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Report No: RES12428

RESTRUCTURING PAPER
ON A
PROPOSED RESTRUCTURING
OF THE
SAFETY NET ADVANCEMENT PROJECT

APPROVED JULY 5, 2011

TO
GRENADA

November 12, 2015

Social Protection and Labor Global Practice
Caribbean Country Management Unit
Latin America and Caribbean Region

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ABBREVIATIONS AND ACRONYMS

CCT	Conditional Cash Transfer
DLI	Disbursement Linked Indicators
MIS	Management Information System
MOE	Ministry of Education
MOF	Ministry of Finance
MOH	Ministry of Health
MOSDH	Ministry of Social Development and Housing
MTR	Mid Term Review
ORAF	Operational Risk Assessment Framework
PDO	Project Development Objective
PMT	Proxy Means Test
SEED	Support for Education, Empowerment, and Development
SNAP	Safety Net Advancement Project

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GRENADA

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DATA SHEET

Grenada

Safety Net Advancement Project (P123128)

LATIN AMERICA AND CARIBBEAN

Social Protection & Labor Global Practice

Report No: RES12428

Basic Information									
Project ID:	P123128			Lending Instrument:	Specific Investment Loan				
Regional Vice President:	Jorge Familiar			Original EA Category:	Not Required (C)				
Acting Country Director:	Karin Kemper			Current EA Category:	Not Required (C)				
Senior Global Practice Director:	Arup Banerji			Original Approval Date:	05-Jul-2011				
Practice Manager/Manager:	Margaret Ellen Grosh			Current Closing Date:	31-Dec-2017				
Team Leader(s):	Snjezana Plevko								
Borrower:	Government of Grenada								
Responsible Agency:	Ministry of Social Development and Housing								
Restructuring Type									
Form Type:	Full Restructuring Paper			Decision Authority:	Board Approval				
Restructuring Level:	Level 1								
Financing (as of 28-Sept-2015)									
Key Dates									
Project	Ln/Cr/TF	Status	Approval Date	Signing Date	Effectiveness Date	Original Closing Date	Revised Closing Date		
P123128	IDA-49930	Effective	05-Jul-2011	20-Sep-2011	05-Dec-2011	31-Dec-2015	31-Dec-2015		
Disbursements (in Millions)									
Project	Ln/Cr/TF	Status	Currency	Original	Revised	Canceled	Disbursed	Undisbursed	% Disbursed
P123128	IDA-49930	Effective	XDR	3.20	3.20	0.00	1.70	1.50	53
Policy Waivers									
Does the project depart from the CAS/CPF in content or in other significant respects?							Yes []	No [X]	

Does the project require any policy waiver(s)?	Yes []	No [X]
A. Summary of Proposed Changes		
<p>1. The Project is being restructured to: (i) revise the PDOs and results framework to better align them with the new Government's objectives and capacity; (ii) revise the Disbursement Linked Indicators (DLIs) to match the revised simplified PDOs with the current implementation pace and capacity of the SEED Unit; and (iii) revise the allocation of financing across Project disbursement categories and components to increase the share of the total financial envelope allocated to MOSDH capacity building and institutional strengthening. To ensure that the revised PDOs are achieved, the Project closing date would be extended by two years to December 31, 2017.</p>		
Change in Implementing Agency	Yes []	No [X]
Change in Project's Development Objectives	Yes [X]	No []
Change in Results Framework	Yes [X]	No []
Change in Safeguard Policies Triggered	Yes []	No [X]
Change of EA category	Yes []	No [X]
Other Changes to Safeguards	Yes []	No [X]
Change in Legal Covenants	Yes []	No [X]
Change in Loan Closing Date(s)	Yes [X]	No []
Cancellations Proposed	Yes []	No [X]
Change to Financing Plan	Yes []	No [X]
Change in Disbursement Arrangements	Yes []	No [X]
Reallocation between Disbursement Categories	Yes [X]	No []
Change in Disbursement Estimates	Yes [X]	No []
Change to Components and Cost	Yes [X]	No []
Change in Institutional Arrangements	Yes []	No [X]
Change in Financial Management	Yes []	No [X]
Change in Procurement	Yes []	No [X]
Change in Implementation Schedule	Yes [X]	No []
Other Change(s)	Yes []	No [X]
Appraisal Summary Change in Economic and Financial Analysis	Yes []	No [X]
Appraisal Summary Change in Technical Analysis	Yes []	No [X]
Appraisal Summary Change in Social Analysis	Yes []	No [X]
Appraisal Summary Change in Environmental Analysis	Yes []	No [X]
Appraisal Summary Change in Risk Assessment	Yes []	No []
B. Project Status		
<p>2. The Grenada Safety Net Advancement Project (SNAP) was approved by the Board on July 5, 2011 and declared effective on December 5, 2011. To date, the Project has disbursed SDR1.7 million, 53.24 percent of the total Credit. The delay in disbursements is largely due to the failure to meet established</p>		

Disbursement Linked Indicators (DLIs) under the Project since the first schedule of DLIs in November 2011. Therefore, the progress towards achievement of Project Development Objectives (PDOs) and overall Implementation Progress (IP) are rated Unsatisfactory.

