



Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 11-Nov-2021 | Report No: PIDC32806

**BASIC INFORMATION****A. Basic Project Data**

Country South Sudan	Project ID P177663	Parent Project ID (if any)	Project Name Productive Safety Net for Socioeconomic Opportunities Project (P177663)
Region AFRICA EAST	Estimated Appraisal Date Mar 28, 2022	Estimated Board Date Jun 06, 2022	Practice Area (Lead) Social Protection & Jobs
Financing Instrument Investment Project Financing	Borrower(s) Ministry of Finance and Planning	Implementing Agency Ministry of Agriculture and Food Security, Ministry of Gender, Child and Social Welfare	

Proposed Development Objective(s)

To provide access to social and economic opportunities to poor and vulnerable households and strengthen the national safety net delivery system

PROJECT FINANCING DATA (US\$, Millions)**SUMMARY**

Total Project Cost	55.00
Total Financing	55.00
of which IBRD/IDA	55.00
Financing Gap	0.00

DETAILS**World Bank Group Financing**

International Development Association (IDA)	55.00
IDA Grant	55.00



Environmental and Social Risk Classification

Substantial

Concept Review Decision

Track II-The review did authorize the preparation to continue

B. Introduction and Context

Country Context

- 1. South Sudan is a highly fragile country with a history of recurrent conflict and violence; although recent progress in consolidating peace and implementing key reforms offers cautious hope for longer term stability and development.** South Sudan has experienced decades of armed conflict before and after its independence in July 2011. The outbreak of violence in December 2013 eroded the country's development potential, worsened the humanitarian situation, and deepened vulnerabilities. The nearly five years of conflict formally ended in September 2018 with the signing of the Revitalised Agreement on the Resolution of the Conflict in the Republic of South Sudan. A series of key reforms are being undertaken as part of the peace process to support longer term stability and development outcomes.
- 2. Following the peace agreement, the economy slightly improved; however, gains have been threatened by the triple shocks of the Coronavirus disease 2019 (COVID-19), floods, and locust outbreak.** Improved political stability and increase in international oil prices led to a real Gross Domestic Product (GDP) growth of 9.5 percent in FY19/20. Subsequent COVID-19 impact on the global economy, coupled with increased subnational violence, locust outbreak, and major flooding, reversed economic gains and curbed growth, such that the economy is estimated to have contracted by 4.1 percent in FY20/21. Even so, opportunities exist for improved performance due to the macro-fiscal reform agenda, supported by a Staff Monitored Program (SMP) of the International Monetary Fund, which consequently led to a decline in inflation and a narrower gap between the official and parallel exchange rates. While positive, these recent gains are still insufficient in the immediate to medium term to provide adequate buffers to facilitate effective responses to future shocks and protect the poorest and most vulnerable in the country.
- 3. Poverty and vulnerabilities have deepened, driven by escalating food insecurity, localized insecurity, repeated climate-induced natural disasters and the COVID-19 pandemic.** Real consumption declined and the incidence of poverty worsened over the past few years, with the incidence of poverty worsening from an estimated 73 percent in 2016 to nearly 80 percent in 2019. Vulnerability is also particularly high among poor households in the country. It is estimated that between April and July 2021, nearly two-thirds of the population faced acute food insecurity and 1.4 million children were acutely malnourished. The food insecurity has been exacerbated in recent months by localized insecurity as well as the COVID-19 pandemic and recent floods and locust outbreak. Consequently, some 8.3 million South Sudanese are estimated to need humanitarian assistance in 2021.
- 4. Worsening poverty and vulnerability contexts have had a dire impact on development indicators and human capital growth in the country, with social services mainly financed and delivered by donors.** On-going conflict and insecurity have undermined efforts toward institution building and limited government capacity to deliver critical services. Further, government spending on social services has historically been low. Households also face demand-side challenges in accessing social services, largely due to high communal mobility and displacement, financial constraints, and low literacy and lack of knowledge. As a result, South Sudan ranked 172 out of 174 in the Human Capital Index (HCI) in 2020, with HCI at 0.31, meaning that a child born today will only reach 31 percent of its full potential.
- 5. Restrictive gender and social norms significantly limit socioeconomic opportunities for women and girls and increase the risk of gender-based violence (GBV).** A highly patriarchal structure and social norm in the country often exclude women from decision-making processes, and limit their income-generating opportunities. Further, girls are often excluded from socioeconomic opportunities based on harmful gender norms, which dictate that girls assume domestic and



caretaking responsibilities, with the expectations that they marry early. This in turn contributes to an intergenerational cycle of poverty and low education levels among women. GBV also continues to be one of the most critical threats to the protection and well-being of women and girls.

