



DOCUMENT OF THE WORLD BANK

RESTRUCTURING PAPER
ON A
PROPOSED PROJECT RESTRUCTURING
OF
CG REP. LISUNGI SAFETY NETS SYSTEM PROJECT
APPROVED ON JANUARY 29, 2014
TO
REPUBLIC OF CONGO

SOCIAL PROTECTION & JOBS

WESTERN AND CENTRAL AFRICA

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I. BASIC DATA

Product Information

Project ID P145263	Financing Instrument Investment Project Financing
Original EA Category Not Required (C)	Current EA Category Not Required (C)
Approval Date 29-Jan-2014	Current Closing Date 31-Dec-2022

Organizations

Borrower Republic of Congo	Responsible Agency Ministry of Social Affairs and Humanitarian Action,PMU Lisungi
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Project Development Objective (PDO)

Original PDO

"Establish the key building blocks of a national safety net program and pilot a cash transfer program to improve access to health and education services of poorest households in participating areas."

Current PDO

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

Summary Status of Financing (US\$, Millions)

Ln/Cr/Tf	Approval	Signing	Effectiveness	Closing	Net		
					Commitment	Disbursed	Undisbursed
IDA-63690	07-Feb-2019	19-Mar-2019	13-Dec-2019	31-Dec-2022	12.84	6.05	6.31
IDA-D4220	07-Feb-2019	19-Mar-2019	13-Dec-2019	31-Dec-2022	9.16	4.40	4.61
IDA-59860	30-Mar-2017	18-Apr-2017	01-Feb-2018	30-Sep-2020	9.83	10.15	0



IDA-53580 29-Jan-2014 19-Feb-2014 19-Sep-2014 31-Dec-2019 2.00 1.96 0

Policy Waiver(s)

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

No

II. SUMMARY OF PROJECT STATUS AND PROPOSED CHANGES

Introduction

The Lisungi Safety Nets System project was approved on January 20, 2014. The project received two additional financings (AF) which extended its closing date from 2018 to 2022. The initial (IDA credit, US\$2 million) and the first additional (IDA credit, US\$10 million) financings were fully implemented and closed effectively in 2019 and 2020 respectively. The second AF (IDA credit of US\$12.84 million and IDA Window for Host Communities and Refugees grant of US\$9.16 million), effective since December 13, 2019, is scheduled to close on December 31, 2022. The second AF benefits predominantly refugee and host communities in the areas accounting for the largest numbers of refugees (Likouala region, Brazzaville, and Pointe Noire). The Bank received a request from the government dated May 17, 2022, to extend the project duration until December 31, 2023, to allow completion of all ongoing activities as planned. Additional correspondence dated September 5, 2022, was received from Project coordination requesting an extension through February 29, 2024, to avoid end-of-year bunching and pressure on the government and Bank teams during a busy period of the year.

Project Status

The project's progress towards achievement of the PDO is Moderately Satisfactory and the cumulative disbursement rate stands at 67 percent (the FY22 disbursement rate is 35 percent). The project's development objectives remain achievable but require additional time. A summary of progress to date under the project's components with regard to the ongoing activities financed under the second AF is provided below.

Under the first component (Establishment of key building blocks of a national safety net program and enhancement of local capacities) the project established robust targeting and payment systems. The unique social registry (RSU), established by the project, has information on more than 835,256 households, four times the initial target.

Under the second component (Development and implementation of human development programs), the project enrolled 5,170 households, which are receiving Conditional Cash Transfers (CCTs), exceeding the original target of 4,000. 8,315 (8,000 planned) Income Generating Activities (IGA) micro-projects have been approved. The first cohort of 3,957 households received their first IGA payments and the second cohort payment is expected shortly. The project started CCT payments in February 2022 after initial delays in targeting and will finalize both CCT and IGA payments to beneficiaries by the current closing date of December 31, 2022. Nonetheless, additional time is needed for the coaching and mentoring of IGA beneficiaries. The targeting process has been delayed for several reasons: (a) the lack of infrastructure in the Likouala region which makes it difficult to access project areas during the rainy season; (b) the outdated UNHCR's refugee database extended the targeting process necessitating additional surveys; and (c) the enrolment of the indigenous population was challenging due to its high mobility. The project has been able to



overcome these challenges and finalize the targeting process by working closely with UNHCR and associations of refugees and indigenous populations. In addition, the Project Implementation Unit (PIU) had been mobilized for the government response to the COVID-19 emergency, severely curtailing its capacity to carry out regular project activities.