3. Since effectiveness, Project implementation has been progressing at a slower pace than anticipated. This has principally been due to: (i) an ambitious Project design that did not anticipate implementation capacity constraints; (ii) challenges in maintaining inter-sectoral coordination needed for the success of the conditional cash transfer program designed under the Project - “Support for Education, Empowerment, and Development” (SEED); (iii) a change in Government following the 2013 elections; and (iv) frequent turnover and limited capacity of MOSDH staff, particularly within the SEED Unit. This has resulted in delayed contracting of critical consultancies necessary for rolling out the SEED Program.

4. Despite the slower pace of implementation than initially envisaged, there has been progress in implementing the SEED Program. Achievements to date include: (i) creation of a separate budget line in the Central Government budget dedicated to the SEED Program, and consolidation of the three cash transfers programs to establish the SEED under the Ministry of Social Development and Housing (MOSDH); (ii) establishment and staffing of a unit within the MOSDH to manage the roll-out and implementation of the SEED Program; (iii) completion of Phase I of the Management Information System (MIS); (iv) completion of the new targeting instrument to identify beneficiary households for SEED and partial pilot of the instrument to existing beneficiary households and new households based on referrals and on-demand requests; (v) completion of an Operational Manual outlining implementation arrangements and operational rules for SEED; (vi) training of 32 staff members from the MOSDH, Ministry of Education (MOE), and the Ministry of Health (MOH) on administration and implementation of social safety nets (four MOSDH members attended the World Bank Group’s Social Safety Net Core Training Course, and 28 GOG officials participated in the WBG-organized workshop in Grenada); (vii) completion of Memoranda of Understanding between MOSDH and the Ministries of Education, Health, and Finance to guide cooperation for the implementation of the SEED Program; and (viii) Cabinet approval of a three-year budget plan for the SEED Program (Cabinet conclusion #1668, November 10, 2014). Furthermore, since the new Government has taken office, turnover of staff and MOSDH management has been reduced. There is now a more established cadre of staff responsible for the SEED Program within the Ministry, and assigned relevant responsibilities related to SEED and the Safety Net Advancement Project (SNAP; P123128, Cr. 4993-GD).

5. Additionally, MOSDH has outlined a roadmap for broader safety net reforms through a Social Safety Net Framework developed with the technical and financial support of the UNICEF Office for the Eastern Caribbean Area, and UN Women Multi-Country Office – Caribbean. The framework was approved by Cabinet on July 8, 2013 (Cabinet conclusion #861). Some of the instruments that are being designed under the current Project are necessary for the operationalization of this Framework.

6. A Mid Term Review (MTR) carried out with the Government in May 2014 and a follow up assessment concluded that despite the completion of some key milestones, the Project was not likely to meet its current Development Objectives unless restructured.

7. Following the MTR, the Government and the Bank worked jointly on the identification of changes that would be needed to ensure that the Project design is better aligned with the objectives of the current Government (which came into office in February 2013) to facilitate Project implementation and enhance the prospects for its successful finalization and achievement of the simplified Project Development Objectives. These identified changes are the basis for the proposed restructuring of the Project.

8. In addition, it is worth noting that a highly dedicated MOSDH Permanent Secretary, a more established technical team in the MOSDH, and a re-engaged inter-sectoral Technical Committee, are providing the necessary enabling institutional structure for Project implementation. Government has also

made the successful completion of the Project a priority as evidenced by the prior actions under the Grenada Programmatic Resilience Building Development Policy Credit (DPC) series (First DPC, P147152, IDA-5523-GD; Second DPC, P151821, IDA-5374-GD and IBRD-8546-GD; and Third DPC, P156761 that is currently under preparation). The level of SEED spending has also been included in the Quantitative Program Targets under the IMF program.

C. Proposed Changes

Development Objective/Results

Project Development Objectives

Original PDOs

The Development Objectives of the Project are to: (i) strengthen the basic architecture of the consolidated Conditional Cash Transfer (CCT) Program and the capacity of the Ministry of Social Development to implement it; (ii) improve coverage of poor households receiving cash transfers; and (iii) improve education outcomes of poor children and health monitoring of vulnerable households.

Change in Project's Development Objective

Explanation

9. The PDOs have been changed to simplify the Project and strengthen the focus on the structure of the SEED Program in terms of its delivery of benefits to the poor, and the capacity of the MOSDH to implement it. These changes will ensure improved targeting of the program towards the poorest. They are also expected to have a positive impact on the education outcomes of the poor children and health monitoring of vulnerable households, although these impacts will not be measurable by the closing of the Project.

