

**INTEGRATED SAFEGUARDS DATASHEET
APPRAISAL STAGE**

I. Basic Information

Date prepared/updated: 04/22/2010

Report No.: 54302

1. Basic Project Data

Country: Ghana	Project ID: P115247	
Project Name: Ghana---Social Opportunities Project		
Task Team Leader: Qaiser M. Khan		
Estimated Appraisal Date: February 22, 2010	Estimated Board Date: May 20, 2010	
Managing Unit: AFTSP	Lending Instrument: Specific Investment Loan	
Sector: Other social services (80%);Public administration- Agriculture, fishing and forestry (10%);Public administration- Other social services (5%);Irrigation and drainage (5%)		
Theme: Social safety nets (70%);Social risk mitigation (10%);Rural services and infrastructure (10%);Rural non-farm income generation (8%);Natural disaster management (2%)		
IBRD Amount (US\$m.):	0.00	
IDA Amount (US\$m.):	88.60	
GEF Amount (US\$m.):	0.00	
PCF Amount (US\$m.):	0.00	
Other financing amounts by source:		
BORROWER/RECIPIENT		0.50
<u>Financing Gap</u>		<u>2.60</u>
		3.10
Environmental Category: B - Partial Assessment		
Simplified Processing	Simple <input checked="" type="checkbox"/>	Repeater <input type="checkbox"/>
Is this project processed under OP 8.50 (Emergency Recovery) or OP 8.00 (Rapid Response to Crises and Emergencies)	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

2. Project Objectives

The objectives of the Project are to improve targeting in social protection spending, increase access to conditional cash transfers nationwide, increase access to employment and cash-earning opportunities for the rural poor during the agricultural off-season, and improve economic and social infrastructure in target districts.

The key performance indicators related to the PDO are: (i) share social protection spending allocated to programs targeted to the poor (%), (ii) LEAP and Ghana Health Insurance indigent exemption expenditures in the Govt's overall package of pro-poor expenditures as defined by MOFEP (%), (iii) person days of unskilled workers disaggregated by district; (iv) average earnings per unskilled workers in LIPWs; (v) beneficiaries subject to school enrollment condition that comply with it (%), and (vi) direct project beneficiaries (number), of which female (%).

3. Project Description

The duration of the Ghana Social Opportunities Project is five years, and it will have five components: (i) rationalizing the National Social Protection Strategy; (ii) labor intensive public works (LIPW); (iii) supporting the Livelihood Empowerment Against Poverty Program (LEAP); (iv) building capacity at the central and district levels to plan and implement LIPW and LEAP and to strengthen the decentralization process; and (v) project management and coordination.

Project Components

Component One: Rationalize National Social Protection Policy

(US\$2.5 million of which IDA contribution is \$2.5 million)

Component one would provide support to the government to help redirect its social protection expenditures to the most effective areas and reduce those in less effective activities. This would allow greater coverage of the poor despite current fiscal constraints in the wake of current and future economic crises. To facilitate the process, the component would finance technical assistance, studies, training, and Secretariat services. This would require the cooperation of many ministries and it would be best to give the lead to a non-sectoral ministry without any programs of its own in social protection but which has the necessary interest and clout to lead but include all involved ministries. The best candidate for this would be the Ministry of Finance and Economic Planning (MoFEP) with implementation services being provided by the project management and coordination team in Ministry of Local Government and Rural Development (MLGRD).

Component Two: Labor Intensive Public Works (LIPW)

(US\$56 million, of which IDA contribution is \$56 million)

The objective of this component is to provide targeted rural poor households with access to employment and income-earning opportunities. This pertains particularly to seasonal labor demand shortfalls that is, the agricultural off-season from November to March/April, and in response to external shocks, through rehabilitation and maintenance of public or community infrastructure. The aim is to maximize local employment while rehabilitating productive infrastructure assets, which have potential to: (i) generate local secondary employment effects and (ii) protect households and communities against external shocks. The component will establish a LIPW-based social protection scalable instrument that provides quick-response mechanisms against external shocks, such as floods or droughts, during a crisis. The payment modality for LIPWs will be cash. The scope of works eligible for LIPWs will be defined based on labor content and scope to generate significant local employment.

Component Three: Livelihood Empowerment Against Poverty Program (LEAP)

(US\$20 million of which IDA contribution is \$20 million)

The objective of this component is to support the full rollout of the pilot phase of the LEAP program by strengthening its management and administration, providing technical assistance to improve targeting, providing cash transfers to beneficiaries under LEAP, and providing incentives to ensure that GoG's annual budget allocations are sufficient.

