



Report Number: ICRR0021772

1. Project Data

Project ID

P114987

Project Name

SB - Rapid Employment Project

Country

Solomon Islands

Practice Area(Lead)

Urban, Resilience and Land

L/C/TF Number(s)

IDA-D0860,IDA-D1460,IDA-H5750,TF-95966,TF-96620

Closing Date (Original)

30-Jun-2015

Total Project Cost (USD)

13,359,981.46

Bank Approval Date

18-May-2010

Closing Date (Actual)

31-Dec-2018

IBRD/IDA (USD)

Grants (USD)

Original Commitment

3,200,000.00

6,511,250.00

Revised Commitment

13,102,987.85

6,503,375.52

Actual

13,359,981.46

6,503,375.52

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Project ID

P149652

Project Name

Additional Financing for SPF TF 095966 (P149652)

Country

Solomon Islands

Practice Area(Lead)

Social

L/C/TF Number(s)

Closing Date (Original)

Total Project Cost (USD)



0

Bank Approval Date
28-May-2014

Closing Date (Actual)

	IBRD/IDA (USD)	Grants (USD)
Original Commitment	0.00	0.00
Revised Commitment	0.00	0.00
Actual	0.00	0.00

2. Project Objectives and Components

a. Objectives

The Project Development objectives (PDOs) as stated in the Financing Agreement (Schedule 1, page 4) and the Emergency Project Paper (page 3) were;

"To assist targeted vulnerable populations in the Recipient's territory to: (i) increase their incomes through the provision of short-term employment; and (ii) improve their knowledge, experience and basic employment skills that are valued in the workplace and society".

The revised PDOs as stated in the Additional Financing (AF) Agreement of July 31, 2015 (Schedule 1, page 5) were;

"To assist targeted vulnerable urban populations in the Recipient's territory to: (i) increase their incomes through the provision of short term employment; (ii) improve their knowledge, experience and basic skills that are valued in the workplace and society that are valued in the workplace and society; and (iii) improve their access to services and markets through repaired, more climate resilient roads and access infrastructure".

b. Were the project objectives/key associated outcome targets revised during implementation?
Yes

Did the Board approve the revised objectives/key associated outcome targets?



Yes

Date of Board Approval

31-Jul-2015

c. Will a split evaluation be undertaken?

Yes

d. Components

There were three components (Emergency Project Paper pages 3-4).

1. Rapid Employment Scheme. Appraisal estimate US\$5.40 million. Actual cost US\$9.76 million. This component aimed at providing short-term temporary employment for the vulnerable urban poor through labor-intensive public works. There were two sub-components.

(i) Road rehabilitation and maintenance of tertiary (unpaved) urban and peri-urban roads in and around Honiara (the capital) and technical assistance and training local works contractors and the Ministry of Infrastructure Development staff: and.

(ii) Urban works and services. This sub-component financed minor city works (such as street cleaning, brushing and clearing, developing community access infrastructure) of the Honiara City Council.

The scope of this activity was expanded with the AF on July 31, 2015, to include additional urban regeneration activities (such as, landscaping and greening of public spaces or school playgrounds) and environmental protection for the community access infrastructure build through slope protection and tree planting (Project restructuring paper, April 23,2014, page 5).

2. Pre-Employment Training (PET). Appraisal estimate US\$0.80 million. Actual cost US\$1.29 million. This component aimed at providing training in basic skills to individuals in the target group through the PET program. The scope of this activity was expanded following the AF, to include program extension by a year and piloting a referral service to complement the training of graduates with awareness of other opportunities in Honiara (Project restructuring paper, April 23,2014, page 5).

3. Project Implementation Support. Appraisal estimate US\$1.00 million. Actual cost US\$2.06 million. This component aimed at providing technical support to the implementing agencies - the Ministry of Infrastructure Development and the Honiara City Council.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project cost. Cost at appraisal US\$7.20 million. The scope of the project was expanded with the AFs (discussed below). Actual cost US\$13.01 million.

