Project Information Document (PID)

Appraisal Stage | Date Prepared/Updated: 05-May-2020 | Report No: PIDA26537
## BASIC INFORMATION

### A. Basic Project Data

<table>
<thead>
<tr>
<th>Country</th>
<th>Project ID</th>
<th>Project Name</th>
<th>Parent Project ID (if any)</th>
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<tbody>
<tr>
<td>Guinea</td>
<td>P168777</td>
<td>Emergency Response and Nafa Program Support Project</td>
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<td>Social Protection &amp; Jobs</td>
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<th>Implementing Agency</th>
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<td>Investment Project Financing</td>
<td>Republic of Guinea</td>
<td>Agence nationale d'inclusion économique et sociale (ANIES)</td>
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**Proposed Development Objective(s)**

The Project Development Objective is to: develop the building blocks of a national shock-responsive social protection system and increase access to shock-responsive safety nets for poor and vulnerable households.

### Components

- Emergency cash transfers for Covid-19 response
- Support to cash transfers and accompanying measures under the Nafa Program
- Strengthening social protection institutions and delivery systems
- Project Management, Monitoring and Evaluation
- Contingent Emergency Response Component

## PROJECT FINANCING DATA (US$, Millions)

### SUMMARY

<table>
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<tr>
<th>Description</th>
<th>Amount (US$)</th>
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<td>of which IBRD/IDA</td>
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<td>Financing Gap</td>
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### DETAILS

World Bank Group Financing
Environmental and Social Risk Classification

Moderate

Decision

The review did authorize the team to appraise and negotiate

Other Decision (as needed)

B. Introduction and Context

Country Context

1. The Republic of Guinea is slowly emerging from years of political and economic instability. The administration that took office since 2010 sought to strengthen the macroeconomic framework through a set of reforms including the revision of the mining code and improvements in the investment climate. This appears to have restored investors’ trust and fueled economic growth. The Ebola crisis in 2013-2014 caused a noticeable setback. Although the economy has been on the path to recovery with real GDP growth reaching 10.5 percent in 2016 and 8.2 percent in 2017, driven by mining, construction, and agriculture.

2. This progress has yet to translate into shared prosperity and poverty reduction. GDP per capita amounted to US$531 in 2015, compared to an average of US$1,571 for the Sub-Saharan Africa (SSA) region. Most recent estimates suggest that in 2018, 60 percent of the population lives below the poverty line, with extreme poverty affecting approximately 35 percent of Guineans. At the same time, an estimated 30 percent of the population remains food insecure, with rural households being disproportionately affected. Guinea has a Human Capital Index of 0.37, which is below the SSA average of 0.40. Lack of economic opportunities disproportionally affect women. There are gender gaps in enrolment starting in primary school and continuing into secondary school. High rates of child marriage are associated with early childbearing and school dropout, which negatively impact women’s health, well-being, and productive capacity. Women have much fewer opportunities than men to participate in wage work or entrepreneurial activities. They do not have the same decision-making powers as men, which hampers their ability to shape the country’s socioeconomic development.

3. Although Guinea is not on the FY20 List of Fragile and Conflict-affected Situations, the country faces a complicated set of deep-rooted and interrelated drivers of fragility, conflict and violence (FCV). The 2017 Risks and Resilience Assessment (RRA) identifies four key FCV drivers undermining progress towards stability and growth: (i) weaknesses in service delivery, which undermine state legitimacy; (ii) political instrumentalization of

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1 National Survey on Food Insecurity and Vulnerability-NSFIV, 2012.
2 Out of the $70 million budget of the project, 30 are financed through the IDA18 Risk Mitigation Regime (RMR).
identity in a context of important social fault lines; (iii) exposure to external shocks, commodity price volatility, and high food prices; and (iv) youth exclusion and underemployment, combined with rapid and unregulated urbanization.³ Guinea is a young society, with a median age of 18.6, and its youth face a barely functioning education system and exceedingly high levels of structural unemployment and underemployment. Precarious working conditions and weak, unsustainable income-generating activities appear to be the norm for the majority of the youth labor force. Young urban men in particular have played a key role in spates of violent Guinea’s protests, and certain violence-prone and politicized youth continue to pose a critical risk to stability.

4. **Efforts to break out of poverty have historically been hampered by a generalized vulnerability to shocks.** These include fluctuations in the price of food commodities as well as climate-related incidents, which negatively affect livelihoods on an ongoing basis, particularly in rural areas. Nearly two-thirds of households surveyed in the latest National Survey on Food Insecurity reported at least one adverse event related to a loss of crop, income, or livestock, a serious health issue, or the death of a family member in the past 12 months. Shocks contribute to weakening households’ incomes, as families resort to informal coping mechanisms like borrowing or prematurely selling agricultural products or assets, thereby undermining prospects for resilience. Vulnerability to shocks exist in parallel to high exposure to common infectious diseases and malaria, which routinely affect households’ productivity, well-being, and ability to save. The devastating economic impact from the 2013-2014 Ebola epidemic is a sobering reminder of Guinea’s structural vulnerability.

