



# Integrated Safeguards Data Sheet Identification / Concept Stage (ISDS)

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Concept Stage | Date ISDS Prepared/Updated: 11-Apr-2018 | Report No: ISDSC23116



**BASIC INFORMATION**

**A. Basic Project Data**

Project ID	Project Name	Environmental Category	Country
P165314	Promoting Social Inclusion and Self-Reliant Livelihood Activities in Armenia	C - Not Required	Armenia
Team Leader(s)	Estimated Date of Approval	Managing Unit	Financing Instrument
Maddalena Honorati		GSP03	Investment Project Financing

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**Financing (in USD Million)**

**SUMMARY**

<b>Total Project Cost</b>	2.66
<b>Total Financing</b>	2.66
<b>Financing Gap</b>	0.00

**DETAILS**

**B. Project Development Objective(s)**

11. The proposed project development objective is to (i) increase access to social assistance benefits and services; and (ii) provide self-employment support for about 5,000 extremely vulnerable households in selected regions in Armenia. The PDO will be achieved by strengthening the role of existing community and state social workers as connectors between the families and available social assistance benefits and by providing entrepreneurship support to FBP beneficiaries as a pathway to graduate out of the program.

**C. Project Description**

13. The project will be structured around the following components:

14. **Component 1: Development and implementation of a pilot counseling program.** This component will support the development of :(i) the design of the methodology for social case management as an intermediation service to connect families with available social services (and hence as a model for integrated service provision) building and expanding on existing achievements and material developed by the MLSA, UNICEF, USAID and the World bank through the SPAP I and II projects; (ii) a handbook (or operational manual) for social workers; (iii) tools for social workers such as a comprehensive screening tool to assess



households' needs and vulnerabilities, a mapping of the universe of social services and active labor market programs available in each municipality/communities in the targeted regions; (iv) referral protocols with service providers; (v) an out-reach strategy or plan for social workers to identify and reach out to the poor and vulnerable households living in their communities; and (vi) training material to train social workers on the social case management methodology. The training curricula will include the provision of socio-emotional skills. The component will also support the implementation of the training. Training activities will be conducted to train about 200 state and community social workers in order to serve the poor and vulnerable in the targeted regions, empower and address their social needs, refer them to the appropriate social service and programs and link them with job opportunities and business start-up capital (including the small business grants funded under component 2 of this JSDF grant). The salaries of social workers are paid by the government and respective NGOs, not by the JSDF grant. Local and international experts will be hired to develop outputs (i) to (iv) described above and a local firm will be hired to conduct the training.

15. Through their front-line position, direct contact with vulnerable households and home visits, social workers have the potential to raise awareness on people's rights, inform and refer to existing social services available in the community and facilitate access to those services to poor and vulnerable households that are currently out of the system (as they did not register). Based on national household survey data the vast majority of households in the poorest quintile (72.5%) never applied to the FBP because they think they won't be eligible under the current scoring formula. While the Social Inclusion TA is supporting MLSA to improve the design of the formula, the proposed project will support the improved implementation of the targeting system through social case management. The targeting strategy to reach out excluded household will build on the same approach that is guiding the current scoring formula which is a mix of (monetary) poverty and social vulnerabilities as defined by the Social Assistance Law.

16. The Armenia Association of Social Worker (AASW, which will be the implementing agency) held the preliminary consultations with representatives from Ministry of Labor and Social Affairs (MLSA) and social workers suggest that social workers are lacking the skills and tools to work with vulnerable people in a holistic way as case managers. In order to transform existing social workers into "social case managers", social workers need to be trained and equipped with the right skills and tools they need to assess and manage different and difficult "cases": for example, referral mechanisms, resource books, assessment and follow-up tools, methodological guides on case conferences, mapping of social services that exists in the community and of the network of public and private providers facilitating access to jobs and access to finance for small scale entrepreneurship projects.

17. Where previous tools provided to case managers were general introductions to case management (assessment, intervention, monitoring, etc.), the methodology within this project will help to teach practical skills to social workers. Social case management was implemented as a methodology in Armenia since January 1, 2017, and case managers began to accept cases, but this information is not helpful for practical application. Methods for working have not been developed, including community/beneficiary outreach and establishing a working culture among social case managers and local social services and stakeholders. This project will support the government's design and practical implementation for the social case management



methodology by building the knowledge, skills, and competencies of these workers in relation to the target issue.