Proposed New PDOs

10. The proposed revised Development Objectives of the Project are to strengthen the basic architecture of the SEED Program and the capacity of the Ministry of Social Development and Housing (MOSDH) to implement it.

Change in Results Framework

Explanation:

11. Disbursement Linked Indicators (DLIs): The original Project included eight DLIs to be met each November during the implementation period. With this Project restructuring, the DLIs would be revised, and they would no longer be dated; i.e., the disbursements linked to these indicators would occur whenever the DLIs are met. Also, DLI compliance verification will no longer require an external audit by the Accountant General's office. Instead, clear protocols for verification by the World Bank will be established for each DLI. These changes are necessary to ensure that the DLIs match the current pace of implementation and institutional capacity within the SEED Unit and MOSDH. The revised DLIs would focus on creating the basic architecture for the SEED Program, including the implementation of the new targeting tool (as reflected in the DLI on the percentage of SEED beneficiaries identified through proxy means test) and the use of the MIS. The proposed new DLIs and the protocols for their verification are listed in Annex I.

12. Non-DLI disbursements. The original Project design also included regular disbursements of US\$250,000 which were not linked to the DLIs and were scheduled each May and November during the Project duration to support Program implementation. These disbursements would not be continued after the restructuring. First, the Government has already reduced the reliance on Credit proceeds for financing of the SEED benefits. Second, the progress in implementation should enable the achievement of the undated DLIs and trigger the DLI-linked disbursements.

13. PDO Result Level Indicators: The current PDO's level indicators would be changed to reflect the change in the simplified PDOs. The revisions to the PDO's Results Indicators and Intermediate Results Indicators are detailed in Annex II. The revised PDO's indicators would be as follows:

a. "Increased percentage of poor households receiving the SEED cash transfer." The new targeting tool has been designed based on data from the 2011 Census and 2008 Country Poverty Assessment (CPA). MOSDH has decided not to undertake an impact evaluation at present, focusing instead on ensuring the smooth roll-out of the proxy means test (PMT) targeting tool, and effective implementation of the CCT Program. As a result, baseline data needed to measure the original indicator (increased percentage of households in the poorest quintile that receive the benefit) will not be collected. The revised indicator would seek to ensure targeting efficiency and it would therefore measure the percentage of poor households, as identified by the PMT, receiving the SEED cash transfer.

b. "Increased percentage of SEED Program transfers that reach poor households with children." The indicator would replace previous indicators related to improved human capital development. The change would ensure the focus on children and youth (ages 0-24) who, according to the data presented in the 2008 Country Poverty Assessment, represent 66.4 percent of Grenada's poor. While the elderly accounted for 11 percent of the population, they comprised four percent of the country's poor. However, analysis done for the Mid Term Review (MTR) revealed that most of SEED's current beneficiaries were elderly, accounting for 3,263 out of the 5,249 total SEED beneficiaries as of April, 2014, receiving 78 percent of the total transfers. MOSDH anticipates that over time, using the new targeting tool, SEED beneficiary households will increasingly be comprised of households with children. Inclusion of this indicator ensures steady monitoring of progress towards those stated objectives.

14. Intermediate Results Indicators: Originally, the Project had 25 intermediate results indicators. Some of the indicators still lack adequate measurement systems (e.g. health-related indicators), and the baselines for some could not be established. Consequently, the proposed revisions, presented in the revised Results Framework, would focus on indicators that are achievable by the Project by making them simpler, and by reducing the number of indicators monitored to those that are most relevant to the revised Project objectives. The revisions to the indicators have been made following detailed technical discussions with the MOSDH on the feasibility of measuring the original indicators and ensuring that progress towards reaching overall Government objectives for the CCT is monitored and captured during the Project. Additionally, targets for the intermediate indicators would be revised to be better aligned with current implementation time frames.

Financing

Change in Loan Closing Date(s)

Explanation:

15. The Project closing date would be extended by 24 months, from December 31, 2015 to December 31, 2017, to provide the time needed for strengthening the implementation capacity of the MOSDH and the successful implementation of the SEED Program, thus allowing for the full achievement of the new PDOs.

Ln/Cr/T F	Status	Original Closing Date	Current Closing Date	Proposed Closing Date	Previous Closing Date(s)
IDA-49930	Effective	31-Dec-2015	31-Dec-2015	31-Dec-2017	

Reallocations

Explanation:

16. The allocation of financing across the Project categories and components would be changed to reflect the Government's readiness to ensure financing of the SEED benefits (the three year budget plan for SEED benefits has been approved by the Cabinet), and increase the share of the total financial envelope allocated to MOSDH capacity building and institutional strengthening.

