



Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 29-Nov-2018 | Report No: PIDISDSA26028



BASIC INFORMATION

A. Basic Project Data

Country Liberia	Project ID P169722	Project Name Liberia Youth Opportunities Project Additional Financing	Parent Project ID (if any) P146827
Parent Project Name Liberia Youth Opportunities Project	Region AFRICA	Estimated Appraisal Date 12-Nov-2018	Estimated Board Date 21-Dec-2018
Practice Area (Lead) Social Protection & Labor	Financing Instrument Investment Project Financing	Borrower(s) Republic of Liberia	Implementing Agency Ministry of Youth and Sports

Proposed Development Objective(s) Parent

The Project Development Objectives are to improve access to income generation opportunities for targeted youth and strengthen the government’s capacity to implement its cash transfer program.

Components

Pre-Employment Social Support and Household Enterprises for Urban Youth
Productive Public Works and Life Skills Support
Capacity Building for Cash Transfer Program
Project Implementation and Coordination

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	3.50
Total Financing	3.50
of which IBRD/IDA	0.00
Financing Gap	0.00

DETAILS

Non-World Bank Group Financing

Trust Funds	3.50
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Miscellaneous 1	3.50
Environmental Assessment Category	
B-Partial Assessment	
'Have the Safeguards oversight and clearance function been transferred to the Practice Manager?' No	
Decision	

Other Decision (as needed)

B. Introduction and Context

Country Context

1. With an estimated population of 4.6 million, Liberia is a Fragility, Conflict and Violence (FCV) affected country with high levels of poverty, low human capital development, and vulnerability. Approximately 670,000 people live in extreme poverty and the country is ranked 177th out of 188 countries in the 2016 International Human Development Index. Due to a combination of high fertility rates and low average life expectancy, Liberia's population is very young. Over 70 percent of Liberians are under the age of 35, and a large share of young workers intensifies demand for jobs, farmland, infrastructure, and public services.
2. The 2014-2016 Ebola crisis and the protracted slump in global commodity prices tested the robustness of the post-war recovery and brought Liberia's renewed expansion to a halt. The economy contracted at an average rate of 0.8 percent per year from 2014 to 2016, or 3.2 percent per year in per capita terms. Though the country is showing signs of recovery with a growth rate of 2.5 percent in 2017, its economy remains vulnerable to external shocks as prices of its key exports (iron ore and rubber) have experienced sharp declines over the past few years. Further, the country is a net importer of food thereby rendering many parts of its population food insecure.
3. The Liberian economy showed signs of recovery in 2017-2018, amid significant fiscal and external imbalances. The incipient recovery is driven largely by increased production of gold and iron ore, following the uptick in the prices of gold and iron ore on the international market. Non-mining sector GDP growth remains very low. Aid flows, which were elevated during 2014-16, declined by over 20 percent on average in 2017-2018, increasing pressure on exchange rate, foreign reserves, inflation and the government's fiscal resources. Headline inflation continued to rise, reaching an all-time high of 24 percent (y/y) in June 2018 from 10.8 percent the same period last year. Liberia also successfully went through a political transition in December 2017 where a new president and members of parliament were elected in the first peaceful transition of power since 1944. However, the prolonged period of political uncertainty surrounding the 2017 presidential and legislative elections and the handover of security from UNMIL



further strained fiscal resources. Intensifying fiscal pressures, coupled with limited domestic revenue mobilization, widened the overall fiscal deficit from 4.8 percent in FY17 to 5.6 percent in FY18. Meanwhile, the current-account deficit also deteriorated, as an improved trade balance only partially offset declining aid flows.

Sectoral and Institutional Context

4. Among the immediate top priorities of the new government is improving employability and empowerment of youth. Activities of this Additional Financing are therefore in line with recent request from the Government of Liberia for support from the World Bank in strengthening existing employment and income generating initiatives for youth.

5. Additionally, the new national development plan, the Pro-Poor Agenda for Prosperity and Development (PAPD), identifies social protection and youth development as one of the key instruments toward the objective of Ending Vulnerability, Gender, and Social Inequality (under “Power to the People” pillar). The PAPD aims to improve coverage and targeting of social protection services; reduce gender inequality and empower women and girls; support youth development and improve social protection system for effective and efficient service delivery. Within the context of the PAPD, the Government sees youth development as a key to transforming demographic dividend into a driver for growth and transformation and social protection as a long-term investment strategy supporting the development of Liberia’s human capital resource.

C. Proposed Development Objective(s)

Original PDO

6. The Project Development Objectives are to improve access to income generation opportunities for targeted youth and strengthen the government’s capacity to implement its cash transfer program.

