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Report No: PAD811-GH

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT PAPER

ON A

PROPOSED ADDITIONAL CREDIT

IN THE AMOUNT OF SDR 32.40 MILLION
(US\$50 MILLION EQUIVALENT)

TO THE

REPUBLIC OF GHANA

FOR A

SOCIAL OPPORTUNITIES PROJECT

May 1, 2014

Social Protection
Western Africa 1
Africa Region

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CURRENCY EQUIVALENTS

(Exchange Rate Effective March 31, 2014)

Currency Unit	=	New Ghana Cedi
GH1	=	US\$0.37
US\$1	=	GH 2.685
SDR1	=	US\$1.54524

FISCAL YEAR

January 1 – December 31

ABBREVIATIONS AND ACRONYMS

AF	Additional Financing
CAGD	Controller and Accountant General's Department
CBT	Community-Based Targeting
CCT	Conditional Cash Transfer
CPS	Country Partnership Strategy
CSO	Civil Society Organization
DA	District Assembly
DASH	Daily Attendance Sheet
DBO	District Budget Officer
DCD	District Coordinating Director
DCDO	District Community Development Officer
DCE	District Chief Executive
DFID	Department for International Development
DFR	Department of Feeder Roads
DPO	District Planning Officer
DSW	Department of Social Welfare
DSWO	District Social Welfare Officers
DWE	District Works Engineer
EOI	Expressions of Interest
EOP	End of Project
EPA	Environmental Protection Agency
ESMF	Environmental and Social Management Framework
FAO	Food and Agriculture Organization
FC	Financial Controller
GDP	Gross Domestic Product
GHS	Ghana Cedi
GIDA	Ghana Irrigation Development Authority

GIFMIS	Ghana Integrated Financial Management Information Systems
GLSS	Ghana Living Standards Survey
GNHR	Ghana National Household Registry
GOG	Government of Ghana
GSGDA	Ghana's Shared Growth and Development Agenda
GSOP	Ghana Social Opportunities Project
IBRD	International Bank for Reconstruction and Development
ICB	International Competitive Bidding
ICT	Information and Communication Technology
IDA	International Development Association
KPI	Key Performance Indicators
KTC	Koforidua Training Centre
LEAP	Livelihood Empowerment Against Poverty
LEG-VPU	Legal Vice-Presidential Unit
LIPW	Labor Intensive Public Works
LMU	LEAP Management Unit
M&E	Monitoring and Evaluation
MDA	Ministries, Departments and Agencies
MTDP	Medium-Term Development Plan
MELR	Ministry of Employment and Labor Relations
MESTI	Ministry of Environment, Science, Technology and Innovation
MIS	Management Information System
MLGRD	Ministry of Local Government and Rural Development
MoF	Ministry of Finance
MoGCSP	Ministry of Gender, Children and Social Protection
MoU	Memorandum of Understanding
MTR	Mid Term Review
NCB	National Competitive Bidding
NCO	National Coordinating Office
NHIS	National Health Insurance Scheme
NPSC	National Project Steering Committee
NTS	National Targeting System
NTU	National Targeting Unit
OP	Operational Policy
PAD	Project Appraisal Document
PAS	Procurement Accredited Specialist
PDO	Project Development Objectives
PIC	Public Information Campaign
PMT	Proxy Means Test
PS	Procurement Specialist
QTRM	Quarterly Technical Review Meeting

RCC	Regional Coordinating Council
RCO	Regional Coordinating Offices
RPF	Resettlement Policy Framework
RPM	Regional Procurement Manager
RSWO	Regional Social Welfare Officer
SA	Social Accountability
SBD	Standard Bidding Documents
SDR	Special Drawing Rights
UNDB	United Nations Development Program
UNICEF	United Nations Children's Fund
US\$	United States Dollar

Vice President:	Makhtar Diop
Country Director:	Yusupha B. Crookes
Sector Director:	Tahwid Nawaz
Sector Manager:	Stefano Paternostro
Task Team Leader:	Suleiman Namara

GHANA
ADDITIONAL FINANCING FOR THE GHANA SOCIAL OPPORTUNITIES PROJECT

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ADDITIONAL FINANCING DATA SHEET

Ghana

AF Ghana Social Opportunities Project (P146923)

AFRICA

AFTSW

Basic Information – Parent									
Parent Project ID:	P115247	Original EA Category: B - Partial Assessment							
Current Closing Date:	30-Jun-2016								
Basic Information – Additional Financing (AF)									
Project ID:	P146923	Additional Financing Type (from AUS):		Scale Up					
Regional Vice President:	Makhtar Diop	Proposed EA Category: B - Partial Assessment							
Country Director:	Yusupha B. Crookes	Expected Effectiveness Date:		30-Sep-2014					
Sector Director:	Tawhid Nawaz	Expected Closing Date:		30-Jun-2017					
Sector Manager:	Stefano Paternostro	Report No:		PAD811					
Team Leader:	Suleiman Namara								
Borrower									
Organization Name	Contact	Title	Telephone	Email					
Ministry of Finance	Seth Terkper	Minister	233-302686101	chiefdirector@mofep.gov					
Project Financing Data – Parent (Ghana---Social Opportunities Project-P115247)									
Key Dates									
Project	Ln/Cr/TF	Status	Approval Date	Signing Date	Effectiveness Date	Original Closing Date	Revised Closing Date		
P115247	IDA-47350	Effective	20-May-2010	08-Sep-2010	19-Oct-2010	30-Jun-2016	30-Jun-2017		
Disbursements									
Project	Ln/Cr/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P115247	IDA-47350	Effective	XDR	58.40	58.40	0.00	41.02	17.38	70.24
Project Financing Data – Additional Financing AF Ghana Social Opportunities Project (P146923)									
<input type="checkbox"/>	Loan	<input type="checkbox"/>	Grant	<input type="checkbox"/>	IDA Grant				
<input checked="" type="checkbox"/>	Credit	<input type="checkbox"/>	Guarantee	<input type="checkbox"/>	Other				

Total Project Cost:	50.00	Total Bank Financing:	50.00
Financing Gap:	0.00		
Financing Source – Additional Financing (AF)			Amount
BORROWER/RECIPIENT			0.00
International Development Association (IDA)			50.00
Total			50.00
Policy Waivers			
Does the project depart from the CAS in content or in other significant respects?			No
Explanation			
Does the project require any policy waiver(s)?			No
Explanation			
Team Composition			
Bank Staff			
Name	Title	Specialization	Unit
Randa G. El-Rashidi	Social Protection Specialist	Social Protection Specialist	AFTSW
Lydia Sam	Procurement Assistant	Procurement Assistant	AFCW1
Stephen Tettevie	Team Assistant	Team Assistant	AFCW1
Luis M. Schwarz	Senior Finance Officer	Senior Finance Officer	CTRLA
Kathleen G. Beegle	Lead Economist	Lead Economist	AFRCE
Martin Fodor	Senior Environmental Specialist	Senior Environmental Specialist	AFTN3
Dena Ringold	Lead Economist	Lead Economist	AFTSW
Ernestine Ngobo-Njoke	Senior Program Assistant	Senior Program Assistant	AFTSW
Edith Ruguru Mwenda	Senior Counsel	Senior Counsel	LEGAM
Suleiman Namara	Senior Social Protection Economist	Team Lead	AFTSW
Beatrix Allah-Mensah	Senior Operations Officer	Senior Operations Officer	AFCW1
Robert Wallace DeGraft-Hanson	Sr Financial Management Specialist	Sr Financial Management Specialist	AFTMW

Anders Jensen	Senior Monitoring & Evaluation Specialist	Senior Monitoring & Evaluation Specialist	AFTDE
Nina Rosas Raffo	Social Protection Specialist	Social Protection Specialist	AFTSW
Christabel Sefa	E T Consultant	Social Protection Specialist	AFTSW
Charles John Aryee Ashong	Procurement Specialist	Procurement Specialist	AFTPW
Franklin Kuma Kwasi Gavu	Consultant	Consultant	AFTN3
Felix Nii Tettey Oku	E T Consultant	Environmental Safeguards Specialist	AFTN3

Non Bank Staff

Name	Title	Office Phone	City
Manuel Rodriguez Pumarol	Short Term Consultant		

Locations

Country	First Administrative Division	Location	Planned	Actual	Comments
Ghana		Republic of Ghana			
Ghana	Upper West Region	Nadowli			
Ghana	Upper West Region	Sissala West			
Ghana	Upper West Region	Wa East			
Ghana	Upper West Region	Wa West			
Ghana	Upper West Region	Sissala East			
Ghana	Upper West Region	Jirapa Lambussie			
Ghana	Upper East Region	Talensi-Nabdam			
Ghana	Upper East Region	Garu-Tempane			
Ghana	Upper East Region	Builsa			

Ghana	Upper East Region	Bongo			
Ghana	Northern Region	Nanumba South			
Ghana	Northern Region	Nanumba North			
Ghana	Northern Region	Sawla-Tuna-Kalba			
Ghana	Upper East Region	Bawku West			
Ghana	Northern Region	Bunkpurugu-Yunyoo			
Ghana	Upper West Region	Lawra			
Ghana	Northern Region	Karaga			
Ghana	Northern Region	Gushiegu			
Ghana	Northern Region	Bole			
Ghana	Northern Region	Kpandai			
Ghana	Northern Region	East Gonja			
Ghana	Brong-Ahafo	Atebubu			
Ghana	Volta Region	Nkwanta North			
Ghana	Volta Region	Nkwanta South			
Ghana	Brong-Ahafo	Pru			
Ghana	Brong-Ahafo	Sene			
Ghana	Volta Region	Krachi East			
Ghana	Volta Region	Krachi West			
Ghana	Brong-Ahafo	Nkoranza North			
Ghana	Central Region	Assin South			
Ghana	Central Region	Twifo Hemang Lower Denkyira			
Ghana	Ashanti Region	Sekyere Afram Plains			
Ghana	Central Region	Upper Denkyira			
Ghana	Western Region	Ellembelle			
Ghana	Eastern Region	Dangme East			
Ghana	Eastern Region	Atiwa			
Ghana	Northern Region	Saboba			
Ghana	Northern Region	Chereponi			
Ghana	Upper West Region	Lambussie Karni			

Institutional Data				
Parent (Ghana---Social Opportunities Project-P115247)				
Sector Board				
Social Protection				
Sectors / Climate Change				
Sector (Maximum 5 and total % must equal 100)				
Major Sector	Sector	%	Adaptation Co-benefits %	Mitigation Co-benefits %
Health and other social services	Other social services	80		
Public Administration, Law, and Justice	Public administration-Agriculture, fishing and forestry	10		
Public Administration, Law, and Justice	Public administration-Other social services	5		
Agriculture, fishing, and forestry	Irrigation and drainage	5		
Total		100		
Themes				
Theme (Maximum 5 and total % must equal 100)				
Major theme	Theme	%		
Social protection and risk management	Social safety nets	70		
Social protection and risk management	Social risk mitigation	10		
Rural development	Rural services and infrastructure	10		
Rural development	Rural non-farm income generation	8		
Social protection and risk management	Natural disaster management	2		
Total		100		
Additional Financing AF Ghana Social Opportunities Project (P146923)				
Sector Board				
Social Protection				
Sectors / Climate Change				
Sector (Maximum 5 and total % must equal 100)				
Major Sector	Sector	%	Adaptation Co-benefits %	Mitigation Co-benefits %

Public Administration, Law, and Justice	Public administration- Agriculture, fishing and forestry	10		
Health and other social services	Other social services	80		
Public Administration, Law, and Justice	Public administration- Other social services	5		
Agriculture, fishing, and forestry	Irrigation and drainage	5		
Total		100		
<input type="checkbox"/> I certify that there is no Adaptation and Mitigation Climate Change Co-benefits information applicable to this project.				
Themes				
Theme (Maximum 5 and total % must equal 100)				
Major theme	Theme		%	
Social protection and risk management	Social safety nets		10	
Social protection and risk management	Social risk mitigation		70	
Rural development	Rural services and infrastructure		10	
Rural development	Rural non-farm income generation		8	
Social protection and risk management	Natural disaster management		2	
Total			100	

I. Introduction

1. This Project Paper seeks the approval of the Executive Directors to provide an additional credit in the amount of US\$50 million to Ghana Social Opportunities Project P115247.
2. The additional credit would help finance the costs associated with scaling up safety net programs in Ghana. In line with the current global practices, the project would support: (i) formulation of social protection policy; (ii) scaling up of the Labor Intensive Public Works (LIPW) and the Livelihood Empowerment Against Poverty (LEAP) programs; (iii) designing and rolling out the Ghana National Household Registry (GNHR) for social protection programs and strengthening social protection implementation procedures; and (iv) capacity building to support the implementation of LIPW and LEAP in existing and new districts .
3. Building on the successes of the original project, this Additional Financing (AF) allows for restructuring of the project's components to adopt a stronger focus on strengthening social protection systems and better achievement of results. Therefore, the Project Development Objectives (PDO) has been revised and the key project indicators simplified.
4. As was the case under the original project, the Department for International Development (DFID) and the United Nations Children's Fund (UNICEF) will continue to provide parallel financing and technical assistance respectively to the implementation of the Social Protection Policy and LEAP components.

II. Background and Rationale for Additional Financing

A. Country Context

5. Ghana has experienced rapid economic growth over the past several years resulting in substantial progress in reducing income poverty. Gross domestic product (GDP) growth rose from 8.0 percent in 2010 to close to 14.5 percent in 2011, making Ghana's economy one of the fastest growing on the continent. By 2012, gross national income (GNI) per capita reached US\$1,940, reflecting Ghana's middle-income status. Poverty has been declining steadily, as reflected in the number of people classified as poor, which dropped from slightly over 50 percent of the population (about 8.0 million) in 1992 to less than 30 percent in 2006 (6.3 million).
6. However, recent macroeconomic instability is putting at risk the gains in poverty reduction. The fiscal deficit reached 12 percent of GDP in 2012 and 10.9 percent in 2013, and the current account deficit reached 13 percent of GDP in both years. The government tackled the fiscal imbalances by removing fuel subsidies and raising electricity and water tariffs, by around 60 percent in late 2013. The inflationary impact of the adjustment was exacerbated by a depreciation of the Ghana cedi (GHc). The higher prices implied a lower income in real terms, which imparted the risk of pushing many near-poor families into poverty. In fact, macroeconomic challenges disproportionately affect the poor members of the society. Thus, social protection initiatives are likely to mitigate the impacts of the adverse effects on the poor.

7. Additionally, inequalities remain widespread and are reflected in significant disparities in access to economic, social, and political opportunities. The Northern Savannah regions (with 25 percent of the country's population) recorded an average poverty rate of 58 percent, compared to 19 percent in the rest of the country; in effect, the number of people living in poverty fell by 2.5 million in the South while increasing by 0.9 million in the North. The Gini coefficient for consumption per adult increased from 0.353 in 1991–92 to 0.378 in 1998–99, and finally to 0.394 in 2005. Analysis of the Ghana Living Standards Survey (GLSS) data over the period indicates that, had the level of inequality stayed constant and the benefits of growth (in terms of increased consumption expenditures) been more equitably distributed, the poverty rate would have declined by a further 4 percentage points to around 25 percent. Given the above issues, there is little room for complacency over the success in bringing the national poverty rate down.

B. Sector Context

8. The 2013 Ghana Shared Growth and Development Agenda (GSGDA) focuses on: (i) ensuring competitiveness and employment; (ii) reducing vulnerability and resilience; and (iii) improving governance and public sector capacity, for its citizens. (The GSGDA is currently in use but under revision.) Together these objectives reflect the Government of Ghana's strategic goals of diversifying the economy and sustaining high rates of growth, reducing poverty and inequality in access to basic services and opportunities, and strengthening governance while mitigating risks. In support of these goals, Ghana's draft National Social Protection Strategy (2012) aims at consolidating the wide range of national programs and projects into a coherent framework that effectively tackles extreme poverty and vulnerability as well as promoting employment and productivity. The national framework seeks to protect the poorest, promote productivity, and put in place a complete system of accessible and quality social services for all. Reflecting this, Ghana implements a wide range of programs including in-kind transfers (e.g., school uniforms, school meals), cash transfers (i.e., LEAP), public works programs (e.g., LIPW), and fee waivers for certain groups and social services (e.g., free maternal health), most of which are not well targeted.

9. A number of social protection-related studies have been undertaken in Ghana, the most recent one being a social protection rationalization study (December 2013).¹ This study entailed preparing a detailed inventory of existing safety nets programs, an analysis of expenditures, financing mechanisms, effectiveness and shortcomings, and recommendations for improving social protection spending, monitoring and evaluation to ensure the efficiency, relevance, and financial sustainability of recommended programs. Major recommendations from the study included: (i) scaling up the LEAP program; (ii) full implementation of the free National Health Insurance Scheme (NHIS) for extremely poor households; (iii) establishing a harmonized social protection monitoring and evaluation framework; and (iv) developing a national social protection policy that provides a basis for assessing government progress on spending and impacts. The report also provides a road map for further work related to the government's strategy to rationalize expenditures on social protection and complements ongoing efforts under the national targeting system, which is currently under preparation. The proposed additional financing will contribute to the implementation of the recommendations of this study.

¹ *Rationalizing Social Protection Expenditure in Ghana* (Consolidated version), December 2013, Ghana Social Opportunities Project - International Labor Office.

10. International experience has indicated that most social protection interventions are poorly coordinated and fragmented. For example, a number of social protection programs in Ghana have no systematic, computerized registry of beneficiaries, which means that no government agency has access to comprehensive data on the actual coverage of social interventions and very few programs have a computerized registry of beneficiaries. While the existing registries contain basic demographic information concerning personal identity, age, and sex, they have no socio-economic data on their beneficiaries; this makes the process of monitoring and identifying potential beneficiaries difficult. Furthermore, most targeting mechanisms are not clearly defined and beneficiary registries are not integrated, which limits centralized monitoring and strategic planning of social programs. The additional financing would support improved targeting, maximize coverage of poor households and minimize leakage of resources to non-poor households, and increase cost-efficiency and transparency of social protection interventions.

C. Rationale for Additional Financing

11. In a letter to the World Bank dated February 13, 2014, the Government of Ghana requested additional financing of US\$50 million for Ghana Social Opportunities Project (GSOP) to, on the one hand, scale up existing interventions under LIPW and LEAP and, on the other, modify project activities by strengthening social protection systems and implementation capacity. The Additional Financing allows for revision of the PDO and restructuring of the project's components to adopt a stronger focus on strengthening social protection systems and better achievement of results. This approach is the most efficient way of achieving the above goals. It is in line with paragraphs 2 and 26 of OP 10.00 regarding consistency with original project objectives and appraisal.

12. The original PDO was “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 US\$88.6 million IDA-funded project was approved by the board on May 20, 2010, and became effective on October 19, 2010. The closing date of the original project is June 30, 2016 and the lead implementation agency is the Ministry of Local Government and Rural Development.

13. Overall, project implementation is satisfactory and the project is likely to meet the PDO. Several project outcome indicator targets have been met. Under LIPW, 3.2 million person days of employment have been created against the target of 5.65 million² (56 percent); direct project beneficiaries were 80,678 against the target of 13,000; and 60.4 percent of LIPW beneficiaries are females against the target of 25 percent. The overall cumulative labor content is 48 percent against a target of 45 percent, with climate change public works projects containing the highest labor content, followed by small earth dams and dugouts, and roads and social infrastructure. Under LEAP, 68.8 percent of beneficiaries are females against the target of 15 percent; and there are 74,347 direct LEAP project beneficiaries against the target of 80,000 (93 percent).

² Rationalized target from the previous 1,500,000 in the Project Appraisal Document.

14. The project underwent a level two restructuring on September 24, 2013. This restructuring enabled the project to start the rollout of the National Targeting System (Component 4) and provide the strengthened support required by districts under LIPW (Component 5). These modifications did not affect the overall project development objective or anticipated project outcomes as they were minor project changes.

15. Project disbursements satisfactorily stand at SDR 41,019,021 (70.24 percent) against the total credit of SDR 58,400,000 as of April 15, 2014. All legal covenants have been complied with. The ratings for monitoring and evaluation, project management, financial and procurement are satisfactory, and financial reports have been consistently submitted on time with neither overdue audits nor qualified audits.

