. The teams agreed to remove this condition from the PBC.

Verification Protocol Table: Performance-Based Conditions

PBC 1	Monthly number of GMI beneficiaries families reaches 200,000 and is maintained for, at least, 3 consecutive months
Description	This indicator is defined as the number of households receiving the state social assistance for low income families (GMI) in accordance with the Law of Ukraine "On State Social Assistance for Low income Families" in a specific month. The indicator is considered achieved, if the number of beneficiary households of the GMI program equals at least 200,000/250,000/300,000 respectively for 3 consecutive months.
Data source/ Agency	Administrative data of the Ministry of Social Policy of Ukraine(MoSP). On request of the MoSP, the welfare offices of oblast state administrations and Kyiv city state administrations provide operative reports on the number of households receiving social assistance for low income families (GMI) on a monthly basis. The MoSP consolidates the monthly operative reports, publishes an aggregate report on its website. The aggregate report form will be specified in the Project Operational Manual to be approved by the Ministry of Social Policy of



	Ukraine and agreed with the Bank. At minimum, the aggregate report should identify the number of beneficiary families that have been effectively paid during that month, distinct from those suspended or not yet paid. Once the number of households receiving social assistance for low income families (GMI) exceeds the target for at least three consecutive months, the MSP will notify the Bank that the DLI has been met, and will be attach the three monthly aggregate report as evidence.
Verification Entity	World Bank team
Procedure	Procedure form verification protocol: The indicator is defined as the number of households receiving the state social assistance for low income families (GMI) in accordance with the Law of Ukraine "On State Social Assistance for Low income Families" in a specific month. The indicator is considered achieved, if the number of beneficiary households of the GMI program equals at least 200,000 respectively for 3 consecutive months.
PBC 2	Monthly number of GMI beneficiaries families reaches 250,000 and is maintained for, at least, 3 consecutive months
Description	The indicator is defined as the number of households receiving the state social assistance for low income families (GMI) in accordance with the Law of Ukraine "On State Social Assistance for Low income Families" in a specific month. The indicator is considered achieved, if the number of beneficiary households of the GMI program equals at least 200,000/250,000/300,000 respectively for 3 consecutive months.
Data source/ Agency	Administrative data of the Ministry of Social Policy of Ukraine (MoSP).
Verification Entity	World Bank Project team
Procedure	On request of the MoSP, the welfare offices of oblast stateadministrationsand Kyiv city state administrations provide operative reports on the number of households receiving social assistance forlowincome families (GMI) on a monthly basis. TheMoSP consolidates the monthly operative reports, publishes anaggregatereport on its website. The aggregate report form will be specified in the Project Operational Manual to be approved by the MinistryofSocial Policy of Ukraine and agreed with the Bank. Atminimum, the aggregate report should identify the number ofbeneficiaryfamilies that have been effectively paid during that month,distinct from those suspended or not yet paid.



	Once the number of households receiving social assistance for low income families (GMI) exceeds the target for at least three consecutive months, the MSP will notify the Bank that the DLI has been met, and will attach the three monthly aggregate reports as evidence.
PBC 3	Monthly number of GMI beneficiaries families reaches 300,000 and is maintained for, at least, 3 consecutive months
Description	The indicator is defined as the number of households receiving the state social assistance for low income families (GMI) in accordance with the Law of Ukraine "On State Social Assistance for Low income Families" in a specific month. The indicator is considered achieved, if the number of beneficiary households of the GMI program equals at least 200,000/250,000/300,000 respectively for 3 consecutive months.
Data source/ Agency	Administrative data of the Ministry of Social Policy of Ukraine (MSP).
Verification Entity	World Bank Project team
Procedure	<p>On request of the MoSP, the welfare offices of oblast state administrations and Kyiv city state administrations provide operative reports on the number of households receiving social assistance for low income families (GMI) on a monthly basis.</p> <p>The MoSP consolidates the monthly operative reports, publishes an aggregate report on its website. The aggregate report form will be specified in the Project Operational Manual to be approved by the Ministry of Social Policy of Ukraine and agreed with the Bank. At minimum, the aggregate report should identify the number of beneficiary families that have been effectively paid during that month, distinct from those suspended or not yet paid.</p> <p>Once the number of households receiving social assistance for low income families (GMI) exceeds the target for at least three consecutive months, the MSP will notify the Bank that the DLI has been met, and will attach the three monthly aggregate reports as evidence.</p>
PBC 4	Improved mechanisms of the GMI Program adopted and implementation started including simplified application procedures so as to lead to better targeting of the poor
Description	The DLI is considered achieved when the MSP has adopted changes to the eligibility criteria of the GMI program that would result, according to a methodologically robust microsimulation model, in a minimum 10 percent increase in the share of benefits received by the poorest quintile.
Data source/ Agency	MoSP provided all the changes introduced into the legislation to improve GMI eligibility