Current PDO

7. There is no change in the original project development objectives.

Key Results

8. Progress toward meeting the PDO will be measured through the following key outcome indicators:

- Targeted urban youth initiating or expanding household enterprises with support from the project (disaggregated by (a) initiating household enterprises and (b) expanding household enterprises).
- Share of household enterprises initiated or expanded by targeted urban youth that are operational for more than 6 months (disaggregated by (a) initiated enterprises or (b) expanded household enterprises).
- Average annual earnings of targeted rural youth in productive public works under this project.
- Average share of beneficiary households receiving bimonthly cash transfers before or on 15th of the proceeding month.
- Direct project beneficiaries (Core).



- Direct project beneficiaries (of which female) (Core).
- Beneficiaries of safety nets programs (Core).
- Beneficiaries of labor market programs (Core).
- Share of project beneficiaries satisfied with project interventions.

D. Project Description

1. The proposed Additional Financing (AF) grant will provide US\$3.5 million to the Youth Opportunities Project (YOP), which became effective on September 30, 2016 and was officially launched in January 2017. The project aims to directly benefit at least 15,000 targeted youth (aged 15–35 years). Targeted youth are those who meet vulnerability and poverty eligibility criteria. At least 50 percent of beneficiaries will be female. The project is implemented by the Ministry of Youth and Sports (MYS), Liberia Agency for Community Empowerment (LACE), and the Ministry of Gender, Children and Social Protection (MGCSP).

9. The AF will cover increases in operations cost and cost overrun due to a modification in design which was not anticipated during project appraisal. The project has currently disbursed 51 percent of the funds. However, after two years of implementation, it has become apparent that effective implementation requires additional financing to compensate for the increased costs for both inputs (such as farming tools, and seeds) and project implementation costs (human resources and operational expenses). The project was designed and costed in 2014-2015, when inflation averaged 8-10 percent per year. It has since increased to double-digits, reaching an all-time high of 24 percent y/y in June 2018 from 10.8 percent during the same period in 2017. Therefore, the project has faced increasing costs – both in terms of provision of the benefits and services (specifically agricultural inputs and service provider fees) as well as the costs of implementation and supervision of the project which spans the whole country.

10. Furthermore, during project design, it was envisioned that the youth participating in Productive Public Works will be supported with agricultural inputs, agricultural extension services, and labor subsidy for 12 months, while the remaining 6 months will be for more hands-off follow-up support (mentorship). Early lessons from the implementation of Round 1 show that youth in many communities will require additional support to make sure the farming activities are sustainable. Therefore, the Additional Financing will allow for an additional six months of more intensive support to be provided to rural youth in PPW geared toward improving productivity and earnings, as well as connecting to value addition opportunities. This will also include a payment of an extra labor subsidy (\$150) to all eligible rural project beneficiaries allowing for project support and benefits to taper off more gradually and contribute to sustainability of youth farms. This extra support to the PPW component will also increase the project's ability to achieve its PDO in rural areas, which have been particularly affected by the economic downturn following the 2014/2015 Ebola crisis.¹ Therefore, the AF would both ensure that the project can deliver effectively in light of the dramatically increased costs since the project was designed and support the sustainability of project interventions.

¹ The rural poverty rate increased from 70 percent in 2014 to 82.4 percent in 2016 while urban poverty decreased from 43.3 to 40.1 percent.



11. Specifically, the AF will cover two cost categories: (i) Cost overrun in sub-components 2B and 4B; and (ii) Cost overrun due to the extension of support to PPW beneficiaries under sub-component 2A.

12. Cost overrun in Subcomponent 2B (Capacity and Systems Building under LACE): The objective of this subcomponent is to finance capacity and systems building for LACE for the implementation of household enterprise support, productive public works, and life skills training. This includes TA and monitoring by community agriculture technicians (CATs); capacity building for the introduction of ICT-based operational enhancements (for example, electronic registration and payment systems); M&E systems; and development communication activities. With the increased inflation, the costs of these activities, including monitoring costs by the CATs, have increased. This AF will provide an additional US\$246,000 to cover this cost overrun.

13. Cost overrun in Subcomponent 4B (Project Implementation and Coordination by LACE): The objective of this subcomponent is to support activities related to project management and coordination. This includes staff related costs, equipment, vehicles, fuel, office space, and communications costs, and incremental project-related operating costs under LACE for the implementation of the household enterprises, life skills training, productive public works, and capacity and systems building subcomponents of the project. This support will include procurement of a service provider to provide technical support and supervision of the youth farms in the rural areas and to implement life skills training, facilitation of Community Oversight Committees (COCs) in the implementation of subcomponent activities and auditing. With the increase in inflation, project implementation costs (such as fuel, communications, equipment, vehicles and costs for the procurement of a service provider to implement life skills training) have increased. This AF will thus provide an additional US\$1,374,000 to cover this cost overrun.

