I. Project Context

Country Context

Liberia experienced substantial growth between the end of the fourteen-year conflict in 2003 and the Ebola Virus Disease (EVD) outbreak in 2014. This growth was largely driven by an increase in exports which almost doubled from US$175 million in 2006 to US$295.2 million in 2011. This growth also resulted in significant reductions to the poverty rate by almost 11 percentage points from 64 percent of the population in 2007 to 54.6 percent in 2010. However, the economy remains vulnerable to external shocks since iron ore mining and other concessional sectors, such as palm and rubber production contribute significantly to gross domestic product (GDP), and Liberia is a net importer of food.

The country was impacted by the EVD crisis, which severely affected households’ economic conditions. While the most recent household-level poverty data is unavailable because the 2014/2015 Household Income and Expenditure Survey (HIES) being implemented by the Liberia Institute of Statistics and Geo-Information Services (LISGIS) was interrupted by the EVD outbreak, available evidence suggests that the shock negatively impacted the welfare of households. It is estimated that GDP growth declined from 6.8 percent per annum to 3 percent per annum, leading to
an income reduction of US$200 million. As a result, it is expected that some of the most of the recent poverty reduction gains have been eroded, making Liberia one of the poorest countries in the world with GDP per capita only around US$450.

In particular, results from the High Frequency Survey on the Economic Impact of EVD in Liberia show that household incomes have suffered from substantial loss of wage jobs and self-employment activities. By March 2015, nearly half of Liberian household heads who were working in the first half of 2014 reported being out of work, with a large number of job losses among urban, private sector wage earners. Non-farm self-employment was the most substantially impacted employment sector, with greater unemployment than the wage labor or self-employed agricultural sectors. These losses also highlight the gender dimensions of the employment impacts as approximately two-thirds of those working in non-farm self-employment at the baseline survey were women. In addition, even within the self-employment sector, women were more likely than men to have lost their jobs and less likely to have returned after the outbreak.

Poverty reduction has not been uniform throughout the country and a significant share of the population remains highly vulnerable. Prior to the EVD outbreak, the rural poor and illiterate were migrating into urban areas in search of education and employment opportunities. There are indications that the EVD outbreak has resulted in a higher degree of vulnerability associated with living in urban areas, particularly Monrovia. This increasing urban population density has exacerbated poor living conditions, worsened access to basic infrastructure and social services, and led to higher economic exclusion, insecurity and inability to cope with potential risks.

Child malnutrition, as well as infant and maternal mortality rates remain among the highest in the world, with maternal mortality estimated as 1,072 deaths per 100,000 births and infant mortality estimated at 54 per 1,000 live births in 2013. Poor nutrition leads to poor maternal health leads to of both mother and baby. Standard Infant and Young Child Feeding (IYCF) practices recommend that children aged 6 to 23 months are fed breast-milk, as well as foods from four or more food groups. However, only 5 percent of children meet this recommendation.

In addition, although food insecurity has improved compared to 2006 levels, it still remains unacceptably high. Approximately 41 percent of the population is severely food insecure or vulnerable to food insecurity, 19 percent of children are underweight, and 35 percent of mortality in under five is related to malnutrition. In Liberia, food insecurity is both transient, in that it is linked particularly to the rainy season, and chronic, since it is often due to low productivity and production among rural communities. Women play a key role in household food production - they constitute over half of the labor force in agriculture and are reported to produce over 60 percent of the country’s agricultural output.

Food security also worsened during the Ebola crisis, with more than 9 out of 10 households interviewed in the December 2014 high frequency survey citing food insecurity as an issue. To cope with reduced incomes and scarcer goods, many households reported reducing the size of meals and substituting preferred food with lower quality food. In addition to food insecurity coping strategies, there has also been a high incidence of economic coping strategies, such as selling assets, slaughtering livestock, and borrowing money. High prevalence of these actions is particularly concerning from a long-term well-being perspective as they negatively impact a household’s ability to improve their welfare and move out of poverty.
Sectoral and institutional Context

