



Kenya Social and Economic Inclusion Project (P164654)

AFRICA | Kenya | Social Protection & Jobs Global Practice |
IBRD/IDA | Investment Project Financing | FY 2019 | Seq No: 2 | ARCHIVED on 15-Nov-2019 | ISR38765 |

Implementing Agencies: Ministry of Labour and Social Protection, Republic of Kenya, National Drought Management Authority

Key Dates

Key Project Dates

Bank Approval Date: 27-Nov-2018

Effectiveness Date: 31-Jan-2019

Planned Mid Term Review Date: 20-Sep-2021

Actual Mid-Term Review Date:

Original Closing Date: 31-Dec-2023

Revised Closing Date: 31-Dec-2023

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

To strengthen delivery systems for enhanced access to social and economic inclusion services and shock-responsive safety nets for poor and vulnerable households.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components

Name

Component 1 - Strengthening Social Protection Delivery Systems:(Cost \$719.87 M)

Component 2 - Increasing Access to Social and Economic Inclusion Interventions:(Cost \$303.08 M)

Component 3 - Improving the Shock Responsiveness of Safety Net System:(Cost \$323.27 M)

Overall Ratings

| Name | Previous Rating | Current Rating |
|--------------------------------------|---------------------------------------|---------------------------------------|
| Progress towards achievement of PDO | <input type="checkbox"/> Satisfactory | <input type="checkbox"/> Satisfactory |
| Overall Implementation Progress (IP) | <input type="checkbox"/> Satisfactory | <input type="checkbox"/> Satisfactory |
| Overall Risk Rating | <input type="checkbox"/> Substantial | <input type="checkbox"/> Substantial |

Implementation Status and Key Decisions

The implementing agencies for Kenya Social and Economic Inclusion Project (KSEIP), the State Department for Social Protection (SDSP) and the National Drought Management Authority (NDMA) are making considerable progress on various preparatory activities and have already achieved two results such as substantial migration of



National Safety Net Program (NSNP) cash transfer beneficiaries to the new and more effective payment system and timely disbursement of emergency payments to all beneficiary households in HSNP counties.

Risks

Systematic Operations Risk-rating Tool

| Risk Category | Rating at Approval | Previous Rating | Current Rating |
|--|--------------------|-----------------|----------------|
| Political and Governance | ☐Moderate | ☐Moderate | ☐Moderate |
| Macroeconomic | ☐Moderate | ☐Moderate | ☐Moderate |
| Sector Strategies and Policies | ☐Moderate | ☐Moderate | ☐Substantial |
| Technical Design of Project or Program | ☐Moderate | ☐Moderate | ☐Moderate |
| Institutional Capacity for Implementation and Sustainability | ☐Substantial | ☐Substantial | ☐Substantial |
| Fiduciary | ☐Substantial | ☐Substantial | ☐Substantial |
| Environment and Social | ☐Moderate | ☐Moderate | ☐Moderate |
| Stakeholders | ☐Moderate | ☐Moderate | ☐Moderate |
| Other | -- | -- | -- |
| Overall | ☐Substantial | ☐Substantial | ☐Substantial |

Results

PDO Indicators by Objectives / Outcomes

| Strengthening social protection delivery systems | | | | |
|--|---|---|---|--|
| ☐Number of counties where the roll out of enhanced Single Registry covers at least 75 percent of targeted households (Text, Custom, DLI) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | An SR, linked to the MIS of four cash transfer programs, is functional with links to the IPRS | The rollout of the Enhanced Single Registry is not yet due. | The rollout of the Enhanced Single Registry is not yet due. | Roll out completed in 39 non HSNP counties |
| Date | 31-Dec-2018 | 22-Mar-2019 | 09-Oct-2019 | 29-Dec-2023 |
| Comments: | This indicator measures the gradual expansion and enhancement of the existing SR to include a social registry. In Year 1, SPS will finalize the design and implementation arrangements for the social registry rollout. Year 2 to Year 5 will measure progress in data collection across all non-HSNP counties. Completed data collection is defined as: data for at least 75 | | | |



percent of the estimated targeted households in the counties (covered per year) is collected, verified and entered into the enhanced SR MIS as per arrangements defined in implementation plan and operational manual.