18. **Component 2: Capacity building and entrepreneurship support** to support FBP beneficiaries boost business activities aiming at increasing their incomes; business plan proposals will be evaluated and selected based on the soundness of design, sustainability, organizational capacity and budget. This component will pilot the implementation of a new program consisting of business training activities, advisory services and the provision of small sub-grants to promote self-employment and boosting business activities, aiming at increasing incomes and therefore livelihood state. The beneficiaries of this component are social assistance beneficiaries (poorest and vulnerable households in Armenia) with 'spare labor' (not working adults with no caring duties). The sub-component will specifically support: (i) Business Management and Marketing Skills Trainings for about 300 people, (ii) advisory services to assist in the preparation of business plan proposals; (iii) selection and disbursement of small business grants (average amount of USD 4,000) for 250 people, (iv) follow-up activities such as visits, "on-the-spot" consultancies and possible support to the beneficiaries on marketing & sales of their products and/or services, organizing regular experience sharing meetings among the grantees within the same marz and between the marzes (inviting successful grantees from previous round of the JSDF grant as guest speakers and mentors); (v) hosting a trade-fair/exhibition on business opportunities cultivated (products and services) to spread the word and link with financing institutions. The referrals protocols to the program, eligibility criteria for beneficiaries, the selection criteria for the business plans and the small grants payment mechanisms will be defined during appraisal. A Consulting Company will be contracted to conduct the Business Management and Marketing Skills Trainings, present the business plan proposals to the Evaluation Committee (consisting of representatives from MLSA, Ministry of Economy, AASW, from Mission Armenia NGO and one member from an organization protecting the interests of vulnerable people, to be confirmed at appraisal stage), implement follow-up activities such as visits, "on-the-spot" consultancies, updating AASW with the Project state, etc. The implementation of this component will be outsourced through a competitive bidding process to a consultancy firm meeting specific requirements and relevant experience providing advisory services and training for business start-ups and for small and medium enterprise development.

19. This component will strengthen the supply of programs supporting entrepreneurship by testing the provision of small business grants and the accompanying business training/coaching to FBP beneficiary households with spare labor to support their "graduation" out of the program. As mentioned above, the government in fact cut substantially the budget for active labor market programs and small business grants in 2017, leaving the country, and especially poor rural areas with very limited opportunities to jump start small scale entrepreneurship activities. The design of component 2 draws on the lessons learned from the implementation of the state-funded small business grants program (provided to 81 individuals annually on average) which was suspended in 2017 and the small business grant component supported through the previous JSDF grant (targeted to women and people with disability) which led to the creation of 90 businesses, out of which 71 are still in operation a year after the launch. Differently from previous interventions, the program being piloted under this component will be tailored to the characteristics and needs of social assistance beneficiaries (often lower educated and with motility constraints) as a pilot approach to promote their self-reliance and help them "graduate" them of public cash assistance. The key



lessons and success factors that will be taken into account from the previous JSDF project include: (i) need for a regular coaching and face-to-face visits during the first months after business creation provided by experts facilitated by the social workers; (ii) quality assurance for the business training; (iii) entrepreneurial attitude matter for success, not just a sound business plan. To the extent possible this project component will coordinate with the EU funded project implemented by SME Development National Center to boost economic activities within food processing and tourism.

**20. Component 3: Project Management and Administration, Monitoring and Evaluation (M&E), and Knowledge Dissemination.** This component will be divided in three sub-components: (i) Project Management and Administration; (ii) M&E and (iii) knowledge dissemination.

21. *The Project Management and Administration* sub-component will ensure proper implementation, monitoring and evaluation of the grant. Individual consultants will be hired at AASW (including a project coordinator, FM specialist, procurement specialist, M&E specialist, component 1 coordinator and component 2 coordinator) to be responsible for the implementation of project activities and reporting. Resources will be allocated to train the FM and procurement consultants on World Bank procedures. The consultant in charge of coordinating component 2 will be responsible for the design and supervision of component 2 activities, including the grants payment. Annual audits by an independent auditing firm and quarterly reports will be produced under this sub-component. The project launch, the mid-term review and final evaluation report will be produced in addition to the regular monitoring reports to the World Bank under the RETF grant. Part of the bank supervision budget will be allocated to the development and processing of the project Implementation Completion Report.