There is recognition within the government and among the partners of the need to build additional capacity within the LEAP administration at the national, regional, district, and community levels to allow for the rapid expansion of the program and adjust the program to better target the neediest, which is included in component four. In addition, the project will, under component three, finance incentive payments to the unified treasury account to assure that GoG each year allocates sufficient budget for LEAP to meet its target of 164,370 households by 2012, and will thereby contribute to the improved human capital outcomes for these households. This will be done through conditional disbursement-linked incentives, which will include: (i) success in reaching the target households as evidenced by actual expenditures and (ii) progress on implementing the Action Plan for LEAP. To ensure that these expenditures are mainstreamed into the GoG budget, the IDA disbursement-linked incentive payments will not exceed one-third of the actual budget expenditures in any given year of the LEAP program.

Component Four: Capacity Building (US\$4.1 million of which IDA contribution is \$4.1 million)

The objective of this component is to create capacity at the national and local levels to implement the National Social Protection Strategy (NSPS) in selected project districts, with the view of enabling a gradual scaling-up and targeting at the national level. This component will therefore implicitly strengthen GoG's decentralization program. Several distinct sets of capacity-building activities will be supported.

Establishing a LIPW-supportive policy and institutional framework. The project will support GoG to amend and adapt the existing policy and regulatory framework to stimulate a wider use of labor intensive methods, both as social protection and infrastructure-generation mechanisms. The following specific activities will be undertaken: (i) a detailed review of the current policy and regulatory framework as it relates to labor intensive methods; (ii) national consultations with all relevant stakeholders; (iii) drafting of a new framework and a new bill on labor intensive methods, to be presented to Parliament for approval; and (iv) an information and sensitization campaign, at the national and regional levels, for decision-makers, concerned private operators, and the population at-large.

Capacity building to support implementation of LEAP to complement ongoing technical support financed by DFID and UNICEF/USAID as needed, with the objective of strengthening and improving the targeting and monitoring of the government's social protection instruments and programs (e.g., LEAP). The project will also support the capacity of the central unit of the Ministry of Employment and Social Welfare to plan, develop, and monitor social protection and District Assemblies to implement the programs.

District and regional capacity building to strengthen the technical and management capacities of the Regional Coordinating Committees (RCC), District Assemblies (DA) of LIPW target districts, and at least two Area Councils in each of these districts to: (i) identify, prioritize, and plan their development needs in particular in terms of rural infrastructure; and (ii) strengthen fiduciary capacities (i.e., financial management, procurement, and monitoring and evaluation). Capacity-building support will be implemented through on-the-job-training and specific short training courses tailored to the needs of DAs and RCCs.

Other activities and pilot programs that could become necessary during implementation to support the overall objective of strengthening safety nets and providing safety ladders including building capacity for disaster risk management.

Component Five: Project Management and Coordination
(US\$6.5 million of which IDA contribution is \$6 million)

The institutions, structures, and capacities of the Government of Ghana will serve as the foundation for project management and coordination. With the aim of bolstering GoG operations, the Social Opportunities Project will fund costs associated with: project management and coordination; relevant technical assistance; project monitoring and evaluation; consultancy services; communication and training; equipment and vehicles; and incremental operating costs. In addition, the component will include the cost of annual impact evaluation surveys, including a baseline study and an end-of-the-project comprehensive impact evaluation study.

4. Project Location and salient physical characteristics relevant to the safeguard analysis

Three of the administrative regions in the Northern Savannah Zone: Upper East Region, Upper West Region, and Northern Region, with the possibility of expansion to other regions in the country.

5. Environmental and Social Safeguards Specialists

Ms Nyaneba E. Nkrumah (AFTEN)

Ms Beatrix Allah-Mensah (AFTCS)

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

II. Key Safeguard Policy Issues and Their Management

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts: The World Bank's ASPEN environmental screening identified the project as category B. This means that impacts are likely to occur but such impacts can be mitigated or avoided altogether. To this extent, the project triggered four safeguards policies: (i) the involuntary resettlement, OP/BP 4.12, (ii) the Environmental Assessment, OP/BP 4.01 (iii) Safety of Dams OP/BP 4.37; and (iv) International Waters Op/BP 7.50. For these triggered policies, the Government of Ghana has prepared a Resettlement Policy Framework (RPF), an Environmental and Social Management Framework (ESMF) and a dam safety plan. An exemption for the riparian notification was granted for the project on the following basis: (i) the engineering findings confirmed that the incremental water use would be insignificant; (ii) the rehabilitation works are to be located in tributaries of an international waterway where these tributaries run exclusively in one state and the state is the lowest downstream riparian.