Project financing. The project was financed by an IDA Grant equivalent of US\$3.20 million. US\$2.00 million was provided from the Bank administered State and Peace Building Fund (SPF) and the US\$2.00 million Pacific Regional Infrastructure Facility (PRIF). With this the total financing for the project was



US\$7.20 million. Four AFs were approved for the project. (1) AF of US\$1.29 million on September 11, 2013. (2) US\$1.55 million on May 29, 2014. (3) US\$2.60 million on July 31, 2015. and (4) US\$2.00 million on November 18, 2016. With these AFs, the total financing for the project was equivalent of US\$13.11. The total amount disbursed was equivalent to US\$13.35 million. The reason for the increase in disbursement figures was due to exchange rate changes during implementation.

Borrower contribution. None was planned at appraisal. There was no contribution during implementation.

Dates. The original project was approved on May 18, 2010 and scheduled to close on June 30, 2015. The original project closed 18 months behind schedule on December 31, 2016. With the third AF, the project closing date was extended to December 31, 2018. The AF project closed as scheduled on December 31, 2018.

Other changes. There were five project restructurings. This included four Level 2 restructurings and one Level 1 restructuring following the approval of AF. The changes made to the project through the respective restructurings in chronological order are;

The first, Level 2 restructuring on September 11, 2013, following the first AF for the project, reallocated funding between components. Financing for urban works activities was scaled up and additional funding was allocated for component three activities.

The second Level 2 restructuring, following the second AF for the project on May 29, 2014, expanded the scope of urban activities. Changes were made to the results framework to reflect the increase in scope of urban activities. The project closing date for the SPG grant was extended from May 31, 2014 to June 30, 2015.

The third Level 2 restructuring on April 27, 2015, extended the closing date for IDA grant from June 30, 2015 to December 31, 2016, to complement the closing date for the IDA grant with the PRIF and SPF grants.

These changes were made with the fourth restructuring (Level 1 restructuring), following the third AF for the project on July 31, 2015: The PDO was revised. There was an increase in project scope and the results framework was amended to reflect the changes in project scope. The closing date was extended to December 31, 2018.

The fifth Level 2 restructuring following the fourth AF on November 18, 2016, increased the scope of activities to include climate resilience in component one activities. The results framework was changed to reflect the increase in scope of project activities.

Split rating. Since the PDOs were revised with the on 2015, this review is based on a split rating of objectives, when 69% (US\$3.45 million) was disbursed and after AF, when the balance 31% (US\$4.26 million) was disbursed.

3. Relevance of Objectives



Rationale

Country context and government strategy. Solomon Islands, a fragile, post-conflict country, is one of the least developed countries in the world and vulnerable to natural disasters. Before appraisal, Solomon Islands was affected by economic decline in the wake of the global economic crisis due to a combination of factors, including civil tension, high population growth in Honiara (the capital) exacerbated by inter-island migration to urban centers and the after effects of austerity measures that raised government concerns about the potential for renewed conflict in urban areas. The PDOs, which aimed at financing a workfare type program for supporting the more vulnerable urban unemployed, were relevant in the country context. The Government strategy articulated in the National Development Strategy 2011-2020, emphasized the need for equity and disaster response and resilience.

Bank strategy. The PDOs were well-aligned with the Interim Strategy Note (ISN) for 2010-2011 (There was no Country Assistance Strategy at that time (ICR, page 7)). The ISN recognized that as a fragile, post-conflict state, Solomon Islands would require medium to long-term commitment to reduce vulnerability to conflict and to create a more effective administration. The first pillar of the ISR highlighted the need for addressing surmountable barriers to growth. Although the project did not specifically refer to any of the pillars in the ISN, the project was developed to directly respond to a request by the government for assistance with post-conflict support. The Country Partnership Strategy for 2013-2017 identified sustainable and inclusive growth, increasing social and economic opportunities and maintaining peace and stability as priorities. The third focus area of the Current Country Partnership Framework for 2017-2023 highlighted the need for managing uneven development through improving access to service delivery in underserved communities.

