



Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 07-May-2021 | Report No: PIDISDSA31663



BASIC INFORMATION

A. Basic Project Data

Country Togo	Project ID P176460	Project Name Additional Financing to the Safety Nets and Basic Services Project	Parent Project ID (if any) P157038
Parent Project Name Safety Nets and Basic Services Project	Region AFRICA WEST	Estimated Appraisal Date 13-May-2021	Estimated Board Date 24-Jun-2021
Practice Area (Lead) Social Protection & Jobs	Financing Instrument Investment Project Financing	Borrower(s) Republic of Togo	Implementing Agency Agence Nationale d'Appui au Developpement a la Base (ANADEB)

Proposed Development Objective(s) Parent

The objective of the project is to provide poor communities and households with greater access to basic socio-economic infrastructure and social safety nets.

Proposed Development Objective(s) Additional Financing

The objective of the project is to provide poor communities and households with greater access to basic socio-economic infrastructure, social safety nets and economic inclusion opportunities.

Components

- Component 1: Infrastructure Sub-projects
- Component 2: Social safety nets
- Component 3: Capacity building and project management

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	20.00
Total Financing	20.00
of which IBRD/IDA	20.00
Financing Gap	0.00

DETAILS



World Bank Group Financing

International Development Association (IDA)	20.00
IDA Credit	10.00
IDA Grant	10.00

Environmental Assessment Category

B-Partial Assessment

Decision

The review did authorize the team to appraise and negotiate

Other Decision (as needed)

B. Introduction and Context

Country Context

1. **The economic consequences of COVID-19 risk putting a dent into Togo’s slow but steady economic progress over the past years.** Despite benefiting from steady growth since 2008, Togo, a small coastal country with a population of approximately 8.1 million,¹ remains one of the poorest countries in the region. GDP growth, averaging 5.7 percent between 2008 and 2016 and 4.8 percent between 2017 and 2019, has been relatively robust but lags behind the regional average.² GDP per capita has remained consistently lower than that of other West African Economic and Monetary Union (WAEMU) countries and of structural and aspirational peers.³ As in other countries, the COVID-19 pandemic has set Togo’s economic progress back, with economic growth declining to 0.7 percent in 2020, driven by a slowdown in services and export growth as tourism and transport suffer a standstill and key markets are closed. The current account deficit widened from 2.5 percent of GDP in 2019 to 3.7 percent of GDP in 2020, and the fiscal deficit deteriorated from 0.9 percent of GDP in 2019 to 6.1 percent in 2020. Real growth is projected to expand to 3.4 percent in 2021 supported by a significant increase in private consumption and investment and by higher exports as activity gradually resumes with key trade partners. The current account balance is expected to improve slightly, while the fiscal deficit is forecast to remain at around 6.1 percent of GDP in 2021 but decline to 3.0 percent of GDP in 2023.

2. **Poverty has been declining in recent years but remains high in Togo because of population growth (2.5 percent per year), concentration of growth in modern sectors and lack of access to quality**

¹ 2019 data; World Development Indicators (<https://data.worldbank.org/country/TG>)

² Country Economic Memorandum 2.0 – Togo Country Scan, 8 October 2020.

³ According to the Country Economic Memorandum, structural peer countries are Benin, Guinea, and Sierra Leone, while aspiration peers are Ghana, Morocco, and Rwanda.



services. The national poverty rate was estimated at 45.5 percent in 2018-19,⁴ showing a drop in poverty from previous estimates. The poor in Togo are more likely to be living in rural areas, to work primarily in subsistence agriculture, and to live in relative isolation from markets and services. In 2019, the rate of rural poverty was almost twice that of urban poverty at 58.8 percent with rural areas accounting for three-fourths (76.1 percent) of the country's poor, almost the same fraction as in 2006. Poverty rates generally increase as one moves away from the capital city (22.3 percent) to Plateau, Kara and to the driest region of Savanes (65.1 percent) in the north.

3. The COVID-19 pandemic has significantly affected poverty reduction over the short term. COVID-19 has affected the Togolese economy primarily through two transmission channels. Restrictions made necessary by the pandemic have directly impacted livelihoods, and income opportunities of Togolese workers, particularly in small-scale trading, construction, and tourism. Overall, 62 percent of jobs were affected during the first wave of the pandemic,⁵ particularly in the informal sector,⁶ where workers lack access to social insurance schemes to help them cope with the shock. Furthermore, as a small, open economy, Togo is particularly susceptible to COVID-19-induced reductions in trade. In late 2020, the COVID-19 pandemic was estimated to have led to an increase in poverty due to an increase in prices for basic goods and services and lower incomes for the poorest and most vulnerable. "Extreme poverty is projected to return to the pre-COVID trajectory in 2022 and follow a downward trend in the medium-term supported by the scaling-up of Government cash transfer programs to the poorest and most vulnerable"⁷ as proposed under this AF.