Verification Entity	World Bank Project team
Procedure	<p>The following by-laws has been adopted to improve GMI eligibility criteria:</p> <ol style="list-style-type: none">1. The Cabinet of Ministers of Ukraine Resolution "On amending the Procedure for granting and paying of state social assistance to low-income families" dated July 4, 2017 No. 454 ;2. The Cabinet of Ministers of Ukraine Resolution "On Amendments to certain Resolutions of the Cabinet of Ministers of Ukraine" dated November 30, 2016, # 890;3. The joint Order of the Ministry of Social Policy, the Ministry of Finance, and the State fiscal service on approval of the procedure for delivery of information from the State register of natural persons–tax payers regarding income (lack of income) got by individuals who have applied for the state social assistance (Order No. 1287/926 dated November 04, 2016;4. The Order of the Ministry of social policy "On approval of the Procedure for delivery in electronic form the information from the register of insured persons at the state register of compulsory state social insurance to bodies of labor and social protection of the population" (Order No. 252 dated February 20, 2017);5. The Analytical Note regarding assessment of the forecasted impact of planned and implemented changes in the Program of state social assistance to low-income families on the GMI program's targeting accuracy indicator – 14 pages.
PBC 5	Mechanisms of activation services delivery for work-able GMI beneficiaries developed for piloting and the pilot in 3 oblasts started
Description	<p>The activation services may include measures that intervene in the labor market to help the GMI NEETDP adults find work. These measures include (i) public employment services (such as job centers and labor exchanges, which help the GMI beneficiaries to improve their job search effort by disseminating information on vacancies and by providing assistance with interview skills and writing a curriculum vitae); (ii) training schemes (such as classes and apprenticeships, which help the GMI beneficiaries improve their vocational skills and hence increase their employability); and (iii) employment subsidies (either in the public or private sector; these are typically short-term measures which are designed to allow the unemployed to build up work experience and prevent skill atrophy).</p>
Data source/ Agency	MoSP
Verification Entity	World Bank Project team
Procedure	The MSP discusses with the Bank their proposals on the procedure for the provision of activation services to work-able NEETDP GMI beneficiaries.



	<p>The MSP discusses with the World Bank the proposed budget for the pilot. The MSP adopts the regulations for piloting activation services to work-able NEETDP GMI beneficiaries, including an adequate budget, and notifies the World Bank thereof.</p>
PBC 6	<p>Piloting activation services for workable GMI beneficiaries completed in 3 oblasts</p>
Description	<p>The activation services may include measures that intervene in the labor market to help the GMI NEETDP adults find work. These measures include (i) public employment services (such as job centers and labor exchanges, which help the GMI beneficiaries to improve their job search effort by disseminating information on vacancies and by providing assistance with interview skills and writing a curriculum vitae); (ii) training schemes (such as classes and apprenticeships, which help the GMI beneficiaries improve their vocational skills and hence increase their employability); and (iii) employment subsidies (either in the public or private sector; these are typically short-term measures which are designed to allow the unemployed to build up work experience and prevent skill atrophy).</p>
Data source/ Agency	<p>MoSP administrative data; Impact evaluation report of the pilot activation measures for work-able NEETDP GMI beneficiaries. The administrative information is to be provided to the World Bank once every six months. The impact evaluation report will be produced within 12 month of the completion of the pilot.</p>
Verification Entity	<p>World Bank Project team</p>
Procedure	<p>The MSP consolidates the information about the pilots in two oblasts, and notifies the Bank of the results. MSP will discuss the Impact evaluation report of the pilot activation measures for work-able NEETDP GMI beneficiaries, with the consultant and the World Bank. The information about the pilots must include, inter alia, the details of expenses on services provided to GMI recipients within the scope of the pilot.</p>
PBC 7	<p>Activation services delivery for work-able GMI beneficiaries implemented nation wide</p>
Description	<p>The activation services may include measures that intervene in the labor market to help the GMI NEETDP adults find work. These measures include (i) public employment services (such as job centers and labor exchanges, which help the GMI beneficiaries to improve their job search effort by disseminating information on vacancies and by providing assistance with interview skills and writing a curriculum vitae); (ii) training schemes (such as classes and apprenticeships, which help the</p>