6. **Youth are also highly disadvantaged due to limited economic opportunities, despite constituting the bulk of the South Sudanese population.** About 72 percent of the population in South Sudan is under 30 years of age – one of the largest youth bulges in the world. However, as a result of protracted conflict, generations of youth have been denied education, livelihood, and a chance at a normal and peaceful life, lacking viable socioeconomic opportunities and consequently turning to crime and violence. However, young South Sudanese also represent critical national resources to drive peace, stability, economic growth and national transformation.

7. **The vulnerability context has been exacerbated by the COVID-19 pandemic, which has put additional pressures on already-vulnerable households across the country.** The COVID-19 pandemic has had substantial negative socio-economic impacts for many households across the country, disproportionately impacting the poor and worsening already high levels of vulnerabilities. Further, income losses have been higher among the poor. Food insecurity levels remained elevated, with nearly three out of four households (73 percent) experiencing food price increases in October 2020.

Sectoral and Institutional Context

8. **South Sudan lacks a predictable and reliable safety net system to respond to wide-spread vulnerabilities and promote human capital growth.** Sustained longer term safety nets are important to enable uninterrupted investments at key stages of a life cycle. In the absence of a multi-year, predictable, and reliable national safety net system, poor South Sudanese generally rely on extended kinship ties for support and additional income during times of shocks and stresses. However, these ties have been weakened due to repeated conflict, extremely high levels of poverty, and protracted humanitarian crisis.

9. **In response, humanitarian agencies have stepped in to provide urgent support to the most vulnerable, but these tend to be short-term and unable to promote human capital over time.** The safety net sector is dominated by donor-funded humanitarian assistance, mainly in the form of emergency food aid, albeit humanitarian cash transfers have been expanding. As most of these programs were initiated as emergency response, they tend to have a short-term focus, and do not support national government-led service delivery systems, which can contribute to the enhanced legitimacy of, and trust in, institutions and the Government by its citizens. While short-term assistance plays a valuable role in protecting poor and vulnerable populations, more sustained safety net investments are needed to address vulnerabilities, strengthen resilience, and promote human capital for medium-term recovery and longer-term resilience and development.

10. **The Ministry of Gender, Child and Social Welfare (MGCSW) is the lead agency for social protection (SP), although its leadership role in the sector has been limited due to capacity challenges.** High staff turnover and weaknesses in administrative capacity, human and financial resources, and delivery systems within the MGCSW highly constrain the Government's ability to establish and implement a national safety net system, resulting in the major SP programs in the country being financed, managed, and implemented exclusively by development partners and non-governmental organizations (NGOs). A Social Protection department has been established within the MGCSW, with support by the World Bank, but remains severely under-staffed and unable to effectively lead policy dialogue and coordination within the sector. At the state level, there are no SP staff, such that SP capacity at sub-national level has reportedly declined in recent years.

11. **Given the capacity constraints within the MGCSW, the SP sector remains fragmented with limited Government ownership, despite efforts by donors to ensure effective coordination and collaboration.** Gaps continue to exist in terms of national safety net coverage due to insecurity and limited infrastructure, such that the states with the highest numbers of people in food insecurity have among the lowest coverage. The monitoring of risks to effectively respond to changing



contexts continues to be weak, and the balance of instruments also varies substantially between and within states, limiting the extent to which different instruments can be targeted to relevant groups for human capital accumulation.

12. **In recognition, partners are working closely together to better coordinate efforts for more systemic SP delivery in the country.** There exists a number of donor-led coordination platforms that aim to ensure better harmonization and synergy in the SP efforts by partners. Key among these include the Partners Social Protection Working Group, comprising of the World Bank, UNICEF, WFP and UNOPS; Food Security and Livelihoods Cluster; Interagency Cash Working Group; Agriculture and Livelihoods Donor Working Group; and the Partnership for Recovery and Resilience. Due to efforts through these forums, public works wage rate has been largely aligned; a sector-wide monitoring and evaluation (M&E) framework has been developed, with the first monitoring report produced; and work is ongoing to achieve greater coherence across different partners' management information systems (MIS), with a view to supporting the eventual establishment of a national SP MIS embedded within the Government.

