



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

Appraisal Stage | Date Prepared/Updated: 14-Jul-2019 | Report No: PIDISDSA26428

BASIC INFORMATION

A. Basic Project Data

Country Zambia	Project ID P169975	Project Name Additional Financing for Girls' Education and Women's Empowerment and Livelihood Project (GEWEL)	Parent Project ID (if any) P151451
Parent Project Name Girls Education and Womens Empowerment and Livelihood Project	Region AFRICA	Estimated Appraisal Date 22-Jul-2019	Estimated Board Date 06-Dec-2019
Practice Area (Lead) Social Protection & Jobs	Financing Instrument Investment Project Financing	Borrower(s) Government of Republic of Zambia	Implementing Agency Ministry of Community Development and Social Services (MCDSS), Ministry of Gender (MoG), Ministry of General Education (MoGE)

Proposed Development Objective(s) Parent

The project development objective is to support the Government of Zambia to increase access to livelihood support for women and access to secondary education for disadvantaged adolescent girls in extremely poor households in selected districts.

Components

Keeping Girls in School
 Supporting Women's Livelihoods
 Institutional Strengthening and Systems Building

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	196.50
Total Financing	196.50
of which IBRD/IDA	160.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	160.00
IDA Credit	160.00

Non-World Bank Group Financing

Other Sources	36.50
UK: British Department for International Development (DFID)	21.50
SWEDEN: Swedish Intl. Dev. Cooperation Agency (SIDA)	15.00

Environmental Assessment Category

C-Not Required

Decision

The review did authorize the team to appraise and negotiate

Other Decision (as needed)

B. Introduction and Context

Country Context

- Zambia's national poverty rate remains stubbornly high and with striking levels of inequality between rural and urban areas.** While GDP growth has raised average per capita income from US\$2,378 in 2004 to US\$3,627 in 2015, Zambia still faces stubbornly high levels of poverty and inequality, with 54.4 percent of Zambians living below the national poverty line.¹ While poverty in urban areas fell slightly from 25.7 to 23.4 percent over this period, in contrast, rural poverty rose from 73.6 to 76.7 percent, thus widening the urban-rural poverty divide.² Taking action towards reducing rural poverty and increasing income levels of the poorest in Zambia is therefore an urgent priority.
- Human capital accumulation continues to be slow in Zambia.** Although the country has achieved close to universal access to primary education, secondary school coverage has fallen since 2010 and is currently at only about 40 percent.³ Expected years of schooling in Zambia for a child starting school at age 4 years is only 9.2 years - that is, they drop out around the time they should start secondary school. Stunting rates among children below age 5 years is also high at about 35 percent.⁴ While 94 percent of children survive to the age of

¹ At the national poverty line of ZMW 214 per adult equivalent per month.

² World Bank. 2018. [Zambia Systematic Country Diagnostic](#)

³ Living Conditions Monitoring Survey, LCMS 2015

⁴ Zambia Demographic and Health Survey, DHS 2018

5 years, most countries globally have higher rates of survival. As a result, Zambia's Human Capital Index (HCI) is 0.4, which implies that children born today will only be 40 percent as productive as they would be if they enjoyed full educational and health attainment. Zambia's HCI lags in the region and among other countries in its income group, suggesting that Zambia could make important gains in its HCI through better ensuring that existing investments in health, education, and social protection reach poor and vulnerable households.

3. **Women and girls are particularly vulnerable to lower human capital accumulation, which is exacerbated by high fertility and early pregnancy.** Enrollment and retention in secondary school (grades 8-12) is a challenge nationally but more so among girls from poorer districts as only a quarter of them enroll in school, compared to third among boys from the same districts. Drop-out rates among secondary school girls is also higher especially in the poorer districts— almost double the rate for boys.⁵ Analysis shows that early pregnancy (47 percent), economic constraints (18 percent) and early marriage (13 percent) are major reasons why adolescent girls drop out of school.⁶ Economic constraints and early pregnancy and marriage are interrelated in Zambia, with rates of early pregnancy rising to almost 50 percent among the poorest income quintile, compared with only 10 percent in the highest wealth quintile.⁷ International evidence shows that achieving higher levels of education for girls, and women's employment, can lead to lower fertility rates. For example, an education reform in Ethiopia in 1994 led to an increase in female school enrollment and years of education, in turn leading to 6 percentage point reduction in the probability of teenage marriage and childbearing.⁸