III. Proposed Changes

Summary of Proposed Changes

One major change under additional financing will be dropping of the use of disbursement linked indicators (DLIs). The objective of the disbursement linked indicators under Component Three of the original project was to finance incentive payments to the unified treasury account to assure that government each year allocates sufficient budget for LEAP to meet its targets. Although the government has met its overall yearly allocation and disbursement targets so far, in between the periods of assessment, the government has struggled to make regular bi-monthly disbursements to the LEAP program for payment of beneficiaries. This has resulted in long periods of non-payment and lumped payments which reduce the program's impact on smoothing consumption and ensuring adequate protection against shocks for extremely poor households. This is in part due to the current cash-based budgeting system operated by the government that relies directly on revenue inflows to make disbursements to LEAP; thus recent irregular inflows due to resource constraints have directly resulted in irregular disbursements to the LEAP program. The DLIs have thus not provided enough incentives to ensuring regular bi-monthly flows to meet the program's ultimate objects, and will be discontinued under Additional Financing.

Other additions and changes under additional financing include:

- Revision of the PDO, Key Performance Indicators (KPIs), and the Results Framework
- Inclusion of eleven new districts for the LIPW projects (from 49 to 60 districts)
- Scaling up of LEAP by 50,000 beneficiary households (from 100,000 to 150,000 households)
- Inclusion of a new implementing agency, Ministry of Gender, Children and Social Protection (MoGCSP)
- Improved targeting approaches by establishing the Ghana National Household Registry (GNHR)
- Deepening of social accountability and grievance redress mechanisms for LIPW and LEAP
- Development of comprehensive communication for LIPW and LEAP
- Increased use of electronic systems and e-payments for LIPW and LEAP
- Strengthened collaboration between all agencies involved in project implementation.

Change in Implementing Agency	Yes [X] No []
Change in Project's Development Objectives	Yes [X] No []
Change in Results Framework	Yes [X] No []
Change in Safeguard Policies Triggered	Yes [] No [X]
Change of EA category	Yes [] No [X]
Other Changes to Safeguards	Yes [] No [X]
Change in Legal Covenants	Yes [X] No []
Change in Loan Closing Date(s)	Yes [X] No []
Cancellations Proposed	Yes [] No [X]
Change in Disbursement Arrangements	Yes [X] No []
Reallocation between Disbursement Categories	Yes [] No [X]
Change in Disbursement Estimates	Yes [X] No []
Change to Components and Cost	Yes [X] No []
Change in Institutional Arrangements	Yes [X] No []
Change in Financial Management	Yes [X] No []
Change in Procurement	Yes [X] No []
Change in Implementation Schedule	Yes [X] No []
Other Change(s)	Yes [] No [X]
Development Objective/Results	
Project's Development Objectives	
Original PDO	
<p>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.</p>	
Change in Project's Development Objectives	
Explanation:	
<p>The revision is meant to make the PDO clearer and more outcome-focused. Although the LEAP program was originally designed to be conditional, the program has implemented these as soft conditions (referred to now as co-responsibilities). Thus, while beneficiaries are sensitized to send children ages 5-15 to school and to ensure regular clinical visits and full immunizations for all children in beneficiary households, these have not been enforced nor does the program attach penalties to non-compliance, hence the reference to conditions has been dropped.</p>	
Proposed New PDO - Additional Financing (AF)	
The Project Development Objectives (PDO) of this Additional Financing is to improve targeting of	

social protection programs and provide income support to poor households through LEAP grants and LIPW infrastructure in targeted districts.

Change in Results Framework

Explanation:

The KPIs have also been revised to reflect the project's adjusted focus on strengthening systems and scaling up of LEAP and LIPW.

Compliance

Covenants - Additional Financing (AF Ghana Social Opportunities Project - P146923)

Source of Funds	Finance Agreement Reference	Description of Covenants	Date Due	Recurrent	Frequency	Action
IDA	Schedule 2. Section D2 (a)	The Recipient shall not later than three (3) months after the Effective Date, engage an independent expert to verify the list of Cash Transfer Beneficiaries for the purpose of Part C.1 of the Project in accordance with the provisions of Section III of this Schedule, whose terms of reference, qualifications and experience and terms and conditions of employment shall be satisfactory to the Association.	30-Dec-2014	<input type="checkbox"/>		New
IDA	Schedule 2. Section D2 (b)	The Recipient shall, not later than six (6) months after the Effective Date, submit to the Association the technical audit report satisfactory to the Association related to the use of the proceeds of the Cash Transfer for the first three months of the Project and, thereafter, not later than forty-five (45) days after the end of each nine (9) calendar months, submit independent. Verification reports.		<input checked="" type="checkbox"/>	Yearly	New

Covenants - Parent (Ghana---Social Opportunities Project - P115247)

Ln/Cr/TF	Finance Agreement Reference	Description of Covenants	Date Due	Status	Recurrent	Frequency	Action
IDA-47350	Schedule 2, Section I. F. 1	Prepare and furnish to the Association for its approval, not later than November 30 each year, an Annual Work Plan and Budget.	30-Nov-2013	Complied with	<input type="checkbox"/>		Marked for Deletion
IDA-47350	Schedule 2, Section I. H.	By no later than December 1, 2011, prepare and deliver to the Association a post-national consultation draft policy on the use of labor-intensive methods.	01-Dec-2011	Complied with	<input type="checkbox"/>		No Change
IDA-47350	Schedule 2, Section II, A.2	No later than November 30, 2013, submit to the Association a mid-term report.	30-Nov-2013	Not yet due	<input type="checkbox"/>		Marked for Deletion
IDA-47350	Schedule 2, Section II B.4	Not later than six (6) months after the Effective Date, appoint the independent auditors	30-Apr-2012	Complied with	<input type="checkbox"/>		Marked for Deletion

Conditions

Source Of Fund	Name	Type
IDA	Condition of Effectiveness.	Effectiveness
Description of Condition		
The Additional Condition of Effectiveness consists of the following, namely that, the Project Implementation Manual has been updated, in form and substance satisfactory to the Association, and has been duly adopted by the Recipient.		

Source Of Fund	Name	Type			
IDA	Withdrawal Condition	Disbursement			
Description of Condition					
Notwithstanding the provisions of Part A of this Section, no withdrawal shall be made for payments made prior to the date of this Agreement; or for payment of Cash Transfers under Category (3), unless the Recipient has issued a complete list of Beneficiaries eligible to receive Cash Transfers in accordance with the eligibility criteria set forth in the PIM, verified by an Independent Expert.					
Finance					
Loan Closing Date - Additional Financing (AF Ghana Social Opportunities Project - P146923)					
Source of Funds	Proposed Additional Financing Loan Closing Date				
IDA recommitted as a Credit	30-Jun-2017				
Loan Closing Date(s) - Parent (Ghana---Social Opportunities Project - P115247)					
Explanation: Implementation of activities under the Additional Financing will require an extension of the original project date from June 30 2016 to June 30 2017.					
Ln/Cr/TF	Status	Original Closing Date	Current Closing Date	Proposed Closing Date	Previous Closing Date(s)
IDA-47350	Effective	30-Jun-2016	30-Jun-2016	30-Jun-2017	
Change in Disbursement Arrangements					
Explanation: The changes in the FM arrangement are due to the addition of a new Implementing Agency ie MGCSP. The FM arrangement at GSOP NCO will remain the same.					
Change in Disbursement Estimates (including all sources of Financing)					
Explanation: The AF will provide an additional \$50 million to support the scaling up of GSOP activities (LIPW and LEAP) and the strengthening of the social protection systems and existing institutional capacity. Hereafter is the information for disbursement categories:					
Expected Disbursements (in USD Million) (including all Sources of Financing)					
Fiscal Year	2015	2016	2017		
Annual	15.00	15.00	20.00		
Cumulative	15.00	30.00	50.00		

Allocations - Additional Financing (AF Ghana Social Opportunities Project - P146923)				
Source of Fund	Currency	Category of Expenditure	Allocation	Disbursement % (Type Total)
			Proposed	Proposed
IDA	XDR	(1) Goods, non-consulting services, consultants' services, Operating Costs and Training for Parts A, C.2 and D.2 of the Project	10.20	100.00
IDA	XDR	(2) Goods, works, non-consulting services, consultants' services, Operating Costs and Training for Parts B and D.1 of the Project	15.70	100.00
IDA	XDR	(3) Cash Transfers under Part C.1 of the Project for the LEAP	6.50	100.00
Total:			32.40	
Components Change to Components and Cost				
Explanation:				
In line with the current global practices, the project would support: (i) formulation of social protection policy; (ii) scaling up of the Labor Intensive Public Works (LIPW) and the Livelihood Empowerment Against Poverty (LEAP) programs; (iii) designing and rolling out the Ghana National Household Registry (GNHR) for social protection programs and strengthening social protection implementation procedures; and (iv) capacity building to support the implementation of LIPW and LEAP in existing and new districts.				
Current Component Name	Proposed Component Name	Current Cost (US\$M)	Proposed Cost (US\$M)	Action
Component One: Rationalize National Social Protection Policy. (US\$2.5 million)	Component One: Social Protection Policy and Systems Strengthening	2.50	9.00	Revised
Component Two: Labor Intensive Public	Component Two: Labor Intensive Public Works	56.00	19.20	Revised

Works (LIPW). (US\$56 million, including an IDA contribution of US\$56 million)	Implementation and Capacity Building.			
Component Three: Livelihood Empowerment Against Poverty Program (LEAP).(US\$20 million)The main objective of this component is to sup	Component Three: Livelihood Empowerment Against Poverty Implementation and Capacity Building	20.00	15.70	Revised
Component Four: Capacity Building. (US\$4.1 million)	Component Four: Project Management and Coordination	4.10	6.10	Revised
Component Five: Project Management and Coordination.(U S\$6.5 million)	Component Five: Project Management and Coordination.(U S\$6.5 million)	6.50	0	Marked for Deletion
	Total:	89.10	50.00	

Other Change(s)

Change in Implementing Agency

Explanation:

The AF will provide a one year extension which includes additional activities supporting the scale up of the project.

Implementing Agency Name	Type	Action
Ministry of Gender, Children and Social Protection	Implementing Agency	New
Ministry of Local	Implementing	New

Government and Rural Development	Agency	
Change in Institutional Arrangements		
<p>Explanation:</p> <p>The implementation structure for the proposed Additional Financing (AF) shall comprise two key ministries (MLGRD and MoGCSP) under the overall guidance of the National Project Steering Committee. The two ministries will work through the decentralized governance systems in targeted District Assemblies (DA) with the support of regional offices.</p>		
Change in Financial Management		
<p>Explanation:</p> <p>The parent GSOP project is implemented by the MLGRD, through the National Coordinating Office (NCO). There are no proposed changes in the financial management arrangements for the GSOP components being implemented by the MLGRD. The arrangements as per the original PAD have been satisfactory and will be used to support the AF.</p> <p>As part of the additional financing, it has been agreed that some activities will be implemented by the Ministry of Gender, Children and Social Protection (MoGCSP). Given that the project's financial management arrangements will follow the country systems, the financial controller (FC) of MoGCSP will have overall financial management responsibility. The responsibility of the FC is to ensure that throughout implementation financial management systems are in place that report proficiently on the use of project funds. The FC's work will be complemented by assigning a dedicated Principal Accountant responsible for the routine day-to-day transaction processing and reporting, and interacting with other beneficiary agencies on financial matters.</p> <p>For the components being implemented by the MoGCSP, the Financial Controller, with the assistance of the Principal Accountant, will have oversight responsibilities with regards to ensuring compliance with financial covenants such as submitting interim unaudited financial reports (IFRs), maintaining internal controls over project expenditure, and engaging external auditors. Under the direct supervision of the Financial Controller, the Principal Accountant will be responsible for maintaining and operating the project's designated account and making payments to contractors and service providers, transferring funds to the district as per the funding modalities for the LEAP, and verifying and authorizing payments for all contracts and activities under this project.</p> <p>In addition, under Component 3A, the MoGCSP will prepare and submit a technical audit report on the use of the proceeds of the cash transfer for the first three months of the project. Thereafter, within 45 days of the end of each nine calendar months, the MoGCSP will prepare and submit an independent verification report for the period covering the nine months. The final independent verification report will be furnished to the Bank not later than four months after the end of last withdrawal of the proceeds of the Credit allocated to the Cash Transfers.</p> <p>The assessment of the financial management arrangements at the MGCSP concluded that adequate systems are in places that satisfy the Bank's minimum requirements under OP/BP10.00. Yet, given</p>		

the fact that this is a relatively new ministry without prior experience managing IDA projects, significant capacity building and monitoring will need to be undertaken.

Change in Procurement

Explanation:

The procurement under the proposed AF intends to build on the success of the existing Financing Agreement. At Mid Term Review (MTR), the procurement progress reflected a 61 percent completion of planned procurement, which was largely implemented by NCO-GSOP of MLGRD and to a lesser extent, MoGCSP, with support and technical assistance from NCO. Under the proposed AF allocation, MLGRD is allocated US\$24.2 million, while MoGCSP is allocated US\$25.8 million. In view of the value allocation for MoGCSP. The Ministry will need an experienced and knowledgeable procurement specialist (PS) together with the ministry staff to manage and implement procurement under the Additional Financing project and to build the capacity of the MoGCSP procurement staff. The PS being recruited under the National Targeting Unit (NTU) can be given that responsibility.

The components under the proposed AF are generally the same as the original agreement; however, additional procurement will be undertaken and therefore a new procurement plan is being prepared for project implementation. As in the original agreement, procurement implementation will be decentralized with each DA, RCC, and MLGRD responsible for its own procurement, while MoGCSP will be responsible for its own procurement. Different government departments will provide the required technical support to the DAs who are responsible for the implementation of works. The roles and responsibilities of such technical departments and DAs will be as stated in the original agreement and will be covered by a Memorandum of Understanding (MOU).

Procurement will be carried out in accordance with World Bank's: (i) "Guidelines: Procurement of Goods, Works and Non-Consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011; (ii) "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011, and the provisions stipulated in the Legal Agreement; and (iii) "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants" dated October 15, 2006, as revised in January 2011 and the provisions stipulated in the Legal Agreement. For each contract to be financed by the Loan/Credit, the different procurement methods, or consultant selection methods, the need for pre-qualification, estimated costs, prior review requirements, and time frame are agreed between the Borrower and the Bank in the Procurement Plan. The Procurement Plan will be updated at least annually or as required to reflect the actual project implementation needs and improvements in institutional capacity.

Change in Implementation Schedule

Explanation:

The AF will provide a one year extension which includes additional activities supporting the scale up of the project.

IV Appraisal Summary

Economic and Financial Analysis

Explanation:

The proposed AF of GSOP has been designed with regards to three aspects: (i) the value of the LEAP and LIPW programs in terms of impact; (ii) the lessons learned from the ongoing program in terms of how project performance of both LEAP and LIPW can be improved; and (iii) the emerging need to develop the Ghana National Household Registry (GNHR). The economic justification for the additional financing is outlined below in these three areas.

LEAP's impact evaluation study (2013) that was undertaken by the Institute for Statistical, Social and Economic Research (ISSER) and the University of North Carolina, for example, has shown positive impacts especially on education, health, and productivity of beneficiaries. According to the report, the impact evaluation results show that grade repetition was reduced by 11 percentage points, absenteeism reduced by 10 percentage points for children in primary school and by 11 percentage points for girls in secondary school, and school enrollment among secondary school aged children increased by 7 percentage points. Ninety percent of all LEAP households was enrolled in NHIS (7 percentage points increase over the comparison group), and morbidity was reduced for children aged 6-17. LEAP households were 7 percentage points more likely to participate in paid work, with a significant increase in female labor own-farm activities ranging from 9 to 13 days depending on the household size. LEAP households were also 11 percentage points more likely to hold savings, receive gifts and reduce loan holdings, particularly among female-headed households. Self-reported happiness increased by 16 percentage points over the control group. These impacts will be sustained and scaled up with the additional financing.

Implementation of LIPW has also been successful. Preliminary findings from the impact evaluation undertaken by the ISSER (2013) showed similar positive impacts. LIPW households reported an increase in paid employment of 3.1 percent between January and March over non-beneficiaries. This impact was even more significant (11.3 percent) for beneficiaries aged 24-34 years. Food expenditure increased by GHc 28.20 for any additional person aged 15-24 in beneficiary households. There was also an increased expenditure on clothing (GHc 12.32), housing (GHc 7.95), and other expenses (GHc 31.73) among female-headed households. Furthermore, extreme poverty among households with members aged 15-24 fell by 0.02 percentage points. The level of indebtedness for households with youth aged 25-34 years declined by 4 percent and the likelihood of having savings (either at home or financial institutions) also increased by 6 percent. The use of curative care was also higher among LIPW adults (13.7 percent). On education, LIPW reduced the hours of schools missed by children by 3.6 hours and reduced the likelihood of grade repetition by 0.5 percent.

Developing the Ghana National Household Registry. Currently, both LEAP and LIPW screen households independently in selected communities for eligibility. To date, the coverage has not overlapped geographically. As both scale-up, however, overlap will emerge. In addition, the NHIS mandate to expand coverage to indigent households will require an additional drill-down to target the poor. Large efficiencies can be gained when these programs operate in the same district by integrating the process of collecting and processing information on households and their basic living conditions. In order to realize these gains, an effort must be conducted in a way that enables each program to pull from a single database and also provide feedback into the database when a household becomes a

beneficiary of the program. In the simplest terms, the economic justification for the GNHR is moving from three or more separate household surveys to one survey for three or more programs. A second benefit is that the scale of the GNHR will result in a smaller per-household-interview cost than stand-alone efforts, given the fixed cost of setting up a survey (including data software, headquarters hardware, and developing training materials). Under the additional financing, the current per-household-interviewed costs are estimated at less than \$10 per household.

Technical Analysis

Explanation:

Under LEAP, technical assistance will be provided to strengthen the program's operations at the national, regional and district levels. Specifically, the AF will support the development of a Management Information System for the program (to be coordinated with the GHR) that will support data entry and analysis at the national and decentralized levels, delivery charges associated with the new electronic payments mechanism, and training and capacity building of staff to implement LEAP more effectively. The project would also provide funding for development communication activities, as well as monitoring and evaluation (i.e. regular spot checks of operation activities and impact evaluation studies), and social accountability and grievance redress systems for the program. These measures will contribute to improving the technical efficiency of the project.

Under LIPW, technical improvements are being introduced to support the scale up of LIPW to reach more beneficiary households. Innovations, particularly to manage over-subscription, improve targeting, and enhance delivery and monitoring of payments will be introduced. The implementation capacity of the local assemblies will continue to be strengthened through capacity building and training and the introduction of ICT-based operational enhancements (such as electronic registration and electronic time-sheets linked to e-payments).

Social Analysis

Explanation:

The additional financing will not trigger any new safeguard policies since it involves the same scope of subproject works within similar geographical locations of the parent project.

Environmental Analysis

Explanation:

The environmental categorization for the project remains unchanged (classified as Category B given that that associated sub-project works are unlikely to lead to significant adverse environment impacts). The additional financing will not trigger any new safeguard policies since it involves the same scope of sub-project works within similar geographical locations (geographical up-scaling) to that of the parent project. Therefore, the existing safeguard due diligence frameworks (Environmental and Social Management Framework (ESMF), Resettlement Policy Framework (RPF), and Dam Safety Plan for the parent GSOP will be implemented for the proposed Additional Financing. Potential impacts from sub-projects (e.g., dust emission, noise and vibration, burrow pits, generation of construction waste, siltation and modification of flowing waters and health & safety of works and general public) have been readily avoided, minimized, and/or mitigated through measures which included minimization of ground clearance, redesign of roads to ensure flood prevention, provision of 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.

The climate change sub-projects have provided positive environmental impacts through afforestation of otherwise degraded lands within the beneficiary communities, and this positive impact will be sustained under the additional financing.

As part of the project implementation and supervision, the Bank team has visited project sites. The objective was to assess effectiveness of implementation of safeguard due diligence since project inception. The renovation works under the LIPW component was identified as a likely source for potential environmental impacts, so a risk-based approach was adopted in the selection of the sub-project sites visited under LIPW. They included those with sub-project works on small earth dam/dugouts, climate change (afforestation), feeder roads construction, and rehabilitation of socio-economic infrastructure (schools). It was noted during the visit that the project has demonstrated good environmental and social practice.

All the sampled sub-projects have been screened (copies of the sampled sub-projects were inspected at both the GSOP regional office and at beneficiary District Assembly) as per requirements of the ESMF to assess potential environmental and social impacts. Screening, registration with the National Environmental Protection Agency (EPA) and issuance of permits (where required) have also been undertaken for the sampled sub-projects (copies of the sampled sub-projects were inspected at both the regional GSOP and EPA offices). Consultation/disclosure requirements with beneficiary communities have been met via EPA and ESMF screening processes for all the sampled sub-projects. Field observations showed that renovation works on the feeder roads, dugouts, and small earth dams were minor and localized, which posed either no or minimal environmental risks (constructional and operational) to potential receptors within their immediate environs. The renovation works have strengthened the overall stability of the existing dugouts through the placement of ripraps, compaction of locally derived earth material (at optimum moisture content) on the surfaces of existing embankments (up and downstream). The construction works were undertaken by contractor supervisors who have hitherto received prior training and certification by experienced engineers from the Ghana Irrigation Development Authority (GIDA). Additionally a dam safety manual has been developed as part of the PIM to address potential dam safety risks.