In 2013, the President of Liberia launched a new national vision, Liberia Rising 2030, as well as a five-year development strategy, the Agenda for Transformation (AfT), to promote its development goals. The AfT includes a Human Development pillar, which identifies social protection as a key aspect of the Government’s development agenda to address vulnerability and reduce poverty. The National Social Protection Policy and Strategy (2012–2017), approved in August 2013, further contributes to the AfT’s aim of promoting shared and equitable economic growth in Liberia. The policy’s objective is to “build a social protection system that tackles extreme poverty, vulnerability, and inequality in Liberia whilst contributing to economic growth, peace and security, through social protection programs which improve food security, access to health, and education and enable the working poor to access improved incomes.” The Social Protection Policy and Strategy also recognizes the need to build an effective and sustainable social protection system that builds resilience and is capable of responding to future income shocks.

Ongoing SSN interventions in Liberia provide a strong foundation on which the Government can build a comprehensive, inclusive, and responsive national Social Protection (SP) system. In 2012, the Government of Liberia (GoL) with the support of the World Bank conducted a Social Protection diagnosis. The report reviewed the social assistance programs implemented within the country, which consist mainly of: (a) cash transfers, (b) public works in which the poor work for food or cash, (c) in-kind food transfers such as school feeding and take-home rations, nutritional supplementary feedings and food distribution during lean season, and (d) general food, energy, housing, or utilities subsidies. It was estimated that, as at 2010, these interventions reached approximately 830,000 beneficiaries - this represents around 24 percent of the population (in comparison to the 2008 census). However, this percentage likely over-estimates the coverage of social assistance programs, as overlap between interventions is very likely. Limited administrative data and program impact evaluations also prevent any calculation of what percentage of current beneficiaries are poor or vulnerable.

In response to the Food, Finance, and Fuel crisis of 2008, the GoL, in partnership with United Nations Children’s Fund (UNICEF), with funding from the European Union (EU) and Government of Japan developed a pilot Social Cash Transfer (SCT) program. The specific objective of the pilot was to reduce vulnerability among extremely poor and labor-constrained households through regular cash transfers, delivered once every two months. The program was formally launched in February 2010 initially under the Ministry of Health and Social Welfare, and was later transferred to the Ministry of Gender, Children, and Social Protection (MGCSP). The program is implemented through the SCT Unit within the MGCSP. The program was first implemented in Bomi County, and with additional funding from the EU, was expanded to Maryland County in 2012. These two counties were selected based on the 2006 Comprehensive Food Security and Nutrition Survey (CFSNS) which ranked them as the most food insecure counties in Liberia. By December 2014, the pilot was covering all the clans in Bomi and Maryland Counties, reaching a total of 3,813 beneficiary households, constituting 8 percent of all households in the targeted counties.

The 2014 Impact Evaluation of the SCT Pilot found that the SCT pilot improved the food security, health, education and economic conditions of beneficiary households. Both quantitative and qualitative data reflect positive impacts on asset ownership, housing quality, household expenditures, and the well-being of household members. The study also found evidence of multiplier effects that enable the benefits of the SCT pilot to reach beyond the immediate
beneficiaries to the community. The UNICEF/EU support for the SCT program ended in December 2014.

In early 2015, as part of the immediate response to the EVD outbreak, the World Bank provided US$5 million for the Social Cash Transfer in Response to EVD Outbreak in Liberia (SCT-REPLI) project, under the IDA funded Ebola Emergency Response Project. Under this project, the approximately 3,800 beneficiaries in Bomi and Maryland continued to receive benefits, and the cash transfers were expanded to include up to an additional 6,000 EVD affected, extremely poor and labor-constrained households in Liberia. The SCT-REPLI project builds on the implementation processes and systems established under the SCT Pilot, with implementation also undertaken by the SCT Unit of the MGCSP. The project continues to offer cash grants, although given the exacerbated levels of poverty following the EVD crisis, monthly cash transfers have temporarily been increased from the original monthly transfer amounts of US$10–25 to US$20–50, dependent on household size. The project is expected to close in 2016.