	GMI beneficiaries improve their vocational skills and hence increase their employability); and (iii) employment subsidies (either in the public or private sector; these are typically short-term measures which are designed to allow the unemployed to build up work experience and prevent skill atrophy).
Data source/ Agency	Legislation/MoSP
Verification Entity	World Bank Project team
Procedure	<p>The MSP prepares legislative proposals and informs the Bank once they are adopted (by providing the supporting documents).</p> <p>The MSP discusses with the World Bank the proposed budget for the national roll-out.</p> <p>An adequate budget to finance the national rollout was adopted.</p>
PBC 8	Social Inspectorate established at the Ministry of Social Policy
Description	These measures will prove the achievement of the indicator: (1) Necessary legislation to establish Social Inspectorate has been developed and approved; (2) Inspection of 80% of all GMI beneficiaries' cases is completed; (3) Inspection of GMI program is completed based on analyzed discrepancies found during data exchange with external databases, and proposal regarding remedial actions and error corrections are provided; (4) Two thematic inspections: one for the GMI program and one for a risk-prone social assistance program are using an adequate risk-profiling system
Data source/ Agency	Legislation/MoSP
Verification Entity	World Bank Project team
Procedure	<p>The MSP prepares legislative proposals on the establishment of Social Inspectorate and other relevant documents required for the operation of the system, and notifies the World Bank of the adoption (approval) thereof.</p> <p>The Ministry of Finance allocates funds in the state budget to support the activities of social inspectorates.</p> <p>The MSP establishes an appropriate structural unit of the MSP to support the operation of the social inspectorate system, and reports to the Bank that all requirements have been met.</p>



PBC 9	Inspection of 80% of all GMI beneficiaries' cases is completed
Description	
Data source/ Agency	Inspection report describing the inspection process; its findings, and its results; adopted by Order of the Minister of MoSP. An electronic database with the findings of the inspection process and the circumstances of the beneficiaries (from their application and/or recertification) has been compiled
Verification Entity	World Bank Project team
Procedure	The inspection report is to be approved by the MoSP. A database with minimum 90% valid fields covering all inspected cases (minimum 80% of the current caseload) has been completed; an anonymized version of the database was presented to the World Bank.
PBC 10	Inspection of GMI program is completed based on analyzed discrepancies found during data exchange with external databases and remedy proposals provided
Description	These measures will prove the achievement of the indicator: (1) Necessary legislation to establish Social Inspectorate has been developed and approved; (2) Inspection of 80% of all GMI beneficiaries' cases is completed; (3) Inspection of GMI program is completed based on analyzed discrepancies found during data exchange with external databases, and proposal regarding remedial actions and error corrections are provided; (4) Two thematic inspections: one for the GMI program and one for a risk-prone social assistance program are using an adequate risk-profiling system
Data source/ Agency	MoSP report on inspection
Verification Entity	World Bank Project team
Procedure	Operational guidelines for data cross-checks between the GMI MIS and the other four public databases (how to generate the list of data inaccuracies) Depersonalized list of data inaccuracies Operational guidelines on handling referrals from data cross-checks by the social inspectors. Inspection report describing the inspection process; its findings, and its results; adopted by Order of the Minister of MoSP.