The visited dugouts are being used by both humans and animals, without separation of the access points. This affects water quality through cross contamination or transfer of pathogenic organisms from animals to humans or vice versa. It is recommended that separate access points for humans and animals to the dugouts become a part of an integrated design of all future dugouts. Separate drinking troughs for animals will be integrated into spillways or downstream water canals designs as part of the renovation works to offer mitigation against this risk. Education of community members, especially herdsmen, regarding safe water fetching and drinking practices within the dugouts is recommended.

Some key District Assembly staff who received training prior to project commencement have moved on (there are reports of high staff turnover within the District Assembly). This could pose a potential capacity resource risk to the effective implementation of the due diligence instruments on the project. Continuous capacity building exercise on safeguard matters especially at the district assembly level is recommended. A monitoring program will be put in place to identify key project implementing staff (new staff and existing) that will require training/refresher courses on safeguard management procedures associated with the sub-project works. A broader environmental and social audit aligned to financial and procurement management will be undertaken each year using a risk-based approach.

Risk

Explanation:

The overall risk remains moderate. The project design is effective and efficient and has great potential for sustainability given strong government commitment and ongoing improvements in the operational and implementation elements of the project. Currently, a number of measures that are under implementation were designed to strengthen project performance under the proposed Additional Financing, as outlined below.

For the Labor Intensive Public Works component, the project will support: (i) the shift from manual to electronic systems and payments; (ii) strengthening the MIS system; (iii) improving targeting; (iv) expanding sensitization and communication dissemination; (v) introducing social accountability and grievance redress mechanisms; (vi) strengthening safeguards monitoring; (vii) deepening capacity building efforts; and (viii) improving coordination and monitoring.

Under the LEAP program, the project will work with the government and partners to: (i) mitigate payment delays of budget transfers to the LEAP program by eliminating the use of disbursement linked indicators; (ii) enhance targeting efficiency; (iii) upgrading the management information systems and develop a Common Registry of Beneficiaries to establish a more rigorous check on enrollment and internal controls; (iv) expand on the piloting of electronic payments to speed up payment to beneficiaries; (v) strengthen sensitization and communication; and (vi) foster social accountability and grievance and redress mechanisms.

The Additional Financing will provide technical assistance to enhance the capacity of the Ministry of Gender, Children and Social Protection to increase oversight and effective coordination with the National Coordinating Office and other stakeholders. Similarly, strengthened coordination at the district and regional offices and joint reporting among all stakeholders will contribute to improved implementation. The Operational Risk Assessment Framework will be used to monitor, re-assess, and review mitigation measures during project implementation.

Annex 1: Revised Results Framework

Project Name:	AF Ghana Social Opportunities Project (P146923)	Project Stage:	Additional Financing	Status:	FINAL
Team Leader:	Suleiman Namara	Requesting Unit:	AFCW1	Created by:	Ana Makiesse Lukau on 09-Oct-2013
Product Line:	IBRD/IDA	Responsible Unit:	AFTSW	Modified by:	Randa G. El-Rashidi on 30-Apr-2014
Country:	Ghana	Approval FY:	2014		
Region:	AFRICA	Lending Instrument:	Investment Project Financing		
Parent Project ID:	P115247	Parent Project Name:	Ghana---Social Opportunities Project (P115247)		

Project Development Objectives

Original Project Development Objective - Parent:

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.

Proposed Project Development Objective - Additional Financing (AF):

The Project Development Objectives (PDO) of this Additional Financing is to improve targeting of social protection programs and provide income support to poor households through LEAP grants and LIPW infrastructure in targeted districts.

Results

Core sector indicators are considered: Yes

Results reporting level: Program Level

Project Development Objective Indicators

Status	Indicator Name	Core	Unit of Measure		Baseline	Actual(Current)	End Target
New	Share of beneficiaries from the poorest 20% of population for LEAP and poorest 30% of the population for LIPW.	<input type="checkbox"/>	Percentage	Value			50.00
				Date	31-Mar-2014		30-Jun-2017
				Comment	As of March 31, 2014: LEAP indicator baseline is 19% LIPW indicator baseline is 39% (Cannot enter these numbers separately under the current format in the portal).		Baseline data for LIPW is from survey done in 2013 as per report titled 'Validation of targeting effectiveness using the common targeting mechanism'. Baseline for LEAP is from 2012 Report titled "Options for Targeting of Safety Nets in Ghana".
New	Potential and actual beneficiaries in participating districts satisfied with subprojects, LIPW program and LEAP transfers (%)	<input type="checkbox"/>	Percentage	Value	0.00		70.00
				Date	20-May-2010		30-Jun-2017
				Comment			Annual target
Marked for Deletion	Social protection spending allocated to programs targeted to the poor	<input type="checkbox"/>	Percentage	Value	0.00	30.35	6.00
				Date	20-May-2010	30-Sep-2013	30-Jun-2016
				Comment	This indicator was introduced during project design, however, obtaining a baseline and data for subsequent periods has been difficult.		Revised: This indicator does not adequately measure the PDO and will be revised.

Marked for Deletion	LEAP and Ghana Health Insurance indigent exemption expenditures in GoG's overall package of pro-poor expenditures as defined by MoFEP	<input type="checkbox"/>	Percentage	Value	0.19	0.70	3.00
				Date	20-May-2010	30-Sep-2013	30-Jun-2016
				Comment	LEAP only		Dropped: This indicator will be dropped due to lack of clarity on definition of indigents, tracking registration of indigents and definition of pro-poor spending.
Revised	Person days of unskilled workers	<input type="checkbox"/>	Number	Value	0.00	3200000.00	9500000.00
				Date	20-May-2010	30-Sep-2013	30-Jun-2017
				Comment			Cumulative target Definition of person-day has been redefined to be: six hours per day work
Revised	Average annual earnings of unskilled workers in LIPWs (cedi)	<input type="checkbox"/>	Number	Value	0.00	245.00	200.00
				Date	20-May-2010	30-Sep-2013	30-Jun-2017
				Comment			Revised: The indicator has been revised for clarity to mean earnings per year (1 July to 30 June) per worker on average. Annual target and inflation-corrected using consumer price index

							The end-of-project targets are based on: minimum of 34 person-days per year for each beneficiary and 6 GHc daily wage.
Revised	Direct project beneficiaries	<input checked="" type="checkbox"/>	Number	Value	0.00	156000.00	390000.00
				Date	20-May-2010	31-Mar-2014	30-Jun-2017
				Comment			Cumulative target
Revised	Female beneficiaries	<input checked="" type="checkbox"/>	Percentage Sub Type Supplemental	Value	0.00	65.00	65.00
Revised	Direct project beneficiaries under cash transfer component	<input type="checkbox"/>	Number Sub Type Breakdown	Value	0.00	74347.00	200000.00
				Date	20-May-2010	31-Dec-2013	30-Jun-2017
				Comment			Cumulative target
Revised	Direct project beneficiaries under LIPW component	<input type="checkbox"/>	Number Sub Type Breakdown	Value	0.00	80678.00	190000.00
				Date	20-May-2010	30-Sep-2013	30-Jun-2017
				Comment			Cumulative target
Revised	Beneficiaries of Safety Nets programs (number)	<input checked="" type="checkbox"/>	Number	Value	0.00	156000.00	390000.00
				Date	05-Mar-2010	30-Sep-2013	30-Jun-2017
				Comment			Cumulative target
Marked for Deletion	Beneficiaries of Safety Nets programs - Other cash transfers programs (number)	<input checked="" type="checkbox"/>	Number Sub Type Breakdown	Value	0.00	0.00	0.00
				Date			30-Jun-2016
				Comment	This indicator was introduced during		Dropped. This indicator was difficult

					project design, however, obtaining a baseline and data for subsequent periods has been difficult.		to capture and therefore dropped.
Marked for Deletion	Beneficiaries of Safety Nets programs - Conditional cash transfers (number)	<input checked="" type="checkbox"/>	Number	Value	14000.00	74347.00	200000.00
			Sub Type	Date		30-Sep-2013	30-Jun-2016
			Breakdown	Comment			Dropped. This is a World Bank core indicator not included in the original results framework but reported in the ISR. It has been dropped due to lack of application of hard conditions in cash transfers. However, soft conditions have been implemented.
Revised	Beneficiaries of Safety Nets programs - Female (number)	<input checked="" type="checkbox"/>	Number	Value	0.00	101400.00	253500.00
			Sub Type	Date	05-Mar-2010	31-Mar-2014	30-Jun-2017
			Breakdown	Comment			Cumulative Target
Revised	Beneficiaries of Safety Nets programs - Cash-for-work, food-for-work and public works (number)	<input checked="" type="checkbox"/>	Number	Value	0.00	80678.00	190000.00
			Sub Type	Date	05-Mar-2010	30-Sep-2013	30-Jun-2017
			Breakdown	Comment			Cumulative target

Intermediate Results Indicators

Status	Indicator Name	Core	Unit of Measure		Baseline	Actual(Current)	End Target
New	Private contractors technically capable of implementing and supervising LIPW.	<input type="checkbox"/>	Percentage	Value	74.00		125.00
				Date	31-Mar-2014		30-Jun-2017
				Comment			New. This indicator was not initially in the results framework (but in the results monitoring table).
New	Small earth dams and dug-outs rehabilitated (number)	<input type="checkbox"/>	Number	Value	62.00		300.00
				Date	31-Mar-2014		30-Jun-2017
				Comment			New. This has been added to capture the revised PDO in terms of LIPW infrastructure in targeted districts.
New	Area Planted for Fruit Trees and Multi-Purpose Woodlots (ha)	<input type="checkbox"/>	Hectare(Ha)	Value	672.00		2360.00
				Date	31-Mar-2014		30-Jun-2014
				Comment			New. This indicator has been added to capture the revised PDO in terms of LIPW infrastructure.
Revised	Original name: Working group to set priorities for social protection indicators to be set under MoFEP leadership. Revised name: Social Protection Policy drafted by MoGCSP and submitted to cabinet	<input type="checkbox"/>	Yes/No	Value	No	No	Yes
				Date	20-May-2010	30-Sep-2013	30-Jun-2016
				Comment		The work on rationalization of social safety nets has been	Revised to "Social Protection Policy drafted by MOGCSP and submitted to cabinet".

						completed and recommended preparation of a Social Protection Policy.	
Marked for Deletion	LEAP operational review completed and action plan prepared	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date	20-May-2010	30-Sep-2013	30-Jun-2016
				Comment			Completed. Target has been achieved.
Revised	Original name: Payments made to contractors after receipt of performance security. Revised name: Avg time lapse between submission of interim certificate by LIPW contractors and payments by DAs	<input type="checkbox"/>	Percentage	Value	30.00		20.00
				Date	30-Sep-2013		30-Jun-2017
				Comment			Revised: Average time lapse between submission of interim certificate by LIPW contractors and payments made to them by MDAs (calendar days). The indicator has been revised because contractors are in almost all cases not able to obtain a bank guarantee needed for the submission of security performance. The revised indicator captures the time efficiency by District Assemblies in payment.
Revised	Payments to workers under LIPW program made within 20	<input type="checkbox"/>	Percentage	Value	0.00	60.00	80.00
				Date	20-May-2010	31-Mar-2014	30-Jun-2017

	days after the attendance at work sites			Comment			Annual Target
Marked for Deletion	Updated and tested menu of LIPW with costs and labor contribution unit	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date	20-May-2010	30-Sep-2013	30-Jun-2016
				Comment			Dropped. The target for this indicator has been achieved and the indicator will not be included in the revised results framework but included in the table which reports achieved results.
Revised	Roads rehabilitated, Rural	<input checked="" type="checkbox"/>	Kilometers	Value	0.00	421.00	700.00
				Date	20-May-2010	31-Mar-2014	30-Jun-2017
				Comment			Revised. The target has been changed from annual to cumulative targets and annual and end-of-project targets have been revised upward.
Revised	Original name: Rehabilitated dams inspected annually by communities for dam safety concerns. Revised name: Completed subprojects inspected annually by Communities (under spn of district tech. spc).	<input type="checkbox"/>	Percentage	Value	50.00	50.00	90.00
				Date	20-May-2010	30-Sep-2013	30-Jun-2017
				Comment			Revised indicator name: Completed sub-projects inspected annually by communities (under supervision of district technical specialist) (%)
Revised	Original name: Maintenance program established for roads	<input type="checkbox"/>	Number	Value	10.00	10.00	60.00
				Date	20-May-2010	31-Mar-2014	30-Jun-2017

	and dams. Revised name: District Assemblies with maintenance programs established for completed sub-projects (number)			Comment			Revised. District Assemblies with maintenance programs established for completed sub-projects (number). This indicator has been revised to include all LIPW sub-projects. DA maintenance programs include communities and maintenance activities by type of project (dams/dug-outs, roads, tree-planting)
Revised	Total unskilled worker earnings as share of LIPW cost	<input type="checkbox"/>	Percentage	Value	40.00	48.00	62.00
				Date	20-May-2010	31-Mar-2014	30-Jun-2017
				Comment			Annual Target
Revised	LEAP administrative costs compared to total costs	<input type="checkbox"/>	Percentage	Value	15.00		11.00
				Date	30-Sep-2013		30-Jun-2017
				Comment			
Revised	Enrolled beneficiaries in the districts where LEAP pilot will be intensified (% increase)	<input type="checkbox"/>	Number	Value	0.00	100.00	270.00
				Date	20-May-2010	31-Mar-2014	30-Jun-2017
				Comment			Status (2013) in absolute numbers is 74,000.
Revised	Targeting performance (share of beneficiaries from the poorest 20% of population)	<input type="checkbox"/>	Percentage	Value	19.00		50.00
				Date	31-Mar-2014		30-Jun-2017
				Comment			Revised and updated. This indicator has been elevated as PDO indicator given that this is an

							outcome indicator capturing the outcome on improved targeting. Furthermore, the indicator has become clearer by removing "targeting performance".
Marked for Deletion	Pilot formally evaluated against agreed upon indicators (coverage and targeting performance) and lessons learned incorporated into rollout plan	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date	20-May-2010	30-Sep-2013	30-Jun-2016
				Comment			Dropped. The target has been achieved.
Marked for Deletion	Project resources used in compliance with project objectives and procedures	<input type="checkbox"/>	Yes/No	Value	No	Yes	Yes
				Date	20-May-2010	30-Sep-2013	30-Jun-2016
				Comment			Dropped. This indicator relates to compliance in project management and is being dropped.
Marked for Deletion	A policy and institutional framework favorable to scaling-up the project is in place	<input type="checkbox"/>	Yes/No	Value	No	No	Yes
				Date	20-May-2010	30-Sep-2013	30-Jun-2016
				Comment			Dropped. Since a dedicated indicator on social protection policy has been added.

Annex 2 Operational Risk Assessment Framework (ORAF)

Ghana: AF Ghana Social Opportunities Project (P146923)

Risks

Project Stakeholder Risks

Stakeholder Risk	Rating	High				
<p>Risk Description: Increased number of implementing agencies which could result in lack of coordination and reduced clarity in decision-making.</p>	<p>Risk Management: The overall success of the implementation of this project is contingent on strong coordination across the several government ministries and agencies that are implementing different components of the project. The Bank team will ensure that there are clear roles, responsibilities and decision-making protocols outlined in the project document, particularly between the two main implementing agencies – the Ministry of Local Government and Rural Development, and Ministry of Gender, Children and Social Protection. In addition, all other relevant ministries and agencies will be consulted on appropriate roles and responsibilities, and their feedback will be reflected in the design and preparation of the Project.</p>					
	Resp: Client	Stage: Implementation	Recurrent:	Due Date: 30-Jun-2016	Frequency:	Status: In Progress

Implementing Agency (IA) Risks (including Fiduciary Risks)

Capacity	Rating	High				
<p>Risk Description: The MoGCSP is relatively new to social protection and may be unable to deal with complexities of the targeting and LEAP, particularly in relation to financial management and procurement</p>	<p>Risk Management: A new, fully staffed Targeting Unit will be established under the MoGCSP to implement the National Targeting System. Capacity building for these long term consultants as well as existing government staff will be supported through trainings and workshops on social protection. The team will also provide effective oversight to build the capacity of new government stakeholders and foster collaboration to build capacity.</p>					
	Resp: Client	Stage: Implementation	Recurrent:	Due Date: 30-Jun-2016	Frequency:	Status: In Progress

Governance	Rating	Substantial			
<p>Risk Description: Weak Financial Management and Procurement capacity in the MoGCSP may lead to misuse of resources.</p> <p>Internal Control: Inadequacy of controls in the preparation and approval of transactions, payments, cash and bank transactions.</p> <p>Risk of non-compliance to internal control processes, particularly at the sub-national</p>	Risk Management:				
	The project will put in place qualified FM and Procurement specialists in the new implementing agency to ensure robust financial and social accountability mechanisms. The GSOP project unit has also built significant experience in financial management and procurement; this expertise will also be transferred to the MoGCSP during project design and preparation.				
	Monitoring of district finance functions by the regional accountants to ensure compliance. Periodic internal control review and oversight by the internal control department of the MLGRD				
	Furthermore the Bank has supported a fiduciary risk assessment of the MoGCSP. The project will support the implementation of key recommendations as needed, and continue to promote the building of the fiduciary system through technical assistance on financial management, accounting and procurement. The e-payment system for LEAP beneficiaries will also be supported to improve transparency and accountability in the program's cash delivery mechanism.				
Internal controls will be in line with GOG approval and authorization processes and reinforced by guidelines as per the PIM					
Resp: Client	Stage: Implementation	Recurrent:	Due Date: 30-Jun-2016	Frequency:	Status: In Progress
Resp: Client	Stage: Implementation	Recurrent:	Due Date: 30-Jun-2016	Frequency:	Status: In Progress
Project Risks					
Design	Rating	Moderate			
<p>Risk Description: The project design may be complicated given the weak government capacity to prepare the project. There is also significant additional capacity required for the creation of the</p>	Risk Management:				
	The preparation team has worked very closely with the government team (through TA support) to explore technological options and make informed decisions for the targeting roll out. The Bank will continue to provide TA and make available its technical expertise on technology to guide project implementation. New ICT and data collection approaches will first be tested out before scaling up.				