4. A recent resurgence of COVID-19 in Togo risks deepening the negative impacts of the pandemic and necessitating a sustained response. Following a stabilization of COVID-19 cases at relatively low levels throughout most of 2020, daily new case numbers have increased significantly in early 2021, reaching moving seven-day averages of up to 198 and raising concerns of protracted negative impacts.

Sectoral and Institutional Context

5. In addition to creating immediate needs, the COVID-19 pandemic and its economic consequences have exposed various weaknesses in Togo's social protection system. First, coverage of social protection in Togo remains low and limited in geographic scope. Government spending on social safety nets is equivalent to 0.56 percent of GDP compared to an average of 1.4 percent for low-income countries. As a result, only 1.4 percent of the country's population is covered by any form of social safety net.⁸ Furthermore, existing social protection programs in Togo largely focus on rural populations classified as chronically poor and have historically not covered urban informal sector workers, which were hit most by the pandemic. The absence of a shock-responsive social safety nets system challenged Togo's ability to quickly scale up support to those in most urgent need, leading it to put in place the Novissi program during the early stages of the pandemic to deliver cash support to its populations. It also hampers the country's ability to swiftly and efficiently respond to climate-related shocks. Moreover, social protection programming is not well-coordinated. For example, with Novissi and the cash transfer program under the Safety Nets and Basic Services (FSB) project, the government has two distinct cash transfer initiatives,

⁴ Enquête harmonisée sur les Conditions de Vie des Ménages (EHCVM), 2018-19

⁵ Groupe de la Banque Mondiale (2020). Situation économique au Togo : Dynamiser l'investissement privé pour plus de croissance et d'emplois.

⁶ Enquête Régionale Intégrée sur l'Emploi et le Secteur Informel – ERI-ESI 2017.

⁷ World Bank. 2021. Macropoverty Outlook.

⁸ WBG. Togo Public Expenditure Review (forthcoming)



instead of an integrated national shock-responsive program. Also, Togo's social protection architecture lacks a clear strategy on providing beneficiaries with a pathway out of poverty as done through economic inclusion measures, for example.

6. The proposed AF will respond to both the immediate relief and recovery needs of the population and the country's longer-term social protection challenges revealed during the pandemic.

The objectives of the AF are three-fold: (i) strengthen the government's response to the economic impact of the COVID-19 pandemic through an expansion of productive social safety nets to the poorest and most vulnerable, in both rural and urban areas; (ii) introduce economic inclusion measures for the poorest to support the economic recovery in the context of COVID-19 and provide a pathway out of poverty; and (iii) continue providing technical assistance to the government to further strengthen the country's social protection system. In supporting the recovery from the COVID-19 pandemic, the proposed AF furthermore supports households' resilience to a series of additional shocks, including those related to climate change.

C. Proposed Development Objective(s)

Original PDO

The objective of the project is to provide poor communities and households with greater access to basic socio-economic infrastructure and social safety nets.

Current PDO

The updated PDO is *"to provide poor communities and households with greater access to basic socio-economic infrastructure, social safety nets and economic inclusion opportunities."*

Key Results

7. The Additional Financing (AF) aims to provide emergency cash transfers to an estimated 60,000 poor and vulnerable households in Togo. Access to economic inclusion activities is expected to be provided to 15,000 individuals. This is intended to smooth consumption of the poorest throughout the on-going COVID-19 pandemic and to provide opportunities for sustainable income generation beyond the intervention of the project and the crisis period. The AF furthermore aims to support the country in strengthening its social protection system that is able to respond to shocks in the future.

D. Project Description

8. **The AF will support the government in its objectives to respond to the COVID-19 pandemic and to strengthen its shock-responsive social protection system.** Concretely, the AF will (i) scale-up cash transfers to additional beneficiaries in both rural and urban areas; (ii) introduce economic inclusion measures; and (iii) continue providing technical assistance to the government to further strengthen the country's social protection system. By supporting poor households, through these measures aimed at smoothing household consumption, diversifying their livelihoods and providing a path out of poverty, the activities are intended to build and reinforce the resilience of poor households to climate shocks and improve the situation of women and girls.