The Ministry of Social Affairs and Humanitarian Action signed Memoranda of Understanding (MoU) with the Ministries of Education and Health to provide health, primary education, and skills training services in the Likouala region, hosting two-thirds of the refugees in the country. Under the education sub-component, the project supported the recruitment of 200 volunteer teachers, and the distribution of school kits, pedagogical, didactic, and technical materials to 36 schools covering 3,930 students. In collaboration with the Skills Development for Employability Project (PDCE, P128628), the project is providing on-the-job skills training to the first cohort of 439 vulnerable youth and plans to start training the second cohort of 461 vulnerable youth in November 2022. Under the health sub-component, the project recruited management staff for performance-based financing (PBF) and contracted 16 health facilities to provide free medical care to poor and vulnerable populations in the Likouala region. Both health and education sub-components have been delayed due to the initial challenges in coordination between the ministries involved (organization of joint meetings, missions, drafting of joint ToRs), the COVID-19 pandemic, and extended lockdowns. One additional year will be necessary to allow: (a) teachers to receive their salaries for a total of two years; (b) all 900 vulnerable youth to finish their training; and (c) health facilities to provide medical care as planned.

Rationale

Despite significant progress achieved to date, the project is behind schedule by about 12 months (as reported by the Bank team in the ISRs of June 14, 2021, and March 21, 2022). As stated earlier, the key reasons for delays are the following: (a) the mobilization of the project (PIU) team by the government to implement the COVID-19 emergency response, financed under the Lisungi COVID-19 Emergency Response project (LECRP, P174178); (b) challenges related to the project's multisectoral nature (education, health, and social protection) necessitating the establishment of coordination and implementation mechanisms; (c) difficulties and sensitivities related to the inclusion of refugees and indigenous people, including high mobility among potential beneficiaries and social tensions between refugee and host populations; and (d) remoteness of the Likouala region from the capital, its poor infrastructure, and accessibility of project sites due to recurrent floods, which slowed down project activities.

Progress in implementing project activities accelerated since the completion of the LECRP's Covid emergency response phase, which is not a pressing issue anymore. As a result, there exists reasonable assurance that the proposed extension would allow the completion of the following activities : (a) coaching and mentoring for 8,315 IGA beneficiaries to increase the chances that their investments will bear fruit; (b) the payment of school fees for students and salaries to volunteer teachers during two years as planned instead of one year; (c) the completion of skills training for both cohorts of 900 vulnerable youth (ending in March 2023 and November 2023 respectively); (d) the completion of activities in the health sub-component and thus providing access to 12,000 vulnerable households in Likouala to basic health services through October 2023. Thus, the project would be able to reach its PDOs, including the objective of improving access to health and education services, and improving productivity among project beneficiaries through coaching and training.

Proposed Change: This restructuring proposes to extend the closing date by 14 months from December 31, 2022, to February 29, 2024. The proposed extension is through February 2024 rather than December 2023, which is still in the same Fiscal Year and would help avoid bunching and pressure on the government and Bank teams during a busy period. Additional correspondence from the counterparts to this end has been received (as noted above). There are



no changes being proposed to the project’s development objectives, components or activities, results framework, or implementation arrangements, and there are no outstanding audit reports.

III. DETAILED CHANGES

LOAN CLOSING DATE(S)

Ln/Cr/Tf	Status	Original Closing	Revised Closing(s)	Proposed Closing	Proposed Deadline for Withdrawal Applications
IDA-53580	Closed	28-Feb-2018	31-Dec-2019, 21-May-2020		
IDA-59860	Closed	31-Dec-2019	30-Sep-2020, 26-Apr-2021		
IDA-63690	Effective	31-Dec-2022		29-Feb-2024	29-Jun-2024
IDA-D4220	Effective	31-Dec-2022		29-Feb-2024	29-Jun-2024