Ln/Cr/TF	Currency	Current Category of Expenditure	Allocation		Disbursement % (Type Total)	
			Current	Proposed	Current	Proposed
IDA-49930	XDR	CASH TRANSFERS UNDER PART 1	2,880,000.00	2,550,000.00	100.00	100.00
		CO,GO,NON-CO, TRN, AND OP. FOR PT 2	320,000.00	650,000.00	100.00	100.00
		Designated Account	0.00	0.00	0.00	0.00
		Total:	3,200,000.00	3,200,000.00		

Disbursement Estimates

Change in Disbursement Estimates

Explanation:

17. The Project is lagging behind estimated disbursements due to the failure to meet established Disbursement Linked Indicators (DLIs). Following the restructuring, the DLIs would no longer be time-bound. Thus, due to the recent progress in finalization of the key elements of the new system, the DLI-linked disbursements could be accomplished at a faster pace during 2015 and 2016. The MOSDH has also made considerable advances on activities linked to the remaining DLIs. Similarly, the disbursements under Component 2 are expected to start soon after the restructuring is approved.

18. In general, disbursement arrangements will not change and disbursements will continue to be made semi-annually for Components 1 and 2. However, as a result of the changes proposed to the DLIs and elimination of non-DLIs disbursements, the withdrawal application schedule will be revised. The relevant sections in the Disbursement Letter will be amended.

Fiscal Year	Current (USD)	Proposed (USD)
2012	1,562,500.00	0.00
2013	3,125,000.00	0.00
2014	2,343,750.00	0.00
2015	781,250.00	3,408,460.00
2016	0.00	1,111,540.00
Total	7,812,500.00	4,520,000.00

Components

Change to Components and Cost

Explanation:

19. Under Component 1, several key adjustments would be made:

a. Adjustment of DLIs: As stated previously, the scope and the costing of the DLIs under Component 1 would be revised to better match the implementation and institutional capacity within the MOSDH. Also,

the DLIs would no longer be dated. The new DLIs would include three focused on system development, as follows: (i) beneficiary information campaign ensuring that 70 percent of beneficiaries have received critical information about the SEED program, (ii) a fully functioning Management Information System (MIS); and (iii) an operational Appeals Committee. The DLIs would also include three results-focused ones: percent of beneficiaries identified as eligible to receive SEED – with the percentages at different stages being: (i) 30 percent; (ii) 60 percent; and (iii) 80 percent. A detailed table with the DLIs, the rationale for including them, and the measurement strategy is attached in Annex 1.

b. Non-DLI Disbursements: The non-DLI disbursements would not be continued after the restructuring.

c. Total Cost: Component 1 was originally allocated US\$4.5 million or 90 percent of the total credit to finance cash transfers to poor households. US\$2.5 million was linked to milestones established by DLIs in 5 results areas, while the other US\$2 million to non-DLI disbursements. In spite of a substantial delay in meeting the DLIs and consequent failure to receive the DLI-linked disbursements, the Government of Grenada has been ensuring adequate financing for the cash transfers. The recently approved 3-year budget plan has already secured the financing for SEED benefits, thus it is estimated that a lower amount of direct Project support would be needed to support payment of SEED benefits. The allocation for this Component would, therefore, be reduced in this restructuring. The total allocation for Component 1 after the restructuring would be US\$3.6 million. This would allow for an increase in the allocation for Component 2. The table below provides the information on the proposed reallocations. The table is in USD, thus the proposed amounts total to US\$4.52 million as a result of the exchange rate difference.

20. Several design changes are also being considered for the SEED Program, which the previously mentioned adjustments to Component 1 would support. These include the:

a. Establishment of clear protocols for SEED elderly beneficiaries: The review of the SEED Program during the MTR revealed that most SEED beneficiaries were elderly and they accounted for the largest share of program transfers. Therefore, the Project will assist MOSDH to establish clear protocols for handling elderly enrolled in the SEED program, to ensure that the needs of poor elderly are appropriately addressed, while enabling the SEED to focus on its objectives of improving human capital among poor households.

b. Review of the SEED benefit structure to match budget capacity and alignment with a 3-year budget plan. This will enable MOSDH with long-term forecasting.

21. Component 2: One of the key lessons learned from the original Project design was the critical importance of ensuring adequate implementation capacity in the MOSDH. A recently conducted institutional assessment of the MOSDH prepared under the Project identified continued significant capacity challenges. An increased allocation to Component 2 would allow for additional support to help strengthen implementation capacity at the MOSDH. The proposed allocation to Component 2 after restructuring would be US\$0.92 million. The restructured Project would strengthen the capacity of the MOSDH by: i) commissioning a number of advisory services to strengthen MOSDH's capacity to deliver SEED; ii) providing training to existing staff of the MOSDH and other Government institutions critical for the implementation of the SEED; iii) ensuring timely additional support of critical local consultants that would later transition to Government staff; and iv) purchasing the necessary equipment needed for the successful implementation of the SEED. A detailed list of activities that would be included in the restructured Component 2 is included in the Procurement Plan in Annex IV. The key activities would include:

a. Increasing SEED Program Unit staff in MOSDH: The Project would temporarily support the engagement of consultants to provide the MIS support to the SEED Unit and to strengthen the social work

support provided to beneficiary households. By the end of the Project, the Government would aim to transition these consultancies into permanent MOSDH staff positions to ensure sustainability of program implementation.