<p>single registry and the attendant technology.</p> <p>Challenges in coordinating the activities of the various districts assemblies and spending units.</p> <p>Inadequate monitoring and tracking of activities and expenditure due to the wide dispersion and the small value of transactions.</p> <p>Administrative delays in awarding contracts and paying contractors may result in labor intensive works being carried out after the agricultural off-season is over, during periods of peak labor demand.</p> <p>Poor quality of the LIPWs due to lack of convergence of labor, managerial, material, and technical (engineering) inputs at the project site would limit the creation of useful public assets.</p> <p>Limited technical and managerial capacity of DAs and limited ability of DAs to follow prudent financial management and procurement practices</p>	<p>In addition, data collection will be undertaken by the Ghana Statistical Service or the National Identification Authority, both of whom have had significant experiences in large data collection exercises in Ghana.</p> <p>The project builds on the existing institutional arrangements of GSOP. The Unit has gained much experience through the implementation of the GSOP project and its predecessor Community Based Rural Development Project (CBRDP); this will be leveraged to mitigate this risk. The presence of the National Project Steering Committee (NPSC) would provide guidance on strategic, policy and implementation issues and assess progress towards achieving the project’s objectives and take corrective action if necessary.</p> <p>Capacity building across all levels of government will be maintained to mitigate this risk.</p> <p>Qualified local and national contractors with experience and good track records will be contracted to engage in such works.</p> <p>Enforce rigorous supervision of civil works contracts.</p> <p>Provide additional training to increase the pool of qualified local and national contractors and to ensure that supervisory bodies have the required technical capacities.</p> <p>Provide training to the relevant services of DAs and strengthen RCC capacities to monitor, provide technical backstopping and if necessary, enforce compliance with technical and fiduciary guidelines and agreements.</p>					
<p>Social and Environmental</p>	<p>Rating</p>	<p>Low</p>				
<p>Risk Description:</p> <p>There is a risk of exclusion and potential for leakage of resources, for instance through elite capture.</p> <p>Tension between adjacent communities (those benefiting and those who are not) and</p>	<p>Risk Management:</p> <p>Information campaign to reduce exclusion errors and ensure that the poorest are reached. In addition, an e-payment system is currently being piloted for LEAP, and would eventually be used to effect payments to all beneficiaries; this allows for improved transparency and more timely reconciliation after each payment cycle. The project will also support the development of a grievance redress mechanism for beneficiaries to report issues related to exclusion and leakage.</p>					

<p>expectations from communities regarding to the overall benefit from the project at individual and community levels could pose a challenge</p> <p>The project could trigger two safeguards policies: (i) the involuntary resettlement, OP/BP 4.12 and (ii) the Environmental Assessment, OP/BP 4.01.</p>	<p>The ESMF outlines 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.</p> <p>The Government of Ghana has prepared an updated Resettlement Policy Framework (RPF) and an Environmental and Social Management Framework (ESMF) designed to mitigate these potential safeguard risks. In addition, lessons learnt and experience gathered on the project coupled with continuous monitoring and supervision will further minimize any potential risk to the project</p>					
	Resp: Client	Stage: Implementation	Recurrent:	Due Date: 30-Jun-2016	Frequency:	Status: In Progress
Program and Donor	Rating	Moderate				
<p>Risk Description:</p> <p>Although in principle donors have shown support to the concept, there remain differences in opinion about the scale and timeline for the roll out.</p>	<p>Risk Management:</p> <p>The World Bank team will continue to engage with the donors to ensure support to the project. Dialogue will also be maintained with the government to provide strong leadership and ensure that the project is realistic and complementary to existing work on SP being implemented by DPs in the sector. The Bank team will also provide regular updates on key issues at the policy and implementation levels</p>					
	Resp: Client	Stage: Implementation	Recurrent:	Due Date: 30-Jun-2016	Frequency:	Status: In Progress
Delivery Monitoring and Sustainability	Rating	Moderate				
<p>Risk Description:</p> <p>Weak Government capacity to monitor may lead to the failure of proper implementation and weak sustainability.</p> <p>Sustainability of LIPW subprojects may be at risk following project completion</p>	<p>Risk Management:</p> <p>The Project will support a stronger M&E team within the Social Protection unit, particularly for process evaluations, spot checks and independent audits of the social protection system.</p> <p>Proper guidelines in the OM coupled with high levels of local ownership and continued operations and maintenance are expected given that public works are selected from District Development Plans/Community Action Plans</p>					
	Resp: Client	Stage: Implementation	Recurrent:	Due Date: 30-Jun-2016	Frequency:	Status: In Progress

Overall Risk

Overall Implementation Risk: Moderate

Risk Description:

The overall risk remains moderate. There are a number of measures under implementation designed to strengthen project performance under the proposed Additional Financing. There is great potential for sustainability given strong Government commitment and ongoing improvements in the operational and implementation elements of the project.

Annex 3: Status of Results Framework at Restructuring

Project Development Objectives Indicators**

	Indicator Name	Unit of Measure		31-Dec-13	Number and Percent
1	Social protection spending allocated to programs targeted to the poor	Percent	Planned	5.00	
			Actual	NA	
			Comments	<i>Revised: This indicator does not adequately measure the PDO and will be revised. The previous year's estimate of 30.35% achievement was based on a MoF report on sectoral pro-poor spending of 5,350.30 GHc out of the total GoG "provisional actual" expenditure of 17,631.2 GHc million. The government's spending on social protection is difficult to estimate and the project has no particular interventions related to spending. On the other hand, improved targeting is a characteristic of the project that has positive impact on supporting the government's rationalization programs.</i>	
2	LEAP and Ghana Health Insurance indigent exemption expenditures in GoG's overall package of pro-poor expenditures as defined by MoFEP	Percent	Planned	1.50	
			Actual	0.73	
			Comments	<i>Dropped: This indicator will be dropped due to lack of clarity on definition of indigents, tracking registration of indigents and definition of pro-poor spending.</i>	
3	Person days of unskilled workers	Number	Planned	1,150,000	9,500,000
			Actual	3,156,812	
			Comments	<i>Revised: The targets have been defined as cumulative targets and annual targets have been used to report the end-of-project (EOP) targets. This has been revised upwards from 5.65 m to 9.5 m person-days. Disaggregation by districts (49) is too</i>	

				<i>demanding in terms of data collection and has been dropped. This indicator would be maintained as PDO indicator One in the Final Draft RF</i>	
4	Average Earnings of unskilled workers in LIPW (GHc)	Number	Planned	150.00	200
			Actual	245.26	
			Comments	<i>Revised: The indicator has been revised for clarity to mean earnings per year (1 July to 30 June) per worker on average. Further, the annual target has been revised upwards from 150 to 200 GHc as average annual earnings per unskilled worker. This indicator was maintained as PDO indicator Two in the Final Draft RF.</i>	
5	Direct Project Beneficiaries (LEAP & LIPW)	Number	Planned	93,000	390,000
			Actual	155,025	
			Comments	<p><i>Revised: (1) definition of targets; and (2) revision of targets.</i></p> <p><i>For LIPW, the target has been revised from annual to cumulative and the EOP target revised upwards from 64,000 to 200,000. LEAP targets are cumulative and the EOP target has been revised upwards to 350,000. Targets for LEAP and LIPW combined are cumulative and revised upwards from 204,000 to 550,000.</i></p> <p>The target for percentage of female beneficiaries has been revised upwards to 70% for LEAP and from 30 % to 50% for LIPW.</p> <p><i>This indicator was maintained as PDO indicator Five in the Final Draft RF.</i></p>	
6	Female beneficiaries (LIPW and LEAP)	Percent	Planned	30.0	253,500 (65%)
			Actual	65.0	

			Comments	<p><i>Revised. The indicator over achieved as targets were set low. Female participation will be continuously monitored.</i></p> <p><i>This indicator was maintained as part of PDO indicator Five in the Final Draft RF.</i></p>	
7	Direct Project Beneficiaries under cash transfer component (LEAP)	Number	Planned	80,000	200,000
			Actual	74,347	
			Comments	<p><i>Revised. The indicator is relevant and must be maintained however the target needs to be revised to reflect: (1) the updated definition of targets (cumulative targets for number of beneficiaries rather than annual) and ; (2) the revision of targets reflecting the additional number of beneficiaries and percentage of female beneficiaries resulting from the proposed additional financing and extension of the closing date.</i></p> <p><i>This indicator was maintained as part of PDO indicator Five in the Final Draft RF.</i></p>	
8	Female Beneficiaries under Cash Transfer component (LEAP)	Percent	Planned	15.00	140,000 (70%)
			Actual	68.80	
			Comments	<p><i>No Change. The indicator over achieved but is still relevant for future studies.</i></p> <p><i>This indicator was maintained as part of PDO indicator Five in the Final Draft RF. The estimate of the target of 140,000 is obtained by multiplying the total target beneficiaries of cash transfer: 200,000 by 70% as in the Final Draft RF.</i></p>	
9	Direct Project Beneficiaries under LIPW component	Number	Planned	13,000	190,000
			Actual	80,678	
			Comments	<p><i>Revised. Targets were set low and need to be revised.</i></p> <p><i>This indicator was maintained as part of PDO indicator Five in the Final Draft RF.</i></p>	

10	Female Beneficiaries under LIPW component	Percent	Planned	30	95,000 (50%)
			Actual	60.4	
			Comments	<p><i>Revised. This indicator over-achieved as targets set were low. Data still needs to be collected for future impact evaluations and studies.</i></p> <p><i>This indicator was maintained as part of PDO indicator Five in the Final Draft RF. The estimate of the end target of 95,000 is obtained by multiplying the total cumulative target beneficiaries of LIPW: 190,000 by 50% as in the Final Draft RF.</i></p>	
11	Beneficiaries of Safety Nets programs (number)	Number		<p><i>This indicator was treated the same as Indicator number 5 in this table. Prior to GSOP safety nets projects were not well defined and attribution of any changes in numbers of beneficiaries over time to GSOP was questionable and so was limited to LEAP and LIPW. WB core indicator and reported in ISR.</i></p>	
12	Beneficiaries of Safety Nets programs - Conditional cash transfers (number)	Number		<p><i>This indicator is the same as Indicator number 8 in this table and should be deleted (conditional cash transfer issues were not applicable).</i></p>	
13	Beneficiaries of Safety Nets programs - Female (number)	Number		<p><i>Same as Indicator 6 above, in the GSOP context. WB core indicator and reported in ISR.</i></p>	
14	Beneficiaries of Safety Nets programs - Cash-for-work, food-for-work and public works (number)	Number		<p><i>This indicator is the same as indicator 9 above. It was maintained as PDO indicator 5 in the Final Draft RF. WB core indicator and reported in ISR.</i></p>	

**Over all expenditure is 59.93% US\$53,101,600 out of US\$88,600,000.

Annex 4: Detailed Project Description

1. The revised project objective under additional financing is to: *improve targeting of social protection programs and provide income support to poor households through LEAP grants and LIPW infrastructure in targeted districts*. The project aims to scale up existing interventions under the Labor Intensive Public Works (LIPW) and the Livelihood Empowerment Against Poverty (LEAP), and strengthen social protection systems and implementation capacity. The key performance indicators related to the Project Development Objectives (PDO) are: (i) Person days of unskilled workers disaggregated by district (number); (ii) Average annual earnings of unskilled workers in LIPWs (GHS); (iii) Share of beneficiaries from the poorest 20 percent of population (percent); (iv) Potential and actual beneficiaries in participating districts satisfied with sub-projects, LIPW program, and LEAP transfers (percent); and (v) Direct project beneficiaries - LEAP & LIPW (number) of which are female (percent).

2. The duration of the original project has been extended by one year under additional financing to close on June 30, 2017. The project's components have been restructured and simplified into the following four components and sub-components:

- Component One: Social Protection Policy and Systems Strengthening
 - Sub-component 1A: Social Protection Policy Formulation
 - Sub-component 1B: Social Protection Systems Strengthening
- Component Two: Labor Intensive Public Works Implementation and Capacity Building
 - Sub-component 2A: Labor Intensive Public Works (LIPW)
 - Sub-component 2B: Capacity Building for LIPW
- Component Three; Livelihood Empowerment Against Poverty Implementation and Capacity Building
 - Sub-component 3A: Livelihood Empowerment Against Poverty (LEAP) Grants
 - Sub-component 3B: Capacity Building for LEAP
- Component Four: Project Management and Coordination
 - Sub-component 4A: Project Management and Coordination by the Ministry of Local Government and Rural Development
 - Sub-component 4B: Project Management and Coordination by the Ministry of Gender, Children and Social Protection

3. The revised project components are described below. The distribution of financing and the comparison Original/Revised Components is shown in Table 4 at the end of this section.

Component One: Social Protection Policy and Systems Strengthening *AF US\$9.0 million*

4. This component builds on the findings of the rationalization study that was funded under component 1 of the original project. This component will have two sub-components: Sub-component 1A: Social Protection Policy Formulation and Sub-component 1B: Social Protection Systems Strengthening.

Sub-component 1A: Social Protection Policy Formulation *AF US\$1.0 million*

5. The objective of this sub-component is to strengthen coordination, and implementation of social protection programs through the preparation of a national social protection policy, strategy, and an implementation action plan. This sub-component will finance technical assistance, consultations, workshops, and policy dissemination. Policy formulation will be done in consultation with other government agencies involved in social protection, donor partners, and all other relevant stakeholders.

6. Additionally, this sub-component will provide technical assistance to the Ministry of Finance to develop mechanisms within the current budget framework to allocate and monitor social protection spending more efficiently. Analytical work to support social protection budget allocation efficiency will also be supported. The component will further support capacity building for staff of the Ministry of Finance and the National Development Planning Commission to improve understanding and appreciation of social protection issues through trainings, study tours, and in country field visits.

Sub-component 1B: Social Protection Systems Strengthening *AF US\$8.0 million*

7. The objective of this sub-component is to support strengthening of social protection systems through the establishment of the Ghana National Household Registry (GNHR). The registry is meant as a tool to improve efficiency, effectiveness, and expand the coverage and scope of social protection interventions in Ghana. This sub-component will finance electronic data collection and processing on households using a proxy means test (PMT) that will be reviewed and updated using the 2013 Ghana Living Standards Survey (GLSS 6) data. This process – the National Targeting System (NTS) – will be used to build the GNHR on poor households eligible for selection by social protection programs. The GNHR will be comprised of households, their members, basic living conditions, and PMT scores. The GNHR will be used across social protection programs (including LEAP, LIPW, and the National Health Insurance Scheme (NHIS)) to target extremely poor beneficiaries, thus removing redundancy across programs in the targeting processes.

8. Over the last decade, Ghana has made significant progress in stimulating economic growth, reducing poverty, and improving governance. Impressively, between 1991 and 2006, the country managed to halve extreme poverty from 36.5 percent to 18.2 percent, and nearly halved the proportion of people living below the poverty line from 51.7 percent to 28.5 percent.³

9. These gains, largely a product of targeting based on poverty and vulnerability, have outpaced the ability of the system to keep accurate records in most social protection programs. There is no systemic, electronic mechanism to record the demographic information of potential and served populations (i.e., registry), annotate the coverage and monitoring of benefits, or share information across programs. In terms of the record keeping itself, specifically:

- (i) Targeting mechanisms are not always clearly defined.
- (ii) Beneficiaries potentially eligible for current coverage are not included in existing registries.

³ Source: GLSS IV & V, GSS

- (iii) Socio-economic data beyond personal identity, age, and sex are not captured.
- (iv) Very few programs have a computerized registry of beneficiaries, meaning registries are not integrated.

10. This means respectively that:

- (i) Distortions occur in beneficiary identifications.
- (ii) The process to identify and enroll potential beneficiaries has to be re-established.
- (iii) Robust identification and monitoring of beneficiaries and potential beneficiaries is inhibited.
- (iv) Government agencies do not have comprehensive data on the actual coverage of social interventions—in terms of identifying individual beneficiaries and the package of benefits and services delivered to each household, inhibiting strategic planning and centralized monitoring of social programs as a whole.

11. The Ministry of Gender, Children and Social Protection (MoGCSP), the institution responsible for coordinating the implementation of the country's social protection system, recognizes that these challenges are directly related to the absence of a common household registry. The MoGCSP has proposed the establishment of the GNHR as a tool to expand the coverage and scope of social protection interventions. Building a registry based on primary data from households will allow future social programs to select their beneficiaries using indirect indicators, which collectively approximate the socio-economic status of the households. The GNHR will also improve existing programs by integrating the socio-economic and demographic information from existing records into a single registry.

12. There are basically two ways to operationalize and roll out the GNHR: census-style survey approach and on-demand survey approach. The former entails implementing a house-to-house survey to collect basic information from all households; in the latter, mobile centers establish temporary facilities in communities to register households, and households go to the mobile center. Using information on the geographic location of households from the census and other sources, one can combine these two approaches to ensure that poor households are registered. Regardless of the specific approach, a massive public information campaign (PIC) is needed to support sensitization, community outreach, and information dissemination to the public about the registration process. Outreach is critical to ensure the success of this type of approach, and it must be tailored to the literacy levels, cultural and ethnic differences, and accessibility to remote areas.

13. Within the Ghanaian context of limited capacity, funds, and time, the MoGCSP has chosen to use the on-demand survey approach through mobile targeting centers during the initial stage of the rollout, since it will provide acceptable results with risk variables that can be controlled at the lowest cost. This method would be complemented by self-reporting and registration at district-level offices to address any households inadvertently omitted during registration. Other key elements for structuring the GNHR include: determination of household information to be included in the registry: data collection: redesign and apply PMT formula to the information gathered: and case management of household records.

14. The implementation of the GNHR will be carried out in phases, with the first phase starting in the Upper West Region in 2014, using a Mobile Targeting Center Approach. Phase 2 will continue with the Upper East region in 2015 and the Northern Region in 2016 using resources from the additional financing. During the first phase, using existing resources from the original project, the current LEAP PMT formula will be updated based on new data from the Ghana Living Standards Survey 6 (GLSS6). This process would refine the scope of the PMT and improve its accuracy, applicability and relevance to other social protection interventions. Implementation will be sequenced, starting with the Upper West region in 2014, Upper East Region in 2015 and Northern Region in 2016. Geographical maps will be prepared for the rest of the country. It is expected that the rollout to the other seven regions of the country will follow these maps. Details of implementation will be provided in the overall Project Implementation Manual (PIM) and the specific GNHR registry Operations Manual.

15. The short term steps to operationalize and begin to construct the GNHR are: (i) building the institutional capacity, including recruiting the staff, of the GNHR Unit in the MoGCSP; (ii) establishing the infrastructure to roll out household registration, including the technology to be used in data collection and processing; (iii) discussing and signing the Memorandum of Understanding with the Ghana Statistical Service on the use of census and GLSS 6 data; (iv) exploring the possibility of a strategic alliance with the National Identification Authority and National Health Insurance Authority during the rollout; and (v) drafting an Operations Manual to cover broadly all areas of this effort.

16. As a result of this project, the social protection system in Ghana would be supported with: (i) a database on households and their members, using as input, primary data from the systematic application of the PMT questionnaire; (ii) a better quality of information recorded in this new database, especially with regard to household participation in various specific social programs, demographic data, and socio-economic information; (iii) an instrument for potential poverty targeting in the form of a proxy for predicting poverty, which can be used to classify households socio-economically; and (iv) a technological platform and institutional/organizational structure of the National Targeting Unit housed in the Ministry of Gender, Children and Social Protection.

Component Two: Labor Intensive Public Works Implementation and Capacity Building AF US\$19.2million

17. The objective of this component remains unchanged. The proposed additional financing will support the scale-up of LIPW to reach more beneficiary households. Innovations, particularly to manage oversubscription, improve targeting, and enhance delivery and monitoring of payments, will be introduced. The implementation capacity of the local assemblies will continue to be strengthened through capacity building and training. This component will be reorganized under the proposed AF with two sub-components: Sub-component 2A: Labor Intensive Public Works and Sub-component 2B: Capacity Building.

Sub-component 2A: Labor Intensive Public Works (LIPW) AF US\$18.0 million

16. The proposed additional financing will not only deepen LIPW activities in the existing 49 districts but also scale up to an additional eleven new districts. Selection of the new districts is based

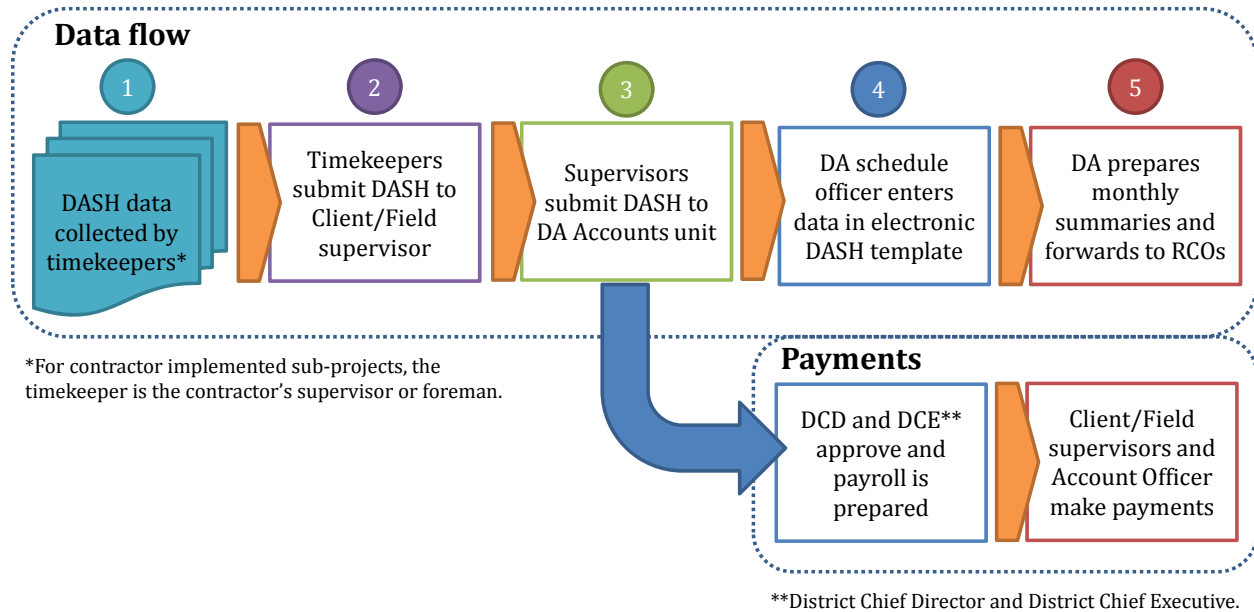
on the incidence of poverty at the district level (using the GLSS 5 Poverty Map and WFP Food Vulnerability Index, 2009), and internal ranking of districts used by Regional Coordinating Councils (using criteria such as the current conditions of road network, population of largest urban settlement, population living in urban areas and access to essential services).