The PDO, besides being well aligned with both the national and Bank priorities, was pitched at a realistic level as it adequately provided a potential solution to an identified development problem. The Relevance of Objectives is therefore rated High.

Rating

High

4. Achievement of Objectives (Efficacy)

OBJECTIVE 1

Objective

To assist targeted vulnerable populations increase their income through the provision of short-term employment



Rationale

Theory of Change. Training in basic skills through the pre-employment training program together with providing rapid employment in labor-intensive public works activities (such as road rehabilitation and maintenance and urban works), aimed at responding to the immediate needs of providing short-term temporary employment to the vulnerable urban poor. Expanding the scope of the program through a referral service program aimed at complementing the training program. Activities added through the project restructuring aimed at improving access to infrastructure. The combination of these activities was expected to provide jobs to the vulnerable population in the short run and contribute to the long-term development objective of contributing to more stable society.

Outputs (ICR, pages 35-36).

- 13,180 people benefitted from the safety nets programs at project closure (target 12,900, target exceeded). 50% of the beneficiaries were from 26 of Honiara's most vulnerable communities, selected through a vulnerability assessment process. 7,005 of the beneficiaries were women (target 6,450, target exceeded).
- The average number of labor days worked per person at project closure was 60. This exceeded the target of 50.
- Of the total labor days generated through the Rapid Employment Scheme, 425,023 went to women (target 405,000, target exceeded) and 465,120 went to youth (target 405,000, target exceeded).
- 801,931 of labor days in total was generated by the rapid employment scheme. This was slightly short of the revised target of 810,000.

Outcomes (ICR, pages 13 - pages 31-32)

- On average, 2,102 Solomon Island Dollars (SBD) was transferred to each beneficiary per year, exceeding the target of 1,600 SBD. The ICR (page 13) notes that payment made to beneficiaries was at the legal minimum wage for Solomon Islands (SBD4 per hour per day).
- 58% of the participants from communities were ranked as the highest priority on the vulnerability index (at or below the poverty line) at closure, exceeding the target of 50%.
- 58% of participants in the project were youth (defined as ages 16 to 29 years), exceeding the target of 50%.
- 53% of the project participants were women, exceeding the target of 50%.

Evidence presented in the ICR show that the project succeeded in increasing the income of the targeted vulnerable populations (poor/youth/women) through the provision of short-term employment.

Rating
Substantial



OBJECTIVE 1 REVISION 1

Revised Objective

This objective was not revised.

Revised Rationale

Revised Rating

Substantial

OBJECTIVE 2

Objective

To assist targeted vulnerable populations to improve their knowledge, experience and basic employment skills that are valued in the workplace and society.

Rationale

Outputs (pages 39).

- 11,629 pre-employment trainees were certified (target 11,000, target exceeded). Of this, 58% (6,757) were women. (There were no targets for this indicator)
- 1,879 one-on-one coaching sessions were conducted (target 1,800, target exceeded).
- Curriculum vitae were developed by 1,137 participants (target 1,140, target exceeded).
- A community-based training pilot was conducted in two communities in Guadalcanal as targeted.

Outcomes.

- 29% of the participants (3372 graduates) of the Rapid Employment Schemes (RESs) obtained employment after the project closed. This exceeded the target of 15%. This included 17% women as compared to the target of 40% (target not achieved) and 40% of youth as targeted.
- 76% of REP participants reported that the scheme was useful in finding subsequent employment as compared to the target of 60%. This included 78% women participants (target 40%) and 76% youth participants (target 40%).
- 16% of REP graduates reported that they invested the income earned by them in the REP scheme in business activities (target 11%). The percentage of women who invested the income was none as compared to the target of 40% (target not achieved) and 75% of the youth invested the income (target 40%).

While it is difficult to ascertain the extent to which the project activities contributed to this outcome, it is reasonable to conclude that activities which included training of women and youth and other complementary activities such as assisting in preparing curriculum vitae, significantly contributed to realizing the PDO.

Rating



Substantial

OBJECTIVE 2 REVISION 1

Revised Objective

This PDO was not revised.