SCT-REPLI project was designed to quickly deploy emergency funding as cash transfers to extremely poor and EVD affected families. However, the GoL recognizes the importance of a systems approach to social protection, and has requested additional support to build an integrated safety net delivery system, with the capacity to increase the resilience of extremely poor and food insecure households, as well as to respond more swiftly and effectively to future shocks. Priorities for the sector include the development of: (a) a unified and comprehensive Social Registry to house data on both actual and potential beneficiaries, and (b) the installation of an integrated Management Information System (MIS) to enable more efficient and effective delivery of benefits as well as better track administrative costs and results for the different SP programs run by various stakeholders. The proposed Liberia Social Safety Nets Project (LSSNP) will therefore support the GoL to establish these building blocks of a safety net delivery system under the MGCSP.

The proposed LSSNP will also support the GoL to continue their SCT program that was initiated through the SCT pilot and continued under the SCT-REPLI project. The SCT program will deliver cash transfers and accompanying measures to extremely poor and food insecure households. Priorities will be to build on the lessons learned through the SCT pilot and the SCT-REPLI project and support coverage to the four poorest and most food insecure counties in the country. This project therefore supports the development of a social protection system that is capable of responding to future shocks, sustaining resilience and re-establishing trust between the Government and its citizens.

In response to the EVD crisis, a number of other development partners including United States Agency for International Development (USAID), also introduced short-term cash transfer or cash for work measures to support families who had been affected by the outbreak. Other major partners include United Nations Development Program, Mercy Corps, Cooperative Assistance for Relief Everywhere (CARE), ACDI/VOCA, African Development Cooperation, OXFAM, and the Food and Agriculture Organization (FAO). These programs targeted over 100,000 beneficiaries in 10 out of 15 Liberian counties. USAID, in particular, has been a key development partner in Liberia and provided support to an estimated 50,000 households.

The Bank also supports the Government in social protection, labor, and education interventions through several other projects. These include the US$19 million Youth Employment and Skills Support (YES) Project (closing on June 30, 2016); the US$10 million Liberia Youth Opportunities
Project (YOP) (recently approved) and the US$3.55 million Economic Empowerment of Adolescent Girls and Young Women Project. The coordination efforts during the Ebola outbreak were championed by the Cash Transfer Technical Working Group, a core committee of implementing partners headed by the MGCSP. The committee provided the platform for different implementing partners to come together, coordinate and share information, resulting in a more harmonized approach to targeting households and agreement on the level of benefits to be provided. The LSSNP will therefore also provide the opportunity to strengthen coordination within the Government across these programs.

II. Proposed Development Objectives
The Project Development Objective (PDO) is to establish the key building blocks of a basic national safety net delivery system and provide income support to households who are both extremely poor and food insecure in Liberia.

The key building blocks for a basic national safety net delivery system include: (a) a Social Registry (SR); (b) data collection and household registration, including information intake into the SR; (c) eligibility screening; (d) an integrated Management Information System enabling monitoring across participating programs as well as program-specific management modules for enrollment, payment, grievance redress and monitoring and evaluation.

III. Project Description
Component Name
Strengthening of the National Social Safety Net System
Comments (optional)
The objective of this component is to improve efficiency, enhance capacity and strengthen the national SSN system in Liberia through the development of the basic building blocks of a safety net delivery system. This component will finance the development of a Social Registry (SR) – defined as an information system that includes data as well as MIS functions to transform that data according to basic business processes for delivering social assistance. In particular, the SR gathers information on both potential and actual beneficiaries of social protection programs.

Component Name
Cash Transfers to Extremely Poor and Food Insecure Households
Comments (optional)
The objective of this component is to provide income support to approximately 10,000 extremely poor and food insecure households in Liberia through regular cash transfers and accompanying measures. This component will be implemented in Bomi, Maryland, Grand Kru and River Gee counties. These counties have been selected because they have the highest rates of poverty and food insecurity in comparison to all other counties in Liberia (see annex 2 for the details on the ranking of counties). This component will build on the SCT Pilot and SCT-REPLI cash transfer programs.