17. The basic design of the LIPW component and menu of sub-projects would be maintained. Labor content of the original project accounted for approximately 50 percent; the other 50 percent went to contractors and materials. To maximize labor content under the proposed AF, the breakdown of sub-projects would be 20 percent for feeder roads, 30 percent for climate change activities, and 50 percent for small earth dams and dugouts, but may cover other sub-projects that lend themselves to LIPW methods high labor content and based on community demand. To manage oversubscription, the proposed AF activities would support: (i) improved planning to enable site managers to take into account a realistic number of work days and tools that are available per cycle; (ii) in addition to self-targeting, use community-based targeting (CBT) to further narrow the eligible beneficiary pool; and (iii) computerize time sheets to enable faster processing of payroll information as well as introduction of an electronic payment mechanism to improve efficiency. The project will continue to use qualified contractors to ensure that small earth dams and dugouts are executed in strict conformity with standard designs and specifications. Details on quality improvements for sub-projects will be detailed in the revised PIM. For sustainability, income-generating activities financed under a US\$3 million Japanese Social Development Grant will complement LIPW activities.

18. The current implementation of LIPW faces challenges related to digitizing beneficiary information and data on attendance and payments at LIPW work sites. Four key challenges have been identified. First, registration for LIPW is paper-based and registered beneficiaries do not always match those who show up to work once the sub-project implementation begins. Second, the District Assemblies (DAs), with support from the Regional Coordinating Offices (RCOs), are presently responsible for gathering time sheet data and digitalizing it using the Daily Attendance Sheet (DASH) electronic template. However, in practice the DAs do not always enter the data or enter it infrequently and in most cases, the RCOs absorb this responsibility.⁴ The reasons for this include: (i) the client/field supervisors responsible for recording the attendance data on paper-based forms do not always use the standardized DASH time sheet, making it more difficult to digitalize the data; (ii) there is inadequate capacity and more importantly lack of motivation at the DA and RCO levels to digitalize the DASH data; and (iii) the electronic DASH template is a relatively complex Microsoft Excel-based tool that tracks attendance over the entire duration of the sub-project implementation (i.e., data is cumulative). Figure 1 shows how attendance information is supposed to flow and the responsibilities at each stage.

⁴ Except for sub-projects covered by one RCO, Upper West, where the DASH data is not being digitalized at all.

Figure 1: Current Process from Recording of Attendance to Payments



19. Third, while there are electronic records of the earnings due to each beneficiary, electronic records of payments made against the time sheets do not exist and time sheets are digitalized after (or at best in parallel to) payments. Fourth, although there is an established minimum of days each beneficiary is entitled to work, in practice the actual number of days worked varies across sub-projects and in some cases the minimum is not achieved due to rotational practices introduced as a response to oversubscription.

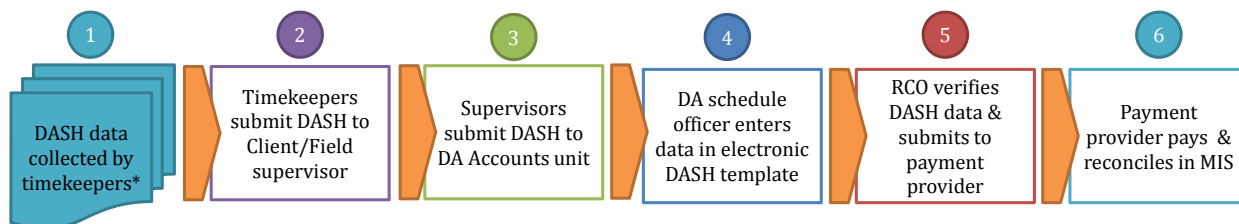
20. These challenges have occasionally led to high numbers of beneficiaries per sub-project, which increases the difficulty of supervision, and have hampered regular monitoring (particularly short-term regular monitoring) of attendance, payments, and numbers of beneficiaries per sub-project and in the program overall. Excessive rotational practices can translate into diluted program impacts if the benefits are being spread too thin. Finally, the use of manual payment systems carries an elevated risk of leakage, particularly when combined with the challenges described above.

21. The GSOP is currently in the process of developing a management information system (MIS), which will contribute to resolving these challenges. The MIS is being developed by a local software firm and is in the beta stage, with data migration currently underway. The system is expected to be ready for operationalization by June 2014. Development of the MIS will take into account the lessons learned in the first stage of the project; in particular, the MIS will aim to have offline capabilities and interfaces that are as user-friendly as possible (and mirror paper-based forms) to facilitate the use by RCOs and DAs. Initially, the MIS will be rolled out to the RCOs, and subsequently to the DAs once the RCOs capacity to use the system has been built.

22. To further address the challenges described above, the proposed AF will support several ICT-based innovations. The first will be the introduction of an electronic registration process, which will use smartphones to register each beneficiary (collecting basic information including an ID picture)

and then use information gathered during the registration process to populate electronic and paper-based DASH time sheets. To test this approach before rolling it out to all sub-projects in 2015, a pilot e-registration initiative is expected to be carried out in April 2014 in the Upper East region. Second, e-payments, directly linked to DASH data, will be introduced in 2015. Under this new payment system, electronic data from DASH would be delivered electronically to a mobile money or other e-payment service provider, which would execute direct payments to beneficiaries, and provide the GSOP payment reconciliations electronically through the MIS system. The AF will also support data entry personnel at the RCO level to support the data processing at both the RCO and DA levels. Figure 2 shows what the process from recording of attendance to payment reconciliation would look like once the innovations have been introduced.

Figure 2: New Process from Recording of Attendance to Payments



*For contractor implemented sub-projects, the timekeeper is the contractor's supervisor or foreman.

Sub-component 2B: Capacity Building for LIPW AF US\$ 1.2 million

18. The original capacity building component was implemented solely by the Ministry of Local Government and Rural Development (MLGRD). Under the proposed AF, this component has been restructured to enable the respective ministries to implement their own capacity building activities. This sub-component will finance capacity building activities for implementation of LIPW in selected project districts. Several distinct sets of capacity building activities under the original project will continue to be supported under the proposed AF, specifically: (i) establishing a LIPW supportive policy and institutional framework; (ii) capacity building to support LIPW implementation aimed at decision-makers, DA technical staff, relevant line agencies, and contractors; and (iii) ongoing capacity building for DAs in the technical and management capacities of LIPW target districts.

23. In addition, this sub-component will support the implementation of social accountability and grievance redress mechanisms, development communication activities, capacity building for the introduction of ICT-based operational enhancements (e.g., electronic registration and electronic time sheets linked to e-payments), impact evaluations, and other activities to support the overall objective of strengthening LIPW.

Component Three: Livelihood Empowerment Against Poverty (LEAP) Implementation and Capacity Building AF US\$15.7 million.

24. This component will be restructured under the proposed AF to have two sub-components: Sub-component 3A: LEAP Grants and Sub-component 3B: Capacity Building for LEAP.

Sub-component 3A: LEAP Grants *AF US\$10.0 million.*

25. The objective of this sub-component is to support the scale-up of LEAP grants to benefit more households. The scale-up will involve deepening in the existing districts with higher poverty incidence, i.e., the three northern regions and selected areas in the south. Deepening in the poorest region, the Upper West region, will capture approximately 100,000 households. Under the original project, LEAP grants were meant to be conditional, the Project Appraisal Document (PAD) was not clear whether these were hard or soft conditions. In practice, soft conditions (co-responsibilities) have been implemented. Beneficiaries are sensitized about sending children ages 5-15 to school, and ensuring regular clinical visits and full immunizations for all children in beneficiary households. The implementation of these co-responsibilities needs to be better structured through regular workshops under additional financing. The proposed AF will continue to finance cash grants to additional beneficiary households. Broadly, the government has increased its allocation to LEAP from GHc 7.5 million in 2010 to GHc 38 million in 2014. Going forward, the financing of this component will be restructured to utilize regular project investment financing modalities, with periodic payments made directly to the Ministry of Gender, Children and Social Protection for the LEAP cash grants. Details of implementation will be provided in the overall Project Implementation Manual (PIM) and the specific LEAP Operations Manual.

Sub-component 3B: Capacity Building for LEAP *Original AF US\$5.7*

26. In order to enhance LEAP implementation, this sub-component would provide financing to strengthen the program's operations at the national, regional and district levels. Specifically, the sub-component would finance the upgrading of a management information system for the program (to be coordinated with the GHR) that will support data entry and analysis at the national and decentralized levels, delivery charges associated with the new electronic payments mechanism, and training and capacity building of staff to implement LEAP more effectively. This sub-component would provide funding for development communication activities, as well as monitoring and evaluation (i.e. regular spot checks of operation activities and impact evaluation studies), and social accountability and grievance redress systems for the program. In addition, the sub-component would also ensure and support the improved implementation of co-responsibilities through structured workshops, regular and documented dissemination fora for LEAP beneficiaries.

Component Four: Project Management and Coordination *AF US\$6.1 million.*

27. The objective of this component remains unchanged. Overall project implementation will be undertaken by the Ministry of Local Government and Rural Development (Components 2 and 4A) and the Ministry of Gender Children and Social Protection (Components 1, 3 and 4B). The Chief Directors of the two ministries will maintain overall financial responsibility of project funds. Policy implementation guidance will be provided by a project steering committee that will be co-chaired by the Minister of Gender, Children and Social Protection and the Minister of Local Government and Rural Development. The committee will comprise of relevant ministries, departments and agencies of the government and civil society organizations (a full list is elaborated in Annex 4 under revised implementation arrangements and support). The steering committee will approve annual work plans, budgets, quarterly and annual progress reports and mobilize government support. (Details of

implementation will be provided in the overall Project Implementation Manual (PIM) and the specific GNHR and LEAP Operations Manuals.)

28. Under the proposed AF, this component will be restructured into two sub-components to reflect the addition of the MoGCSP as an independent implementing agency: sub-component 4A: Project Management and Coordination by the Ministry of Local Government and Rural Development, and sub-component 4B: Project Management and Coordination by the Ministry of Gender, Children and Social Protection.

Sub-component 4A: Project Management and Coordination by the Ministry of Local Government and Rural Development *AF US\$5.0 million*

29. The objective of this sub-component is to support activities related to project management and coordination, equipment and vehicles, and incremental operating costs under the GSOP National Coordinating Office and Regional Coordinating Officers for LIPW sub-projects.

Sub-component 4B: Project Management and Coordination by the Ministry of Gender, Children, and Social Protection *AF US\$1.1 million*

30. The objective of this sub-component is to support activities related to project management and coordination, equipment and vehicles, and incremental operating costs under the MoGCSP.

Annex 5: Revised Implementation Arrangements and Support

1. The implementation structure for the proposed Additional Financing (AF) shall comprise two key ministries as implementing agencies, two other supporting ministries with specific roles, a National Project Steering Committee, and three national coordinating offices; (i) Labor Intensive Public Works (LIPW); (ii) Livelihood Empowerment Against Poverty (LEAP); and (iii) National Targeting (NTU). The project will also include related regional and district offices, working through the decentralized governance systems in targeted District Assemblies (DA).
2. Overall project implementation will be undertaken by the Ministry of Local Government and Rural Development (Components 2 and 4A) and the Ministry of Gender Children and Social Protection (Components 1, 3, and 4B). The Chief Directors of the two ministries will maintain overall financial responsibility of project funds.
3. **Ministry of Local Government and Rural Development.** The Minister of the Ministry of Local Government and Rural Development (MLGRD) shall have oversight responsibility for the management of the LIPW component of the project. The ministry shall supervise and approve all key decisions for the effective implementation of the LIPW component of the project. All contracts, appointments and significant expenditures shall be approved by the ministry.
4. **Ministry of Gender, Children, and Social Protection.** The Minister of the Ministry of Gender, Children and Social Protection (MoGCSP) shall have oversight responsibility for the implementation of Component 1: Social Protection Systems and Policy and Component 3: Livelihood Empowerment Against Poverty. The Ministry shall closely supervise and approve all key decisions for the effective implementation of the LEAP, SP systems and policy of the project. All contracts, appointments, and significant expenditures shall be approved by the ministry.
5. **Ministry of Finance.** The Ministry of Finance (MoF) shall support implementation of Component 1: Social Protection Systems and Policy especially with respect to facilitating multi-sectoral collaboration for effective execution of the component and carrying out analytical work to support budget allocation efficiency.
6. **Ministry of Employment and Labor Relations.** The Ministry of Employment and Labor Relations (MELR) shall facilitate the passage of the LIPW Policy under Component 2: LIPW Implementation and Capacity Building. The ministry shall further develop the strategy for implementation in close collaboration with the MLGRD.
7. **National Project Steering Committee.** Policy implementation guidance will be provided by a National Project Steering Committee (NPSC) that will be co-chaired by the Minister of Gender, Children and Social Protection and the Minister of Local Government and Rural Development. The committee will comprise of relevant ministries, departments, and agencies of the government and civil society organizations. The steering committee will: (i) coordinate activities of ministries, agencies, and other stakeholders involved in project implementation; (ii) provide guidance on policy, strategy, and other implementation issues; (iii)

review and approve annual work plans, budgets, and quarterly and annual progress reports; and (iv) mobilize government support (further details are elaborated in the Project Implementation Manual). The NPSC shall meet quarterly within 30 days of the end of each quarter. The membership of the NPSC shall include the following institutions:

- Ministry of Local Government and Rural Development
- Ministry of Gender, Children and Social Protection
- Ministry of Finance
- Ministry of Employment and Labor Relations
- Ministry of Roads and Highways
- Ministry of Food and Agriculture
- Ministry of Health
- Ministry of Environment, Science, Technology and Innovation
- Ministry of Interior
- Local Government Service Secretariat
- Department of Feeder Roads
- Ghana Irrigation Development Authority
- Department of Social Welfare
- National Health Insurance Authority
- Association of Road Contractors
- Civil Society Organizations.

8. The National Coordinating Office shall be the secretariat to the NPSC. The Coordinator (LEAP) and Coordinator (NTU) shall be in attendance.

9. **Quarterly Technical Review Meeting.** A Quarterly Technical Review Meeting (QTRM) shall be held prior to the meeting of the NPSC. The QTRM shall be attended by project contract staff from the NCO and RCOs, as well as representatives of Ministries, Departments and Agencies (MDAs) with responsibilities for project components. The objective of the QTRM shall be to improve coordination at implementation level.

10. **Collaborating Institutions.** The project has a number of collaborating MDAs many of which have representation on the NPSC. They include the Department of Feeder Roads (DFR), Ghana Irrigation Development Authority (GIDA), Environmental Protection Agency (EPA), Koforidua Training Centre (KTC), and the National Health Insurance Authority (NHIA). All MDAs shall appoint Focal Persons who will have responsibility for GSOP issues.

11. **National Coordinating Office.** The National Coordinating Office (NCO), as the secretariat to the NPSC shall assist the implementing ministries to oversee and coordinate project implementation and report directly to the Chief Directors of the MLGRD & MoGCSP. The main functions of the NCO shall include: coordinating, consolidating, and reviewing the projects work plans, budgets, and procurement plans; consolidating project quarterly progress and financial

reports; supervising RCO and DA operations; and disbursing LIPW related funds to DAs. The NCO shall also have direct responsibility for reporting to the Bank.

Component One: Social Protection Policy and Systems Strengthening

12. This component shall seek to realize the recommendations of the rationalization of SP expenditure study report. In this respect, the activities under this component shall be carried in close collaboration with the Ministry of Finance. The Ministry of Gender, Children and Social Protection will be responsible for the implementation of the recommendations of the rationalization of social protection study. The implementation of this component will be done in collaboration with other ministries, departments, and agencies engaged in other social protection interventions as identified in the study report. There will be stakeholder consultation at all levels.

13. The implementation of the Ghana National Household Registry will be done by the Coordinator of the National Targeting Unit (NTU) to be established within the Social Protection Directorate. The National Targeting Unit Coordinator will be responsible for the daily management of the unit and targeting process, including: selection of consultants and partner organizations; preparation of instruments and operations manuals; selection and training of targeting teams; and data collection, collation, processing and the development of the Ghana National Household Registry.

14. The Targeting Coordinators at the regional and district levels will be responsible for the day-to-day operations at the regional and district levels. The organogram for the NTU will be included in the PIM and specific GNHR manual.

Component Two: Labor Intensive Public Works (LIPW) Implementation and Capacity Building

15. The scale-up of LIPW shall involve the deepening activities within the current 49 DAs and expanding to eleven additional DAs. Implementation shall be carried out by the DAs with support from RCOs, RCCs, and NCO.

16. *National Coordinating Office.* The National Coordinating Office (NCO) shall regulate the flow of grants to DAs and RCOs for the effective implementation of LIPW. The NCO shall collate data and reports from the DAs and RCOs and produce reports on LIPW and provide backstopping services to RCOs and DAs. The staff at the NCO shall include the National Coordinator, Chief Financial Controller, Capacity Building Specialist, Chief Infrastructure Engineer, Safeguards and Climate Change Specialist, and M&E and MIS specialist.

17. *Regional Coordinating Councils.* The Regional Coordinating Councils (RCCs) shall monitor and supervise activities of the DAs with support from the RCOs. The RCCs shall chair implementation review meetings with DAs. The RCCs shall also play a key role in monitoring of LIPW implementation activities especially with respect to ensuring deeper social accountability.

18. *Regional Coordinating Offices.* The Regional Coordinating Offices (RCO) shall be key actors in the timely initiation, preparation, procurement, and supervision of LIPW delivery

activities at the community level. The RCO shall be manned by a Regional Coordinator, Regional Infrastructure Engineer, Regional Capacity Building Specialist, and Regional Financial Management Specialist.

19. The RCO shall ensure the achievement of delivery deadlines with respect to all aspects of LIPW implementation. Key activities shall include the identification of LIPW sub-projects, verifying suitability of selected sub-projects and communities, sensitization of communities, targeting and selection of beneficiaries, startup activities for LIPW implementation including staffing of sites, institutional arrangements for implementation, processing of labor payments, actual payments, and documentation of LIPW sub-project implementation data. The RCOs shall also coordinate the Complementary Income Generation Schemes through the DAs and communities.

20. *District Assemblies.* The District Assemblies (DA) shall be the primary implementing agency of LIPW sub-projects on the ground. Sub-projects must be on DAs' medium-term development plans (MTDP). Staff of DAs shall be responsible for sensitization of the communities on the implementation modalities of LIPW. The DA staff shall carry out sub-project preparation and supervision of implementation. The DA Engineer shall also coordinate and supervise safeguard administration for sub-projects. Based on the method of execution (under Forced Account or Contract) the DA's role would vary. Under Forced Account, the DA shall carry out procurement (mainly shopping) of materials to be incorporated in the sub-project. The DA's staff shall provide technical guidance to the community members to supervise the labor force and process payments. Under Contracts, the DA shall conduct procurement activities (NCT or shopping depending on estimated costs) to engage the contractor, who shall carry out the works using the registered beneficiaries. Key actors at implementation shall comprise DA staff, contractors, and communities. Supervision of the site work is shared, and data on work attendance form the basis for preparing payment vouchers for labor. The DAs shall report on LIPW sub-projects to the RCO/RCC.

21. LIPW implementation at the DA level shall be fully mainstreamed. Key actors include the District Chief Executive (DCE), District Coordinating Director (DCD), District Planning Officer (DPO), District Works Engineer (DWE), District Finance Officer (DFO), District Budget Officer (DBO), District Social Welfare Officer (DSWO), District Community Development Officer (DCDO), DFO, Schedule Accountant Officer, DGSOPSO, DESK, DAO or DFO, DBO, DIA, CS, and some supporting staff including Client Supervisors who are the district's field staff. The DPO, DWE, or DBO shall be designated District GSOP Desk Officer or Focal Person.

22. *Contractors.* Only contractors who have been trained in labor intensive techniques shall be eligible to participate in LIPW implementation. These contractors normally maintain a very small permanent staff on their payrolls. Each contractor shall maintain on site two (2) Contractor Supervisors.

23. *Communities.* The communities are the recipients of the LIPW sub-project in the form of rural access roads, small earth dams or dugouts, and climate change mitigation activities. The communities must be poor in that there must not be available within easy reach of community

member's alternative livelihoods such as commercial markets, small-scale mining, or manufacturing, etc. The main form of livelihood must be subsistence agriculture.

24. There must be sufficient numbers of beneficiaries (in excess of 100 persons) to undertake an LIPW sub-project. At the community level, suitable persons shall be identified to carry out key activities on site as Community Facilitators. The facilitator would usually be responsible for mobilizing beneficiaries in the mornings for work as well as act as timekeepers, focal persons, and first point of call for grievance resolution. A Community Peer Mentor shall also be identified in each community to ensure high level of Social Accountability.