b. **Training:** The Project would strengthen training to MOSDH staff to facilitate effective implementation of the SEED Program. Activities would include capacity building for social workers; M&E training to the SEED Unit and broader MOSDH staff to ensure adequate capacity to monitor and evaluate the Program's impact; support the participation of at least one more MOSDH staff member to the World Bank's Safety Core Course; and knowledge-exchange activities with countries in the region.

c. **Goods:** The Project's Procurement plan will be adjusted to provide goods to MOSDH to assist in the effective administration and implementation of the SEED Program. These include the purchase of computer equipment, as well as the materials needed for public information efforts.

d. **Advisory Services:** The Project will finance additional advisory services to help MOSDH improve its operational protocols and implementation arrangements. These would include: (i) development of an operations manual for social workers; (ii) mapping of all social services across Parishes; and (iii) design of a referral system.

e. **Process Evaluation:** Given the delayed roll-out of the PMT and MIS, it will be difficult to gauge Project impact prior to the extended closing date. During the MTR, it was therefore agreed that an Impact Evaluation will not be carried out in the immediate Project period. Rather, a Process Evaluation will be implemented no later than early 2016.

f. The additional activities agreed to be included in the restructured Component 2 would be procured in accordance with the Procurement and Consultants' Guidelines and the provisions stipulated in the Financing Agreement. The procurement plan was updated accordingly to include these activities and was agreed, on Feb 25, 2015. The additional activities would be procured through the following procurement and selection methods: shopping of goods; selection of individual consultants and single source selection. The procurement will be carried out by the existing PCU procurement staff (one Procurement Officer and one Procurement Assistant), who are trained and fully qualified to do this procurement. Based on that, no changes are envisaged in the originally agreed procurement arrangements.

Current Component Name	Proposed Component Name	Current Cost (US\$M)	Proposed Cost (US\$M)	Action
Component 1: Improving Conditional Cash Transfers		4.50	3.60	Revised
Component 2: Improving Implementation Capacity of the Ministry of Social Development		0.50	0.92	Revised
	Total:	5.00	4.52	
Other Change(s)				
Change in Implementation Schedule				
Explanation:				
23. Due to delays in implementation, the restructuring includes a revision of the closing date of the Project that would result in changes to the implementation schedule. However, based on recent				

implementation progress, it is expected that the disbursements under both components would pick up rapidly following the restructuring.

Appraisal Summary

Appraisal Summary Change in Risk Assessment

Explanation:

Systematic Operations Risk-Rating Tool (SORT)

Risk Category	Rating
1. Political and Governance	Low
2. Macroeconomic	Moderate
3. Sector Strategies and Policies	Low
4. Technical Design of Project or Program	Substantial
5. Institutional Capacity for Implementation and Sustainability	Substantial
6. Fiduciary	Low
7. Environment and Social	Low
8. Stakeholders	Moderate
9. Other	Low
OVERALL	Substantial

The overall implementation risk is assessed as Substantial due to the limited capacity in the implementing agencies and a complex technical design. The capacity constraints are being addressed through the development of the MIS, implementation of the recommendations from the institutional review, revised operations manual and training of the Government team working on the SEED program. The Project design, although substantially simplified through the proposed restructuring, would remain transformational in that it links disbursements to performance, formalizes and enforces co-responsibilities, and introduces a new, objective and transparent targeting mechanism. All of these aspects are new to Grenada, representing fundamental change in the implementation of its flagship social assistance programs. The Bank has been working closely with the Government on the development of a detailed Project implementation plan and using this plan for regular weekly monitoring of progress in Project implementation. Also, an education campaign has been planned to enhance beneficiaries' understanding of co-responsibilities and new targeting mechanism.

Annex 1: Results Framework and Monitoring

Project Name:	Grenada Safety Net Advancement Project (P123128)	Project Stage:	Restructuring	Status:	DRAFT
Team Leader(s):	Snjezana Plevko	Requesting Unit:	LCC3C	Created by:	Sarah Berger Gonzalez on 25-Oct-2013
Product Line:	IBRD/IDA	Responsible Unit:	GSPDR	Modified by:	Snjezana Plevko on 6-Nov-2015
Country:	Grenada	Approval FY: 2012			
Region:	LATIN AMERICA AND CARIBBEAN	Lending Instrument:	Specific Investment Loan		

Project Development Objectives

Original Project Development Objectives:

The Development Objectives of the Project are to: (i) strengthen the basic architecture of the consolidated Conditional Cash Transfer (CCT) Program and the capacity of the Ministry of Social Development to implement it; (ii) improve coverage of poor households receiving cash transfers; and (iii) improve education outcomes of poor children and health monitoring of vulnerable households.