Social: The main purpose of the RPF is to clarify applicable resettlement principles, organizational arrangements, and design criteria. Its objectives are consistent with avoiding or minimizing involuntary resettlement or land acquisition where possible; where unavoidable, ensuring that compensation and resettlement are designed and implemented with sustainability as the prime focus; and ensuring that affected persons are supported to improve their livelihood or at least restore them to pre-displacement levels. The RPF therefore sets out the legal and administrative framework, which includes the systems of land ownership and tenure as well as the socio-economic characteristics of beneficiary districts. It also details the consultation processes, eligibility criteria, and grievance redress mechanisms and methodology for valuation of assets and a clear entitlement policy and compensation payment processes. In order to ensure that implementation of the RPF is on course and accountability aligned, the RPF has articulated monitoring and evaluation with clear delineations of monitoring indicators and the responsibilities of agencies.

The RPF outlined sections on organizational arrangements for implementation and monitoring and a template for the design of a resettlement action plan should that become

necessary after identification of exact project sites or locations. The project will prepare a resettlement action plan or an abbreviated resettlement action plan (given the number of affected people) if land-seizure, displacement, or resettlement occurs or when peoples livelihoods are affected due to limited access to assets or source of livelihood during implementation. The RPF outlines measures for building the capacity of officials responsible for implementing the RPF.

Environment: The environmental impacts of the project cut across the pre-construction, construction, and post-construction phases of sub-project implementation. The environmental analysis indicates that most negative impacts are likely to be minimal and largely related to the construction phase. These impacts include air and dust emissions, noise and vibration, open pits/trenches, disposal of construction waste, and public safety/health concerns. Mitigation measures include provisions for minimizing ground clearance, redesign of roads to ensure flood prevention, providing settling basins to remove silt and debris before discharge to streams, provision of buffer zones of undisturbed vegetation between construction sites and water bodies and re-vegetation of dam banks, etc

The project will also fund the rehabilitation of small dams of mainly 5-6ft high and not to exceed 10 ft. 4. A dam safety plan has been developed to ensure safety of the dams during and after rehabilitation. The dam safety plan describes the types of dams to be rehabilitated and their size and storage capacity. According to the plan, the rehabilitated dams may exceed 500m in length because of the flat topography of the north, but the project will pre-select dams where the storage capacity does not exceed 250,000m³ for a 5m dam. The project will ensure that capacity does not exceed 500,000m³ for a 6-10m high dam; and that selected dams are generally not located near settlement areas. There is a general low technical capacity regarding local designers, contractors and supervisors to monitor and ensure the sound construction of dams in Ghana. To mitigate these concerns, the project will use external expertise where necessary as well as provide on the job training for workers, GIDA and others associated with the rehabilitation and maintenance of the dams. Water/Dam users associations will be used to perform regular dam maintenance and consistent monitoring throughout the project period.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

The initial assessment noted that the project will have more positive than negative social impacts. With the positive impact, it is noted that the project will bring about cohesion in the community and serve as a rallying point for communities benefitting from the project to begin engaging in more empowering processes for themselves as individuals and for their communities as a whole. It will lead to income for the individuals which will translate into the wider community during the agricultural off-season and reduce the level of vulnerabilities. This can increase the potential for social capital and build stronger communities, which will contribute to ownership and sustainability.

On the social side, the potential exists for tension between adjacent communities where one is benefiting and not the other. Similarly, the expectation from communities could be

overly high with regard to the overall benefit from the project at the individual and community levels. The ESMF has outlined measures to address these issues, among others including sensitization, information dissemination, and participation and inclusion of beneficiaries or their representatives at every stage of the project preparation and implementation. These steps will ensure that the possible negative impacts are not only mitigated but are in fact positively harnessed for overall benefits.

The social assessment exercises carried out to inform the project design suggested that all the selected activities under the LEAP and LIPW components will address compelling problems of poverty in northern Ghana. At the same time, there are many poor people in northern Ghana who will still fall outside of the reach of these pilot efforts. Most poor people in northern Ghana rely on kin, community, or civil society organizations for such support as they receive to help them recover from shocks and cope with seasonal deprivation. This emphasizes the importance of the work to be done in strengthening the architecture of social protection under Component 1.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

The alternative to the World Bank participating in the Ghana Social Opportunities Project would be that the project does not invest in small dams. This alternative was seriously considered. However, given that these small dams are the life-line of people in the dry northern parts of Ghana, and the Bank's overall mission is poverty reduction, it was deemed worthwhile to invest in the dams if the risks could be mitigated effectively. A number of dam engineers were therefore brought into the project to make the assessment of the dams to be rehabilitated and it was determined that the risks were minimal given the height and scale of these dams. A dam safety plan will be put in place prior to rehabilitation works.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