Revised Rationale

Revised Rating

Substantial

OBJECTIVE 3

Objective

To assist targeted vulnerable urban populations to improve their access to services and markets through repaired, more climate resilient roads and access infrastructure.

Rationale

Outputs (ICR, paragraphs 27-28 and pages 37-38).

The outputs of the following activities exceeded the targets at project closure.

- 118.72 Kilometers (Km) of non-rural roads (Given Honiara's is a hilly city with a maze of ridges and valley, this included a system of footsteps that linked communities of thousands of people below to the main roads) were rehabilitated (target 110 km).
- 49 community access infrastructure sub-projects were completed (target 46).
- 32 community access infrastructure units were landscaped (target 30).
- 92% of the community leaders in project areas reported better access to services and markets because of the infrastructure (target 75%).

The outputs of the following activities were below the target at project closure.

- 2.20 Km of roads were improved to all-weather, climate resilient standards (target 3.20 km).
- 490 contractor representatives were trained on labor-based work methods (target 500).

Outcomes.

- 61,857 people benefitted from activities associated with road works and other community access infrastructure, slightly short of the target 62,000. This represented 74% of the population of Honiara (84,000).

Rating

Substantial



OVERALL EFFICACY

Rationale

The outcomes were realized for the most part.

Overall Efficacy Rating

Substantial

5. Efficiency

Economic analysis. Economic benefits from the pre-employment training were assumed to come from improved labor-market prospects for participants. The PAD (paragraph 27) notes that a full economic analysis was not prepared at appraisal due to limited availability of data and inadequate in-house capacity for data collection. However, a rough estimate of the benefits was made based on a survey of informal wages collected in two targeted project areas. Based on the assumption that at least 40% participants were likely to be from poor households, the project was estimated to have a Benefit-Cost ratio of between 1.2:1 and 2.2:1. A calculation of direct benefits conducted at closure estimated a Benefit-Cost ratio of 1.39:1.

Cost effectiveness considerations. According to the ICR (paragraph 31), the cost of the public works components was comparable to an ongoing Bank-financed Solomon Islands national road improvement project. According to the ICR (page 49), out of the 14 cost parameters compared between this project and the ongoing project, eight parameters of this project were lower, two were comparable and four were higher (due to the difficulty associated with moving materials to inaccessible communities and increasing focus on climate resilience works in this project) (ICR, page 49). During implementation, the Project Management Unit took over the PET training in-house, rather than relying on external contractors. This change in delivery method entailed cost savings of US\$80,000 (or 10% of the contract value), which allowed training of an additional 750 participants.

Administrative and operational issues. There were no major administrative issues during implementation.

Efficiency Rating

Substantial



a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate		0	0 <input type="checkbox"/> Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

Relevance of the PDOs for the government and Bank strategy is High. Efficacy of the two original and revised PDOs - to increase the income of the targeted vulnerable population through short-term employment and to improve their knowledge, experience and basic employment skills - is rated as Substantial, given that outcomes were substantially realized. Efficacy of the additional revised PDO- to improve access to services and markets through repaired, more climate resilient roads and access to infrastructure is rated as Substantial, as the outcomes were substantially realized. Efficiency is Substantial given cost-effectiveness considerations and few administrative or operational inefficiencies during implementation. Taking these ratings into account, outcome is rated Substantial both before and after restructuring. Therefore, the overall rating is Satisfactory.

a. Outcome Rating

Satisfactory

7. Risk to Development Outcome

Economic risk. There is risk to benefits given the limited fiscal space in the Ministry of Infrastructure Development and the Honiara City Council. It is still not clear if there would be adequate financial resources for maintenance of the roads that were rehabilitated under this project.

Political risk. There is ongoing risk, given that wider causes of tensions in Solomon still Islands remain, particularly with respect to land rights, migration and social inequity.