Increasing Access to Social and Economic Inclusion Interventions

▫Number of households receiving nutrition-sensitive cash transfer (Number, Custom, DLI)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-----------|---|-------------------|------------------|-------------|
| Value | 600.00 | 0.00 | 0.00 | 23,500.00 |
| Date | 31-Dec-2018 | 22-Mar-2019 | 09-Oct-2019 | 29-Dec-2023 |
| Comments: | The number of households receiving nutrition sensitive cash transfers through the NICHE program across five counties. Beneficiaries must meet the following criteria: (i) must be enrolled in the NSNP with children under 2 years of age and/or a Pregnant and Lactating Woman (PLW) in accordance with the operational manual; and (ii) they must have been paid for a minimum of one NSNP and NICHE top-up payment (top up payment: Ksh 500 per month per beneficiary). The NICHE scale-up in 5 counties has not started yet pending signature of agreement with UNICEF. | | | |

▫Number of sub-counties where economic inclusion model is initiated (Number, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-----------|--|-------------------|------------------|-------------|
| Value | 0.00 | 0.00 | 0.00 | 9.00 |
| Date | 31-Dec-2018 | 22-Mar-2019 | 09-Oct-2019 | 29-Dec-2023 |
| Comments: | The number of sub-counties where economic inclusion activities under the KSEIP have been initiated. For the model to have been initiated following the provisions of the operational manual: (i) beneficiaries must have been identified; (ii) the relevant package of services must be identified; and (iii) beneficiaries must have been provided at least one benefit package. The operational manual will outline the mix of recommended services per beneficiary and may include the following: enrollment in savings group, coaching, skills training, and a cash-based asset transfer (amount to be defined in operational manual), and consumption support for non-NSNP beneficiaries (also to be defined in operational manual). Beneficiaries must be a member of a NSNP beneficiary household or a registered member of a community self-help group, to be selected using transparent poverty targeting criteria. The EI program has not started yet. The TA firm to facilitate EI activities is expected to be onboard in December 2019. | | | |

Improving the shock-responsiveness of the Safety Net System

▫Number of new regular HSNP households enrolled and paid for through the GoK's budget in expansion counties (Number, Custom, DLI)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|-----------|---|-------------------|------------------|-------------|
| Value | 0.00 | 0.00 | 0.00 | 32,000.00 |
| Date | 31-Dec-2019 | 22-Mar-2019 | 09-Oct-2019 | 29-Dec-2023 |
| Comments: | The HSNP provides regular cash transfers to approximately 100,000 beneficiaries across four counties (Marsabit, Mandera, Turkana and Wajir). The NDMA intends to expand the geographical coverage of the regular HSNP cash transfers. This indicator measures the number of new regular HSNP cash transfer beneficiaries in the expansion counties. Beneficiaries are | | | |



| | | | | |
|---|---|--|---|---|
| those that have been: (i) enrolled in the HSNP expansion counties; and (ii) are receiving regular benefit payments paid for through the GoK budget. The expansion is to start in FY20/21. | | | | |
| oEnhanced financing mechanism for HSNP scalability is implemented (Text, Custom, DLI) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | No formal financing plan in place | Financing plan for HSNP scalability plan has been adopted by NDMA and submitted to National Treasury for approval. | Financing plan for HSNP scalability has been adopted by NDMA and submitted to National Treasury for approval. | Emergency payments made for 100% of households triggered in HSNP 8 counties |
| Date | 31-Dec-2018 | 22-Mar-2019 | 09-Oct-2019 | 29-Dec-2023 |
| Comments: | HSNP has a successful record of scaling up the coverage by cash transfers in times of a drought. The GoK needs a financing plan to pay for shock responsive payments in eight counties. The plan should contain, at minimum: the financial instrument which will be used to mobilize resources for different severities of drought to make shock responsive payments; how financial instruments will be layered to ensure there are no financing gaps; the amount of resources the NDMA estimates it will require in each year of the project to pay for the financing plan; the role of the NDEF in financing HSNP scalability; and the financial management arrangements to channel this budget to the HSNP. The indicator will also track the performance of the GoK in implementing this plan to fully finance HSNP emergency transfers to triggered households. For a household to be counted as having received an emergency payment, they must: (i) be identified through the HSNP scalability mechanism and have an active bank account; (ii) be on the HSNP payroll submitted to the PSP for each payment period they are triggered; and (iii) have received funds within 2 months of emergency triggers and in accordance with the HSNP scalability financing strategy. | | | |