14. Cost overrun to cover the extension of support to PPW beneficiaries under Subcomponent 2A (Productive Public Works and Life Skills Support): The objective of this subcomponent is to provide vulnerable youth in rural areas with immediate consumption smoothing support through productive public works and life skills training. The interventions focus on enhancing the productivity of staple crops using high quality inputs. As such, the component supports the preparation of new land for cultivation, provision of resources to youth groups to purchase agricultural inputs and tools, as well as labor subsidies. The original project planned for 18 months of engagement with the beneficiaries. The first 12 months includes support for the agricultural season, and a labor subsidy of up to \$300 per person. The last six months were designed to provide periodic mentoring of youth groups. Based on early lessons from the first round of PPW implementation, more intense support is required during these final 6 months to make sure the farming activities are sustainable. This AF will therefore provide US\$1,880,000 to cover these last six months of support for all PPW beneficiaries, which will include the following: (i) supervision, mentorship and monitoring by a service provider; (ii) tools and planting materials; and (iii) an additional labor subsidy of up to \$150 to all eligible rural project beneficiaries (based on the agreed milestones in their initial group proposals). This would allow for the project support and benefits to taper off more gradually and contribute to sustainability of youth farms. The number of beneficiaries will remain the same at 10,000.



E. Implementation

Institutional and Implementation Arrangements

15. Consistent with the institutional and implementation arrangements under the parent project, the MYS will remain the policy lead and the lead oversight agency for the implementation of the proposed Additional Financing grant. There three implementing partners are the MYS, LACE, and the MGCSP, who are responsible for implementing specific project subcomponents. Specifically, (a) the MYS will be responsible for the implementing of pre-employment social support and capacity and systems building; (b) LACE will be responsible for the implementation of household enterprises, life skills support, productive public works, as well as capacity and systems building; and (c) the MGCSP will be responsible for implementing capacity and systems building for cash transfers. Each agency is also provided with project management and coordination. Overall project coordination will be facilitated through the YOP Project Coordination Committee which would be made up of the three implementing partners.

F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

The project will be implemented within both urban and rural areas within all the fifteen counties of the country, primarily targeted at vulnerable and poor youth. It is proposed that the geographical allocation is primarily based on the number of extreme poor in each region and county. Subcomponents 1B (Support to Household Enterprises) and 2A (Productive Public Works and Life Skills Support) will involve works within both urban and rural areas within beneficiary communities.

G. Environmental and Social Safeguards Specialists on the Team

Sekou Abou Kamara, Environmental Specialist
Alidu Babatu Adam, Social Specialist

SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	
Performance Standards for Private Sector Activities OP/BP 4.03	No	
Natural Habitats OP/BP 4.04	No	
Forests OP/BP 4.36	No	



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

KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

Detailed assessment of the activities of the project components show that the activities under Subcomponents 2A (Productive Public Works and Life Skills Support) and 1B (Support to Household Enterprises), could have potential environmental and social impacts on human health and other identified receptors within the wider environment. The subproject activities under subcomponent 2A will build on the ongoing Youth Opportunities Project (YOP-P146827). Potential positive environment impacts include the use of sustainable agricultural practices including the promotion of sustainable use of land and water resources through small scale communal farming, reliance on integrated pest management, and limited or no use of agro chemicals. Potential negative environmental impacts include soil erosion, eutrophication of aquatic environments due to improper use of chemical fertilizers, atmospheric emissions (including particulates) resulting from slash-and-burn activities, and loss of vegetation cover.

Project activities will lead to positive social impacts by providing short-term income earning opportunities for the youth and households. Beneficiaries will be assisted to overcome constraints to agricultural productivity through improved agriculture technology and improved farming practices, providing agricultural inputs, including basic life skills and entrepreneurial training. However, it is foreseen that the project may have impact on land and livelihood as land is required for preparation and implementation of the community-level farm production.

The potential environmental and social impacts are localized and can be easily mitigated. The parent project was categorized as B and triggered two safeguards policies: OP 401-Environmental Assessment, and OP 4.12-Involuntary Resettlement. The AF Category and the triggered policies remain the same as the parent project. To comply with the requirements of the triggered policies, the existing instruments (ESMF and RPF) of the parent projects will be updated and re-disclosed in-country and on the Bank's website as required.

The AF activities are not expected to generate any large scale, significant or irreversible impacts. The potential impacts are expected to be less adverse, localized to a large extent, except in cases of atmospheric emissions, and mitigatable.



2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area: The safeguard issues identified under the YOP which relate to component 2A in particular, are not expected to have any indirect and/or long-term impacts. Furthermore, establishing preventive mitigation measures and ensuring their proper implementation throughout the implementation of subproject activities will limit any potential adverse effects in the immediate and longer-term.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts. Project alternatives were not considered relevant because the AF will finance existing activities with potential impacts that are largely minimal as observed and validated by the performance of the safeguard arrangements under the ongoing YOP so far.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

To comply with requirements of the triggered Bank Safeguards Policies (OP/BP 4.01) and Involuntary Resettlement (OP/BP 4.12) the Government of Liberia has decided to update the parent project's ESMF and RPF and re-disclose them as required for the AF. The institutional arrangements for the parent project remain relevant for the AF. In the last few years, the Bank has provided technical assistance and guidance to the PIU, thus improving the capacity of technical staff to handle both operational and safeguards aspects of the project.