8. Assessment of Bank Performance

a. Quality-at-Entry

The ICR (paragraph 57) notes that given the emergency nature of the project, the project was prepared in less than four months. This project was prepared based on lessons from similar operations in post-conflict and fragile settings (Liberia, Afghanistan, Nepal), where "workfare" programs were prepared under emergency procedures and from prior Bank-financed projects in Solomon Islands. Lessons from fragile settings that were incorporated at design, included a simple design given the institutional constraints and bundling a package of services that included skills development and on-the-job learning. Lessons incorporated from prior Bank-financed operations, included capacity building on labor-based methods for road works and community infrastructure and external technical assistance (PAD, paragraphs 34 and 35). Several risks were identified at appraisal, including substantial risks associated with the possibility of conflict, elite capture of benefits and the weak institutional capacity for addressing fiduciary issues. Mitigation measures adopted at design included continuous monitoring of socio-political context to prepare for changing conditions and additional support for addressing fiduciary issues. With mitigation measures, overall risk was rated as moderate at appraisal (PAD, page 17). Appropriate arrangements were made at appraisal for implementation, with an independent project implementation unit (separate from the Ministry of Infrastructure Development and the Honiara City Council) to address the risks of low implementation capacity. The arrangements made at appraisal for environmental and fiduciary compliance were appropriate (discussed in Section 10).

There were some shortcomings in the M&E design, such as no appropriate indicator for monitoring household income (discussed in section 9a).

Quality-at-Entry Rating
Satisfactory

b. Quality of supervision

14 Implementation Status Results Reports were filed over an implementation period of seven years, implying two supervision missions per year. The ICR (paragraph 58) notes that regular supervision missions were supplemented with additional technical missions and the missions included people with relevant technical expertise. The supervision missions aided in designing annual surveys and training the survey firm, given the limited in-house capacity of the implementing agencies. The bank staff proactively worked with the government to secure the AF for the project through the State and Peace Building Fund (SPF) and the Pacific Regional Infrastructure Facility (PRIF). There were three Task Team Leaders over the lifetime of the project. The team aided in adapting to the changing context over time and added investments in new areas, such as the community access infrastructure. The support provided by the team aided in fiduciary compliance (discussed in more detail in Section 10).



Quality of Supervision Rating

Satisfactory

Overall Bank Performance Rating

Satisfactory

9. M&E Design, Implementation, & Utilization

a. M&E Design

Of the four original PDO indicators at design, three indicators, (i.e. “the percent of participants at or below the poverty line when the project closed”, the “the percent of youth participating in the project” and the “percentage of women participating in the project”) were appropriate for monitoring project performance. The fourth indicator “increase in household income due to the project activities”, was not adequate as there were: (i) no baseline figures and, (ii) means for measuring household income could not be isolated from other sources.

The management information systems of the Ministry of Infrastructure Development and the Honiara City Council were to be used for monitoring key indicators (such as wages paid, kilometers of roads that were improved, number of trainees successfully completing the Pre-Employment Training Course) (PAD, paragraph 55). The project also envisioned semi-annual surveys to monitor project performance (PAD, paragraph 56).

b. M&E Implementation

The indicator “to increase household income” was replaced with a more appropriate indicator - “average wage transfer per person”. The new indicator added with the AF for the project – “percentage of participants reporting that the project was useful in obtaining subsequent employment” - was appropriate.

The ICR (paragraph 50) notes that as part of the overall monitoring process, a local firm completed five surveys in 2015, with data collected directly from participants. An additional sixth survey was completed in 2017, with modifications in the survey instruments to aid in the preparation of an ongoing project (Community Access and Urban Services Enhancement Project).

c. M&E Utilization



The reports generated by the project were used for monitoring project progress and for highlighting areas where management decisions were required for effective implementation. The M&E data provided assisted in securing the Additional Financing and the information provided by the M&E system on participants and feedback was used for preparing a follow-on ongoing project aimed at replicating the activities of this project into other provinces (ICR, paragraph 51).