PBC 11	Two thematic inspections: one for GMI and one risk-prone social assistance program is completed using an adequate risk-profiling system
Description	This measure will prove the achievement of the indicator: Two thematic inspections: one for the GMI program and one for a risk-prone social assistance program are using an adequate risk-profiling system
Data source/ Agency	Report on development of analytical risk profiles for GMI and another risk-prone social assistance program Operational guidelines for the use of risk profiling in planning and conducting inspections Inspection report describing the inspection process and the use of risk-profiling; its findings, and its results; adopted by Order of the Minister of social policy of Ukraine
Verification Entity	World Bank Project team
Procedure	MoSP sends to World Bank a copy of the: Report on development of analytical risk profiles for GMI and another risk-prone social assistance program. Operational guidelines for the use of risk profiling in planning and conducting inspections has been adopted by MoSP. The inspection team has verified and proposed remedial actions to at least 90% of the cases referred to them through the risk profiling system.
PBC 12	The MIS that process benefits and social services is operationalized nationwide
Description	The monitoring plan includes submission of the evidence on the following: 1. 70 percent of Local welfare offices process applications for social assistance benefits in new MIS. 2. A performance monitoring module for social benefits is operationalized in new MIS. 3. The new MIS is expanded with a module for social services and module is tested in 2 oblasts
Data source/ Agency	MoSP administrative data
Verification Entity	World Bank Project team
Procedure	On MoSP's request, LWOs submit monthly reports on processing social benefits and social services in MIS E-Social. The MoSP calculates the indicator quarterly, and if attained, the indicator is communicated to the World Bank. The indicator is to be communicated one time upon meeting the criteria.



PBC 12	The Unified Information System for the Social Sphere that processes seven social assistance benefits, HUS and the Registry of social care providers is operationalized nation-wide
Description	The monitoring plan includes submission of the evidence on the following: 1. 70 percent of Local welfare offices process applications for indicated 7 social assistance benefits in new MIS. 2. The new MIS is expanded with the Registry of social services providers
Data source/ Agency	MoSP administrative data
Verification Entity	World Bank Project team
Procedure	On MoSP's request, LWOs submit monthly reports on processing social benefits and social services in MIS E-Social. The MoSP calculates the indicator quarterly, and if attained, the indicator is communicated to the World Bank. The indicator is to be communicated one time upon meeting the criteria.
PBC 13	Legal framework adopted for residential care transformation and family-based care development for orphans and children deprived of parental care
Description	
Data source/ Agency	Legislation adopted/ MoSP
Verification Entity	World Bank Project team
Procedure	The MSP prepares legislative proposals and informs the Bank once those have been adopted (by providing the supporting documents).The information is to be provided one-time upon meeting all criteria.



PBC 14	The Borrower has enacted legislation to extend the duration of the social safety net benefits, including GMI, under the martial law plus one month without re-enrollment
Description	The Government enacts legislation to extend the duration of the social safety net benefits, including GMI, under the martial law plus one month without re-enrollment
Data source/ Agency	MoSP
Verification Entity	World Bank project team
Procedure	Subject to verification is as follows: Legislation that confirms the introduction of changes to the SSN legislation. Specifically, the MoSP submits the evidence satisfactory to the World Bank that confirms extending the duration of the social safety net benefits, including GMI, under the martial law plus one month without re-enrollment.
PBC 15	The Unified Information System for the Social Sphere that processes twelve social assistance benefits is operationalized nation-wide
Description	The Unified Information System for the Social Sphere, which includes 12 types of benefits, is operationalized nation-wide.
Data source/ Agency	MoSP
Verification Entity	World Bank
Procedure	MoSP provides the World Bank with evidence that all 12 benefits are administered in the new Unified Information System for the Social Sphere.
PBC 16	Improving efficiency and targeting of state support to the poor and vulnerable
Description	DLI18 will include a set of agreed measures to (1) strengthen the GMI program, aiming to increase its coverage, generosity, and targeting and (2) increase the targeting accuracy of the HUS program by strengthening error and fraud control



Data source/ Agency	MoSP
Verification Entity	World Bank project team
Procedure	<p>Subject to verification is the following:</p> <ol style="list-style-type: none">1. Legislation that confirms the introduction of measures aimed at expanding the GMI Program and reduce welfare dependency of the GMI Program’s beneficiaries2. Legislation that confirms the introduction of the second set of changes aimed to expand the GMI program by increasing the overall family income threshold used to define the family eligibility for the GMI Program.3. Evidence that confirms the introduction of measures to improve the targeting of the HUS program by strengthening error and fraud control. The inspection report that confirms that the HUS program inspection is completed based on analyzed discrepancies found during data exchange with external databases, and remedy actions and error corrections of at least 50% of irregularities in HUS beneficiaries' cases are implemented.
PBC 16.1	DLI 18.1 Expanding GMI program to promote comprehensive and equitable coverage of the poor
Description	<p>This DLI 18.1 includes the set of actions that would seek to strengthen the GMI program, aiming to increase its coverage, generosity, and targeting and introduce activation services for GMI beneficiaries. They are the following:</p> <ol style="list-style-type: none">1. Legislation that confirms the introduction of changes to expand the GMI program and reduce the dependability of GMI beneficiaries on welfare benefits by: (i) increasing the income threshold for different categories of family members; (ii) eliminating top-ups for children and any special increases for certain categories of family members; (iii) eliminating an upper cap on GMI benefit; (iv) introducing measures to encourage activation and self-sufficiency adopted; (v) streamlining GMI eligibility rules and implementing activation conditionalities have been adopted (achievement triggers disbursement of US\$20 million).2. Legislation that confirms the introduction of the second set of changes to expand further the GMI program by: (i) introducing income disregard for working beneficiaries; (ii) increasing the overall family income threshold used to define family eligibility for GMI by at least 20% for certain vulnerable categories of family members has been adopted (achievement triggers disbursement of US\$ 10 million).
Data source/ Agency	MoSP