22. *The Monitoring and Evaluation* sub-component will include different M&E activities to assess the work of social workers, the behavioral changes of beneficiaries (knowledge, registration in the social and employment programs, take-up of benefits, services, livelihood grants) as well as the profitability and sustainability of the new businesses. Local and international consultancies will be hired to implement such M&E activities. The M&E plan for component 1 will include: (i) the development of a management information system (MIS) for social workers to regularly track and follow up on specific individual cases within households that register in the Family Benefit Program, monitor the family progress, referrals made by social workers and when possible effective access of beneficiaries to services for which they were referred to; The MIS will be integrated to the Family Benefit Database (used to target different social assistance benefits) and will be hosted in MLSA. (ii) an evaluation to assess social workers' skills of working with beneficiaries and knowledge of referral mechanisms before and at completion of program activities (baseline and endline data will be collected). A beneficiary assessment will also be undertaken. For component 2, baseline and endline data will be collected to evaluate the impact of the small business grants (impact evaluation). The monitoring of component 2 activities and grant payment will be done by AASW regular visits and through the consultancy firms regular reports. . The M&E plan is expected to be taken up by the government after the pilot. Expected outputs include a beneficiary assessment report, social worker evaluation report, the MIS interface for social workers and the impact evaluation of the entrepreneurship program. .\Knowledge dissemination will support social worker workshops and a final event to disseminate



the findings of the impact evaluation of the entrepreneurship program and the development and challenges of the counseling program for social case management.

23. During the project itself, the Implementing Agency will drive a participatory approach to monitoring all project activities and the results, outcomes, and impacts of the project. The development of the monitoring scheme will be based on the PDO and the project indicators. The project team and the implementing partner coalitions will submit bi-monthly updates on the relevant indicators and activities implemented to the project director for consolidation. For each quarter, a benchmark will be established for each activity output. Quarterly monitoring of activity outputs and reporting will allow the project team to assess performance toward end-of-project targets. If quarterly benchmarks are not met, then AASW will determine any needed corrections so that end-of-project targets are met. The data will be disaggregated by gender, age, refugee, and poverty status. AASW will further consolidate information on the relevant indicators, reveal any gaps, and note lessons learned. These internal exercises will help AASW to make project adjustments if needed.

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## SAFEGUARDS

### **D. Project location and salient physical characteristics relevant to the safeguard analysis (if known)**

38. Project may support activities countrywide, but two administrative districts (marzes) – Ararat and Armavir, to be confirmed – are targeted for interventions. Activities will be undertaken in rural settlements and agricultural areas around them.

### **E. Borrower’s Institutional Capacity for Safeguard Policies**

39. The implementing agency has no prior experience in applying World Bank’s safeguard policies and does not employ a social and environmental specialist. Although the safeguard risks associated with the project implementation are low, AASW NGO will need to undertake institutional arrangements for adequate environmental and social screening of grant applications and establish a grievance redress mechanism to handle any complaints that may arise in regard to the operation of the grant scheme and/or the grant-financed activities.

### **F. Environmental and Social Safeguards Specialists on the Team**

Darejan Kapanadze, Environmental Safeguards Specialist

Sophia V. Georgieva, Social Safeguards Specialist



**G. Policies that might apply**

Safeguard Policies Triggered by the Project	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	No	
Natural Habitats OP/BP 4.04	No	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	No	
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	No	
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/BP 7.60	No	

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**H. Safeguard Preparation Plan**

**Appraisal stage ISDS required? Yes**

a) Tentative target date for disclosing the appraisal stage ISDS  
12-Apr-2018

b) Time frame for launching and completing the safeguard-related studies that may be needed.

40. No significant environmental and social risks are related to the project implementation other than those related to on-granting of the project proceeds to the rural poor. This grant scheme, to be operated under Component 2 of the project is intended to create self-employment through encouraging small business initiatives. The project will not finance civil works. The project will exclude any activities that would have resettlement impacts (such as acquiring private land, causing displacement, causing harm to assets or livelihoods, etc.). Use of the grant proceeds for the purchase and/or application of pesticides will also be disallowed. Small business grants may not be provided to support production of weapons, toxic and radioactive chemicals, tobacco and spirits. To ensure that only eligible activities are financed under Component 2, an adequate mechanism will be established for screening and approval of grant applications. An Operations Manual will be developed for Component 2 which will specify the sectors to be supported under the entrepreneurship program and which will articulate the screening and approval process of the small business grants. Overall, the implementation of the proposed project will considerably improve the social setting in communities and reduce social tensions and disparities.

**APPROVALS**



Team Leader(s):	Maddalena Honorati
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**Approved By**

Safeguards Advisor:	Agi Kiss	27-Mar-2018
Practice Manager/Manager:	Cem Mete	29-Mar-2018

<sup>1</sup> Reminder: The Bank's Disclosure Policy requires that safeguard-related documents be disclosed before appraisal (i) by the Bank and (ii) in country by the Borrower/Recipient, at publicly accessible locations and in a form and language that are accessible to potentially affected persons.

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