4. **The Government is committed to responding to the gender gap in human capital development.** The Seventh National Development Plan (2017-21, 7NDP) highlights the issue of secondary school drop-out among girls and the need to ensure equitable and inclusive access to quality education under the Human Development Pillar. Simultaneously, under the Poverty and Vulnerability Reduction Pillar, the 7NDP outlines the GRZ's aim to increase the coverage and targeting of social protection programs to enhance welfare and livelihoods of the poor and vulnerable. The GRZ's request for Additional Financing for GEWEL seeks to directly respond to low human capital outcomes among the poor in Zambia through a lifecycle approach of improved educational attainment among adolescent girls and diversified income opportunities for rural women.

Sectoral and Institutional Context

5. **The GRZ has put in place a strong policy foundation to maximize the impact of social protection on reducing extreme poverty and promoting human capital development.** This includes the GRZ's National Social Protection Policy (2014-2018); a draft Social Protection Bill, which is expected to be approved by Parliament; and more recently, the Integrated Framework of Basic Social Protection Programmes (IFBSP) 2019, which moves the sector (a) in the direction of layering a floor (basic social assistance) together with ladder programming (livelihoods and empowerment) to achieve greater impact, and (b) from programming in silos to a more complementary and comprehensive approach to reducing extreme poverty and promoting human capital development. The foundation of this "cash plus" approach is the GRZ's social safety net, the Social Cash Transfer (SCT), which provides regular cash transfers to smooth the consumption of extremely poor and vulnerable households and enable them to make human capital and livelihoods investments through layered empowerment interventions, such as KGS and SWL.

⁵ Education MIS 2017

⁶ 2019 analysis of EMIS data

⁷ According to the DHS 2014. Zambia's fertility rate is 5.3 children per woman (falling to 4.7 as per DHS 2018), 31 percent of women (compared to 2 percent of men) were married by the age of 18 years, and nearly one third of girls aged 15 to 19 years have already been pregnant.

⁸ Pradhan, Elina and David Canning. 2015. "[The Effect of Schooling on Teenage Fertility: Evidence from the 1994 Education Reform in Ethiopia](#)". Program on the Global Demography of Aging at Harvard University

6. **GRZ has committed to reform its fiscal expenditure through improved pro-poor spending, although coverage of key programs remains low in comparison to need.** There is evidence that fiscal policy in Zambia has been regressive and impoverishing, with the poor paying more into the tax system than receiving benefits from it.⁹ This is due to the prevalence of highly regressive farm input, fuel and electricity subsidies that disproportionately benefit the non-poor and the low coverage of social protection programs.¹⁰ The GRZ is committed to reforming its fiscal expenditure by allocating greater fiscal space to pro-poor spending, which led to the tripling of the SCT caseload to mitigate the impact of fuel subsidy reform.¹¹ This increase in coverage, which was largely funded by the GRZ, was complemented with the launch of GEWEL, which expanded social protection support to poor, rural women and adolescent girls. Analysis shows that these investments are reaching the poorest: the SCT targeting has been found to be pro-poor, with similarly results identified for the SWL and KGS.¹² Despite this progress, spending on social protection in Zambia is substantially below the Sub-Saharan Africa average, at a meagre 0.4 percent of GDP in 2017, compared to a regional average of 1.5 percent of GDP.¹³ As a result, overall coverage remains low in relation to need—more than 50 percent of people who are eligible are not enrolled in these programs.¹⁴

7. **Continued fragmentation among programs leads to inefficiencies in social protection expenditure and duplication of efforts.** Recognizing the fragmentation of programs and programmatic systems, the GEWEL aimed to support the Government to set up of a Single Registry of Beneficiaries (SRB) to improve targeting across social protection programs. It also envisioned the use of a single targeting mechanism for all poverty-targeted programs. While the GEWEL has significantly advanced these objectives (see section on implementation progress above), various other areas of fragmentation have emerged. For example, the SCT and SWL, despite being implemented by different departments within MCDSS, have two different payment and information management systems. In addition, the recent allegations of corruption in SCT have exposed weaknesses in its systems that were not experienced within GEWEL. This suggests that further harmonization among social protection programs could be achieved by synchronizing investments in delivery systems that are then used by multiple programs.