25. Sub-component 2B: This component shall comprise a number of distinct activities. The passage of LIPW policy and design of the LIPW strategy, communications and advocacy, upgrade of the Koforidua Training Centre (KTC), and upgrade the skills of LIPW practitioners. The process of developing the LIPW policy shall be led by the Focal Person at the Ministry of Employment and Labor Relations (MELR) working in close collaboration with the National Capacity Building Specialist. The upgrading of skills will involve the training and re-training of LIPW practitioners. This shall be carried out by the National Capacity Building Specialist in close collaboration with the KTC. Support for KTC shall be in the area of human resource development.

Component Three: LEAP Implementation and Capacity Building

26. This component will comprise of LEAP grants and capacity building for the LEAP management and delivery mechanisms. The Department of Social Welfare (DSW) under the MGCSP is responsible for the implementation of the LEAP program at the national, regional, and district level. The LEAP Management Unit (LMU) within the Headquarters of DSW is responsible for the day to day running of the program. The LMU will receive targeting information from the National Targeting Unit and also provide updates on beneficiaries to the NTU. The Regional Social Welfare Offices (RSWO) coordinates implementation in the respective districts and provides periodic monitoring of the program. The District Social Welfare Officers (DSWO) are responsible for the following implementation functions:

- Coordination of selection of households for enrollment onto LEAP
- Coordination of payments of LEAP grants to beneficiary households
- Communication and promotion of conditions
- Establish linkages of LEAP beneficiary households to other SP interventions
- Provides case management and updates for LEAP beneficiary households
- Coordinates the functions of the District Social Protection Committees, and provides oversight to the Community Social Protection Committees.

Reporting Lines

27. The District Social Welfare officers directly report through the District Coordinating Director to the Regional Social Welfare Officers of the Regional Coordinating Council. The structure of the reports covers program reports, including information on payments, case management, updates, financial, and logistics. Copies of these reports are forwarded to the LMU of the Department of Social Welfare. The LMU processes and analyses these reports and forwards them to the Chief Director of the MoGCSP for further action by the Social Protection Directorate and the Policy, Planning, Monitoring and Evaluation Directorate (PPME). These reports are further required to be validated by the National Steering Committee co-chaired by Ministers of Gender, Children and Social Protection and Local Government and Rural Development. Feedback of quarterly and annual reports is then sent to the District Social Welfare Officers through the RSWOs.

Component Four: Project Management and Coordination

28. *Component 4A: Ministry of Local Government and Rural Development.* This component will be implemented by the National Coordinating Office (NCO), which shall comprise the national officers and supporting staff, in close collaboration with the Regional Coordinating Offices (RCO), shall provide project management, coordination, monitoring, and reporting services to the project specifically with respect to LIPW and shall include collating reports on other components into a single document for submission to the GoG and the Bank. The NCO shall monitor implementation activities, collate reports, and analyze data on implementation and compile same into progress and other reports. The NCO shall ensure the proper financial management of all project funds, open and operate designated accounts and access funds from the IDA, transfer funds to RCOs and DAs for LIPW-related activities, and generate financial reports on same. The NCO shall carry out procurement activities for goods and services and facilitate the work of service providers including Auditors.

29. *Component 4B: Ministry of Gender, Children and Social Protection.* This component will be implemented by the National Targeting Unit under the MoGCSP, which shall comprise staff supported under this project. The NTU shall provide project management, coordination, monitoring, and reporting services to the project specifically with respect to LEAP and the GNHR, and shall include collating reports on other components into a single document for submission to the GoG and the Bank. The NTU shall also monitor implementation activities, collate reports, and analyze data on implementation and compile same into progress and other reports. The NTU shall ensure the proper financial management of all project funds, open and operate designated accounts and access funds from the IDA, transfer funds LMU and MOFEP on LEAP and social protection strengthening activities, and generate financial reports on same. The NTU shall carry out procurement activities for goods and services and facilitate the work of service providers including Auditors.

Annex 6: Financial Management and Disbursement

1. The Ghana Social Opportunities Project (GSOP) is an existing project that is implemented by the Ministry of Local Government and Rural Development (MLGRD), through the National Coordinating Office (NCO). As part of the additional financing it has been agreed that some activities will be implemented by the Ministry of Gender, Children and Social Protection (MoGCSP). Given that the project’s financial management arrangements will follow the country systems, the Financial Controller (FC) of MoGCSP will have overall financial management responsibility. The responsibility of the FC is to ensure that throughout implementation there are adequate financial management systems in place at all levels of project implementation, which can report adequately on the use of project funds. The FC’s work will be complemented by the assigning of a dedicated Principal Accountant responsible for the routine day-to-day transaction processing and reporting, and interacting with other beneficiary agencies on financial matters.

2. The Financial Controller with the assistance of the Principal Accountant will have oversight responsibilities with regards to ensuring compliance with financial covenants such as submitting interim unaudited financial reports (IFRs), maintaining internal controls over project expenditure, and engaging external auditors. Under the direct supervision of the Financial Controller, the Principal Accountant will also be responsible for maintaining and operating the project’s designated account and make payments to contractors and service providers, transferring funds to the district as per the funding modalities for the LEAP and verifying and authorizing payments for all contracts and activities under this project.

Table 1: Agreed Action Plan

	Action	Date due by	Responsible
i.	Prepare a revised project implementation manual	Not later than six months after effectiveness	GSOP NCO and MoGCSP
ii.	Agree on formats and content of IFR for project	Negotiations	IDA

Financial Management Implementation Arrangements

GSOP NCO

3. As noted, there are no proposed changes in the financial management arrangement for the GSOP components being implemented by the MLGRD. The arrangements as per the original PAD have been satisfactory and will be used to support the additional financing.

MoGCSP

4. In terms of financial management, the Financial Controller (FC) of MGCSPP will have overall financial management responsibility. The responsibility of the FC is to ensure that throughout implementation there are adequate financial management systems in place at all levels of project implementation, which can report adequately on the use of project funds. The FC's work will be complemented by the assigning a dedicated Principal Accountant responsible for the routine day-to-day transaction processing and reporting, and interacting with other beneficiary agencies on financial matters.

5. The Financial Controller with the assistance of a Principal Accountant will have oversight responsibilities with regards to ensuring compliance with financial covenants such as submitting interim unaudited financial reports (IFRs), maintaining internal controls over project expenditure and engaging external auditors. Under the direct supervision of the Financial Controller, the Principal Accountant will also be responsible for maintaining and operating the project's designated account and make payments to contractors and service providers, transferring funds to district *as per the funding modalities for the LEAP* and verifying and authorizing payments for all contracts and activities under this project.

6. A summary of the key findings of the financial management assessment of the MoGCSP is presented as follows:

Budgeting Arrangements

7. The MoGCSP, as a government agency, follows the budget preparation guidelines as per the Financial Administration Act (2003), the Financial Administration Regulation (2004), and also the annual budget guidelines issued by the Ministry of Finance. The project specific budgeting process will be documented in a revised IDA approved Project Implementation Manual (PIM). Generally, the budgeting arrangements for the project components will be derived from the IDA allocations. Individual district budgets, work plans, and procurement plans will be collated and consolidated at the headquarters and reviewed jointly by key project staff. MoGCSP HQ will co-ordinate yearly work plans and budgets and share consolidated copies to the Bank for review and approval. Specifically for the Component One (Social Protection Policy and Systems Strengthening) and Component Three (LEAP Implementation and Capacity Building) the budget will be part of the overall ministry budget as approved by the MoFEP and is thus consistent with government policy and procedures.

8. The current budgetary control processes used mostly for the government's discretionary budget are capable of monitoring commitments and outstanding balances and this helps to reduce risk of multiple payments. The assessment indicates that budgeting processes are satisfactory and can be relied upon to reflect the various components to be implemented.

Accounting Arrangements

9. The Finance and Accounts Office (FAO) of MoGCSP, has responsibility for maintaining the accounting records and books of the agency. The unit is headed by a Financial Controller who is a qualified chartered accountant with relevant years of experience, having worked at

different MDAs within the government service. Accounting and financial reporting for the proceeds of the credit will follow the existing GoG accounting policies and rely on the existing systems including the GoG Chart of Accounts, internal approval processes, payment vouchers, and authorization limits. Even though the ministry has been linked to the GIFMIS, the module is not being used to support donor-funded operations and currently, a combination of manual cash books and general ledger, supplemented by excel spreadsheets, are used to periodic returns.

10. In line with government policy at the decentralized levels, financial management of government funds is vested in the District Finance Officers (DFO) and as such the role of the DSW Regional Office accountants will be to coordinate the work of DFOs, ensure that they meet reporting requirements, offer technical advice, and monitor compliance. The assessment notes that at the head office, the accounting capacity is adequate and can be relied upon to satisfactorily support implementation. There are, however, systemic weakness due to lack of capacity at the sub-national level but this will be mitigated through periodic training and monitoring/supervision by the MoGCSP units at the headquarters.

Internal Control and Internal Auditing

11. Consistent with the decision to adopt some aspect of the **use of country systems (UCS)** for implementation, the project's internal controls will rely on the government established accounting and internal control guidelines as documented in the Financial Administration Act (2003) and the Financial Administration Regulation (2004), and informed by the Internal Audit Agency Act (2003). In addition, the expenditure initiation and related controls will follow the authorization and approval processes as pertains within the MoGCSP. The MoGCSP has a functioning internal audit unit that helps to ensure a sound control environment for transaction processing. However, our assessment indicates that the unit is grossly understaffed and may not be adequate to provide risk management functional support during implementation. The role of the internal audit will be regularly assessed during supervision missions by reviewing their reports and management responsiveness to their findings. This is to ensure that the role is not limited to transactional reviews (pre-auditing) but adds value to the overall control environment.

Funds Flow Arrangements

12. The proposed financing instrument is an Investment Project Finance (IPF) estimated at US\$50 million to be disbursed over a three-year period. Separate forms of funds flow and disbursement arrangements shall apply for this project based on the respective components. Disbursements under Component 1, 3, and 4B will be implemented by the MoGCSP while Components 2 and 4A will be implemented by the MLGRD through the NCO and will follow standard Bank procedures, and is not expected to change under the additional funding.

MoGCSP

13. Within the MoGCSP there will be a single dedicated designated account to be operated by the Financial Controller under the supervision of the Chief Director. Funds will be transferred into the designated account to pay for eligible expenditure under Components 1, 3, and 4B.

14. The request for funds will be done based on the Withdrawal Application (WA) duly signed by representatives from MoFEP, CAGD, and MoGCSP, which will be supported by Statement of Expenditures (SOEs) using the transaction based modalities. Specifically for Category 2 (Component 3A) i.e. the transfer to LEAP Beneficiaries, the Statement of Expenditure (SOE) report will be an aggregated and consolidated report indicating the transfers made as per region and districts distributions. All other categories will use standard SOE templates provided as part of the disbursement letter.

MLGRD-GSOP- PIU

Funds Flow under Component 2 and 4A

15. Funds for implementing activities under these components will all be disbursed to a **segregated designated account** managed and operated by the Financial Controller of the GSOP PIU. Project activities and expenditure are mostly at the sub-project and district levels and as such the funds flow mechanism have been designed to support implementation at those levels. Although implementation is at the district levels, the designated accounts are maintained and managed at the headquarters from where further transfers are made directly to the district offices with the regional offices being notified to help in monitoring.

16. There are no proposed changes or modifications to the existing arrangements as in the original project. Funds for implementing the project will be channeled initially to the segregated designated from which subsequent transfers will then be made to the respective 'District Accounts' in line with their approved activities, work plans, and budgets under the various components. Initial releases to the designated accounts will be an aggregate of the various district work plans and forecast project management expenditure. The proposed funds flow arrangement can be summarized as follows:

- There will be only one designated account and will be maintained by the Ministry of Local Government and Rural Development at the GSOP NCO.
- Funds will be transferred directly from the Designated Account on two levels, namely to (i) the regional accounts of the RCOs (for project monitoring and capacity development activities) and secondly (ii) to the districts as block grants and imprest.
- In terms of reporting, district offices will submit returns to regional offices for collation and these will then be submitted to headquarters for consolidation and reporting to the GoG and donors.

Disbursement Arrangements

17. Proceeds of the facility will be used for eligible expenditures as defined in the Financing Agreement. Disbursement arrangements have been designed in consultation with the Recipient after taking into consideration the assessments of the MoGCSP's financial management and procurement capacities, the procurement plan, and anticipated cash flow needs of the operation.

The proposal is to have **the following disbursement categories** as represented in the table below:

Table 2: Allocation of Loan Proceeds

Disbursement Category	Amount of Credit Allocated (US\$)	Amount of Credit Allocated (SDR)	Eligible Percentage for IDA Financing (Inclusive of Taxes)
Category 1 - Goods, non-consulting services, consultants' services, operating and training costs for Components 1, 3B, and 4B.	15,800,00	10,200,000	100%
Category 2 - Goods, works, civil works, non-consulting services, consultants' services, operating costs and training for Components 2 and 4A	24,200,000	15,700,000	100%
Category 3 - Cash Transfers under Component 3A for LEAP	10,000,000	6,500,000	100% of amounts paid by the Recipient under the Cash Transfer
Total	50,000,000	32,400,000	

18. Based on the assessment of financial management, the proceeds of the credit for the respective components will be disbursed to the project as follows:

19. Funds for Components 2 and 4A being implemented by MLGRD/GSOP NCO will use report-based disbursement procedures (in the form of Interim Financial Reports) with a flexible disbursement ceiling. The initial disbursement and ceiling will be based on the expenditure forecast for the first six months subject to the Bank's approval of the estimates). Subsequent replenishments of the DA would be done quarterly based on the forecast of the net expenditure for the subsequent six months duly approved by the Bank and supported with the Annual Work Plan.

- Funds under Components 1, 3, and 4B being implemented by the MGCSP will use transaction based reporting modalities in the form of Statement of Expenditure (SOE Returns).

20. *Additional instructions for disbursements will be provided in a disbursement letter issued for this project.*

Financial Reporting Arrangements

21. The Financial Controllers of the MLGRD and MoGCSP, working on behalf of their respective Chief Directors, will be required to prepare and submit separate quarterly Interim Unaudited Financial Reports (IUFs) to account for activities funded and also request for funding under this grant. The assessment indicates that though at the headquarters there will be minimal challenges at MGCSP in financial reporting, there may be delays from the district offices in meeting deadlines for submitting returns.

22. The IFRs for the project are expected to be submitted not later than 45 days after the end of each quarter. The financial reports have been designed to provide relevant and timely information to the project management, implementing agencies, and various stakeholders monitoring the project's performance. The formats and content of the quarterly IFRs will be provided by the Bank's Financial Management team and agreed during negotiations.

23. In addition, under Component 3A, the MoGCSP shall prepare and submit technical audit reports on the use of the proceeds of the Cash Transfer for the first three months of the project. Thereafter, within forty-five days of the end of each six calendar months, the MoGCSP shall prepare and submit an independent verification report for the period covering the six months. The final independent verification report shall be furnished to the Bank not later than six months after the end of last withdrawal of the proceeds of the Credit allocated to the Cash Transfers.

Auditing

24. In line with its mandate as per the Ghana Audit Service Act (Act 584), the Auditor General is solely responsible for the auditing of all funds under the Consolidated Fund and all public funds as received by government ministries, agencies, and departments. The capacity of the GAS is considered satisfactory. However, as is the practice, due to capacity constraints, it is also possible for the Auditor General to subcontract the audit of donor-funded project to private firms. In this regard, and consistent with the use of country FM systems, the Ghana Audit Service (GAS) may opt to undertake the audit or propose to the project to follow IDA procurement principles and recruit an external audit firm acceptable to the World Bank. There will be no specific financial audit report submission required for the LEAP component since it is part of the overall government program and as such the Bank will rely on the MDA Audit of the MoGCSP.

Annex 7: Procurement

1. Procurement will be carried out in accordance with World Bank's: (i) "Guidelines: Procurement of Goods, Works and Non-Consulting Services under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011; (ii) "Guidelines: Selection and Employment of Consultants under IBRD Loans and IDA Credits and Grants by World Bank Borrowers" dated January 2011, and the provisions stipulated in the Legal Agreement; and (iii) "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006, as revised in January 2011 and the provisions stipulated in the Legal Agreement. For each contract to be financed by the Loan/Credit, the different procurement methods, or consultant selection methods, the need for pre-qualification, estimated costs, prior review and methods requirements, and time frame are agreed between the Borrower and the Bank in the Procurement Plan. The Procurement Plan will be updated at least annually or as required to reflect the actual project implementation needs and improvements in institutional capacity. In preparing the Procurement plan, the current prior review and methods threshold for the existing project is applicable.

2. **Procurement of Works.** The procurement will be done using the Bank's Standard Bidding Documents (SBD) for all International Competitive Bidding (ICB) and National SBD under National Competitive Bidding agreed with or satisfactory to the Bank. Relevant NCB works contracts, which are deemed complex and/or have significant risk levels, will be prior-reviewed. Such contracts will be identified in the tables and also in the procurement plans. While using the NCB, the project must ensure that: (i) foreign bidders shall be allowed to participate in NCB procedures without any restrictions; (ii) bidders shall be given at least one month to submit bids from the date of the invitation to bid or the date of availability of bidding documents, whichever is later; (iii) no domestic preference shall be given for domestic bidders; and (iv) in accordance with paragraph 1.16 (e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that: (a) the bidders, suppliers, contractors, and subcontractors shall permit the Association, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract, and to have said accounts and records audited by auditors appointed by the Association; and (b) the deliberate and material violation by the bidder, supplier, contractor, or subcontractor of such provision may account to an obstructive practice as defined in paragraph 1.16 (a)(v) of the Procurement Guidelines. Contracts would be procured using shopping procedures based on a model request for quotations satisfactory to the Bank. Direct contracting may be used where necessary, but it will be subject to Bank's no objection.

3. **Procurement of Goods.** The procurement will be done using the Bank's SBD for all ICB and National SBD agreed with or satisfactory to the Bank. Procurement may be done under NCB and Shopping depending on the thresholds. However, relevant NCB goods contracts, which are deemed complex and/or have significant risk levels, will be prior-reviewed. Such contracts will be identified in the tables and also in the procurement plans. Again, under the NCB, the project must ensure that: (i) foreign bidders shall be allowed to participate in NCB procedures without any restrictions; (ii) bidders shall be given at least one month to submit bids from the date of the invitation to bid or the date of availability of bidding documents, whichever is later; (iii) no

domestic preference shall be given for domestic bidders; and (iv) in accordance with paragraph 1.14(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that: (a) the bidders, suppliers, contractors, and subcontractors shall permit the Association, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract, and to have said accounts and records audited by auditors appointed by the Association; and (b) the deliberate and material violation by the bidder, supplier, contractor, or subcontractor of such provision may account to an obstructive practice as defined in paragraph 1.14(a)(v) of the Procurement Guidelines. Contracts would be procured using shopping procedures based on a model request for quotations satisfactory to the Bank. Direct contracting may be used where necessary, but it will be subject to Bank's no objection.

4. **Procurement of Non-Consulting Services.** Procurement of non-consulting services will follow procurement procedures similar to those stipulated for the procurement of goods, depending on their nature.

5. **Selection of Consultants.** Consultancy services would be provided under the project and includes the following categories: financial, technical and procurement audits, economic and technical feasibility and design studies, supervision of construction works, institutional studies, monitoring and evaluation studies, and technical assistance to the implementing ministries. In accordance with the threshold, methods of procurement will include Quality and Cost-Based Selection (QCBS); Selection Based on Consultants' Qualifications (CQS); while selection under Quality Based (QBS); Selections under Fixed Budget (FBS) and Least Cost Selection (LCS) methods will be applied in the circumstances as respectively described under paragraphs 3.5 and 3.6 of the Consultants Guidelines. For all contracts to be awarded following QCBS, LCS, and FBS the Bank's Standard Request for Proposals will be used. Procedures of Selection of Individual Consultants (IC) would be followed for assignments that meet the requirements of paragraph 5.1 and 5.3 of the Consultant Guidelines. LCS procedures would be used for assignments for selecting the auditors. Single-Source Selection (SSS) procedures would be followed for assignments that meet the requirements of paragraphs 3.10-3.12 of the Consultant Guidelines and will always require the Bank's prior review regardless of the amount.

6. **Assignments Estimated to** cost the equivalent of US\$300,000 or more would be advertised for expressions of interest (EOI) in Development Business (UNDB), in DgMarket, and in at least one newspaper of wide national circulation. In addition, EOI for specialized assignments may be advertised in an international newspaper or magazine. Foreign consultants who wish to participate in national section should not be excluded from consideration. Consultancy services estimated.