Proposed Project Development Objectives (from Restructuring Paper):

The proposed revised Development Objectives of the Project are to strengthen the basic architecture of the SEED Program and the capacity of the Ministry of Social Development and Housing (MOSDH) to implement it.

Results

Core sector indicators are considered: Yes

Results reporting level: Project Level

Project Development Objective Indicators							
Status	Indicator Name	Core	Unit of Measure		Baseline	Actual(Current)	End Target
Marked for Deletion	Number of individuals who hitherto had never received cash transfers, receive cash transfers after their eligibility to become beneficiaries has been established through the PMT	<input type="checkbox"/>	Number	Value		0.00	800.00
				Date		06-Oct-2014	31-Aug-2015
				Comment		The design and implementation of the PMT has been delayed; therefore, this data is not yet available.	
Marked for Deletion	Percentage of elderly beneficiaries with chronic health conditions not previously receiving curative medical care, now receiving curative medical care according to MOH protocols	<input type="checkbox"/>	Percentage	Value		0.00	
				Date		06-Oct-2014	31-Aug-2015
				Comment		No change from previous.	Value will be determined once health co-responsibilities are introduced and a baseline established.
New	Increased percentage of poor households receiving the SEED cash transfer	<input type="checkbox"/>	Percentage	Value	0.00	0.00	80.00
				Date	31-May-2015		31-Dec-2017
				Comment	Baseline to be determined once the PMT is applied.		
New			Percentage	Value	0.00	0.00	

	Increased percentage of the program transfers that reach poor households with children	<input type="checkbox"/>		Date	31-May-2015		31-Dec-2017
				Comment	Baseline to be determined once the PMT is applied.		
Marked for Deletion	1.Increased percentage of households in the poorest quintile that receive the benefit	<input type="checkbox"/>	Percentage	Value	5.30	5.30	65.00
				Date	27-May-2011	06-Oct-2014	31-Aug-2015
				Comment		Value has not changed because PMT has not yet been introduced.	
Marked for Deletion	2. Increased percentage of program transfers reaching the poorest quintile	<input type="checkbox"/>	Percentage	Value	20.00	20.00	60.00
				Date	27-May-2011	26-Feb-2014	31-Aug-2015
				Comment		Value will not change until introduction of the PMT.	
Marked for Deletion	3. Increased school attendance rates of beneficiary children	<input type="checkbox"/>	Percentage	Value	0.00		
				Date	27-May-2011	26-Feb-2014	31-Aug-2015
				Comment		Baseline will be determined by impact evaluation during Year 3 of implementation. Indicator will be revisited during mid-term review.	Value will be determined upon establishment of baseline
			Percentage	Value	0.00	0.00	30.00

Marked for Deletion	4. Increased percentage of beneficiaries receiving adequate preventive primary health services	<input type="checkbox"/>		Date	27-May-2011	26-Feb-2014	31-Aug-2015
				Comment	Baseline will be determined once health protocols are established, due to occur during Year 2 of implementation	Health protocols and co-responsibilities have still not been introduced.	
Intermediate Results Indicators							
Status	Indicator Name	Core	Unit of Measure		Baseline	Actual(Current)	End Target
New	MOUs between MOSDH and MOF, MOH and MOE on SEED implementation signed	<input type="checkbox"/>	Text	Value	0	0	3
				Date		31-May-2015	31-Dec-2017
				Comment		The Memoranda between MOSDH and MOH, MOE and MOF have been completed.	
New	Cabinet approval of the use of the PMT	<input type="checkbox"/>	Text	Value	Use of the PMT is not yet approved by Cabinet	Cabinet has approved use of the PMT	Cabinet has approved use of the PMT
				Date		31-May-2015	31-Dec-2017
				Comment			
No Change	1. The three cash transfer programs are merged	<input type="checkbox"/>	Text	Value	No merger of programs,	Three programs merged under the	Three programs merged under

	institutionally and placed under MOSD budget				separate budgets	MOSD with single budget	the MOSD with single budget
				Date	27-May-2011	31-May-2015	
				Comment		This has been met.	
Revised	2. Installation and implementation of a modernized MIS generating one beneficiary list and using one payment method	<input type="checkbox"/>	Text	Value	MIS does not exist	The MIS has been deployed to MOSDH for testing.	The MIS fully operational.
				Date	27-May-2011	31-May-2015	31-Dec-2017
				Comment			
Marked for Deletion	3. Percentage of beneficiaries enrolled in the MIS who receive transfers based on their compliance with co-responsibilities	<input type="checkbox"/>	Percentage	Value	0.00	0.00	95.00
				Date	27-May-2011	06-Oct-2014	31-Aug-2015
				Comment		The MIS has not been finalized and the co-responsibilities have not been introduced yet.	
Revised	4. Percentage of SEED beneficiaries identified as eligible through the new targeting tool	<input type="checkbox"/>	Percentage	Value	0.00	0.00	95.00
				Date	27-May-2011	31-May-2015	31-Dec-2017
				Comment		The tool has not been implemented yet.	
		<input type="checkbox"/>	Percentage	Value	0.00	0.00	95.00
				Date	27-May-2011	31-May-2015	31-Dec-2017