Verification Entity	World Bank project team
Procedure	Subject to verification is the following: 1. Legislation that confirms the introduction of changes to expand the GMI program and reduce the dependability of GMI beneficiaries on welfare benefits by: (i) increasing the income threshold for different categories of family members; (ii) eliminating top-ups for children and any special increases for certain categories of family members; (iii) eliminating an upper cap on GMI benefit; (iv) introducing measures to encourage activation and self-sufficiency adopted; (v) streamlining GMI eligibility rules and implementing activation conditionalities have been adopted. 2. Legislation that confirms the introduction of the second set of changes to expand further the GMI program by: (i) introducing income disregard for working beneficiaries; (ii) increasing the overall family income threshold used to define family eligibility for GMI by at least 20% for certain vulnerable categories of family members has been adopted.
PBC 16.2	DLI 18.2 Increasing targeting accuracy of the HUS program
Description	This DLI will support introduction of measures to strengthen fraud and error control for this program.
Data source/ Agency	MoSP
Verification Entity	World Bank project team
Procedure	Subject to verification is the following: 1. Inspection of the HUS program has been completed based on analyzed discrepancies found during data exchange with external databases, and proposals regarding remedy actions and error corrections have been provided 2. Measures to improve the targeting of the HUS by strengthening error and fraud control have been introduced.
PBC 17	Promoting introduction of complementary social and activation services for GMI beneficiaries to escape the poverty trap
Description	This DLI will include (1) further improvement of activation activities and (2) introduction of a personalized and proactive approach to help GMI beneficiaries to graduate from SSN.



Data source/ Agency	MoSP
Verification Entity	World Bank project team
Procedure	Subject to verification is the following: <ol style="list-style-type: none">1. A CMU Resolution on the rules for the provision of financial support to promote self-employment and small business development for GMI beneficiaries, stipulating the amount of support and repayment procedures has been adopted.2. A pilot to connect GMI beneficiaries with social services using a modern client profiling system to match beneficiaries to services has been developed and launched in two pilot Oblasts.3. Integrated social services for GMI beneficiaries have been introduced nationwide.
PBC 18	Rationalizing benefits to improve their targeting and administrative efficiency
Description	This DLI will support measures to rationalize benefits to improve their targeting and administrative efficiency, including (1) unification of the means-testing rules; (2) consolidation of child benefits for single mothers in the GMI program; (3) delinking of wages of public officials from the Subsistence Minimum, and (4) adjustment of the benefit payment model to provide benefits in the war-affected areas.
Data source/ Agency	MoSP
Verification Entity	World Bank project team
Procedure	Subject to verification is the following: <ol style="list-style-type: none">1. Legislation to unify means-tested benefits, including for single mothers, has been enacted.2. Legislation to delink wages of public officials from the Subsistence Minimum has been enacted.3. Legislation to adjust the benefit payment model to provide benefits in the war-affected areas has been enacted
PBC 17	Rationalizing benefits to improve their targeting and administrative efficiency
Description	This DLI will support measures to rationalize benefits to improve their targeting and administrative efficiency, including (1) unification of the means-testing rules; (2) consolidation of child benefits for single mothers in the GMI