5. **The recent COVID-19 pandemic raises significant social and economic risks for the country.** Measures to mitigate a further spread of the disease locally, such as social distancing and travel restrictions, are complicating business activity in both the formal and informal sectors and generating income losses for many households. In addition, a reduction of trading activity and FDI with Guinea’s external partners will likely trigger a significant slowdown of economic growth, as revenues start to decrease while public expenditures increase to manage the pandemic. Guinea is particularly exposed due to its dependency to both the mining sector and China as a trading partner. Inflationary pressures and reduced earnings resulting from trade disruptions and restricted markets will impose an additional burden on many Guineans, pushing further into deprivation and poverty. Particularly at risk are vulnerable groups, such as women and youth. Food insecurity could also rapidly worsen due to negative impact on agricultural production and marketing (declines in yields, lack of labor for harvesting, closure of markets, and restrictions on movement of people were all observed during the Ebola crisis). Disruptions to service delivery are expected to have negative medium- to longer-term effects on human capital, particularly on health, education, and nutrition.

**Sectoral and Institutional Context**

6. **The foundations of Guinea’s social protection system were established through the Productive Safety Nets Project (P123900).** The Productive Safety Nets Project (P123900), or PSNP, was the first-ever government-led flagship safety net intervention in Guinea. Over the course of the project, an estimated 75,000 households (505,000,000 people) received access to safety nets, with over 60 percent of participants being women. Through this experience, the Government gained capacity to identify and register beneficiaries, deliver conditional and unconditional cash transfers, and organize labor-intensive public works for the poor, across all regions of the country, with promising results.

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³ Implementation Note for the IDA18 Risk Mitigation Regime (RMR) in Guinea.
⁴ Mining represents 91% of the Guinea’s exports, almost all of which is directed to China.
7. **These efforts culminated in the creation of the National Agency for Economic and Social Inclusion (ANIES) in 2019, reflecting a strong political commitment to adopting safety nets as a core part of the national poverty reduction strategy.** The proposed approach of ANIES is to bring to scale cash transfers and cash for work programs, increase productivity, and promote financial inclusion, institutionalized through the creation of a new agency – ANIES – under the Prime Minister’s Office. While this vision is largely consistent with the National Plan for Economic and Social Development 2016-2020 (PNDES), the level of political commitment is unprecedented. Since its inception, ANIES has focused on the development of a targeting methodology and the launch of a nationwide data collection exercise to identify poor households to build a national registry of potential beneficiaries. To date, the agency has collected information for approximately 255,000 households, with support from the National Institute of Statistics.

8. **Since 2019, ANIES has been preparing to launch the Nafa Program, which would be its core safety nets program.** The Nafa Program (the launch of which was delayed as a result of the COVID-19 crisis) would include safety nets programs like cash transfers and labor intensive public works (LIPW), targeted to the bottom 40 percent. ANIES launched in November 2019 a nationwide data collection exercise, implemented by with the National Statistics Institute (INS), to identify poor households to build a national registry of potential beneficiaries of its programs. To date, the agency has collected information for approximately 255,000 households (around 1.4 million individuals) in each region of Guinea and the special zone of Conakry (Figure 1). The first round of data collection, which was completed in February 2020, focused on all households in the poorest sub-prefectures in each region, as identified by a 2014 Multi-Dimension Poverty Index. Poor households in the list would be identified by way of a Proxy Means Test methodology and community validation. ANIES has contracted one of the global leaders of the identification industry, to provide biometric identification (IDs) to all identified poor households to ensure transparent and efficient service delivery by ANIES —this activity has been postponed however due to COVID-19. Once the firm is able to carry out the work, biometric records would be linked to household PMT data for all eligible (poor) households in ANIES’ national household registry. Guinea is also one of the participating countries in the West Africa Unique Identification for Regional Integration and Inclusion (WURI), a multi-phased programmatic approach (MPA) ten-year regional program currently covering four other countries. The US$49.7 million Guinea project, which became effective in November 2018, will support the issuance of foundational, Government-recognized ID credentials to all individuals residing in Guinea and who choose to register. Linking the foundational ID platform to a national registry would facilitate authentication of beneficiaries of basic services and strengthen service delivery to the poorest.

9. **With its social protection mandate, ANIES rests at the front and center of the Government’s plan to respond to the COVID-19 pandemic.** The Government’s initial response to COVID-19 was outlined in the Ministry of Health’s National Alert and Response Plan, which focuses on capacity for surveillance, diagnosis, and tracing of infected individuals; readiness of testing laboratories; and a public communications campaign. The health response was quickly complemented by economic and social protection measures. Early April, the Prime Minister announced a new US$360 million response plan (“Plan de Riposte Economique à la Crise Sanitaire COVID-19”) with 30 key measures, including water and electricity subsidies, free public transportation, and price control for essential health items and food staples. ANIES has realigned its planned activities to launch the Nafa Program to instead provide emergency assistance in three stages: (i) distribution of sanitation kits and a sensitization campaign (starting in April); (ii) accompanying measures for affected populations and construction of water points (starting in May); and (iii) emergency cash transfers to economically-impacted households (starting in June). The total estimated cost of ANIES’ COVID-19 response plan is US$48 million, drawing largely on expected

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5 For further details, see the “Note Technique” from ANIES on this topic.
Bank financing through the proposed project.