Component Name
Project Management and Capacity Building
Comments (optional)
The objective of this component is to finance project management and capacity building of the LSSNP implemented by the MGCSP. The component will also strengthen coordination among safety net programs at the national and sub-national levels.
IV. Financing (in USD Million)

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For Loans/Credits/Others

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V. Implementation

The Minister of Gender, Children and Social Protection will bear the overall responsibility of ensuring the effective implementation of this project. The Minister will report to Cabinet, Parliament and the President on the overall project implementation progress. The Minister will be supported by: (i) the Deputy Minister for Children and Social Protection, who will be responsible for the Social Cash Transfer Unit, and (ii) the Deputy Minister for Policy, Research and Planning who will be responsible for the Social Registry Unit.

The National Social Safety Nets (NSSN) Secretariat, headed by a Social Protection Program Coordinator will serve as the Project Implementation Unit of the project, and oversee overall implementation and coordination of the project under the MGCSP. It will include the Social Cash Transfer and Social Registry Units, each one of which will be headed by a manager. The Secretariat will execute the following functions: (i) liaise with the Project Financial Management Unit (PFMU) of the MFDP on all project-related financial management activities; (ii) undertake procurement activities of the project; (iii) collate and submit project annual work plans and budgets, quarterly reports and procurement plans; (iv) develop and update the POM and related handbooks, establishing appraisal mechanisms, (v) work collaboratively with the Social Cash Transfer and Social Registry Units to ensure consistent and regular flow of information between internal and external audiences; and (vi) provide technical support for project implementation.

The SCT unit will be responsible for key implementation functions, particularly those related to the Social Cash Transfer program. The SCT unit will perform, among others, the following functions: (i) design and update SCT program guidelines and operational procedures; (ii) generate evidence and utilize it to inform policy; (iii) receive and address grievances that have been escalated to the national level; (iv) prepare annual work plans, budgets, and quarterly reports for the unit; and (v) facilitate training at various levels.

The SR unit will be responsible for the development of effective safety net delivery systems, particularly the Social Registry and Integrated MIS. The SR unit will perform, among others, the following functions: (i) develop effective SP systems (e.g. data intake and household registration, eligibility screening, payments, and Grievance Redress); (ii) manage the SCT program data through a robust MIS; (iii) design and update the SR and MIS guidelines and operational procedures; (iv) receive and address grievances that have been escalated to the national level; (v) prepare annual work plans, budgets, and quarterly reports for the unit; and (vi) facilitate training at various levels.

Staff of the NSSN Secretariat, SCT unit and SR unit shall be highly skilled professionals in areas such as financial management, procurement, MIS, M&E, Information Education and...
Communication (IEC), operations and logistics, and grievance redress, and will be supported by MGCSP departments such as procurement as needed. Field staff, whose roles and functions are detailed in the POM will be deployed to county, district and community levels respectively.

Sector ministries, such as health, agriculture, internal affairs, and finance and development planning will support project implementation by providing technical and implementation support in line with their mandates, to ensure compliance with sector norms and standards. The Ministry of Health (MoH) and Ministry of Agriculture (MoA) in particular will facilitate the implementation of nutrition and home gardening accompanying measures. An inter-ministerial memorandum of understanding (MOU) would be entered into between the MGCSP, MoA and MoH, detailing the arrangements by level of operation, i.e. national, county, district and community.

The Community Social Protection Committees (CSPCs) are the key implementing institution at the community level for the project. The CSPC will be responsible: leading community sensitization about the program aims, objectives and entitlements; communicating payment period dates, modality, redress mechanisms to beneficiaries; keeping records and informing NSSN Secretariat field staff/enumerators of any changes in the household condition (for example, household exiting, death, migration); educating beneficiaries to adhere to their co-responsibilities; participating in targeting including identifying eligible and validating beneficiaries; and ensuring that beneficiaries receive their transfers. Further details on the functions of the CSPC will be detailed in the POM.

VI. Safeguard Policies (including public consultation)

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Comments (optional)

VII. Contact point

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