13. **The World Bank has been supporting the SP sector since 2014,** first through the Safety Net and Skills Development Project (SNSDP, P143915) and currently through the South Sudan Safety Net Project (SSSNP, P169274), as well as a number of analytical studies. The SNSDP (2014-2019) provided temporary income access to the poorest and most vulnerable households and developed key safety net delivery tools heretofore absent in the country. The project was implemented by the Ministry of Agriculture and Food Security (MAFS), in collaboration with the MGSCW and in partnerships with UNOPS and an NGO partner. Learning from the SNSDP, the SSSNP expands the safety net coverage to more vulnerable populations, while also strengthening local level implementation capacity and safety net delivery tools for effective implementation. It is being directly implemented by UNOPS, in close collaboration with the Government and development partners. Combined, the two projects have contributed to increased purchasing power of beneficiary households through cash assistance; developed and enhanced safety net delivery tools; established and strengthened local governance arrangements; fostered greater community interaction and dialogue for local level unity and social cohesion; and increased access to services and mobility.

14. **The proposed project will respond to the dire food security situation and advance the SP agenda by supporting efforts to link safety net more explicitly to human capital accumulation in South Sudan, and gradually establish a national government-led safety net system.** The proposed Productive Safety Net for Socioeconomic Opportunities Project (SNSOP) will move beyond meeting immediate consumption gaps and more strongly support productive inclusion and human capital development of poor and most vulnerable households. As such, greater in-depth and targeted attention will be given to enhancing social and economic opportunities of poor and vulnerable households for longer term development outcomes and resilience, with particular focus on women and youth as potential drivers of economic growth, stability, and national transformation. Efforts will also be given to continue strengthening institutional capacity and the safety net delivery system to enable an eventual Government-led national safety net program in a phased approach.

Relationship to CPF

15. **The proposed project is strongly aligned with the World Bank Group Country Engagement Note (CEN) for South Sudan for 2021-2023.** The CEN has three priority focus areas, one of which is to promote resilience and livelihood opportunities for those confronted with multiple shocks, calling for strengthened access to SP. Specifically, the proposed project will contribute to the CEN's Focus Area 1: *Lay groundwork for institution building* and is aligned with Objective 1.1 "Building core institutional administrative capacity and transparency." The project will also follow the CEN's central aspects of a gradual shift away from third-party implementation arrangements to government systems, and is in line with the World Bank's Africa Regional Strategy (2018) and Fragility, Conflict, and Violence Strategy (2020)

16. **Social protection is an important part of the Government's strategy to fight poverty and promote resilience.** The South Sudan Development Plan 2011-2016 first recognized the importance of developing a coherent SP system 'to reduce risk, vulnerability, poverty and economic and social exclusions throughout South Sudan.' Since then, a National



Social Protection Policy Framework has been launched to ‘respond to and address the multiple vulnerabilities faced by South Sudanese citizens, with a particular focus on the poorest and most excluded.’ Moreover, the National Development Strategy (NDS) 2018–2021 aims to ‘create enabling conditions for and facilitate the voluntary return and integration of displaced South Sudanese.’ A reliable and predictable safety net contributes to this goal by supporting communities to improve their welfare, thereby creating enabling conditions for the return of IDPs, while also strengthening community resilience to withstand the pressures such a return may pose.

C. Proposed Development Objective(s)

17. The project development objective (PDO) is to provide access to social and economic opportunities to poor and vulnerable households and strengthen the national safety net delivery system.

Key Results (From PCN)

18. **The proposed SNSOP is expected to contribute to:**

- a) Access to social and economic opportunities to poor and vulnerable households
 - Beneficiaries of social safety net programs, of which female (core indicator/Number)
 - Share of women who received social interventions (Percentage)
 - Share of male youth who engaged in livelihoods activities (Percentage)
- b) Strengthened safety net delivery system
 - Government hosting of safety net MIS (Y/N)
 - Development of design options for a national safety net program (Y/N)

D. Concept Description

19. **The proposed project is a US\$55 million grant from the International Development Association (IDA) and will support five components, to be implemented over a 3 year period.** The components are: (i) Cash Transfers and Complementary Social Measures; (ii) Provision of Economic Opportunities; (iii) Strengthened Institutional Capacity and Social Protection System; (iv) Project Management, Monitoring and Evaluation, and Knowledge Generation; and (v) Contingency and Emergency Response. The project will be guided by principles of government ownership and capacity strengthening and close collaboration with partners for strengthened humanitarian-development-peace nexus, with considerations on gender, GBV, and climate change adaptations mainstreamed across all project components.