10. **The proposed project supports the Government’s immediate economic response to the crisis, while contributing to its long-term vision of poverty reduction and shared prosperity.** Specifically, the NPSP will support the Government in (i) providing relief to the crisis in the immediate term; (ii) contributing to recovery in the medium term; and (iii) building resilience to these and other types of shocks in the longer term. The project is also expected to address the long-standing, critical gaps identified in Guinea’s social protection landscape, where coverage of social protection programs is severely limited compared to the needs. Finally, the NPSP will contribute to addressing Guinea’s gender challenges through gender-sensitive economic inclusion tools and productive activities that will provide skills development and/or entrepreneurship training to women in addition to cash, thereby facilitating access to markets and productive assets.

11. **The project is aligned with the objectives of the IDA18 Risk Mitigation Regime (RMR).** In a context of instability driven by social discontent, Guinea was granted access to the IDA18 RMR with the goal of incentivizing investments in conflict prevention while supporting efforts to reduce the structural FCV drivers identified in the 2017 Risks and Resilience Assessment (RRA). Out of the US$70 million budget of the ERNPSP, US$30 million are directly sourced from the special RMR allocation. The Implementation Note of the Guinea RMR identified three strategic priority areas: (i) promoting inclusive institutions through the improvement of local governance and local service delivery, (ii) increasing accountability and transparency in the extractives sector, and (iii) improving resilience to shocks and access to employment opportunities, especially for the youth. The ERNPSP will contribute specifically to this last priority area. In particular, the project will provide immediate relief against the economic impact of the COVID-19 crisis to targeted households and contribute to recovery and resilience in the long term through the institutionalization of shock-responsive social safety nets.

12. **The project is aligned with the WBG’s COVID-19 response strategy.** The proposed WBG response to COVID-19 includes emergency financing, policy advice, and technical assistance to support countries in addressing the health and other development impacts of COVID-19. In coordination with the Government and other development partners, the World Bank has put in place an Operational Working Group to coordinate local efforts in Guinea. The health response will be channeled through the Guinea COVID-19 Preparedness and Response Project (P174032; financed through the Fast-Track COVID-19 Facility Phase 1) and the existing Regional Disease Surveillance Systems Enhancement project (REDISSE; P154807). The NPSP will serve as an essential complement to health interventions, with focus on easing the social and economic burden for the most vulnerable.

**C. Proposed Development Objective(s)**

Development Objective(s) (From PAD)

The Project Development Objective is to: develop the building blocks of a national shock-responsive social protection system and increase access to shock-responsive safety nets for poor and vulnerable households.

Key Results
Develop the building blocks of a national shock-responsive social protection system

- Design, development and utilization of a Management Information System (MIS)
- Development of a national social registry linked to the MIS

Increase access to shock-responsive safety nets for poor and vulnerable households

- Beneficiaries of emergency cash transfers for COVID-19 response (number, disaggregated by gender)
- Beneficiaries of regular cash transfers under the Nafa Program (number, disaggregated by gender)
- Beneficiaries of social safety net programs (indirect)

D. Project Description

13. The Project will support the development of an adaptive safety net system to address immediate needs in response to external shocks, and to provide longer-term support for poverty reduction through improved productivity and human capital development. Guided by experiences in similar contexts, including that of the PSNP, the project will adopt a phased approach in its introduction of activities to promote effectiveness, impact, and sustainability. The project will finance emergency relief to targeted vulnerable households affected by the COVID-19 crisis in the short term, safety nets provision to targeted poor and vulnerable households to promote recovery and resilience in the medium- to long-term, and support institutional capacity development and social protection systems building throughout.

14. The first phase of the project will focus on emergency relief efforts through cash transfers to address the COVID-19 pandemic's impact in Guinea's poor and vulnerable. Activities in Component 1 will constitute a core element of the Government’s strategic measures for emergency relief as outlined in its April 2020 COVID-19 Economic Response Plan, which includes the provision of emergency cash transfers (ECTs) to approximately 240,000 poor and vulnerable households throughout Guinea. Through Component 1, the Project will finance ECTs to a large proportion of the 240,000 expected total beneficiaries in selected geographic areas. The ECT program would help sustain the resilience of vulnerable households in rural and urban areas as they weather the health-related, social, and economic effects of COVID-19. The objective of this phase is to provide short-term relief to the largest number of households possible, including not just the bottom 40 percent but also vulnerable households. In addition to seeking to help large numbers of poor households, the approach also seeks to keep some of the most vulnerable households from falling below the poverty line as a result of the pandemic, by resorting to harmful coping strategies. Activities in this component will be streamlined and simplified to the extent possible to allow for the rapid disbursement of funds to their intended recipients.