Justification for Adoption of YOP ESMF and RPF

The activities under components 1B (Support to Household Enterprises, such as support for apprenticeship for e.g. carpentry, metal fabrication, block making, and electrical technicians) and 2A (Productive Public Works and Life Skills, such as support for community level small scale agricultural farming) have been identified as the most likely source of potential environmental and social risks and impacts. The subproject activities under component 2A of YOP-AF in particular, will extend support to existing beneficiaries of Productive Public Works and Life Skills based on design of the ongoing YOP. The ESMF and RPF for YOP were designed with the objective of providing procedures for assessment and mitigation of impacts associated with small scale community demand driven based agriculture and activities which YOP-AF is intending to extend support to within rural counties of the country.

The safeguards arrangements within the existing ESMF and RPF for YOP have demonstrated robust assessment and effective implementation in mitigating the identified potential environmental and social impacts since project inception. Several subprojects (similar to those of YOP component 2A is intended to support) have been screened correctly and the relevant follow-on assessments and mitigation measures have been applied where required. Additionally, where the subproject screening process results in land uptake for agriculture activity, appropriate due diligence (all necessary documentation to show voluntary donation of land by community and government, depending on land ownership) has been undertaken to meet the requirements of OP 4.12.

Currently, the Liberia Agency for Community Empowerment (LACE) is the implementing agency for the Productive Public Works and Life Skills Component of YOP. LACE will continue to be the main implementing agency for 2A for the YOP-AF during its implementation phase. Over the years, LACE has successfully implemented several World Bank funded investments projects and has staff who have experience on the requirements of Bank safeguards policies. Based on a 2014 audit recommendation, a safeguards workshop was organized for key project implementers at LACE Secretariat, and safeguards implementation arrangement within the Secretariat has been well defined to ensure successful implementation at national, regional, and community levels. At the national level, a Technical Team Manager takes overall responsibility for the effective implementation of the safeguard arrangements for YOP. LACE County Coordinators coordinate safeguards activities at the county level, while Community Facilitators coordinate



safeguard activities at the community level with the help of community agriculture technicians (CATs).

This safeguards implementation arrangement and capacity at LACE will be sustained under YOP to continue the effective implementation of extended support to subproject activities under component 2A and 1B. Additionally, a Project Operational Manual (POM) and a Productive Public Works Handbook for the parent project (YOP) will be adopted the YOP-AF to integrate safeguard arrangements into the subproject identification, selection and preparation process. Both the POM and the Productive Public Work Handbook contain negative list of activities that should not be financed by the project. They include activities that may generate significant adverse impacts, if not managed properly, including procurement of pesticides and fertilizers. Specific monitoring indicators were also included in the POM to monitor performance and compliance of safeguard instruments and arrangements.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

The key stakeholders involved in the YOP include the Ministries of Youth & Sports; Gender, Children and Social Protection; Internal Affairs; Education; Labor; Agriculture, and Public Works, LACE, training service providers, Community Facilitators, CATs and beneficiaries. Throughout the project’s development, these stakeholders will be involved in a series of discussions regarding its rationale, design, and implementation arrangements. They will continue to be involved throughout its implementation including participation—specifically regarding the selection of Project beneficiaries and the works undertaken.

Additionally, various stakeholder consultations were held during the development of the ESMF and RPF as part of the YOP preparation. The consultations took the form of community fora, focus group meetings at both community and roundtable meetings. Key project stakeholders identified for consultations included Government ministries and agencies, specifically the Local Government Authorities, local NGOs, and project beneficiary community members. Meetings have been held with key officials and opinion leaders to examine the level of awareness and involvement with the Project, concerns of Project implementation, and to obtain relevant documents or baseline information of Project area and the environmental and social setting of Liberia.

B. Disclosure Requirements (N.B. The sections below appear only if corresponding safeguard policy is triggered)

Environmental Assessment/Audit/Management Plan/Other		
Date of receipt by the Bank	Date of submission for disclosure	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
December 3, 2018	December 6, 2018	N/A
"In country" Disclosure		
December 5, 2018		



Resettlement Action Plan/Framework/Policy Process

Date of receipt by the Bank

December 3, 2018

Date of submission for disclosure

December 6, 2018

"In country" Disclosure

December 5, 2018

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting) (N.B. The sections below appear only if corresponding safeguard policy is triggered)

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APPROVAL

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