Component 1: Cash Transfers and Complementary Social Measures

20. **This component will provide cash assistance to poor and vulnerable households to meet immediate consumption gaps, while also supporting accompanying social measures.** Cash assistance will be provided through two modalities, namely Labor-Intensive Public Works (LIPW) and Direct Income Support (DIS), with special attention given to adjusting the design of these activities to promote linkages to enhanced social opportunities, as appropriate and feasible. The LIPW will provide poor and vulnerable households with cash assistance to meet urgent consumption gaps, with refined design to promote social opportunities. Public works activities will continue to be labor intensive and will focus on activities that will benefit the community at large, with the aim that improved community assets lead to better natural resource management. The DIS will provide unconditional cash transfers to the poorest and most vulnerable households that either are labor constrained to engage in LIPW or are identified as extremely vulnerable within targeted refugees and host communities. In addition, cash assistance will have accompanying social measures to promote improved household



awareness and investment in children’s human capital growth. Accompanying social measures will be mainstreamed across LIPW and DIS for delivering in-depth Cash “Plus” trainings and other measures targeted to eligible female beneficiaries to deepen their understanding and investments in relevant social areas, such as Water, Sanitation and Hygiene (WASH), nutrition and early childhood development (ECD), for strengthened human capital development.

Component 2: Provision of Economic Opportunities

21. **This component will pilot measures aimed at enhancing economic opportunities of poor and vulnerable youth in selected project locations in an effort to support the “Idle Youth” to become productive citizens of South Sudan.** In particular, it will target a subset of eligible cash transfer beneficiaries, with priority given to male youth, and support them to strengthen their livelihoods and income generating opportunities for enhanced economic welfare. Pairing cash transfers with economic inclusion will support households to focus their investments on livelihoods, with the cash transfer used to smoothen consumption in times of need. Targeting a subset of Component 1 beneficiaries will also enable the proposed project to use a single mobilization, targeting, payment, grievances and monitoring system for both components, thereby ensuring cost-efficiency and harmonization and synergies of efforts. To that end, in addition to the cash assistance, these beneficiaries will be provided with a series of interventions tailored to the local context. Activities will be piloted in both rural and urban areas, contextually customized to take into account key considerations such as limited formal economic opportunities and youth capacity, among others.

Component 3: Strengthened Institutional Capacity and Social Protection System

22. **This component will support institutional capacity building for SP and strengthening of the safety net delivery system to serve as the foundation of an eventual government-led national safety net program in South Sudan.** Technical assistance will be provided under this component to the MGCSW to enhance its capacity to effectively lead and coordinate the SP sector and eventually establish and implement a national safety net program. Support will also be given to further strengthening the key safety net delivery tools, namely the existing MIS and the community-based Grievance Redress Mechanism, and embed them within national systems to serve as the backbone of an eventual Government-led national safety net program.

Component 4: Project Management, Monitoring and Evaluation, and Knowledge Generation

23. **This component will support the day-to-day project management, monitoring, and coordination, as well as broader knowledge generation.** Thus, it will support the on-boarding of necessary human resources and technical assistance to implement the envisioned activities. It will also ensure that robust monitoring and supervision arrangements are established, including a third-party monitor (TPM), to track progress, take stock of implementation experience, and identify challenges for timely response and course correction. Further, this component will support coordination and collaboration with partners to leverage on existing efforts for maximum impact. Related, it will include a strong learning agenda to take stock of lessons learned and experiences of particular aspects of the socioeconomic interventions to facilitate the scale-up of activities.

Component 5: Contingency and Emergency Response

24. **The Contingency and Emergency Response Component (CERC) will be activated and funded in case of an eligible crisis or emergency.** The CERC is a financing mechanism that will allow the Government to rapidly reallocate uncommitted funds from World Bank-financed projects in the country toward urgent needs to finance physical, economic, and social recovery in the event of a crisis or emergency.