Intermediate Results Indicators by Components

| | | | | |
|--|---|-------------------|------------------|-------------|
| Component 1: Strengthening Social Protection Delivery Systems | | | | |
| oIRI 1: Percentage of beneficiaries receiving payments through the new Inua Jamii Payment Mechanism for the Consolidated Cash Transfer Program (Percentage, Custom, DLI) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 60.00 | 80.00 | 100.00 |
| Date | 31-Dec-2018 | 22-Mar-2019 | 09-Oct-2019 | 29-Dec-2023 |
| Comments: | This indicator measures the percentage of beneficiaries paid through the new payment mechanism whereby the cash transfers will be made to new Inua Jamii beneficiary accounts opened in one of four Payment Service Providers (commercial banks) of their choice. Beneficiaries include those in the CCTP receiving payments through the SDSP cash transfer programs (the CT-OVC, 2 OPCT, and PWSD-CT) (excluding the program beneficiaries of the 70+ program). An NSNP payment is defined as a per beneficiary transaction for which both funds and payroll documentation have been sent to the PSP. The percentage of payments is calculated as the number of beneficiaries whose funds are sent to the PSPs for payment through the new payment mechanism, divided by the total number of beneficiaries on the payroll for the payment cycle. | | | |
| oIRI 2: Integrated G&CM mechanism is strengthened and rolled out at decentralized level (Text, Custom, DLI) | | | | |



| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|--|--|--|--|--|
| Value | G&CM system for all four NSNP programs piloted in 20 sub-counties | No progress yet. | No progress yet. | Enhanced G&CM functional in all KSEIP counties |
| Date | 31-Dec-2018 | 22-Mar-2019 | 09-Oct-2019 | 29-Dec-2023 |
| Comments: | The nationwide rollout of the decentralized G&CM system is underway to be completed before the end of 2019. The Government enhances the scope of the G&CM to cover KSEIP activities with subsequent decentralized implementation. This entails: (i) revised G&CM procedures in the CCTP and HSNP operational manual detailing the procedures for receiving, recording and responding to cases; (ii) revised design and update of CCTP-MIS and HSNP MIS modules to record KSEIP and NSNP cases, and action taken; and (iii) the development of clear institutional roles and responsibilities for the intake and resolution of all cases. | | | |
| IRI 3: Beneficiary Outreach Strategy for NSNP and KSEIP rolled out (Text, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | BOS for the CCTP rolled-out in 20 sub-counties | BOS for NSNP implemented in 20 sub-counties. | BOS for NSNP implemented in 24 sub-counties. | Enhanced BOS rolled out in all 47 counties |
| Date | 31-Dec-2019 | 22-Mar-2019 | 09-Oct-2019 | 29-Dec-2023 |
| Comments: | This indicator tracks the roll out and implementation of the beneficiary outreach strategy across all 47 counties. After implementation in 24 counties, the strategy is being revised, and an accompanying action plan is being developed to incorporate KSEIP-specific beneficiary outreach. | | | |
| Beneficiaries of social safety net programs (Number, Corporate) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 0.00 | 0.00 | 341,500.00 |
| Date | 31-Dec-2018 | 22-Mar-2019 | 09-Oct-2019 | 29-Dec-2023 |
| Comments: | This indicator counts direct KSEIP beneficiaries i.e. HSNP beneficiaries in expansion counties as well as NICHE and economic inclusion beneficiaries. There is no progress as those activities have not been implemented yet. | | | |
| Beneficiaries of social safety net programs - Female (Number, Corporate Supplement) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 0.00 | 0.00 | 0.00 | 170,750.00 |