	4. Percentage of households identified as eligible for the CCT based on the PMT			Comment		PMT has not been implemented yet.	
No Change	5. Percentage of beneficiaries who received information about rules and procedures of the SEED program	<input type="checkbox"/>	Percentage	Value	0.00	0.00	95.00
				Date	27-May-2011	31-May-2015	31-Dec-2017
				Comment		IEC Strategy has been established. However, beneficiary training for eligible households (identified through the PMT) has not been completed.	
Revised	6. The Appeals Committee operational	<input type="checkbox"/>	Percentage	Value	0.00	0.00	90.00
				Date	27-May-2011	31-May-2015	31-Dec-2017
				Comment		The new system has not started functioning yet.	
Marked for Deletion	6. Percent of complaints and appeals attended to and resolved, according to pre-defined standards	<input type="checkbox"/>	Percentage	Value	0.00	0.00	90.00
				Date	27-May-2011	31-May-2015	31-Aug-2015
				Comment		The new system has not started functioning yet.	
Revised	7. Results from Process Evaluation disseminated	<input type="checkbox"/>	Text	Value	No evaluation of program		Evaluation results published

							and disseminated
				Date	27-May-2011	31-May-2015	31-Dec-2017
				Comment			
Marked for Deletion	Number of individuals who hitherto had never received cash transfers, receive transfers after their eligibility to become beneficiaries has been established through the PMT	<input type="checkbox"/>	Number	Value	0.00	0.00	100.00
				Date	27-May-2011	06-Oct-2014	31-Aug-2015
				Comment		PMT still not established.	

Annex 2: Revisions to Disbursement Linked Indicators (DLIs)

New DLIs

Revised DLIs and Measurement Strategy
<p>Original DLI (US\$250,000): The Recipient has taken steps to further consolidate SEED Program through: (a) approval of a special warrant creating a budget line dedicated to the SEED Program; (b) approval of a reallocation warrant to transfer funds to the SEED Program from two existing social safety net programs; and (c) establishment of the Cash Transfer Unit within the MOSDHH with structure, functions and responsibilities, as well as resources, acceptable to the Association.</p> <p>This DLI has been met.</p>
<p>Original DLI (US\$250,000): Unified management information system is established and single payment cycle is used for effecting Cash Transfer to Beneficiaries under the CCT Program.</p> <p>This DLI has been met.</p>
<p>DLI 1 (US\$200,000): 70 percent of beneficiaries have received critical information about the SEED program including: eligibility criteria, enrollment procedures, conditions for payments, appeals and complaints, and exit from the program.</p> <p>Measurement Strategy: Verification of: (i) Randomized verification or spot checks with beneficiaries.</p> <p>Expert Support: Field outreach and access to information. Compliance verification: MOSDH will provide required data to be verified by the Bank review.</p>

Revised DLIs and Measurement Strategy
<p>DLI 2 (US\$250,000): Beneficiary Management Information System (BMIS) is operational.</p> <p>Measurement Strategy: Verification of: (i) Targeting instrument application and scoring process calibrated in BMIS; (ii) Database of households that the targeting instrument has been applied to, is stored in BMIS; (iii) Reporting, Payment and Co-responsibility modules in BMIS are fully functional.</p> <p>Expert Support: MIS/Information Systems. Compliance verification: MOSDH will provide required data to be verified by the Bank review.</p>
<p>DLI 3 (US\$300,000): The Appeals Committee is operational</p> <p>Measurement Strategy Verification of: (i) Cabinet approval of Appeals Committee composition and structure; (ii) Description of Appeals Committee functions and responsibilities in the SEED Operations Manual; (iii) Letters of Appointment to Appeals Committee members; and (iv) Official minutes of first Appeals Committee meeting.</p> <p>Expert Support: MOSDH Permanent Secretary Compliance verification: MOSDH will provide required data to be verified by the WB review.</p>
<p>DLI 4 (US\$200,000): 30 percent of beneficiaries are identified as eligible to receive SEED through the new targeting tool. DLI 5 (US\$250,000): 60 percent of beneficiaries are identified as eligible to receive SEED through the new targeting tool DLI 6 (US\$300,000): 80 percent of beneficiaries are identified as eligible to receive SEED through the new targeting tool</p> <p>Measurement Strategy: Verification of: (i) Database of complete applicant population in the BMIS; (ii) Selection of the subset based on agreed cut-off; and (iii) Payment of the selected subset from BMIS.</p> <p>Expert Support: PMT/Targeting and MIS Compliance verification: MOSDH will provide required data to be verified by the WB review.</p>