Project Beneficiaries



25. **The project will support poor and vulnerable households and will follow the community-based targeting and validation process.** For the LIPW, focus will be on selecting poor and vulnerable households with able-bodied members. For the DIS, focus will be on selecting labor-constrained poor and vulnerable households lacking alternate sources of income, and those identified as extremely vulnerable in select refugees and host communities. For the provision of in-depth social measures, support will be given to mothers and female caregivers in poor and vulnerable households with children under five years of age. For the provision of economic opportunities measures, support will be both male and female youth, with priority given to male youth.

Value added of the Bank's support

26. **The World Bank is well placed to support the SP sector in South Sudan given its technical expertise on cash transfers and safety net systems and its long-standing support to the safety net sector in South Sudan.** The World Bank brings expertise in strengthening institutional capacity and developing SP systems in FCV contexts, building resilience of communities, promoting human capital growth of poor and vulnerable households, and enhancing humanitarian-development-peace linkages for medium-term recovery and longer-term development. It has also been supporting the provision of safety net support to the poor and most vulnerable and the development of the SP sector in South Sudan since 2014. There is now a critical need to link safety net more explicitly to human capital accumulation and strengthen institutional capacity as the country moves to consolidate peace and stability for recovery and development. The Bank will leverage its operational and analytical experience in South Sudan and other FCV contexts in providing essential support to targeted households and facilitating partnerships across the humanitarian-development-peace nexus, while continuing to strengthen safety net capacities and delivery systems. Strong emphasis will be placed on ensuring close coordination and collaboration with relevant partners and other Bank-funded projects to avoid duplication and ensure synergies for leveraged impacts.

Implementation Approach

27. **The project will follow a flexible and participatory approach grounded in the principles of transparency and accountability for effective and smooth implementation.** It is expected that this will ensure political commitment and buy-in to project activities among key stakeholders and will avoid misunderstandings, grievances, and implementation challenges down the road. Additionally, a flexible implementation approach will be pursued, in consideration of the highly fragile and dynamic operational environment, to enable rapid adjustments and uninterrupted and smooth implementation, to the extent possible. Special efforts will be given to strengthening local institutional capacity and local level cohesion and social unity for smooth implementation and recovery and development. Relevant experiences and lessons learned from the SSSNP implementation experience, as well as from other countries in similar FCV situations will be explored to inform the implementation design.

Institutional and Implementation Arrangements

28. **The MAFS will be the lead implementing agency responsible for overall implementation, with the MGCSW also an implementing partner leading activity on institutional capacity building and systems strengthening.** The proposed project will leverage the established Project Coordination Unit under the MAFS for overall project implementation and compliance on fiduciary and safeguards requirements, supported by third-party implementers for on-the-ground implementation of key project activities. The Ministry of Gender, Child, and Social Welfare will be an implementing partner, leading activities on institutional capacity building and systems strengthening, with a view to gradually transition the management and implementation of a government-led national safety net programs to the MGCSW over time in a phased approach. Moreover, the existing oversight and technical committees at the national level for safety net will continue to be leveraged for strategic guidance and oversight and operational support to this project. At the local level, the local institutional and community governance and coordination structures established under the SNSDP and



strengthened under the SSSNP will continue to manage daily implementation and coordination.

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

Summary of Screening of Environmental and Social Risks and Impacts

29. The proposed project will aim to advance the social protection agenda and more strongly support human capital development by poor and most vulnerable households, with particular focus on women and youth. Efforts will also be given to strengthen institutional capacity and key safety net delivery tools to enable an eventual Government-led national safety net program in a phased approach. The environmental risks under the proposed SNSOP are assessed to be generally low-to-moderate with potential adverse environmental impacts that are reversible, temporary in nature and scope. As such, these impacts are expected to be easily and cost-effectively mitigated, with potential positive cumulative impact driven by refinements in subproject design based on initial screening and lessons learned from previous and on-going operations. From a social perspective, project activities are expected to have overall positive impacts, including employment creation and income generation for youth and women and greater interaction and dialogue facilitated by participation in public works, contributing to local level peace building and stabilization efforts. However, some activities could potentially result in negative social impacts, including high GBV risks. Specific mitigation measures for all identified risks will be designed and implemented, leveraging the experiences of the previous and on-going Bank-funded projects to continue with good practices and strengthen measures, as needed.

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APPROVAL

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11-Nov-2021