9. **Emergency cash transfers will be provided to 60,000 additional households in Togo to support the poorest and those particularly affected by the economic and social impacts of the pandemic and particularly vulnerable to climate change.** Unconditional emergency cash transfers aim to support consumption needs of the poorest households as well as the ones most affected by the economic and social impact of COVID-19. The scale-up builds on early lessons learned in Togo and elsewhere on the use of social protection to respond to the impacts of the COVID-19 pandemic, which have shown that the delivery of cash transfers helps households cover their consumption needs and ensures access to education and health services amid the COVID-19 pandemic. With the Novissi program, Togo has furthermore successfully piloted a digital payment platform of cash transfers which allows for observing social distancing rules and reducing in-person gatherings.

10. **The AF will furthermore add a sub-component to offer economic inclusion activities to 15,000 of the 60,000 cash transfer beneficiaries.** A package of economic inclusion activities will help cash transfer households simultaneously address multiple constraints they face in accessing more productive employment opportunities and higher earnings. These include a lack of management, technical and soft skills; limited access to finance; limited access to markets, etc. The economic inclusion package aims to support the beneficiary households' economic recovery in the context of COVID-19 and provide them with a pathway out of poverty.

11. **Three complementary activities will be implemented under the economic inclusion sub-component to address economic constraints faced by poor and vulnerable households.** First, economic inclusion beneficiaries will be offered to participate in an entrepreneurship training. The entrepreneurship training, implemented by experienced individual facilitators trained under the Employment Opportunity for Vulnerable Youth (EJV) Project, introduces beneficiaries to business management practices, the importance of product and income diversification, and key elements of a basic business plan. Second, mentoring services, executed by ANADEB's local agents, will help beneficiaries develop their business plan, accompany them during the first steps of implementation, and support them in finding opportunities to strengthen their technical and soft skills as well as their access to market. Third, a business grant, set at 100,000 CFA Francs (approximately US\$180) per participating beneficiary, will help beneficiaries to expand existing or develop new income generating activities. Strict hygiene and social distancing rules will be implemented and monitored throughout all in-person activities.

12. **The AF will continue supporting the government in strengthening the country's social protection system.** With the country's recent experiences, in particular the COVID-19 response, a window of opportunity around reforming social protection in Togo currently exists. Togo has been one of the innovators in social protection during the COVID-19 pandemic and has demonstrated a significant willingness to reform existing systems. The Novissi program and platform, the implementation of a foundational ID platform under the WURI program,⁹ as well as the experiences under the FSB and EJV projects have generated important lessons that can feed into a coherent social protection system.

E. Implementation

Institutional and Implementation Arrangements

13. **The implementation arrangements will remain the same as under the Parent Project.** The PIU

⁹ P169594



under ANADEB will continue implementing the Project, while drawing on the experience of the Ministry of Digital Economy in delivering digital cash transfers swiftly and efficiently through the Novissi platform. The partnership will be defined in an agreement between the two entities. Capacity built under the EJV and the FSB projects will be employed and strengthened by drawing on key staff tasked under the two projects: (i) EJV for the economic inclusion sub-component; (ii) FSB for the cash-transfer component; and (iii) other technical experts within ANADEB’s PIU including safeguard, procurement, FM, and M&E-specialists. In addition, smooth implementation of the AF will be ensured by ANADEB’s local development agents, trained under EJV, to deliver beneficiary coaching.

F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

The project will be implemented in all five regions of Togo (Kara, Plateaux, Maritime, Centrale, and Savanes). However, the exact locations of the income generating activities (IGA) to be funded by the business grants, and specific locations of cash transfer beneficiaries are not yet known. Therefore, E&S measures in the updated ESMF and the RPF, including measures related to SEA/SH and COVID-19, will be applied to all project activities as appropriate. The environmental and social impacts are expected to be minimal, site-specific and manageable at an acceptable level.

G. Environmental and Social Safeguards Specialists on the Team

- Salamata Bal, Social Specialist
- Fatoumata Diallo, Social Specialist
- Komlan Kpotor, Environmental Specialist
- Alphonse Emadak, Environmental Specialist

SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	Yes	
Performance Standards for Private Sector Activities OP/BP 4.03	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	Yes
Indigenous Peoples OP/BP 4.10	No
Involuntary Resettlement OP/BP 4.12	Yes
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

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 AF to the Project will (i) scale-up cash transfers to additional beneficiaries in both rural and urban areas; (ii) introduce economic inclusion measures; and (iii) support the government in developing a national shock-responsive social protection program. In addition to smoothing household consumption, helping households cope with the shock induced by COVID-19, supporting COVID-19 recovery and providing a path out of poverty, the activities are intended to improve the situation of women and girls and to reduce climate vulnerabilities. To do so, the AF proposes changes to the PDO and the components of the Parent Project as well as an extension to the closing date, and an update to the Project’s results framework (RF). Implementation arrangements, financial management, and procurement as well as disbursement arrangements will remain unchanged.