The Ministry of Local Government and Rural Development (MLGRD) has overall responsibility for the project, yet the implementation of component activities will be handled by different agencies, including District Assemblies (DAs) and the National Disaster Management Organization (NADMO). By implementing the Community-Based Rural Development Project (CBRDP), the MLGRD has acquired a level of capacity in safeguards as per World Bank policy requirements. Under the CBRDP and in collaboration with the Environmental Protection Agency (EPA) of Ghana, the MLGRD developed a manual to train selected District Assembly officials while processing the environmental impact assessment for sub-projects at the community level. While this is commendable, it is not sufficient to ensure safeguards compliance by the SOP. The ESMF and RPF have identified capacity-building activities for the various key stakeholders to ensure understanding of safeguards and application of implementation and monitoring measures to achieve sustainability and to avoid or reduce negative impacts. For both the RPF and ESMF, a budget estimate for the required training and capacity building has been included. This training will cover staff at the local, district, and even national level. The combination of an agency well-versed in national and World

Bank safeguard policies and requirements (i.e., EPA-Ghana) and ministries with on-the-ground experience in projects similar to the SOP fosters a solid working relationship.

During the preparation of the ESMF and RPF, there was extensive consultation with stakeholders at the national, district, and community level. These included staff of the CBRDP at the national level, District Assembly officials, and community opinion leaders, including chiefs and ordinary citizens. The process for preparing these safeguards documents requires consultations and information disclosure. The required disclosures have been completed in-country and at the World Bank's Infoshop respectively.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people. Approximately 100 individual were consulted during the preparation of the RPF. The main aim of the consultations was to involve potential beneficiaries and sensitize them, solicit their views and inputs, and identify potential impacts and people while assessing the level of safeguards compliance in the three northern regions. The consultations involved group discussions with a number of people, including women and children, and interviews with local institutional heads like District Assembly officials and NGOs. In sum, the project was overwhelmingly viewed as beneficial yet seen to be responsible for implementing measures to compensate those affected (displaced) by it.

Additionally, the design of the project was heavily informed by a Participatory Poverty and Vulnerability Assessment (PPVA), supported by DFID, UNICEF, and the World Bank, which was commissioned to inform the design of poverty reduction policies in Ghana with a focus on the North. Two rounds of PPVA fieldwork contributed to the design of the project. Both rounds of work were carried out in twelve communities in northern Ghana: three in the Northern Region, three in the Upper West Region, and six in the Upper East Region. The PPVA also undertook fieldwork in five communities in the south of Ghana, with a focus on northern migrants working outside of their home area.

In relation to areas covered by the SOP, the PPVA found strong support in all communities consulted for the provision of dry season income-earning opportunities and productive infrastructure through labor intensive public works. The consulted communities had mixed experiences working with contractors on previous LIPW projects. In some cases, the relationships progressed smoothly while in others, complaints arose of contractors failing to pay individuals, harassing workers (including sexual harassment of women), or providing work opportunities at the wrong time of the year.

On the basis of the consultations carried out, the following has been concluded:

LIPW activities should support large segments of work (e.g., rehabilitation of dams and feeder roads) that provide reasonably large blocks of dry season wage labor opportunities to the beneficiaries (meaning an average of at least 20 days per person between November and March/April). It should undertake the kinds of projects that communities are accustomed to doing with unpaid communal labor (e.g., rehabilitating school blocks

and clinics). Through adopting the approach of only paying for labor when it is beyond the scale that voluntary self-help activities can provide, the project should avoid the risk of undermining important traditions of community self-help. The strong preference for supporting activities that provide a major block of labor is also due to the perception that a sufficient incentive is needed to prevent young men and women from leaving on seasonal labor migration to the south of Ghana.

Projects should reflect community preferences. On the basis of the fieldwork carried out in the PPVA and the pre-appraisal mission the menu includes: small dams, dugouts, and access roads.

Communities should be involved in managing the distribution of work opportunities. Given the high general incidence of poverty in northern Ghana - and the intention to use area-based targeting of poor areas within the North for LIPW - the recommended approach to target households at the community level is to ensure a fair distribution of opportunities between all those who can work and wish to take part. Consultations carried out through the PPVA and the pre-appraisal mission confirmed a strong preference for the community itself to be involved in overseeing the distribution of opportunities for work. The communities placed a high value on transparency and involving community institutions in assuring accountability. Two elements are recommended: (i) a community meeting to establish the principles for allocating work opportunities and (ii) using the unit committee to oversee the execution of what has been decided. All of this is in line with existing practices for managing the distribution of opportunities within communities according to locally recognized norms of fairness and transparency.