15. The second phase of the project will support the transition from emergency cash transfers to the launch of ANIES’ Nafa Program, a “classic” cash transfer plus program aligned with ANIES’ core vision and mandate. The Nafa Program would promote economic and social inclusion through cash transfers with a focus on the bottom 40 percent of the population in selected areas. In parallel, the project will finance a robust program of accompanying measures to promote foundational human capital investments at the household level, in particular for women and children. Accompanying measures will also focus on increasing household productivity to build resilience to shocks and promote a sustainable exit from the program, akin to the graduation approach. These activities would eventually constitute the core of ANIES’ Nafa Program, in hopes that their successful implementation would lead to expanded coverage in the future. Component 3 will provide capacity building and
systems strengthening to support delivery systems for emergency response, and to lay the groundwork for the establishment of a national safety nets program under ANIES through its Nafa Program. This will include the development of adaptive systems that can enable a swift response to external shocks, such as those brought on in 2014 by Ebola and in 2020 by COVID-19, as well as climate-related shocks such as floods or drought.

16. The project will be guided by several principles – key among them: government ownership and institutional strengthening (as previously described), flexibility, transparency, as well as “do no harm”. Considering the existing tensions due to the political context and the ongoing COVID-19 crisis, the ERNPSP will seek to minimize potential grievances of perceived unfairness in the delivery of program activities, with specific attention given to targeting strategies to ensure that these rely on objective and transparent criteria. Potential areas of dissension include geographic and beneficiary targeting as well as the transition from an emergency to a “classic” phase with a narrower beneficiary base. Since the impacts of COVID-19 have yet to be fully understood, the project will also keep targeting approaches flexible. Communications will be essential to uphold the “do no harm” and transparency principles, hence the dedication of a part of the budget for community sensitization and institutional communications. In this regard, the project will also be guided by inclusion principles, given the social and political volatility that preceded the onset of COVID-19 and the unpredictable social and economic impacts of the pandemic. Activities would be selected and implemented in ways that seek to promote participation at all levels, from central government down to local government, and especially of communities and direct beneficiaries of the project. Finally, to enhance accountability and build credibility in the Government’s response, the project will seek to deliver quick and visible results through ECTs in Component 1, leveraging partnerships with other relevant sectors, the private sector, and local stakeholders to enhance the effectiveness of the response.

Component 1: Emergency cash transfers for Covid-19 response (US$ 25.1 million equivalent)

17. Component 1 will support an emergency cash transfer (ECT) program to help sustain the resilience of vulnerable households in rural and urban areas as they weather the health-related, social, and economic effects of Covid-19. This activity will support the Government’s COVID-19 Economic Response Plan, and specifically ANIES’ COVID-19 response strategy. Component 1 will be structured around two sub-components with the first to provide partial financing for the third stage of ANIES’ COVID-19 response, ECTs to poor and vulnerable households. This will complement Government financing through ANIES’ existing budget, as well as contributions from other donors. The second sub-component will finance accompanying measures with a primary focus on sensitization around COVID-19, Sexual and Gender-Based Violence (SGBV), and other relevant topics.

Sub-Component 1.1: Emergency cash transfers (US$ 24.2 million equivalent)

18. Sub-Component 1.1 will focus on the delivery of ECTs to approximately 150,000 vulnerable households. Cash transfers will provide relief to poor and/or vulnerable households who are expected to suffer the economic consequences of the COVID-19 pandemic. Transfer amounts would be in the amount of GNF 250,000 or around US$26 per month, delivered every two to three months, to be determined, for six months for a total of around US$150 per household. This amount represents between 15 and 20 percent of households’ monthly consumption (based on the ELEP 2012 and adjusted for inflation to 2019).

19. The project will leverage ANIES’ ongoing data collection efforts to date in all regions and the special zone of Conakry (Table 1) to select ECT beneficiaries. In the emergency response phase, the project will use
household information from the ANIES PMT database to identify beneficiaries of ECTs, determined by use of a PMT methodology. Targeting would focus on determining minimal parameters for exclusion, rather than inclusion, in the program—in other words, transfers will be provided to a larger subset of households (potentially beyond just the bottom 40 percent) with the objective to protect vulnerable or near-poor households from falling into poverty as a result of the crisis. In areas that exhibit a large proportion of poor and near-poor households per the PMT, the project may target all beneficiaries in the database in the selected prefecture. The Project will finance a subset of the total ECTs to be delivered by ANIES, in selected regions, and will focus on those that are closest to Conakry and have better connectivity, including mobile coverage. These would include: Kindia, Boke, Labe, and Mamou, as well as Conakry. Depending on the poverty profile in each region, analysis of which is underway, the project may also be able to cover ECTs in additional areas. If so, the project would first prioritize households in urban areas in the remaining regions of Boke, Faranah, Kankan, and Nzerekore.