From an environmental and social safeguard standpoint, the category will remain B. That is, the environmental and social impacts of the project, for the most part, are expected to be minimal, site-specific and manageable to an acceptable level. Therefore, the following safeguards policies triggered under the parent project remain relevant : OP/BP 4.01 (Environmental Assessment); OP/BP 4.11 (Physical Cultural Resources) and OP/BP 4.12 (Involuntary Resettlement). In addition, the advocated provisions described in the prepared E&S Instruments of the parent project (ESMF, disclosed on January 29, 2017; RPF, disclosed on January 30, 2017; ESMP) are applicable for its remaining activities. Besides, provisions in the updated ESMF are applicable for the proposed activities under the AF which are therefore not expected to have any additional environment and social safeguards implications. The completion of infrastructure sub-projects is expected to lower environmental and social risks for the AF. The specific activities to be funded with the business grants as income generating activities and their specific sites location are not yet known: appropriate identification of these activities and screening of the sites will be conducted with the support of the safeguards specialists of the PIU in order to avoid high risks and negative impacts relating to those activities' implementation. The task team has obtained a waiver to allow the preparation of this AF pursuant to Safeguard Policies and the COVID-19 specific considerations set out in paragraph 7 (COVID-19 Specific Risk Considerations), in accordance with the Bank Additional Financing Procedure for Investment Project Financing applying the World Bank Safeguard Policies.



2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area: No irreversible or long term impacts are expected as a result of this intervention.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts. No other project alternatives were considered given that the impacts were considered small and reversible.

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.

Under the parent project, an Environmental and Social Management Framework (ESMF) and a Resettlement Policy Framework (RPF) have been prepared and disclosed in-country on December 1, 2016 and by the World Bank on January 30, 2017. An ESMP and Risk Management Plan (RMP) were prepared for each infrastructure sub-project after a screening process. None of the infrastructure sub-projects made the application of the RPF necessary and no RAPs had to be prepared under the Project.

A GRM is in place and operates at the village, regional and national levels. It has four different committees in place: a village grievance redress committee; a regional grievance redress committee, as well as, at the national level, the central grievance redress committee (including the Project coordinator) and the national grievance redress committee (including the Director General of ANADEB). As of February 2021, 209 complaints were received on the SNBSP, of which 150 concerned other development projects unrelated to the World Bank-financed SNBSP or EOYYP, 59 complaints were related to the project, of which 57 were solved and 2 are being processed. Around half (25) of the solved complaints concerned general inquiries around the program, its design, and its benefits, 13 complaints were related to cash transfer, 10 complaints concerned perceptions of exclusion from the project, 9 complaints concerned deviations from procedure and other allegations of incorrect behavior on the part of the project-affiliated personnel and 1 complaint concerned a disagreement between a service provider and a community which complaint concerned gender-based violence in a beneficiary household. This GRM should be updated in order to include the whistleblower channel and the management body (located at the national level) of SEA/ SH incidents in accordance with the guiding principles in the matter: confidentiality, respect or self-determination, security / safety and no discrimination.

ANADEB's environmental and social safeguards unit, put in place to cover both IDA-funded projects (SNBSP and EOYYP), has a total of 12 safeguards specialists: an environmental safeguards specialist and a social safeguard specialist who operate since 2019 at national level and are reinforced in 2020 by 10 safeguards specialists based in the five regions (one environmental and one social specialist in each region). The overall safeguards performance is Satisfactory as of March 2021. Those specialists have sufficient capacity to continue complying with safeguards measures under the AF.

The Government has updated the ESMF of the Parent Project to include economic inclusion measures, strengthen management of GBV-related risks and mitigation measures related to the COVID-19 pandemic. Consultations were held in April 2021 and the documents were subsequently finalized and disclosed in-country and by the Bank.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

Key stakeholders include direct and indirect project beneficiaries, communities benefitting from community service sub-projects, relevant government agencies and ministries, agencies involved in the execution of the project, civil society and the Village Development Committees. These stakeholders were consulted in April 2021 prior to the disclosure of the updated ESMF.



B. Disclosure Requirements (N.B. The sections below appear only if corresponding safeguard policy is triggered)

Environmental Assessment/Audit/Management Plan/Other

Date of receipt by the Bank	Date of submission for disclosure	For category A projects, date of distributing the Executive Summary of the EA to the Executive Directors
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"In country" Disclosure

Resettlement Action Plan/Framework/Policy Process

Date of receipt by the Bank	Date of submission for disclosure
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"In country" Disclosure

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting) (N.B. The sections below appear only if corresponding safeguard policy is triggered)



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APPROVAL

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Country Director:	Coralie Gevers	10-May-2021