Component 2: Increasing Access to Social and Economic Inclusion Interventions

IRI 5: Establishment and implementation of referral mechanism for the NHIF (Text, Custom)

| | Baseline | Actual (Previous) | Actual (Current) | End Target |
|--|----------|-------------------|------------------|------------|
|--|----------|-------------------|------------------|------------|



| | | | | |
|---|---|------------------------|------------------------|---|
| Value | 30 percent of NSNP households enrolled in the NHIF but no systematic referral system in place | No expansion yet made. | No expansion yet made. | 90 percent of NSNP beneficiaries enrolled in the NHIF |
| Date | 31-Dec-2018 | 22-Mar-2019 | 22-Mar-2019 | 29-Dec-2023 |
| Comments: | This indicator tracks the proportion of NSNP beneficiaries enrolled in the NHIF with corresponding enrolment information available in the SR. A sub-set of NSNP beneficiaries are already enrolled in the NHIF. A system for systematic referrals for beneficiaries needs to be established. This implies MLSP's developing the tools to operate a referral mechanism and entering into a formal agreement with the NHIF. Tools include an MIS module in the SR that has been developed. The formal agreement that is not signed yet will include: (i) articulation of the respective roles of each institution; (ii) joint targets for enrollment and payment of NSNP beneficiaries; (iii) agreed arrangements for monitoring and reporting progress and discussion of any difficulties; and (iv) agreed protocols for the sharing of information on enrollment and payment of premiums. | | | |
| aIRI 6: Number of households receiving package of nutrition-sensitive social protection services (Number, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 600.00 | 0.00 | 0.00 | 23,500.00 |
| Date | 31-Dec-2018 | 22-Mar-2019 | 09-Oct-2019 | 29-Dec-2023 |
| Comments: | The number of households accessing the full NICHE program package across five counties which includes both the top up payments and complementary intensive nutritional counseling sessions. Beneficiaries must meet the following criteria: (i) must be enrolled in the NSNP with children under 2 years of age and/or a PLW; (ii) they must have been paid for a minimum of one NSNP and NICHE top-up payment (top up of KSH 500 / month / beneficiary); and (iii) they must be receiving regular nutritional counselling as defined in the NICHE operational manual. NICHE scale-up has not started yet pending signature of the agreement between SDSP and UNICEF. | | | |

Component 3: Improving the Shock-Responsiveness of the Safety Net System

| | | | | |
|---|---|-------------------|------------------|-------------|
| aIRI 7: Percentage of payments that are made on time to Payment Service Providers for transfer to regular HSNP beneficiaries (Percentage, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | 35.00 | 100.00 | 100.00 | 95.00 |
| Date | 31-Dec-2018 | 22-Mar-2019 | 16-Aug-2019 | 29-Dec-2023 |
| Comments: | The indicator monitors the timeliness of regular HSNP cash transfers that are financed directly by the GoK, and to ensure that an increasing proportion of regular HSNP payments are made within the scheduled window. An HSNP payment is defined as a per beneficiary transaction for which both funds and payroll documentation have been sent to the PSP. The percentage of on time payments is calculated as the number of beneficiaries whose funds are sent to the PSP within 15 calendar days before the start of the transfer window divided by the total number of beneficiaries on the payroll for each payment cycle. Indicator target will be met if the percentage achieved meets the required level for three consecutive payment cycles. | | | |
| aIRI 8: Percentage of regular HSNP cash transfers financed by the GoK in the original four HSNP counties (Percentage, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |



| | | | | |
|---|---|---|---|--|
| Value | 64.00 | 64.00 | 100.00 | 100.00 |
| Date | 31-Dec-2018 | 22-Mar-2019 | 31-Jul-2019 | 31-Dec-2024 |
| Comments: | This indicator measures the GoK's progress towards complete take-over of financing of the regular HSNP cash transfers. This indicator is measured as a percentage of all GoK financing of the regular HSNP cash transfers in the original four HSNP counties. | | | |
| IRI 9: HSNP registration exercise in original and expansion counties completed (Text, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | HSNP re-registration in four original counties has commenced | 40 percent of HSNP re-registration finalized. | 40 percent of HSNP re-registration finalized. | HSNP registry updated and linked with enhanced SR according to design and operating procedures |
| Date | 31-Dec-2018 | 22-Mar-2019 | 22-Mar-2019 | 31-Dec-2024 |
| Comments: | This indicator tracks progress in the re-registration of households in the four original HSNP counties and registration of new households in four expansion counties. This includes: (i) data is collected, verified and entered into the HSNP MIS according to arrangements defined in the HSNP registration implementation plan and operational manual; (ii) the HTM has been applied to the collected household data; (iii) HSNP beneficiary lists and accompanying payrolls have been updated for existing and new beneficiaries; and (iv) the HSNP registry is fully integrated with the enhanced SR. This is measured as proportion of the estimated caseload covered, where the caseload refers to the total of all households expected to be covered by the exercise. The data collection is at more than 80 percent. | | | |
| IRI 10: HSNP scalability strategy updated (Text, Custom) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | End Target |
| Value | HSNP scalability strategy in place | NDMA has adopted the scalability strategy, but National Treasury still needs to approve it. | NDMA has adopted the scalability strategy, but National Treasury still needs to approve it. | Updated HSNP scalability strategy in place |
| Date | 31-Dec-2018 | 22-Mar-2019 | 22-Mar-2019 | 29-Dec-2023 |
| Comments: | This indicator tracks the consistent review, update and implementation of the HSNP scalability strategy. This includes: (i) a review of the triggering mechanism along with the relevant analysis of operational, fiscal and financial implications of any suggested changes; (ii) revisions to triggering mechanism guidelines and strategy; and (iii) agreement on recommended changes and adoption by the NDMA Board of Management. A mid-term review will include, in addition, an external audit to confirm integration of scalability parameters in the HSNP MIS. | | | |