7. **Capacity Building and Training Programs, Conferences, Workshops, etc.** All training and workshops will be carried out on the basis of the project's Annual Work Plans and Budget which will have been approved by the Bank on a yearly basis, and which will inter-alia, identify: (i) the envisaged training and workshops; (ii) the personnel to be trained; (iii) the institutions which will conduct the training; and (iv) duration of the proposed training. Capacity building activities implementation of labor intensive works for public sector technical staff at all levels, contractors and engineering consultants for the design, implementation and supervision of

civil works will mostly take place at the Ministry of Roads and Highways' Training Center 1 in Koforidua (KTC).

8. **Operating Costs.** Project operating costs would be procured using the implementing agency's administrative procedures, which have been reviewed and found acceptable to the Bank. The procurement procedures and SBDs to be used for each procurement method, as well as model contracts for works and goods procured will be presented in the revised Project Implementation Manual (PIM).

B: Assessment of the Agency's Capacity to Implement Procurement

MLGRD:

9. Procurement activities will be carried out by District Assemblies (DAs), which have gained some experience in implementing the current GSOP. The current procurement arrangement and applicable procurement procedures and systems being employed by NCO-GSOP of MLGRD at both the national, regional, and district level have seen appreciable progress and must be maintained. Procurement activities under the project are managed at the national (NCO of the Ministry of Local Government and Rural Development) and at the district levels (49 districts under the supervision and monitoring of the project RCO). The procurement plans at the national level covering bigger and cross-cutting items have been and will be reviewed by the Bank, whereas the procurement plans of very small labor intensive works are being reviewed by the NCO together with the respective RCCs and the Ministry and suggested changes communicated to the relevant district assemblies to be incorporated before approval by the District Planning Coordinating Units (DPCUs) for implementation.

10. The 49 districts have the DPCU and the various procurement structures to prosecute procurement in accordance with the GPPA663 and the guidelines in the project legal document. Generally, procurement undertaken come from approved procurement plan and the implementing agency have generally adhered to the stipulate of the legal agreement regarding applicable guidelines. However, procurement records keeping and reporting need, as well as contract management need improvement, with challenges at the district level. The Procurement at the National Levels, uses the Bank Guidelines for review and approval of prior review procurement, while the post review procurement are subject to the applicable country procurement law. The MLGRD has a Tender Committee, which superintends over the procurement in the implementing agency. By the PPA Act 663, the appropriate concurrent approving authorities, depending on the threshold review and recommend appropriate concurrent approval for award by the entity. There are internal controls as well as the PP Procurement Manual that guides procurement at the entity level. The systems guiding the project procurement are further elaborated in the Project Implementation Manual.

11. **Procurement Rating for MLGRD.** The mission noted continuous good improvement in procurement activities under the project since the inception of the project, with problem solving approach to challenges, especially at the district levels. The mission therefore recommended that the procurement risk rating be **Low** while the Procurement Performance rating is **Satisfactory**.

Procurement Capacity Assessment and Review of MoGCSP– under GSOP

12. Since project inception the MoGCSP has undertaken procurement with support and advice from the NCO, albeit the total number of procurement is minute compared with that undertaken by MLGRD under GSOP. This is because of the lack of requisite capacity to undertake the procurement activities. Given that the NCO has been advising and supporting procurement by MoGCSP, the reflection of procurement activities so far is in line with the description above. Thus the procurement undertaken by MoGCSP has been in line with the procurement systems, arrangements, and planning as indicated the legal agreement and framework of the project. Towards the implementation of the National Targeting assignment, the ministry is recruiting 11 consultants, including a procurement consultant to assist in the delivery of the component under the project; but this recruitment is at the TOR/REOI stage and has been lingering for a while – far behind schedule.

Organization and Procurement Function

13. On February 10, 2014, a Procurement assessment was conducted to assess the capacity of the ministry and the organizational structure for implementing the Additional Finance to GSOP. There was an interaction with the Director of Finance and Administration and the Supplies Officer responsible for procurement to ascertain at first hand the procurement processes used in the ministry.

14. The Ministry of Gender, Children and Social Protection (MoGCSP) was established in 2013; it was a merger of the Ministry of Women and Children and the Department of Social Welfare and the Social Protection Division of the Ministry of Employment and Social Welfare, and received a mandate to ensure gender equality, promote the welfare and protection of children, and empower the vulnerable in the society.

15. Procurement functions falls under the Director of Finance & Administration (DoFA). There exists a Tender Committee headed by the Minister. The Ministry, as a government agency, is required by law to prosecute procurement in accordance with the Public Procurement Act, 2003 (Act 663). However, there is no dedicated procurement unit in existence, but there is procurement staff – Supplies Officer in place working under the DoFA, per the Ministry's organizational structure.

16. Procurements undertaken by the Ministry are derived from their work plan and budget. Procurement plans are prepared to cover all procurement by the user departments (Gender, Children and Social Protection). The procurement plans are similar to the Bank standard format. However, the Procurement Officer has not handled any complex procurement except to do shopping for office consumables. When there is the need to undertake complex procurement, staff are solicited from other agencies to help. The procurement and supply management functions are not clearly distinguished as the Supplies Officer is the same person that takes delivery of goods to stores. There are clear technical and administrative controls for reviews, approvals, and decision making.

Staffing

17. Currently, procurement activities at the ministry are carried out by the Supplies/Procurement Officer. The current Officer holds a master's degree in Supply Chain Management and a first degree in Accounting, and exhibits some knowledge and understanding of public procurement under PPA Act 663, with insufficient experience. It is noted that the Procurement Officer has not handled any complex procurement except to do shopping for office consumables. When there is the need to undertake complex procurement, staff are solicited from other agencies to help. The procurement staff has no experience and knowledge of Bank procurement procedures, guidelines, and systems, because it has not handled any Bank-financed projects. Although the ministry is an implementing agency under GSOP, the procurement activities are full handled and supported by NCO of GSOP, with little or no involvement of the Procurement Officer. However, this Procurement Officer exhibits enthusiasm for prosecuting procurement.

Support and Control Systems

18. The ministry is guided by the Public Procurement Law (Act 663), in all their procurements. Internal Auditors normally ensures that all procedures are followed. On an annual basis, external auditors are posted by government to undertake financial audits and not procurement audits, although the PPA undertakes procurement assessment of all government agencies, by law. It is noted that the ministry does not have a specific Operating Manual, but as a government agency it is obliged to following the government's various Acts, rules and regulation and associated manuals in running the agency.

Experience in the Use of Bank Procurement Procedures

19. The MoGCSP is currently implementing a component of the original GSOP project, financed by the Bank; however all the procurements are executed and managed by NCO Chief Infrastructure Engineer/Procurement officer. This new Ministry's Supplies/Procurement Officer has never managed World Bank projects and does not have the caliber of procurement personnel to undertake procurement financed by the Bank. This makes the ministry a high risk Ministry for prosecuting procurement under the project, given the US\$25.8 million Additional Financing for the GSOP project, which is to be implemented by MoGCSP.

Records Keeping

20. Some procurement files sampled for review revealed that not all documents on file relates to a particular contract. Record keeping is not to the standard that is required by the Bank. All documents on procurement are put in one file and therefore very difficult to follow the procurement trail that tells the full story from the beginning to the end. Training is needed in procurement data management to enable them file procurement documentation appropriately.

Conclusion of the Assessment

21. The assessment concludes that:

- The ministry will not be able to undertake Bank procurement unless a procurement unit is created and staffed with a Procurement Consultant who will train the Supplies/Procurement Officer and other junior staff to undertake procurement by the time his term of office expires.

- There is the need for the Supplies/Procurement Officer to upgrade his knowledge in World Bank procurement procedures and acquire the necessary skills to help the consultant manage the project.
- **The Overall Risk Assessment Is Rated High.** The key risk for procurement is (i) lack of adequate procurement capacity; (ii) lack of in-house knowledge, experience, and familiarity with World Bank procurement guidelines and procedures; and (iii) no dedicated unit responsible for procurement and inadequate staff to handle procurement.

22. To ensure that the level of procurement risk is brought to low, the following actions are proposed in the Table below:

Table 1: Key Risks and Mitigation Actions

No	Key risks	Mitigation Actions	By whom	By when
i	Lack of adequate procurement capacity	Provide focused training for existing supplies officer at recognized procurement training institution such as GIMPA (Ghana), to sharpen the skills of staff in the use of Bank procurement procedures, guidelines and rules.	Ministry	After project effectiveness
ii	Lack of knowledge of World Bank procurement procedures and payments	Prepare project implementation manual for the general project with clear procurement procedures and responsibilities. Dissemination of Bank Procurement Guidelines and Standard Documents to directors, supplies officer, and other identified staff Organize orientation/project launch workshops for consultant, directors, Supplies Officer, and all key personnel.	Ministry World Bank	Before Effectiveness
iii	No dedicated unit responsible for procurement and inadequate staff to handle procurement	Establish a procurement unit. Hire an experienced and knowledgeable (very good Bank and PPA procurement proficiency) procurement consultant to manage the procurement of the ministry under the project and any other procurement activities for the ministry. Procurement consultant to work with Supplies/Procurement Officer and other staff that will be identified by the ministry to work in the procurement unit.	Ministry Ministry Ministry /Consultant	Before effectiveness Throughout life of project

23. **Overall Procurement Risk Rating** – For procurement implementation by the two implementing Agencies, the risk is rated **Moderate**.

C. Procurement Plan

24. Each DA, RCC, and the MLGRD and MoGCSP will prepare an annual work plan that contains a procurement plan. The MLGRD will consolidate the procurement plans and submit it to IDA for review. The procurement plan will be for the first 18 months of the project showing individual contract packages, and for each package its estimated cost, procurement method, and processing times for key activities until completion. Three months prior to the start of each subsequent fiscal year, the MLGRD will submit updated versions of the procurement plans for the following 18 months to IDA review. The tender committees of the procurement entities shall ensure that the procurement plans are published in the Procurement Bulletin in accordance with the Public Procurement Act. Any revisions to the formally agreed procurement plan shall require the concurrence of entity tender committee. Project implementing agencies shall apply the most competitive method of procurement that is appropriate to the circumstances of the specific procurement activity as described in the project implementation manual and in the table below. Implementing agencies may select a more competitive method for a particular procurement activity if they wish to do so. However, IDA concurrence will be required to use a less competitive method other than the one set out in the table below and in the agreed Procurement Plan. Absence of this concurrence may result in mis-procurement.

25. Training, workshops, conference attendance, and study tours will be carried out on the basis of approved annual work programs. The programs will identify the general framework of training and similar activities for the year, including the nature of training/study tours/workshops, the number of participants and cost estimates, however this should not be presented on the Procurement plan.

Threshold for Procurement Methods and Prior Review

RISK RATING	Prior Review Threshold					Procurement Method Threshold						All-National Shortlist of Consultants
				Consultants		ICB		NCB		Shopping		
	Works	Goods	IT Systems+ Non Con. Serv	Firms	Individuals	Works	Goods + Non Con. Serv	Works	Goods + Non Con. Serv	Works	Goods + Non Con. Serv	
MODERATE	≥\$15 Mil	≥\$3 Mil	≥\$3 Mil	≥\$1 Mil	≥\$0.3 Mil	≥\$15 Mil	≥\$3 Mil	<\$15 Mil	<\$3 Mil	<\$0.2 Mil	<\$0.1 Mil	≤\$0.3 Mil (All) ≤\$0.5 Mil (Engr+ Contract Spn)

26. These thresholds are for the purposes of the initial Procurement Plan. The thresholds will be revised periodically based on reassessment of the project procurement risks during implementation.

Additional Notes

- Based on Specific needs and circumstances, shopping thresholds for the purchase of vehicles and fuel may be increased up to US\$500,000 equivalent.
- The threshold for shopping is defined under para. 3.5 of the Guidelines and should normally not exceed US\$100,000 equivalent for off-the-shelf goods and commodities; and US\$200,000 equivalent for simple civil works.

- CQS Threshold: The threshold for the use of CQS is determined on a case by case basis taking into account the nature and complexity of the assignment but shall not exceed US\$300,000 equivalent other than in exceptional situations in accordance with para. 3.7 of the Guidelines: Selection and Employment of Consultants.
- Operating expenditures are neither subject to the Procurement and Consultant Guidelines nor prior or post reviews. Operating expenditures are normally verified by the Task Team Leader (TTL) and Financial Management Specialists.
- Irrespective of the thresholds and category of risk, the selection of all consultants (firms or individuals) hired for legal work or for procurement activities are respectively cleared by the Legal Vice-Presidential Unit (LEG-VPU) of the World Bank with the relevant expertise and the designated PS/PAS or RPM as required.
- Prior Review Contracts for the Hiring of Individual Consultants: Apart from legal work and procurement assignments, irrespective of the thresholds and category of risk, which shall respectively be reviewed by LEG-VPU with the relevant expertise and the designated Procurement Specialist/Procurement Accredited Specialist (PS/PAS) or Regional Procurement Manager (RPM) as required, review of the selection process for all other individual consultants (Technical Experts) shall be solely be reviewed by the TTL.
- Contracts below the threshold but falling within an exception as defined in clause 5.4 of the Guidelines: Selection and Employment of Consultants are also subject to prior review or require the Bank's prior no objection.
- Special cases beyond the defined thresholds are allowed based on applicable market conditions.
- Thresholds for which a shortlist may comprise only national consultants and the Borrower does not publish in UNDB online.

D. Procurement Implementation Arrangements

27. The procurement implementation will be decentralized with each DA, RCC, and MLGRD responsible for its own procurement, while MoGCSP also takes responsibility of its own procurement. Different government departments will provide the required technical support to the DAs who are responsible for the implementation of works. Roles and responsibilities of such technical departments and DAs will be as stated in the original agreement and to be covered by Memorandum of Understanding (MOU).

E. Role of Different Government Departments

28. Different government departments will provide the required technical support to the DAs who are responsible for the implementation of works. Departments like Feeder Roads, Ghana Irrigation Development Authority, Forestry Commission, Environmental Protection Agency etc., will provide DAs through the District Works Department (DWD). This will include support in design, estimates, and specifications before the start of the sub-project. It will also inspect the works during implementation to ensure the quality of materials and work-standard, among other factors, for their respective disciplines (e.g., feeder roads, small earth dams and dugouts and climate change activities). Roles and responsibilities of technical departments and DAs will be defined in a MOU.

F. Frequency of Procurement Supervision

29. In addition to the prior review supervision which will to be carried out by the Bank, the procurement capacity assessment has recommended one supervision missions each year to visit the field to carry out post-review of procurement actions and technical review. The procurement post-reviews and technical reviews should cover at least 10 percent of contracts subject to post-review, as the risk rating is **Moderate**. In addition, post-reviews of in-country training will be conducted from time-to-time to review the selection of institutions/facilitators/course contents of training, and justifications thereof and costs incurred. Post review consist of reviewing technical, financial and procurement reports carried out by the Borrower's executing agencies and/or consultants selected and hired under the Bank project according to procedures acceptable to the Bank.

30. **Procurement Audits.** As in the original legal agreement and PAD, not later than three months after the end of each financial year, the Loan recipient will submit to the Bank a procurement audit report prepared by consultants selected in accordance with the guidelines for selection of consultants, based on TOR approved by the Bank and incorporated in the project implementation manual. The audits would: (i) verify that the procurement and contracting procedures and processes followed for the projects were in accordance with the Financing Agreement; (ii) verify technical compliance, physical completion, and price competitiveness of each contract in the selected representative sample; (iii) review and comment on contract administration and management issues as dealt with by participating agencies; (iv) review capacity of participating agencies in handling procurement efficiently; and (v) identify improvements in the procurement process in the light of any identified deficiencies. The Borrower and IDA will review all thresholds stated in this section on an annual basis. Amendments may be agreed upon based on performance and actual values of procurement implemented.

31. **Fraud and Corruption.** All procuring entities as well as bidders and service providers, that is, suppliers, contractors, and consultants shall observe the highest standard of ethics during the procurement and execution of contracts financed under the project in accordance with paragraphs 1.14 of the Procurement Guidelines and paragraphs 1.22 of the Consultants Guidelines. Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants, dated October 15, 2006 shall apply to the project.

Annex 8: Safeguards

1. The Government of Ghana prepared an Environmental and Social Management Framework (ESMF), a Resettlement Policy Framework (RPF), and a Dam Safety Plan in compliance with Bank triggered safeguard policies: Environmental Assessment (OP/BP/GP 4.0 1), Involuntary Resettlement (OP/BP 4.12), Safety of Dam (OP/BP/GP 4.37), and Projects on International Waterways (OP/BP/GP 7.50). 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; and (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.
2. Potential impacts have been readily avoided, minimized, or mitigated through measures that included minimizing ground clearance, redesign of roads to ensure flood prevention, provision of 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.
3. Consultations with key stakeholders (especially with project beneficiaries who are mostly the poor and disadvantaged) have been undertaken within representative district assemblies (Northern Region - East Gonja District, Upper East Region - Nabdam District, Central Region - Assin South District, Upper West - Jirapa District, Ashanti Region - Sekyere Kumawu District) within the proposed areas for the additional financing from February 10-12, 2014 as done prior to appraisal of the parent project. The Additional Financing will continue to finance the same projects as the parent project and as such the existing safeguard instruments (ESMF, RPF) will be adequate to mitigate the potential impacts.
4. To justify the effectiveness of the existing safeguard instruments, an environmental management progress status report has been prepared as an addendum to the ESMF to assess the effectiveness of the existing mitigation measures during appraisal of this proposed Additional Financing. The report shows an overall satisfactory performance and compliance of the existing environmental management plan. The Government of Ghana will therefore use the mitigation measures within the existing safeguard instruments (ESMF and RPF) for the continuous management of the potential impacts from the sub-project works under the Additional financing.
5. Capacity assessment for effective safeguard management implementation of the Project Implementing Unit has also been satisfactory. The Ministry of Local Government and Rural Development (MLGRD) has overall responsibility for the GSOP. The implementation of the Community-Based Rural Development Project (CBRDP) has given the MLGRD a level of capacity in safeguards as per World Bank policy requirements that has been sustained under the GSOP operation. Under the CBRDP and in collaboration with the Environmental Protection Agency (EPA) of Ghana, the MLGRD developed a manual to train selected District Assembly (DA) officials while processing the environmental impact assessment for sub-projects at the community level. This 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 has fostered a solid working relationship since project

inception. Additionally, the ESMF and RPF 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. Since the inception of the parent project in 2010, various trainings sessions have been offered to key stakeholders to help with the implementation of the ESMP. At the DA level, Ghana Irrigation Development Authority GIDA key staff and DA works department's engineers have been trained under an ILO/GSOP Technical Assistance. Site supervisors of contractors have also been trained on safeguard issues. The GSOP regional engineers have also been trained to offer backup support. Currently, it is a pre-contractual requirement for contractors to receive training and certification in safeguard awareness training through the ILO/GSOP before LIPW renovation works contracts are awarded.

6. The GSOP therefore has a complete and robust validated safeguards management system including an Environmental and Social Management Framework, an Involuntary Resettlement Framework, and a Dam Safety Plan to mitigate all potential environmental impacts associated with the geographical up scaling of its works under the proposed Additional Financing.

7. The GSOP additional financing therefore will continue to apply the amended, approved, and disclosed safeguards framework in the implementation of sub-projects. Further details of the implementation arrangements are provided in the Project Implementation Manual.

Annex 9: Social Accountability and Governance of LEAP and LIPW

A. Introduction

1. Given the governance risks and institutional challenges identified during project design, the Government of Ghana has taken a bold action by initiating several Social Accountability programs to address the potential governance and accountability challenges. The World Bank has discussed and agreed with the project team on a plan to improve upon the existing initiatives and tailor them more concretely to the multiplicity of challenges threatening the social opportunities program.

2. The Social Accountability (SA) activity will build on existing knowledge and experiences within the Ministry of Local Government and Rural Development (MLGRD) and ongoing SA initiatives under Ghana Social Opportunities Project (GSOP) to address the entire accountability chain, ranging from capacity building to citizen participation and closing the feedback loop. The key objectives are to: (i) strengthen the capacity, responsibility, and accountability of local government agencies in monitoring various aspects of the project activities; (ii) improve community and beneficiary responsibility, by creating platforms to allow their systematic engagement in the project activities; and (iii) promote greater transparency around implementation and outcomes of project. These would be achieved through the deployment of a comprehensive SA program that combines supply-side and demand-side interventions, developed through consultation with the major stakeholders, including local government agencies. The core element of the Bank's engagement would be institutional monitoring and accountability of local government agencies through the implementation of social accountability mechanisms such as grievance redress mechanism, community forums, transparency and accountability boards, and accountability hotlines.