20. The project would also explore working closely with the Ministry of Health to provide ECTs to patients/households of patients who test positive for Covid-19. Depending on the evolution of the Covid-19 caseload, the project may target specific households through categorical methods, i.e. provide support for households whose primary wage earner is infected (or who has passed away from the disease), or target individuals being treated in public facilities, or those who are formally diagnosed at a health facility but cannot afford treatment. With the considerable burden on the health sector brought on by the pressures of increasing COVID-19 infections, payments would not be made by health workers/facility administrators. Rather, ANIES would have to determine an appropriate mechanism for collecting this information from the health sector at selected intervals to be added to the list of beneficiaries.

21. All activities in this component will be designed to mitigate to the extent possible person to person contact and to follow the advice of international health experts and the Guinean health authorities. This will include heavy reliance on phone and digital platforms for identification, enrollment, and payments to beneficiaries in an effort to minimize people’s movements and contact between them. The project will use digital payments through mobile phones for most beneficiaries whenever possible, and may need to rely on more than one payment provider to ensure the widest coverage to include rural areas. Given the limitations of the Management Information System (MIS) developed under the PSNP and the need for significant improvements, the project will rely on an emergency MIS platform that is currently being developed by the World Bank to provide countries with a ready-made and free-of-charge solution that can be easily adapted to their context and used on a temporary basis to manage emergency relief efforts. The temporary MIS would be easily integrated into the new MIS system as it is developed under Component 3. The project will also rely on technology for monitoring and verifying payments, by sending SMSs to beneficiaries, and cold-calling a randomized sample of beneficiaries after each payment. The project will also explore with local governments the possibility of accessing structures like schools or other public buildings as potential payment sites, if needed, to ensure that there is sufficient room for people to attend but observe adequate social distancing measures. Finally, this sub-component will finance the recruitment of an NGO with significant experience in the provision of cash transfers in other countries in Africa to help ANIES with the operationalization of the cash transfers, including planning, implementation, and monitoring.

6 Given resource limitations, the availability of PMT data in all regions of Guinea, and time constraints owing to the crisis, the project will select beneficiaries exclusively from the PMT database outside of Conakry.
Sub-Component 1.2: Communications, sensitization, and accompanying measures (US$ 0.9 million equivalent)

22. **Sub-Component 1.2** will finance communications and a sensitization campaign to provide relevant information to the public about ECTs and COVID-19, with a particular focus on mitigation measures for individuals. Communications platforms will include radio as well as mobile phone through SMS, including the use of voice messaging and “reminders”. Before launching ECTs, this component will finance communications to explain the objective and duration of the ECT program to ensure that there is widespread understanding that ECTs are tied specifically to COVID response and are strictly temporary in nature. A Project Preparation Advance has been in place since June 2019 and will finance the development of communications during preparation, setting the stage for ECTs. The sub-component will also finance communications/sensitization with a focus on hygiene and sanitation, social distancing requirements, and any relevant updates such as announcements about the tightening or easing of mobility restrictions. This sub-component will also deliver communications that focus specifically on gender. There is overwhelming evidence from around the world of the negative impact of the crisis on gender-based violence, which is likely to be mirrored in Guinea. This sub-component will finance programming and messaging to provide “nudges” to families and couples in particular with the objective of promoting more harmonious cohabitation. This would include, for example, providing advice that promotes couples to work jointly to devise crisis management plans, budget for the household, deal with movement restrictions, and make plans for reintegration of children into school, as well as light stress management strategies. Another approach would include printed posters and other materials with messages against SGBV in public places.

Component 2. Support to cash transfers and accompanying measures under the Nafa Program (US$ 31.4 million equivalent)

23. **Component 2** will support the medium- and long-term vision of ANIES under the Nafa Program by financing “cash plus” activities in selected areas as a tool for improving household resilience. Activities under Component 2 will comprise a transition to “classic” safety nets in selected areas aligned with ANIES’ core vision and mandate to promote economic and social inclusion with a focus on the bottom 40 percent of the population. Component 2 will finance unconditional cash transfers targeted to poor households and a robust program of accompanying measures to promote financial literacy and foundational human capital investments at the household level, in particular for women and children. Productive accompanying measures will focus on increasing household productivity to promote a sustainable exit from the program, akin to the graduation approach. These activities would seek to build household resilience and to provide them a basic set of tools to help them boost their livelihoods and income generating capacity to withstand future shocks, including climate-related ones. These activities would eventually constitute the core of ANIES’ Nafa Program, in hopes that their successful implementation would lead to expanded coverage in the future. Although these activities would likely commence in the year 2021, there is a strong possibility that the crisis will not be over and social distancing requirements and other restrictions would need to be observed. Component 2 implementation modalities will be flexible to enable the safe implementation of activities, particularly accompanying measures. A full transition to classic safety nets implementation modalities would only occur if and when it is deemed safe to do so.