8. **Recent liquidity constraints have meant that key GRZ fiscal commitments remain unmet, which is undermining the impacts of social protection programs for the poor.** Despite its commitment to expanding the SCT, the GRZ has struggled to finance its budgeted allocations. The resulting budgetary shortfalls and delayed releases of funds have undermined the ability of the SCT to provide timely and predictable transfers to targeted households.¹⁵ And yet, the predictability of transfers is critical for cash transfers to result in improved

⁹ de la Fuente, Alejandro, Manuel Rosales and Jon Jellema. 2017. "[The Impact of Fiscal Policy on Inequality and Poverty in Zambia](#)". World Bank Policy Research Working Paper 8246

¹⁰ World Bank. 2018. [Zambia Systematic Country Diagnostic](#)

¹¹ Minister of Finance's budget speech to the National Assembly, September 2018. The Government's aim is to reach 700,000 beneficiaries in 2019 with further scale-up in subsequent years.

¹² de la Fuente, Alejandro, Manuel Rosales and Jon Jellema. 2017. "[The Impact of Fiscal Policy on Inequality and Poverty in Zambia](#)". World Bank Policy Research Working Paper 8246. Preliminary analysis of the Education MIS data and the SWL randomized control trial baseline data show that the beneficiaries are indeed extremely poor.

¹³ Beegle, Kathleen, Aline Coudouel and Emma Monslave (editors). 2018. "[Realizing the Full Potential of Social Safety Nets in Africa](#)". World Bank

¹⁴ de la Fuente, Alejandro, Manuel Rosales and Jon Jellema. 2017. "[The Impact of Fiscal Policy on Inequality and Poverty in Zambia](#)". World Bank Policy Research Working Paper 8246; The Social Cash Transfer (SCT) program constitutes 75 percent of these beneficiaries with SWL constituting another 24 percent. (ASPIRE Database)

¹⁵ Shortfalls in funding from the Government have been further exacerbated by the temporary suspension of donor funding in response to the allegations of corruption in the SCT.

consumption, food security and human capital.¹⁶ Beyond these immediate effects, the irregularity of SCT transfers threatens to weaken the impact of GEWEL on girls and women, as evidence from other countries shows that productive investments are more likely to lead to the anticipated impacts when accompanied by consumption support. In parallel, the MoGE recently reduced secondary school fees by close to 70 percent. While it is too early to see the full effects of this reform, it is likely that benefits for the poorest will be mixed, as many of these girls come from households that are struggling to meet basic needs (including the informal costs of attending school). In fact, there is compelling evidence from other countries showing that eliminating secondary school fees has led to, at most, a negligible increase in the share of disadvantaged children progressing into and completing secondary schooling.¹⁷ Eliminating formal schooling costs does not eliminate other non-fee costs of attending school and may lead to other ways, such as through examination costs, for schools to meet their expenses when fee elimination is not accompanied by increased fiscal allocations. This suggests that the regular provision of cash transfers will be an increasingly important form of support for adolescent girls from poor households to access secondary school.

9. **The proposed AF is well aligned with the World Bank's Country Partnership Framework for Zambia, as well as the findings of the Systematic Country Diagnostic.** The Country Partnership Framework envisions to "improve access to secondary education, health services, nutrition and social protection, with attention to girls and women in selected rural areas" (Objective 2.1 under Focus Area II). It highlights the need to invest in smart social protection (and thereby, enhance the redistributive impact of fiscal and transfer policies) to reduce poverty and encourage labor market productivity in the informal sector. At the same time, it stresses on the need to close the gender gap in secondary schooling. The CPF focus is in response to the Systematic Country Diagnostic (SCD) for Zambia, which clearly shows that the fiscal policy environment in Zambia is not pro-poor. The SCD therefore argues for a simultaneous reduction in subsidies and increase in social protection spending to reduce poverty and inequality. It also shows the need for improving access to secondary education for girls to break-out of the vicious cycle of low educational attainment, early marriage, high fertility, poor jobs and poverty, which continues intergenerationally.