	program; (3) adjustment of the benefit payment model to provide benefits in the war-affected areas; and (4) consolidation of administration of the HUS in the PFU.
Data source/ Agency	MoSP
Verification Entity	World Bank project team
Procedure	Subject to verification is the following: <ol style="list-style-type: none">1. Legislation to unify means-tested benefits, including for single mothers, has been enacted.2. Legislation to adjust the benefit payment model to provide benefits in the war-affected areas has been enacted.3. Legislation to consolidate administration of the HUS in the PFU has been enacted.
PBC 19	Introduce temporary social assistance measures to mitigate the impact of COVID-19 pandemic on the welfare of vulnerable groups
Description	<p>This DLI includes provision of (1) one-off cash assistance for vulnerable pensioners and beneficiaries of disability programs and (2) relaxed eligibility requirements for the GMI and disability programs, simplified requirements for enrollment in the HUS program paired with temporary benefits' increase and removed restrictions preventing enrollment in HUS for individuals who lost their jobs as a result of the COVID19 quarantine measures.</p> <p>The MoSP submitted the evidence confirming enactment of the following legislation: (1) Legislation to provide one-off cash assistance for vulnerable pensioners; (2) Legislation to provide one-off cash transfer to the beneficiaries of Disability Programs; (3) Legislation to: (i) relax the eligibility requirements for the GMI Program and Disability Programs and to extend the duration of their benefits; (ii) simplify requirements for enrollment in the HUS program and temporary increase the benefits to mitigate the impact of increased utilities' expenses during the COVID-19 quarantine measures; and (iii) remove restrictions preventing enrollment in HUS for individuals who lost their jobs as a result of the COVID-19 quarantine measures, thus, confirming the achievement of the PBC 21.</p>
Data source/ Agency	MoSP
Verification Entity	World Bank project team
Procedure	Subject to verification is the following:



	<ol style="list-style-type: none">1. Legislation to provide one-off cash assistance for vulnerable pensioners has been enacted.2. Legislation to provide one-off cash transfer to the beneficiaries of Disability Programs has been enacted.3. Legislation to: (i) relax the eligibility requirements for the GMI Program and Disability Programs and to extend the duration of their benefits; (ii) simplify requirements for enrollment in the HUS program and temporary increase the benefits to mitigate the impact of increased utilities' expenses during the COVID-19 quarantine measures; and (iii) remove restrictions preventing enrollment in HUS for individuals who lost their jobs as a result of the COVID-19 quarantine measures has been enacted.
PBC 20	Borrower increased GMI eligibility income threshold for able to work members and for children of applying households, to at least 25% of Subsistence Minimum (SM) and 130% of SM, respectively, in 2020
Description	The 2020 State Budget contained the provision stipulating that the GMI eligibility income threshold for able-to-work family members is set at 25 percent of the Subsistence Minimum. The GMI Program eligibility income threshold for children of applying households was increased to at least 130 percent of the Subsistence Minimum in the calendar year 2020. The MoSP provided the World Bank team with a report on spending on GMI Program. This report was subject to a verification review by the World Bank project team to confirm that the payments have been made.
Data source/ Agency	MoSP
Verification Entity	World Bank project team
Procedure	Exchange of documents indicated in verification protocols in the Project Operational Manual
PBC 21	The Borrower has increased the GMI eligibility income threshold for able to work members of applying households to at least 35 percent of the Subsistence Minimum in calendar year 2021
Description	The 2021 State Budget contains the provision stipulating that the GMI eligibility income threshold for able-to-work family members is set at 35 percent of the Subsistence Minimum. The MoSP provided the World Bank team with report on spending on GMI Program that was verified by the World Bank project team to confirm that the payments have been made.
Data source/ Agency	MoSP



The World Bank

Social Safety Nets Modernization Project (P128344)

Verification Entity	World Bank project team
Procedure	the MoSP submits documents as per PBCs verification protocols in the Project Operational Manual
PBC 22	The Borrower has increased the GMI eligibility income threshold for able to work members of applying households to at least 45 percent of the Subsistence Minimum in calendar year 2022
Description	The 2022 State Budget should contain provision stipulating that the GMI eligibility income threshold for able-to-work family members is set at 45 percent of the Subsistence Minimum. The MoSP will provide the World Bank team with report on spending on GMI Program. This report will be subject to verification review by the World Bank project team to confirm that the payments have been made.
Data source/ Agency	MoSP
Verification Entity	World Bank project team
Procedure	The MoSP submits the documents indicated in the PBCs verification protocols in the Project Operational Manual
PBC 23	The Borrower has increased the GMI eligibility income threshold for able-to-work members of applying households to at least 50 percent of the Subsistence Minimum in calendar year 2023
Description	The 2023 State Budget should contain provision stipulating that the GMI eligibility income threshold for able-to-work family members is set at at least 50 percent of the Subsistence Minimum. The MoSP will provide the World Bank team with report on spending on GMI Program. This report will be subject to verification review by the World Bank project team to confirm that the payments have been made.
Data source/ Agency	MoSP
Verification Entity	World Bank Project team
Procedure	The MoSP submits documents indicated in the PBCs verification protocols in the Project Operational Manual