Cash transfers:

24. **Component 2** will finance an unconditional cash transfer program that will provide regular, predictable payments equivalent to GNF 250,000 (around US$26) per month to an estimated 48,000 poor households in rural areas. This activity will provide much-needed continued support to poor households to ensure that human
capital is preserved, and to mitigate the longer-term economic impact of Covid-19 through income support plus accompanying measures. Cash transfers will also build household resilience to climate related shocks by facilitating a diversification of livelihoods, building savings, and avoiding negative coping strategies.

25. **This Component will comprise a transition from ECTs to longer-term support both in terms of operational and implementation arrangements, as well as in the activities themselves.** In an effort to maintain continuity with the activities under Component 1, Component 2 beneficiaries will be a subset of Component 1 beneficiaries. As such, households selected to transition into Component 2 would receive only an additional 18 months of cash transfers (for a total of 24 when combined). Under Component 2, however, ANIES would combine transfers with a much more robust menu of accompanying measures. The transition to Component 2, and the systems and strategy to follow, would be designed to incorporate early lessons learned from Component 1.

26. **Targeting, (re)registration, verification, and payment systems will be assessed during implementation to improve efficacy.** In the last few months of Component 1 implementation, ANIES will have an opportunity to conduct a rapid assessment of operational processes and delivery systems to inform Component 2. A geographic and household targeting strategy for Component 2 will be defined during implementation, taking into account the impact of Covid-19 on specific areas and groups. Given that Nafa Program beneficiaries will be much fewer in number than those of the ECT, Component 2 will finance transfers to the poorest households in selected areas. The project will adopt a multi-dimensional targeting approach that combines PMT with community inputs and verification to ensure that grievances are adequately dealt with and communities have a say in the final selection of households. The project will reevaluate the PMT formula for beneficiary selection post-COVID, to account for any significant variables that may become better predictors of poverty, based on the 2018 ELEP data once released and other available information. The project will also explore the feasibility of categorical targeting in this phase, for example for households with a parent or breadwinner who died from COVID-19, households with school aged children in an effort to incentivize them to re-enroll once schools re-open, households with teenage girls to encourage re-enrollment. The possibility of adopting different PMTs for different regions will be explored.

Precise targeting criteria will be developed during the first phase of the project, and will be embedded into all program communications. Similarly, verification and enrollment may benefit from biometric identification of eligible households by ANIES, which will take place after activities in-country resume. Payment systems will be digital to the extent possible and will be reassessed to ensure that Component 2 activities benefit from systems that are transparent and cost-effective.

Human capital development accompanying measures:

27. **Component 2 will finance human capital development accompanying measures to beneficiaries and their communities.** This will be done through community-based agents and ideally via locally-based workshops, activities, and targeted communications. These activities would be available to all communities, not just cash transfer recipients. However, given the uncertainty over the need for social distancing beyond Phase 1 of the project, these may need to be adapted to “distance learning” formats. Attendance of accompanying measures activities will be a soft condition for cash transfers, and attendance will be encouraged and monitored (though not enforced). The project will finance development of materials that will seek to nudge households toward positive behavior change related to key human development outcomes, such as re-enrollment of school-aged children and nutrition for pregnant women and children aged 0-2. In areas where they exist, the project would also encourage enrollment of younger children into pre-schools. Community workshops will be reinforced.
through radio and social media. Strong linkages will be established with ongoing supply side interventions in health and education programs where possible to maximize the impact of the project on human capital development.

28. Accompanying measures with a strong focus on gender will also be developed, with a view toward empowering women, discouraging harmful practices like FGM and early marriage and pregnancy, and promoting school enrollment of girls (of all ages). To achieve this, the project will provide cash transfers under Component 2 to women directly and will make this a condition for enrollment. For female beneficiaries that do not own one, the component will finance mobile phones and SIM cards. Further, this sub-component will test a small pilot to provide “bonuses”, either in cash or in-kind, to incentivize behaviors that would boost women’s human capital with a focus on adolescent girls. These could include behaviors such as enrollment in school, delaying age of marriage and pregnancy, or other behaviors. A study on key drivers of behaviors leading to significant gender gaps will be financed by a Bank-executed Rapid Social Response Trust Fund, and will help to inform this activity.

Productive accompanying measures and financial literacy:

29. This Component will also finance the design and delivery of productive accompanying measures and financial literacy training for cash transfer beneficiaries to maximize the impact of safety nets on poverty reduction by improving productivity and/or livelihoods diversification. This would potentially help households exit from the program with a sustainable path toward poverty reduction, similar to the graduation approach. The objective is to help build beneficiaries’ capacity for sustainable income generation and resilience in the face of shocks, while improving prospects to break the intergenerational cycle of poverty. Activities to be financed will include a study to identify key constraints to productivity of beneficiaries at the local level, development of training and other materials, and delivery of training and mentorship activities, either by local agents or NGOs.