Disbursement Linked Indicators

| | | | | |
|---|----------|-------------------|------------------|---------------|
| DLI 1 Number of counties where the roll out of enhanced Single Registry covers at least 75 percent of targeted households (Text, Outcome, 57,900,000.00, 4.30%) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | December 2023 |



| | | | | |
|---|---|---|---|---------------|
| Value | An SR, linked to the MIS of four cash transfer programs, is functional with links to the IPRS | The rollout of the Enhanced Single Registry is not yet due. | The rollout of the Enhanced Single Registry is not yet due. | -- |
| Date | -- | 22-Mar-2019 | 09-Oct-2019 | -- |
| DLI 2 IRI 1: Percentage of beneficiaries receiving payments through the new Inua Jamii Payment Mechanism for the Consolidated Cash Transfer Program (Percentage, Intermediate Outcome, 14,000,000.00, 1.04%) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | December 2023 |
| Value | 0.00 | 60.00 | 80.00 | -- |
| Date | -- | 22-Mar-2019 | 09-Oct-2019 | -- |
| DLI 3 IRI 2: Integrated G&CM mechanism is strengthened and rolled out at decentralized level (Text, Intermediate Outcome, 20,000,000.00, 1.49%) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | December 2023 |
| Value | G&CM system for all four NSNP programs piloted in 20 sub-counties | No progress yet. | No progress yet. | -- |
| Date | -- | 22-Mar-2019 | 09-Oct-2019 | -- |
| DLI 4 Number of households receiving nutrition-sensitive cash transfer (Number, Intermediate Outcome, 34,000,000.00, 2.53%) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | December 2023 |
| Value | 600.00 | 0.00 | 0.00 | -- |
| Date | -- | 22-Mar-2019 | 09-Oct-2019 | -- |
| DLI 5 Number of new regular HSNP households enrolled and paid for through the GoK's budget in expansion counties (Number, Outcome, 58,300,000.00, 4.33%) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | December 2023 |
| Value | 0.00 | 0.00 | 0.00 | -- |
| Date | -- | 22-Mar-2019 | 09-Oct-2019 | -- |
| DLI 6 Enhanced financing mechanism for HSNP scalability is implemented (Text, Outcome, 71,500,000.00, 5.31%) | | | | |
| | Baseline | Actual (Previous) | Actual (Current) | December 2023 |
| Value | No formal financing plan in place | Financing plan for HSNP scalability plan has been adopted by NDMA and | Financing plan for HSNP scalability has been adopted by NDMA and submitted to | -- |



| | | | | |
|------|----|--|---------------------------------|----|
| | | submitted to National Treasury for approval. | National Treasury for approval. | |
| Date | -- | 22-Mar-2019 | 09-Oct-2019 | -- |