3. Four key activities would be implemented. First, a technical review of the existing and proposed SA approaches would be carried by the project team, with the World Bank support, to identify gaps and update the existing SA manual. Second, to ensure effective coordination and monitoring of the SA program, a third party institution, preferably civil society organization (CSO) would be procured. In each region, a credible CSO network would be assigned and given well-defined roles and responsibilities, relating to coordination, capacity support, supervision, and reporting on the entire SA activities in each project community. Third, there would be a systematic deployment of appropriate SA instruments at each project community in line with the objectives of the SA program. Fourth, a capacity building program will be implemented to strengthen the technical competency of local government agencies and community facilitator CSOs for improved coordination and oversight of the entire social accountability process.

B. Background

4. Improving governance and greater government accountability are key priorities of the Government of Ghana. The existence of a strong multi-party political system, growing media pluralism,⁵ strong civil society activism, and an elaborate decentralization system contribute to Ghana's improved performance on a range of democratic governance indexes. On the World Bank's Worldwide Governance scorecard, Ghana falls between the 50th and 75th percentile on political stability, government effectiveness, regulatory quality, rule of law, control of corruption, and voice and accountability.

5. Despite this impressive governance outlook, Ghana faces enormous challenges for public services delivery, particularly at district and community levels. The potential challenges include entrenched political patronage and limited capacity, which limit substantive engagement between government actors and communities, as well as between civil societies and their grass-root constituencies even where participatory processes exist.

6. The implementation arrangements of LEAP and LIPWs would benefit from Social Accountability (SA) approaches to promote strong beneficiary and community participation in the implementation process to ensure fairness, and enhance accountability and transparency around the processes. While several SA programs were introduced in LIPWs, their implementation was affected by a range of factors, including: limited capacity and knowledge of SA approaches; ineffective coordination by local government agencies; and inadequate resources to support systematic application and monitoring of the SA programs in all project communities.

C. Objectives of the SA Program

7. The SA activity will build on existing knowledge and experiences within the MLGRD and ongoing SA initiatives under the project, to address the entire accountability chain, ranging from capacity building to citizen participation and closing the feedback loop. The key objectives are to: (i) strengthen the capacity, responsibility, and accountability of local government agencies in monitoring various aspects of the project activities; (ii) improve community and beneficiary responsibility, by creating platforms to allow their systematic engagement in the project activities; and (iii) promote greater transparency around implementation and outcomes of project. These would be achieved through the deployment of a comprehensive SA program that combines supply-side and demand-side interventions, developed through consultation with the major stakeholders, including local government agencies. The core element of the Bank's engagement would be institutional monitoring and accountability of local government agencies through the implementation of SA mechanisms such as grievance redress mechanism, community forums, transparency and accountability boards, and accountability hotlines.

A. Key Activities and Focus Areas

8. **Improving the monitoring capacity of local government institutions through application of sound social accountability instruments.** This activity will use opportunities that already exist in the project through the elaborate local government structure and ongoing

⁵ Ghana ranks 30th out of 179 countries on press freedom according to the Reporters Without Borders' 2013 Press Freedom Index report

social accountability (SA) initiatives. A technical review of the existing SA approaches would be carried by the project team, with Bank support, to identify gaps and inform a revised SA manual. As part of this activity, a capacity building program will be implemented to strengthen the technical competency of local government agencies, using training of trainers approach, and involving Regional Coordinating Officers, (RCOs), District Assemblies (DAs), Community Facilitators (CFs), and CSOs. The objectives of the capacity building programs will be to develop knowledge around SA processes and roles for effective monitoring, coordination and oversight of the entire social accountability process at the community level.

9. Application of appropriate SA instruments to improve monitoring and accountability around the implementation of LEAP and LIPWs. These two components of the project have different target beneficiaries, objectives, and governance challenges. While a common SA manual as part of the project implementation manual will apply to both components, there would be a deployment of different SA approaches for each component at the project community (for details see table 9.1 the below). The SA process will combine both supply-side and demand-side interventions, developed through consultation with the major stakeholders, including local government agencies. The objectives are to empower beneficiaries and communities through SA platforms and instruments to influence the effectiveness of LEAP and LIPWs at the community level. Thus emphasis will be placed on increasing beneficiary and community responsibility to take the appropriate actions to ensure effective implementation of the projects at the community level. The proposed key SA instruments include, grievance redress mechanism, community forums, transparency and accountability boards, and accountability hotlines.

10. Promoting third-party monitoring for effective coordination and monitoring of the SA accountability process. To ensure effective coordination and monitoring of the SA program, a third party institution would be retained, preferably procured CSOs. An in-region, credible CSO network would be assigned and given well-defined roles and responsibilities, relating to coordination, capacity support, supervision, and reporting on the SA activities in each project community. There is value in CSOs participation in SA programs, in terms of their reach to communities through networks, relatively strong capacity to mobilize communities, and knowledge of social accountability processes.

B. Social Accountability Diagnosis and Proposed Instruments

Table 9.1: Social Accountability Diagnosis and Proposed Instruments

Livelihood Empowerment Against Poverty Program (LEAP)	
Potential Governance and Accountability Challenges	Current/Proposed Social Accountability Arrangements
<ol style="list-style-type: none"> 1. Exclusion of potential beneficiaries 2. Payments to ineligible beneficiaries intentionally or due to administrative errors and poor verification 3. Poor administration of benefits, resulting in <ul style="list-style-type: none"> - Unnecessary payment delays 	<ul style="list-style-type: none"> ▪ Community forum for community sensitization by Regional Coordinating Officers (RCOs) to encourage beneficiary compliance with cash transfer conditions ▪ Spot checks by RCOs on payments to beneficiaries ▪ Grievance redress mechanism (GRM) to give voice to beneficiaries; UNICEF is developing GRM that can be tailored to GSOP

<ul style="list-style-type: none"> -Unauthorized deductions from beneficiaries' payments -Demand for favors from beneficiaries -Intimidation, including threat of termination of benefits <p>4. Non-compliance with cash transfers conditions by beneficiaries</p>	
Labor Intensive Public Works (LIPWs)	
<ol style="list-style-type: none"> 1. Potential abuse of program due to oversubscription – excess demand over supply of temporary jobs - which could result in underpayment, favoritism, exclusions, and shoddy work 2. Potential disputes over selection and location of projects 3. Limited community interest and participation in the project processes 	<ul style="list-style-type: none"> ▪ Community forum for improved sensitization by Regional Coordinating Officers (RCOs) to ensure clarity on project implementation processes and compliance with the rules of engagement ▪ Grievance redress mechanism to give voice to beneficiaries ▪ Transparency and Accountability Boards to promote transparency and accountability around utilization of funds, compliance with contract agreements, and servicing as a critical source of information on the number of community labor force employed and amount of money paid to the laborers at each community level ▪ Provision of hotlines at the RCO and NCO levels ▪ Use of Community Peer Mentors as agents of accountability who will facilitate the SA process at the sub-project level ▪ Social Audit by RPCUs

C. Social Accountability Results Chain

Results Chain		
Objectives		
<ol style="list-style-type: none"> a. Strengthen the capacity, clarify the responsibility and accountability of local government agencies in monitoring various aspects of the project activities b. Improve community and beneficiary responsibility through social accountability (SA) platforms to allow their systematic engagement in the project activities c. Promote greater transparency around implementation and outcomes of project 		
Outcomes Expected	Expected Outputs	Activities
<ol style="list-style-type: none"> 1. Improved local government monitoring of project activities at the community level 	<ul style="list-style-type: none"> ▪ Social accountability manual ▪ Capacity building action plan based the SA manual ▪ SA monitoring and coordination plan 	<ul style="list-style-type: none"> ▪ Review of existing SA tools and manual ▪ Capacity building workshops ▪ Participatory development SA monitoring and coordination plan
<ol style="list-style-type: none"> 2. Enhanced community and beneficiary engagement and participation in project implementation processes 	<ul style="list-style-type: none"> ▪ Appropriate SA tools deployed at the community level ▪ Periodic assessment of the effectiveness and relevance SA tools 	<ul style="list-style-type: none"> ▪ Community sensitization on SA approaches, including their responsibilities ▪ Implementation of SA tools and platforms

	<ul style="list-style-type: none"> ▪ Level of citizens participation 	
<p>3. Improved transparency and accountability on project inputs and outputs, including outcomes at the community level</p>	<ul style="list-style-type: none"> ▪ Periodic monitoring report, showing performance of SA indicators ▪ Information on level of regularity benefits to target beneficiaries 	<ul style="list-style-type: none"> ▪ Implementation of SA tools and platforms

Annex 10: Development Communications for LEAP and LIPW

1. Based on a communications assessment conducted under the GSOP in January 2014, it was observed that even though some aspects of the project, particularly the LEAP/NTS component, were supported by good communications output, in general, a great deal remains to be done to ensure that the project as a whole benefits from a comprehensive, holistic, and effective communications strategy. While project results need to be showcased more vigorously, the importance of communications as a tool for engendering behavioral change, participation, and accountability cannot be overemphasized. In this connection, a Communications Action Plan and Budget, jointly prepared by the communications teams of the Ministry of Gender, Children and Social Protection and the World Bank, under the supervision of the Capacity Building and Communications Coordinator of the project, would be rolled out under the Additional Financing.
2. A number of communications deliverables focusing on both internal and external communications have been outlined in the Action Plan to help make up for the past communications gap, while at the same time take care of future communications needs. The aim is to ensure that all stakeholders, both internal and external, are fully informed, consulted, and engaged during project implementation and beyond.
3. The need to build in-house communications capacity within the Project Management Team is critical for the successful implementation of the Action Plan. It is recommended that a three-member communications team be established. This will consist of the National Capacity Building and Communications Coordinator (as Head), a Communications Officer, who would have responsibility for the overall implementation of the Action Plan, and a Communications Analyst, whose main duty would be to establish and manage a proposed Social Protection Resource Center. The team will work very closely with the M&E, IT, social development, and fiduciary colleagues to ensure they are well in sync with relevant aspects of the project.

Communication Action Plan for LIPW (2014-2015)

A Internal Stakeholders														
A1	Communication Product	Target Audience/Focus	Objective	Responsibility	Time Frame (2014-2015)								Frequency	Budget
					Qt1	Q2	Q3	Q4	Q5	Q6	Q7	Q8		
A2	Staff Technical Review Meetings	All GSOP NCO Technical Staff	To monitor project performance and streamline processes	NCO									Once in each Qtr	
A3	National Project Steering Committee Meetings	MDAs represented on NPSC	To share information on progress and seek guidance approval and approval on critical policy issues	NCO									Once in each Qtr	
A4	Joint Meeting between LEAP, GNHR, NCO & Staff	Staff of all 3 Implementation Units	Share information, monitor progress on each of the components & ease co-ordination	NCO									Once in each Qtr	
A5	Briefing of MLGRD Management on GSOP Activities	Ministers, Unit Heads and Heads of LGSS & ILGS	Update ministry on project performance	NCO									Half Year	
A6	Quarterly Reports	All implementing units and WB	To provide update on project activities and performance	NCO									Once in each Qtr	
B External Stakeholders														
B1	Communication Product	Target Audience/Focus	Objective	Responsibility	Time Frame (2014-2015)								Frequency	Budget
					Qt1	Q2	Q3	Q4	Q5	Q6	Q7	Q8		
B2	Community Sensitization	Beneficiary Groups and Communities	To provide clarity on the project's processes and emerging innovations like e-payment, etc.	DAs led by RCOs									All Year Round	
B3	Regional Level LIPW Review Meetings	Beneficiary DAs, RCCs, Media and CSOs	To share information across DAs and allow for cross-pollination of ideas.	RCOs and RCCs									All Year Round	
B4	Sensitization Retreats for Parliamentarians	Members of the Select Comm. On Social Welfare &	To obtain the MP's buy-in for LIPW Policy and impending AF	MLGRD, MoGCSP, MELR & NCO									Once in 2014	

		Employment												
B5	Labeling of LIPW Sites	Beneficiary Communities and Reg. level Stakeholders	To ensure project visibility and share key project information with public	DAs & RCOs										All Year Round
B6	Provision of Sub-Project Transparency & Accountability Boards	Beneficiary Groups & Community level Stakeholders	To allow for the sharing of critical project information such as dates of payment and public display of wage payment records	Community Facilitators, DAs and RCOs										All Year Round
B7	National Level Stakeholder Round-Table Discussion	Policy Makers, DPs and other MDAs	Showcase project achievements and solicit additional support for LIPW											Once in a Year
B8	Engagement with NDPC	Chairman and Commissioners & Tech Staff of NDPC	Share project results and advocate for the mainstreaming of LIPW into Nations dev't planning processes	MLGRD, NCO										Once in 2014
B9	Production and Airing of Project Documentary	National TV Audience	Showcase project achievements and lessons	NCO										All Year Round
B10	Media Outreaches	Media Outlets with wide circulation	Provide opportunity to the media to obtain first hand information on the project for publication	RCOs & NCO										Once in each year
B11	Field Trips for key government Officials	Ministers of MLGRD, MoF & MoGCSP	To expose the ministers to achievements in the field	NCO										Once in each year
B12	Project Websites & Use of other Social Media	Stakeholders on the E-Media Platform	Improve project visibility and show case results	NCO and Project Web Manager										All Year Round
B13	Radio and TV Discussions	Radio and TV Audience	Improve project visibility and show case results	RCOs & NCOs										2 Qtrs in each year

Draft Communication Action Plan for LEAP (2014-2015)

INTERNAL STAKEHOLDERS

INTERNAL STAKEHOLDERS														
A1	Communication Channel/Product	Target Audience/Focus	Objective	Responsibility	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Once in each Qtr	Budget
A2	General Review Meetings	All members of LMU/DSW LEAP Staff, Ministry & Social Protection Directorate	To monitor project performance and streamline processes	Social Protection Directorate & LMU										
A3	Managerial Committee Meetings	LMU & Social Protection Directorate	To share information on progress and challenges and seek guidance and approval on critical policy issues	Ministry, Social Protection Directorate & LMU									Once in each Qtr	
A4	Joint Meeting between LEAP, NTU, NCO & Staff	Staff of all 3 Implementation Units	Learn & share good practices, monitor progress on each of the components & ease co-ordination	NCO, (GSOP) & Social Protection Directorate of MoGCSP									Once in each Qtr	
A5	Briefing of MoGCSP Management on LEAP Activities	Ministers, Directorates, Unit Heads and Heads of Departments	Update ministry on project performance	Social Protection Directorate of MoGCSP									Twice a Year	
A6	Quarterly Reports	All implementing units and WB	To provide update of project Activities and Performance	Social Protection Directorate & LMU									Once in each Qtr	
A7	Training/ Capacity Building	Social Protection Committees, CLICS	Strengthen and improve performance for overall project objectives	Social Protection Directorate & LMU									Twice a Year	

A8	Training/ Capacity Building	Communication Unit & LMU	Strengthen and improve communication performance for overall project objectives	Comm. Unit									Twice a Year		
B	EXTERNAL STAKEHOLDERS														
B1	Communication Channel/ Product	Target Audience/Focus	Objective	Responsibility	Time Frame (2014-2015)								Frequency	Budget	
					Qt 1	Q2	Q3	Q4	Q5	Q6	Q7	Q8			
B2	Community Education & Sensitization	Beneficiary Groups and Communities	To provide clarity on the objective and processes of the project and emerging innovations like e-payment etc.	LMU thro' LEAP Committees 7 CLICS										All Year Round	
B3	Focus Group Discussion	Beneficiary Groups	To solicit views of beneficiaries on the programs	LMU thro' LEAP Committees										All Year Round	
B4	Regional Level LEAP Review Meetings	Beneficiary DAs, RCCs, Media and CSOs	To learn & share information and good practices on the project across DAs	LMU thro' LEAP Committees 7 CLICS										All Year Round	
B5	Sensitization Retreats for Parliamentarians	Members of the Select Comm. On Social Welfare & Employment	To sensitize the MP's on LEAP, implementation & achievements to increase support base for the program	MLGRD, MoGCSP, MELR & NCO										Once in 2014	
B6	Pasting of LEAP Posters	Beneficiary Communities and Reg. level Stakeholders	To ensure project visibility and share key project information with public	LEAP C'mtte & CLICS										All Year Round	
B7	National level Stakeholder Round-Table discussion	Policymakers, Ministry of Finance, DPs and other MDAs	Showcase project achievements and solicit additional support for LEAP											Once in a Year	

B7	Engagement with NDPC	Chairman and Commissioners & Tech Staff of NDPC	Share project results	MOGCSP,									Once in a Year	
B8	Production and Airing of Project Documentary	National TV Audience	Showcase project achievements and lessons	Communication Specialist									All Year Round	
B9	Media Outreach	Media Outlets with wide circulation	Provide information on the program for media practioners for effective media advocacy.	Communication Specialist & LMU									All Year round	
B10	Field Trips for Key Government Officials	Ministers of MLGRD, MoF & MoGCSP	To expose the ministers to achievements in the field	LMU									Once in each year	
B11	Project Websites & Use of Other Social Media	All Stakeholders & DPs	Improve project visibility and show case results	Com Specialist & Web Support Staff									All Year Round	
B12	Radio and TV Discussions	Radio and TV Audience	Improve project visibility and show case results	Com Specialist & Selected LEAP Staff									All Year Round	
B13	Dissemination of IE&C Materials	All Stakeholders	Improve project visibility, share information and show case results	Com Specialist, LMU thro' LEAP C'mttes									All Year Round	

Annex 11: Additional Financing Implementation and Rollout

Tasks	Activity	2015												2016												2017																			
		1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11	12								
COMPONENT 1A: NATIONAL SOCIAL PROTECTION POLICY FORMULATION	Technical Assistance, Stakeholder Consultations for National Social Protection Policy Formulation	■	■	■	■	■	■	■	■	■	■	■																																	
	Implementation of Recommendation on Social Protection Policy									■	■	■	■	■	■	■	■	■	■	■	■	■	■																						
	Training and Study Tour			■	■	■	■		■	■	■	■	■		■	■	■	■	■	■	■	■	■																						
	Component Management Meetings	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■	■																				
COMPONENT 1B: SOCIAL PROTECTION SYSTEMS STRENGTHENING	Training of new staff of GNHR			■	■	■																																							
	Setting up of 3 Regional Offices: Procurement of Goods, Office Tools, Equipment and Utencils	■	■	■	■	■																																							
	Hiring of a Firm for adapting space at 3 regional offices	■	■	■	■	■																																							
	Procurement of 4X4 DOUBLE CABIN PICK UPS for mobilization of HQ field staff			■	■	■																																							
	Procurement of motorcycles for mobilization of field staff (3 Regional Offices)			■	■	■																																							
	Procurement of Servers for the Data Center: Rack and Dell/HP: With 4 Blades & Storage - Blade 1: Application Server, Blade 2: Web Access, Domain Controller, Antivirus server, Blade 3:Mail server, Blade 4: Redundancy, Storage: For Application Data.			■	■	■	■																																						
	Procurement of Emergency Power System			■	■	■	■																																						
	Hiring of a Firm for the Development of the HQ LAN Network: LAN implementation with CAT6 & fiber, Cisco Gigabyte Switch with Fiber port, Cisco Routers			■	■	■	■	■																																					
	Procurement of Softwares			■	■	■	■										■	■	■																										
	Procurement of Hardware			■	■	■	■										■	■	■																										
	Hiring of Firms for the Development of LAN Network For NTS 3 Regional : LAN implementation with CAT6 & fiber/ Cisco Gigabyte										■	■	■	■																															
GNHR IMPLEMENTATION	Consensus Building and Engagements Meetings with Regional and Districts Authorities (2 Regions - 29 Districts)	■	■	■	■	■	■	■	■	■	■	■																																	
	Hiring of individual consultant for the identification of technological innovations feasible to implement in the medium term, to capture real-time information on the field and identification of people. (use of mobile devices: tablets, phones, etc., use GPS, use of fingerprints, etc.)	■	■	■	■	■	■	■	■	■	■	■																																	
	Hiring of a firm for the design and development of the software to capture real-time information on the field and identification of people.			■	■	■	■	■																																					
	Procurement of Devices for the Implementation of the model to capture real-time information on the field and identification of people.			■	■	■	■	■																																					
	All cost staff training on the use of the device and software: enumerators, supervisors and coordinators							■	■																																				
	Hiring of a firm for the design and devolpment of the Public Information Campaign Strategy	■	■	■	■	■	■	■	■	■	■	■																																	
	Hiring of a multiple firms for the Implementation of the PIC in Nationwide			■	■	■	■	■								■	■	■																											
	Interviewer							■	■	■	■	■	■																																
	Supervisor							■	■	■	■	■	■																																
	Targeting Center Coordinator							■	■	■	■	■	■																																
Targeting Centers Support Staff							■	■	■	■	■	■																																	
Mobile Targeting Center Stationery							■	■	■	■	■	■																																	
Hiring of Firms for the Spot Check & Process Evaluation on Targeting Implementation in 2 Regions				■	■	■	■	■	■	■	■	■																																	