M&E Quality Rating

Substantial

10. Other Issues

a. Safeguards

The project was classified as a Category B project. Two safeguard policies were triggered; (i) Environmental Assessment (OP/BP 4.01); and (ii) Involuntary Resettlement (Op/BP 4.12). The negative environmental impacts of the project were expected to be temporary and minor. Environmental and Social Management Guidelines (which included a Resettlement Policy framework) was prepared and publicly-disclosed at appraisal (PAD, paragraph 32). The ICR (paragraph 53) notes that there was compliance with environmental and social safeguards. There was no resettlement during implementation and minor issues such as requests for "dirty allowances" for workers cleaning drains were resolved by the Grievance Redress System that had been set up when the project started.

b. Fiduciary Compliance

Financial management. An assessment of the financial management capacity of the implementing agencies was conducted at appraisal. Financial risk was rated as substantial in view of the limited capacity of the implementing agencies and their lack of experience with Bank procedures. Mitigation measures included recruiting dedicated officers and contracting short-term financial advisory services (PAD, paragraph 29). A financial management action plan was prepared at appraisal (PAD, page 43). The ICR (paragraph 55) notes that difficulties due to frequent staff changes and delays in recruiting new staff during implementation were eventually resolved. Audited financial statements were submitted in a timely fashion and all annual audits were unqualified.

Procurement management. An assessment of the procurement management capacity of the implementing agencies conducted at appraisal concluded that procurement risk was high, in view of the general weaknesses in the overall procurement environment in the country and lack of institutional experience with Bank procedures. Mitigation measures incorporated at design included recruitment of dedicated procurement officers, initial training agencies in Bank procures and contracting short-term



procurement advisory services for works contracts (PAD, paragraph 30 and 31). A procurement plan was prepared at appraisal (PAD, page 47). The ICR (paragraph 56) notes that there was compliance with procurement management and there was no reported case of mis procurement.

c. Unintended impacts (Positive or Negative)

The ICR reports that none of the participating women invested their income in further income generating activities (the target was thus not achieved) - as opposed to men and male youth, and very few women (fewer than the target) obtained subsequent employment (7% as compared to the target of 40%). The ICR offers some reflections, but no real analysis of this - and thus offers no thoughts on potential interventions to help close these gender gaps.

d. Other

11. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Satisfactory	Satisfactory	
Bank Performance	Satisfactory	Satisfactory	
Quality of M&E	Substantial	Substantial	
Quality of ICR	---	Substantial	

12. Lessons

The ICR (pages 28-30) draws the following main lessons from implementing this project, with some adaptation of language.

(1) A workfare approach can be an effective rapid response mechanism to emergency situations. This project demonstrated the ability to generate quick and visible results that benefitted the most vulnerable in the short run but eventually the whole community, by shifting from an emergency response mechanism to a more development-oriented approach aimed at improving service delivery in urban areas.



(2) Combining pre-employment training and real work experience can provide tangible benefits in terms of income and higher propensity to enter the labor market. The feedback on this project from annual surveys indicated that the project aided in developing beneficiaries' skills for entering the labor market.

(3) Although the strategies for encouraging participation of women and youth was successful, disaggregation of data could have helped in exploring the remaining socio-cultural barriers to gender differences. Although the project achieved its targets for participation of women and youth, socio-cultural factors precluded equal access to benefits for women following the project. For instance, the surveys indicated that more male participants believed that the rapid employment scheme was useful for accessing further employment as compared to females. Disaggregation of data could have helped to explore whether capacity building activities would by themselves be enough for addressing severe structural obstacles for greater participation by women in the labor market.

13. Assessment Recommended?

No

14. Comments on Quality of ICR

The ICR is well-written and provides a candid narrative of what started as an emergency operation and evolved into a more development-oriented approach with the AFs. The ICR is consistent with the ICR guidelines and appropriately does a split-rating of the objectives. It also candidly acknowledges that while the project did benefit women and youth, there were differences in the way project activities were perceived by women vis-à-vis women and that more disaggregation of data could have helped in better understanding the gender differences.

The description of the AFs for the project provided in the Data Sheet and ICR (paragraph 9) are unclear and would have benefited from a more structured presentation, including a description of what the changes to the results framework were at the different restructurings. The ICR is quite long at 30 pages (about twice the recommended length of 15 pages) and could have been shorter.

a. Quality of ICR Rating



Substantial