Explanation of the changes in the DLIs

Results Area	Original DLI	Revised DLIs and Measurement Strategy	Rationale
A. Institutions, Budget and Coverage	Nov 2011: DLI A.1 (US\$250,000) The Recipient has taken steps to establish the consolidated CCT Program through: (a) approval of a special warrant creating a budget line dedicated to the CCT Program; (b) approval of a reallocation warrant to transfer funds to the CCT Program from two existing social safety net programs; and (c) establishment of the Cash Transfer Unit within the MOSHD with structure, functions and responsibilities as well as resources acceptable to the Association.	Unchanged	This DLI has been met.
	Nov 2012: DLI A.2 (US\$500,000) 800 individuals, who hitherto had never received Cash Transfers, receive Cash Transfers after their eligibility to become beneficiaries has been established through the proxy means test.	The DLI has been removed.	

Results Area	Original DLI	Revised DLIs and Measurement Strategy	Rationale
B. Beneficiary Outreach/Targeting	Nov 2012: DLI B.2 (US\$250,000) 70 percent of beneficiaries are identified as eligible to receive Cash Transfers through the proxy means test (Baseline=0 in April, 1 2011).	DLI 4: 30 percent of beneficiaries are identified as eligible to receive SEED through the new targeting tool.	The DLI has been replaced with three consecutive ones that will support the transition to the new system.
		DLI 5: 60 percent of beneficiaries are identified as eligible to receive SEED through the new targeting tool	
		DLI 6: 80 percent of beneficiaries are identified as eligible to receive SEED through the new targeting tool Measurement Strategy: Verification of: (i) Database of complete applicant population in the BMIS; (ii) Selection of the subset based on agreed cut-off; and (iii) Payment of the selected subset from BMIS. Expert Support: PMT/Targeting and MIS.	
C. Management Information System and Making Payment against Co-responsibilities	Nov 2011: DLI C.1 (US\$250,000) One unified management information system is established and single payment cycle is used for effecting Cash Transfers to	Unchanged	This DLI has been met.

Results Area	Original DLI	Revised DLIs and Measurement Strategy	Rationale
	beneficiaries under the CCT Program.		
	Nov 2013: DLI C.3 (US\$500,000) 70 percent of beneficiaries are paid based on verification of compliance with applicable education and health conditions set forth in the Operations Manual (Baseline=0 in April, 1 2011).	<p>DLI 2: Beneficiary Management Information system (BMIS) is operational.</p> <p>Measurement Strategy: Verification of: (i) Targeting instrument application and scoring process calibrated in BMIS; (ii) Database of households that the targeting instrument has been applied to, is stored in BMIS; (iii) Reporting, Payment and Co-responsibility modules in BMIS are fully functional.</p> <p>Expert Support: MIS/Information Systems</p>	This DLI has been revised to reflect meeting the critical milestone of operationalizing the BMIS. To date, there have been delays in completing the design and roll-out of the BMIS. Further, meeting this DLI will ensure that critical processes related to administration, management and monitoring of SEED can be successfully carried out.
D. Communication	Nov 2012: DLI D.2 (US\$250,000) 70 percent of beneficiaries have received critical information about the CCT Program including: eligibility criteria, enrollment procedures, conditions for payments, appeals and complaints procedures, and exit	This DLI is unchanged	

Results Area	Original DLI	Revised DLIs and Measurement Strategy	Rationale
	from the CCT Program (Baseline=0 in April, 1 2011).		
	Nov 2013: DLI D.3 (US\$250,000) 70 percent of complaints and appeals in relation to the CCT Program are attended to and resolved pursuant to standards and procedures of the CCT Program's appeals and grievance mechanism.	DLI 3: The Appeals Committee is operational Measurement Strategy Verification of: (i) Cabinet approval of Appeals Committee composition and structure; (ii) Description of Appeals Committee functions and responsibilities in the SEED Operations Manual; (iii) Letters of Appointment to Appeals Committee members; and (iv) Official minutes of first Appeals Committee meeting. Expert Support: MOSDH Permanent Secretary	The DLI has been revised to reflect the establishment, training and functioning of the SEED Appeals Committees.
E. Monitoring and Evaluation	Nov 2014: DLI E.4 (US\$250,000) Evaluation report on the CCT Program, focusing on the impact of the Program and its processes, is published on the MOSD website.	This DLI has been removed.	Given several methodological issues, an impact evaluation will not be carried out for the CCT within the Project period. However, a process evaluation will be prioritized, and its results used to inform necessary improvements to support meeting the objectives of the CCT.