Data on Financial Performance

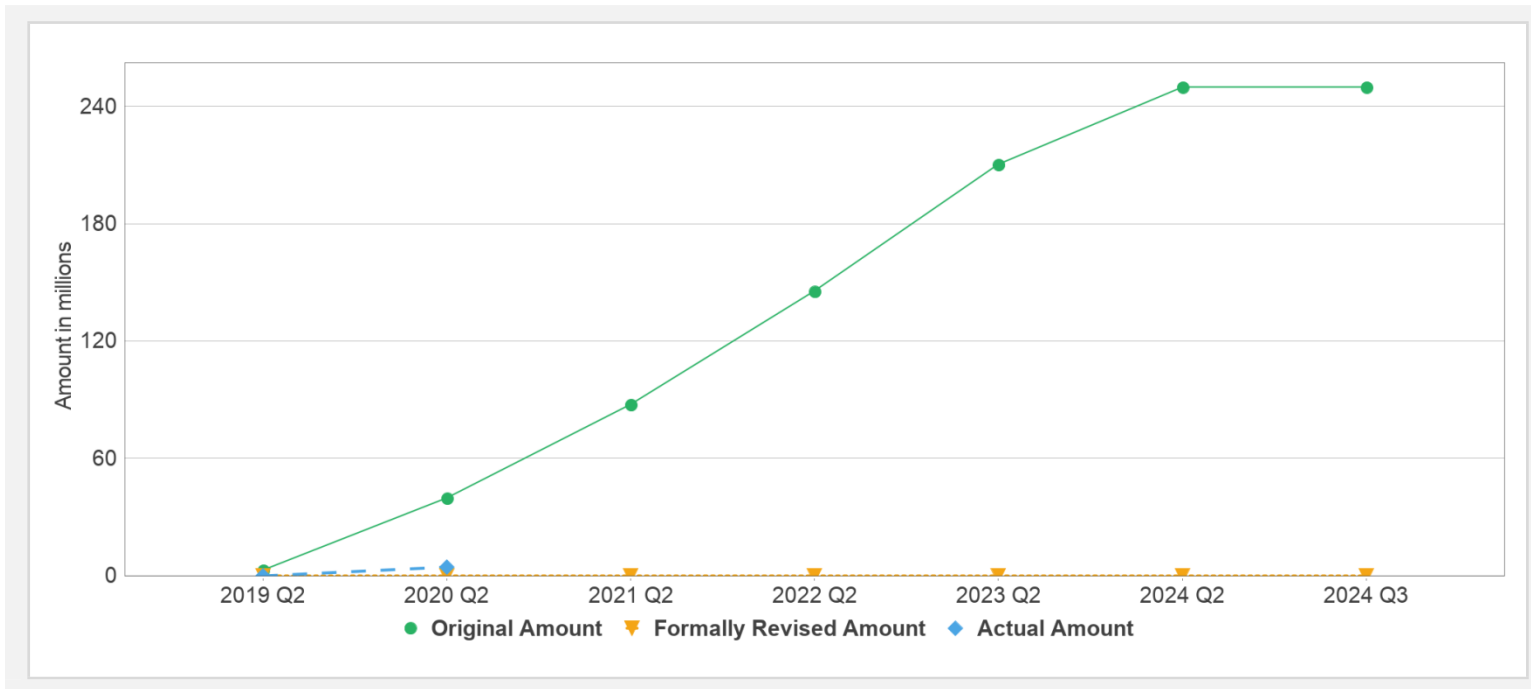
Disbursements (by loan)

| Project | Loan/Credit/TF | Status | Currency | Original | Revised | Cancelled | Disbursed | Undisbursed | % Disbursed |
|---------|----------------|-----------|----------|----------|---------|-----------|-----------|-------------|-------------|
| P164654 | IDA-63480 | Effective | USD | 250.00 | 250.00 | 0.00 | 3.75 | 236.36 | 1.6% |
| P164654 | TF-A9527 | Effective | USD | 70.35 | 70.35 | 0.00 | 0.55 | 69.80 | 0.8% |

Key Dates (by loan)

| Project | Loan/Credit/TF | Status | Approval Date | Signing Date | Effectiveness Date | Orig. Closing Date | Rev. Closing Date |
|---------|----------------|-----------|---------------|--------------|--------------------|--------------------|-------------------|
| P164654 | IDA-63480 | Effective | 27-Nov-2018 | 31-Jan-2019 | 20-Mar-2019 | 31-Dec-2023 | 31-Dec-2023 |
| P164654 | TF-A9527 | Effective | 16-Jan-2019 | 31-Jan-2019 | 31-Jan-2019 | 31-Dec-2023 | 31-Dec-2023 |

Cumulative Disbursements





Restructuring History

There has been no restructuring to date.

Related Project(s)

There are no related projects.
