Subsequent to the technical missions of June and August 2013, it was agreed with the Government of Bihar that the amount of project financing will be enhanced to US$ 120 million, of which US$ 36 million will be co-financed by the state. It was further agreed that the project scope would be revised to better complement the states’ own efforts at improving delivery of social protection programs to its most vulnerable populations. The project continues to focus on strengthening institutional capacity of the Departments of Social Welfare and Rural Development for effective, state-wide delivery of social protection programs. The focus of social care services provisions for the elderly, widows and persons with disabilities was expanded to cover all sub-divisions of the state by supporting the establishment and operationalization of 101 Buniyad Centers. Outreach and community based rehabilitation services would also be buttressed to address the ‘access’ related challenges. Additionally, an ‘innovation fund’ administered by the two implementing agencies was proposed to finance small-scale pilots for an efficient and effective delivery of social protection programs to the most vulnerable in the state.
In preparation of the Negotiations slated for mid November 2013, the Departments of Social Welfare and Rural Development will demonstrate adequate readiness by complying with action items enumerated in the guidelines for project preparation and loan negotiations with multilateral development banks, issued by the Department of Economic Affairs, Ministry of Finance, Govt. of India.

I. Project Context

Country Context

Bihar is India’s third largest state with a population of 104 million and approximately 54 million people currently living below the poverty line. In the last decade, Bihar has made impressive improvements in human development outcomes in terms of access to schooling and health. However, illiteracy, under-nutrition, and infant and child mortality continue to be sources of concern, and poverty incidence remains high. In addition, certain groups including persons with disabilities, older persons and widows, are especially vulnerable to economic shocks and rising living costs. While significant resources are provided for social protection (SP) programs, the performance of such programs falls far short of their poverty reduction potential. Program coverage is low and insufficient to address deprivation and poverty in Bihar. National comparisons indicate that Bihar performs poorly with respect to other states at comparable levels of poverty.

Sectoral and institutional Context

There are several SP programs in place to meet the needs of the poor and vulnerable in Bihar. These include social assistance programs with in-kind or cash transfers, such as: (i) Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) - a rights-based, demand-driven public works program that guarantees all rural households up to 100 days annually of unskilled public works employment on demand; (ii) Indira Awaas Yojana (IAY) - cash transfers to poor rural households for building houses; and (iii) Social pensions - cash transfers for older persons, widows and persons with disabilities.

A number of factors underlie the relatively poor implementation performance of these SP programs. The current capacity to deliver SP programs and services is inadequate with large human resource and technical capacity gaps. Delivery mechanisms for awareness generation, enrollment, beneficiary management and benefit payments are inefficient. Certain groups (i.e., older persons, widows and persons with disabilities) are underserved as social care service provision for them is practically absent. Existing monitoring and evaluation systems do not provide adequate support for planning and decision making and there is poor accountability in service delivery. Finally, like most states in India, the state system for SP delivery in Bihar is spread across various Departments and therefore often lacks coordination and convergence across programs or the implementing departments. As such, a comprehensive system that effectively addresses the diverse needs of Bihar’s poor and vulnerable population remains to be established.

II. Proposed Development Objectives

To strengthen institutional capacity of the Department of Social Welfare and the Rural Development Department to deliver social protection programs and services and expand outreach of social care services for poor and vulnerable households, persons with disabilities, older persons and widows in the state of Bihar.
III. Project Description
Component Name
Component 1: Strengthening Social Protection Systems and Capacity
Comments (optional)

Component Name
Component 2: Strengthening Outreach and Social Protection Service Delivery
Comments (optional)

IV. Financing (in USD Million)

<table>
<thead>
<tr>
<th>Total Project Cost:</th>
<th>120.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Bank Financing:</td>
<td>84.00</td>
</tr>
<tr>
<td>Financing Gap:</td>
<td>0.00</td>
</tr>
</tbody>
</table>

For Loans/Credits/Others | Amount |
--------------------------|--------|
BORROWER/RECIPIENT | 36.00 |
International Development Association (IDA) | 84.00 |
Total | 120.00 |

V. Implementation
The first component of the Project would provide technical assistance to the implementing agencies – the Bihar Rural Development Society (BRDS) and the State Society for Ultra-Poor and Social Welfare (SSUPSW) – to strengthen core systems and capacity. The second component of the Project would provide state-wide social care services and outreach services through Buniyad Centers (divisional and sub-divisional focal points where high quality care, support and rehabilitation services in terms of legal aid, therapy, counseling, emergency outreach, assessment and disability determination, provision of assistive devices will be made available to older persons, widows and persons with disabilities either in-house or through a referral network) as well as pilot other innovations in social protection service delivery.