30. Productive inclusion activities will be group-based if the situation allows—however, given the uncertainty over the need for social distancing beyond Phase 1 of the project, these may need to be adapted to “distance learning” formats. Activities would include coaching on general topics (financial literacy, life skills, soft skills, etc.), helping to establish savings through Village Savings and Loans Associations, micro-entrepreneurship training, and strengthening market access and links. Activities will target female beneficiaries in particular, even those who are not heads of household, to increase their revenue generating capacity and boost their confidence and economic empowerment. A study on additional constraints faced by women to engage in productive activities will be financed by a Bank-executed Rapid Social Response Trust Fund, to inform this activity.

31. Market assessments will be carried out in the areas of intervention to ensure that the sectoral focus of productive measures is aligned with the productive potential in each area, as well as complementary interventions. Based on local diagnostics and community involvement, the project would identify value chains and related activities from among those already being developed under other World Bank-supported operations (such as the Guinea Integrated Agricultural Development Project (P164326) and the Enclave Agribusiness Development Project (P164184), and by ANIES itself through parallel financing. The project would also include behavior change communications with information on timing of rainy and lean seasons, or desirable kinds of

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7 As noted earlier, should social distancing requirements persist beyond the emergency phase, activities will rely exclusively on digital, radio, and other social media platforms for communication. This would also imply that spillover effects onto the community would be lesser.
crops for each. The project will also provide support to savings and entrepreneurship training to allow households to absorb climate shocks, and enable investments in diversified livelihoods.

Component 3. Strengthening social protection institutions and shock-responsive delivery systems (US$ 5.6 million equivalent)

32. **This component will support ANIES in the development of shock-responsive social protection delivery instruments.** The objective is to contribute to the establishment of a national, shock-responsive safety net system, anchored within ANIES. This system would allow ANIES to deliver poverty-targeted safety nets through its Nafa Program, and to respond quickly if necessary, to different types of covariate shocks, such as pandemics or natural disasters.

33. **This component will finance capacity building within ANIES to consolidate its ability to effectively work towards the economic and social inclusion of the poor through social protection and other instruments.** This component will finance training and other technical support for ANIES as well as study visits to benefit from South-South learning opportunities. The component would also finance workshops and learning events in-country, to include other stakeholders in Guinea. This component would also finance the recruitment of specific consultants to provide technical assistance on the preparation or updating of legal and/or strategy documents for the agency. It will finance technical assistance to develop a national strategy for financial inclusion of the poor. To help refine ANIES’ future social protection programming, this component will also finance an impact evaluation of the project along key dimensions, notably welfare-related impacts of cash transfers and integrated approaches to (i) boosting access to markets and value chains; and (ii) improving selected human development outcomes. It will also finance a process evaluation to assess synergies in operational procedures and systems.

34. **Component 3 will strengthen existing social protection delivery systems under ANIES, including ongoing activities on targeting and registration, and develop new systems as needed.** Systems inherited from the PSNP include: (i) an integrated MIS to monitor the intervention; (ii) a project registry containing information on 88,000 households from 385 districts, 100 rural communes and 25 prefectures in the country’s eight regions; (iii) a grievance redress mechanism for handling beneficiaries queries, concerns and complaints; and (iv) a poverty based targeting system (through proxy-means testing and community validation). The project will seek to improve these systems and further integrate them into an evolving ecosystem of interventions that aim to strengthen national capacity to deliver basic social services to poor and vulnerable households.

35. **More specifically, the component will finance activities to create a national social registry under ANIES and roll out further data collection efforts in other parts of the country (ANIES aims to collect information from approximately 840,000 households by the end of the project).** It will also serve towards building an adaptive safety net system, providing a ready list of potential beneficiaries for horizontal expansion of programs in the event of a crisis. The registry could potentially inform not just ANIES’ programs but also other sectors and partners providing targeted social services and humanitarian aid.\(^8\) Data protection of all ANIES systems will follow internationally recognized principles for personal data protection (Box 1). Collaboration with WURI Guinea will

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\(^8\) Although not financed by the project, ANIES will also provide biometric program IDs to all eligible (poor) households in the registry, as determined by a PMT formula and validated by communities. Program IDs with biometric identifiers will provide an efficient tool for identification, enrollment, verification, and to access other related services such as opening bank accounts. The project will work toward establishing coordination with the WURI Guinea project and explore interoperability and information sharing between the two biometric identity systems.
be key towards achieving this since WURI will work towards strengthening the legal and institutional framework for identification in Guinea.

36. The Component would also finance the upgrade/full “digitalization” of the operating systems of the project, and refine ANIES’ targeting methodology. Operating systems like the MIS and GRM will be made interoperable, the use of geo-technologies for enhanced supervision will be explored, and payment systems will be digitalized to the extent possible. MIS adaptation would include new modules to support management and improved monitoring and evaluation (M&E) of the project. The new modules will be fully interoperable with the ANIES registry. It will also finance as part of the GRM, a dedicated phone line, and will include a dedicated space online for people to register irregularities and complaints. Adaptation of the PSNP targeting methodology, i.e. the PMT formula and questionnaire, would also be financed, including by expanding coverage of the poverty targeting system to additional areas. The targeting methodology will also be updated regularly throughout the project and upon completion of Guinea’s Poverty Assessment based on the 2018 ELEP. An assessment of shock-responsive targeting, based on an assessment of ECTs, will also be financed.