PBC 22	The Borrower has increased the GMI eligibility income threshold for able-to-work members of applying households to at least 50 percent of the Subsistence Minimum in calendar year 2024
Description	The 2024 State Budget should contain provision stipulating that the GMI eligibility income threshold for able-to-work family members is set at at least 50 percent of the Subsistence Minimum. The MoSP will provide the World Bank team with report on spending on GMI Program. This report will be subject to verification review by the World Bank project team to confirm that the payments have been made.
Data source/ Agency	MoSP
Verification Entity	World Bank Project team
Procedure	The MoSP submits documents indicated in the PBCs verification protocols in the Project Operational Manual
PBC 24	The Borrower completed the payment of (i) temporary child benefits to at least 88,000 Eligible Individual Entrepreneurs and (ii) unemployment benefits to at least 400,000 registered unemployed in 2020
Description	(i) The MoSP has submitted the report with the number of the entrepreneurs that were provided with child benefits and the amount paid. (ii) The MoSP has submit the report with administrative data on the number of registered unemployed who received benefits and the total amount spent on these benefits
Data source/ Agency	MoSP
Verification Entity	World Bank project team
Procedure	(i) The MoSP submits the agreed statistical form confirming the number of the entrepreneurs (recipients) and the amount paid. (ii) The MoSP will submit report with administrative data on the number of registered unemployed who received benefits and the total amount spent on these benefits.



PBC 25	The Borrower has:(i) enacted modifications to legislation to eliminate Cashless Monetization Scheme (ii) issued regulations to limit discretion of local authorities to grant HUS on exceptional basis
Description	The GoU will introduce modifications to the legislation to introduce changes in the HUS eligibility rules to reduce the number of HUS beneficiaries who are granted benefits by the local authorities on an exceptional basis and eliminate cashless monetization of HUS benefits
Data source/ Agency	MoSP
Verification Entity	World Bank project team
Procedure	The MoSP submits documents indicated in the PBCs verification protocol from the Project Operational Manual
PBC 26	The Borrower has (i) introduced remote on-line accessibility to 80% of social benefits; and (ii) paid assistance and pensions through direct deposits to bank accounts to at least 90% of beneficiaries
Description	(i) The MoSP will submit the report with the list of all types of social assistance benefits and indicate the establishment of on-line enrolments for each of them. The indicator will be met if 80 percent of benefits from the submitted list have the option for online enrolment. Option for the on-line enrollment is proven by the link to the online platform. (ii) MoSP will collect the relevant documentation confirming payment of benefits and pensions through the banks' accounts and submit it to the World Bank. The World Bank will review the evidence per verification protocols (approved in the Operational Manual. If the evidence presented is found satisfactory, the World Bank will invite the Ministry of Finance (MoF) to submit a disbursement request.
Data source/ Agency	MoSP
Verification Entity	World Bank project team
Procedure	(i) The MoSP submits the report summarizing the results of on-line enrolment for social benefits, including complaints if any. (ii) MoSP will submit the report with data on the number of beneficiaries who are getting their benefits through banking accounts to the World Bank. The World Bank will review the evidence per verification protocols (approved in the Project Operational Manual).



PBC 25	The Borrower has introduced remote on-line accessibility to social assistance benefits that comprise at least 65% of the overall spending on social assistance
Description	The MoSP will submit the report with the list of social assistance benefits with established on-line enrolments. The indicator will be met if these benefits comprise at least 65% of the overall spending on social assistance. Option for the on-line enrollment is proven by the link to the online platform.
Data source/ Agency	MoSP
Verification Entity	World Bank project team
Procedure	The MoSP submits the report summarizing the results of on-line enrolment for social benefits, including complaints if any. The World Bank will review the evidence per verification protocols (approved in the Project Operational Manual).



The World Bank

Social Safety Nets Modernization Project (P128344)