Component 1: Strengthening Social Protection Systems and Capacity: This component will strengthen core systems and capacity of BRDS and SSUPSW at the state and district levels by (a) introducing clarity, transparency and consistency in policy-making and operations; (b) strengthening roles and responsibilities and introducing performance incentives; and (c) establishing control and accountability mechanisms for bringing transparency and enforceability in the system. The component comprises two subcomponents reflecting support to each of these two institutions. A strengthened BRDS is expected to improve delivery of MNREGS and IAY schemes in the state, while a strengthened SSUPSW is expected to effectively deliver social pensions and social care services.

Component 2: Strengthening outreach and social protection service delivery: This component addresses the issues of inadequate service provision and supports improvements in outreach services. The project will enhance the coverage of social care services throughout the state by supporting the establishment and operationalization of 101 Social Care Service Centers (Buniyad Centers) in all sub-divisions of the state. The Project also supports strengthening access and
outreach of select social protection services in the state by establishing mobile outreach and therapy services and developing and piloting models for Community Based Rehabilitation (CBR). This component will further support small-scale pilots to be financed from an “Innovation Window” which would test innovative proposals to further improve SP services.

The project will be implemented by the Department of Social Welfare (through SSUPSW) and the Rural Development Department (through BRDS), who will oversee operations through their existing institutional structures, with the heads of each Society reporting to the Secretaries of their respective line Departments. IDA financing will support selected staff in program management, monitoring and evaluation, communication, training, and other areas. SSUPSW will undertake the construction of 101 Buniyad Centers, as well as architectural design, quality control and supervision, with the support of the Bihar State Building Construction Corporation Limited (BSBCCL).

Results monitoring done by the two implementing agencies will be enhanced with by management information system (MIS) and beneficiary tracking applications developed for selected programs under Component 1 of the project. Administrative data would be combined with independent third party validations and surveys.

VI. Safeguard Policies (including public consultation)

<table>
<thead>
<tr>
<th>Safeguard Policies Triggered by the Project</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Assessment OP/BP 4.01</td>
<td>✗</td>
<td></td>
</tr>
<tr>
<td>Natural Habitats OP/BP 4.04</td>
<td>✗</td>
<td></td>
</tr>
<tr>
<td>Forests OP/BP 4.36</td>
<td>✗</td>
<td></td>
</tr>
<tr>
<td>Pest Management OP 4.09</td>
<td>✗</td>
<td></td>
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<tr>
<td>Physical Cultural Resources OP/BP 4.11</td>
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<td></td>
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<tr>
<td>Indigenous Peoples OP/BP 4.10</td>
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<td></td>
</tr>
<tr>
<td>Involuntary Resettlement OP/BP 4.12</td>
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<td></td>
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<td>Safety of Dams OP/BP 4.37</td>
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<tr>
<td>Projects on International Waterways OP/BP 7.50</td>
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<td></td>
</tr>
<tr>
<td>Projects in Disputed Areas OP/BP 7.60</td>
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<td></td>
</tr>
</tbody>
</table>

Comments (optional)
The project triggers the World Bank Environmental Assessment (OP 4.01) and the 4.10 (Indigenous People) safeguard policies. The Forest (OP 4.36) and Pest Management (OP 4.09) policies have also been triggered because while the project does not directly finance MGNREGA, the project seeks to strengthen the delivery of the MGNREGA program, which includes afforestation/tree plantation activities in which pesticides might be used. The Physical Cultural Resources (OP 4.11) policy has also been triggered as some sites may be located close to sites, structures, natural/man-made features that have historical, archaeological, religious or other cultural significance and since civil works are involved, ‘chance finds’ at work sites may need to be managed. The project will not have any land acquisition as the civil works for the state wide, 101 Buniyad Centers will be carried out on government land within the premises of Block Development Offices. An environmental assessment (EA) study was undertaken by the Government of Bihar for the proposed project. An Environmental Management Framework along with environmental guidelines and capacity building plan has been developed for environmental management and mitigation of any adverse impacts, including for forests, pest management and physical cultural resources. A Social Management Framework along with a Social Inclusion Plan as well as a Tribal Development Plan (specifically
targeting the tribal population in ten project districts – Banka, Bhagalpur, Gopalgunj, Jamui, Kaimur, Katihar, Kishanganj, Paschim Champaran, Purnia, and Siwan) has also been developed in order to mitigate possible adverse effects on the target population and to ensure that project benefits are culturally appropriate.

VII. Contact point

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