37. This component will also oversee the development of communication materials and awareness raising for ANIES and its activities. While communications and sensitization of beneficiaries will be undertaken through the respective components, ANIES will also have to more broadly communicate about the ECT, Nafa, its objectives, and achievements. These messages are intended for a broad audience as well as beneficiaries.

Component 4. Project Management (US$ 8 million equivalent)

38. This component will finance expenditures related to the procurement of goods, works, consultants, and services needed for the day to day management, implementation and monitoring of project-related activities. This component would entail support to ensure that (a) all project activities and tasks are executed in line with implementation manuals and annual plans, (b) coordination among all actors involved in project implementation is effective, (c) safeguard and fiduciary requirements—including audits—are satisfied, and (d) project outcomes and intermediate results are monitored and evaluated. This component will finance the salaries of technical staff as well as consultants who would provide additional technical expertise and assistance to ANIES as needed. For the first year of the project, it will also finance the recruitment of a fiduciary agent which will be responsible for all fiduciary functions and will train newly hired specialists. Development of project manuals for each activity will also be financed under this component. This component would also support coordination with relevant stakeholders to the project. Special attention and support will be provided to ensure that safeguards and fiduciary requirements are satisfied, including hiring two specialists for environmental and safeguards, respectively.

Component 5. Contingent Emergency Response Component (CERC) (US$ 0)

39. Following an eligible crisis or emergency, the Government may request the Bank to re-allocate project funds to support emergency response and reconstruction. This component would draw from the uncommitted credit/grant resources under the project from other project components to cover emergency response.

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E. Implementation

Institutional and Implementation Arrangements

40. **The project will be implemented using existing Government institutions and national systems both at the strategic level, as well as at the project management level.** Day to day management of the project will be the responsibility of the Agency for Economic and Social Inclusion (ANIES), established under the Prime Minister’s office. A Director General oversees the day to day functioning of ANIES and is responsible for ensuring that ANIES’ activities are closely aligned with its institutional mandate. At the strategic level, a Steering Committee, to be presided by the Ministry of Planning and Economic Development, will provide general strategic orientation for the project. Day-to-day project implementation will be managed by a dedicated technical team within ANIES, who will report to a designated project coordinator, himself/herself directly reporting to the Director General of ANIES. The Coordinator will be responsible for overseeing all aspects of implementation and serve as the primary liaison with the World Bank. Capacity building of ANIES will be a key element of the project, complemented by technical assistance from the Bank on the development of social protection systems.

41. **Given current staffing limitations in certain roles within ANIES, a fiduciary “agent” will be recruited to temporarily manage financial management, accounting, internal auditing, and procurement functions.** Considering the urgent needs of the population as a result of the COVID-19 pandemic, this agent will be recruited via direct contracting to help speed up implementation of Component 1. The fiduciary agent will be responsible for fiduciary management of the project for a period not to exceed one year from Effectiveness. In parallel, ANIES will launch the competitive recruitment of individuals to fill key fiduciary positions within ANIES. Once the recruitment is complete, and all positions receive the no objection from the World Bank, fiduciary functions will be undertaken directly by ANIES. Though not financed through the project specifically, the project will also rely on several partners for the implementation of complementary services and activities, especially at the local level.

42. **ANIES will have the overall responsibility for monitoring and supervision of project activities.** The results indicators for the project will be monitored using a combination of administrative and survey data. While the Project will develop a GRM to capture any complaints or grievances, this will be supplemented through iterative
beneficiary monitoring (IBM). Digital monitoring tools will be leveraged to strengthen monitoring and supervision activities. A process and impact evaluation will provide additional substantive data on the implementation and impact of the project.

**CONTACT POINT**

**World Bank**

Claudia Zambra Taibo  
Sr Social Protection Specialist

**Borrower/Client/Recipient**

Republic of Guinea  
Kanny Diallo  
Minister of Plan  
kanny.doria@gmail.com

**Implementing Agencies**

Agence nationale d'inclusion économique et sociale (ANIES)  
Sanaba Kaba  
Director General  
sanaba.kaba@anies.gov.gn

**FOR MORE INFORMATION CONTACT**

The World Bank  
1818 H Street, NW  
Washington, D.C. 20433  
Telephone: (202) 473-1000  

**APPROVAL**

Task Team Leader(s):  
Claudia Zambra Taibo
### Approved By

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<thead>
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<td>Practice Manager/Manager:</td>
<td></td>
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<tr>
<td>Country Director:</td>
<td>Coralie Gevers</td>
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