On the whole the project preparation studies revealed that gender bias should not be a major problem as opportunities for females and males in public works tend to be well balanced.

The PPVA found a very limited impact or awareness of public safety nets. The main findings in relation to LEAP are that: (i) its outreach remains very limited among the poor in northern Ghana; (ii) the primary use of the LEAP grant is for food, although the teams also found instances where money was used to purchase small animals, pay NHIL, or purchase school uniforms; and (iii) a perception existed in the two communities where specific research on LEAP was conducted that the selection process favored contacts of the local agent and did not reach the most vulnerable. The delivery of more robust livelihood options to the working poor in northern Ghana through LIPW can, therefore, be expected to have a positive impact on enhancing the livelihood security of the non-working poor on communities where benefits are delivered.

B. Disclosure Requirements Date

Environmental Assessment/Audit/Management Plan/Other:

Was the document disclosed **prior to appraisal?**

Yes

Date of receipt by the Bank

01/18/2010

Date of "in-country" disclosure	04/14/2010
Date of submission to InfoShop	04/13/2010
For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors	

Resettlement Action Plan/Framework/Policy Process:

Was the document disclosed prior to appraisal?	Yes
Date of receipt by the Bank	01/27/2010
Date of "in-country" disclosure	02/10/2010
Date of submission to InfoShop	02/11/2010

Indigenous Peoples Plan/Planning Framework:

Was the document disclosed prior to appraisal?	
Date of receipt by the Bank	
Date of "in-country" disclosure	
Date of submission to InfoShop	

Pest Management Plan:

Was the document disclosed prior to appraisal?	
Date of receipt by the Bank	
Date of "in-country" disclosure	
Date of submission to InfoShop	

*** If the project triggers the Pest Management and/or Physical Cultural Resources, the respective issues are to be addressed and disclosed as part of the Environmental Assessment/Audit/or EMP.**

If in-country disclosure of any of the above documents is not expected, please explain why:

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting)

OP/BP/GP 4.01 - Environment Assessment

Does the project require a stand-alone EA (including EMP) report?	Yes
If yes, then did the Regional Environment Unit or Sector Manager (SM) review and approve the EA report?	Yes
Are the cost and the accountabilities for the EMP incorporated in the credit/loan?	Yes

OP/BP 4.12 - Involuntary Resettlement

Has a resettlement plan/abbreviated plan/policy framework/process framework (as appropriate) been prepared?	Yes
If yes, then did the Regional unit responsible for safeguards or Sector Manager review the plan?	Yes

OP/BP 4.37 - Safety of Dams

Have dam safety plans been prepared?	Yes
Have the TORs as well as composition for the independent Panel of Experts (POE) been reviewed and approved by the Bank?	N/A
Has an Emergency Preparedness Plan (EPP) been prepared and arrangements	N/A

been made for public awareness and training?

OP 7.50 - Projects on International Waterways

Have the other riparians been notified of the project? No

If the project falls under one of the exceptions to the notification requirement, has this been cleared with the Legal Department, and the memo Yes

to the RVP prepared and sent?

Has the RVP approved such an exception? Yes

The World Bank Policy on Disclosure of Information

Have relevant safeguard policies documents been sent to the World Bank's Infoshop? Yes

Have relevant documents been disclosed in-country in a public place in a form and language that are understandable and accessible to project-affected groups and local NGOs? Yes

All Safeguard Policies

Have satisfactory calendar, budget and clear institutional responsibilities been prepared for the implementation of measures related to safeguard policies? Yes

Have costs related to safeguard policy measures been included in the project cost? Yes

Does the Monitoring and Evaluation system of the project include the monitoring of safeguard impacts and measures related to safeguard policies? Yes

Have satisfactory implementation arrangements been agreed with the borrower and the same been adequately reflected in the project legal documents? Yes

D. Approvals

<i>Signed and submitted by:</i>	<i>Name</i>	<i>Date</i>
Task Team Leader:	Mr Qaiser M. Khan	04/22/2010
Environmental Specialist:	Ms Nyaneba E. Nkrumah	04/22/2010
Social Development Specialist	Ms Beatrix Allah-Mensah	04/22/2010
Additional Environmental and/or Social Development Specialist(s):	Mr John William Fraser III	
<i>Approved by:</i>		
Sector Manager:	Ms Lynne D. Sherburne-Benz	04/22/2010
Comments:		