10. **The GEWEL AF is designed to complement World Bank investments in the Education and Health sectors to advance the Human Capital Index in Zambia.** The ZEEP AF, and the forthcoming new operation in the health sector, together with the GEWEL AF are designed to complement each other, providing a comprehensive package that can advance Zambia's human capital aims.

C. Proposed Development Objective(s)

Original PDO

The project development objective is to support the Government of Zambia to increase access to livelihood support for women and access to secondary education for disadvantaged adolescent girls in extremely poor households in selected districts.

Current PDO

The project development objective is to support the Government of Zambia to increase access to livelihood support for women and access to secondary education for disadvantaged adolescent girls in extremely poor households in selected districts.

¹⁶ Davis, Benjamin, Sudhanshu Handa, Nicola Hypher, Natalia Rossi, Paul Winters and Jennifer Yablonski. 2016. "[From Evidence to Action: The Story of Cash Transfers and Impact Evaluations in Sub-Saharan Africa](#)". FAO, UNICEF and Oxford University Press

¹⁷ Zubairi, Asma and Pauline Rose. 2019. [Equitable Financing of Secondary Education in Sub-Saharan Africa](#). Background paper, Mastercard Foundation

Key Results

Progress towards the PDO will be measured through:

- Number of beneficiaries receiving livelihood support;
- Number of beneficiaries bursary support
- Number of beneficiaries receiving cash transfers from SCT

D. Project Description

The proposed Additional Finance will scale up the existing components of GEWEL while deepening their impacts on the human capital of women and girls. Components 1 and 2 of the existing GEWEL Project aim to improve livelihoods and human capital outcomes of women and adolescent girls belonging to the poorest and most vulnerable households in Zambia through the provision of livelihood support (Component 1) and bursaries for adolescent girls (Component 2). The Additional Financing proposes to add a new sub-component under Component 2, which would fund the Social Cash Transfer (SCT) to improve its performance by strengthen its delivery and fiduciary systems and financing the provision of cash transfers.

E. Implementation

Institutional and Implementation Arrangements

The implementation arrangements will remain as in the current phase of GEWEL with MoG playing a coordinating role, with implementation being managed by the MCDSS and MOGE. The MoG will continue to house the National Secretariat, with the Director of Planning and Information serving as the overall National Project Coordinator. The mandate of the National Secretariat will remain the same, with an expanded function to carry-out communication activities for GEWEL.

Under the proposed AF, the mandate of MCDSS will expand beyond the implementation of SWL and ISSB (sub-component 3b), which is managed by the Department of Community Development and Planning, respectively, to also include SCT, which is managed by the Department of Social Welfare. The Keeping Girls in School sub-component on School Fees will continue to be managed by the Department of Planning and Information in the MoGE, with the Department of Social Welfare continuing to carry-out the targeting related activities.

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

The Project will target women and adolescent girls in extremely poor households in rural areas. The Project will identify these beneficiaries by building on the targeting mechanism developed for the ongoing SCTS. The SCTS uses a three-stage targeting mechanism combining geographical targeting, community-based targeting, and verification through a proxy means test. At the geographical level, targeting would be conducted on the basis of a poverty map at sub-district level. Using the 2010 Census and Household Survey Data, the Central Statistical Office, with support from the World Bank, has prepared a national poverty map provides poverty estimates down to the lowest administrative level (ward) allowing prioritization of areas with high incidence of extreme poverty. At the beneficiary level, the Project will target both women from SCTS households (extremely poor, labor-constrained households) with adolescent girls as well as women in households identified as extremely poor (based on the SCTS methodology) but not eligible for the cash



transfer benefit because of their households' labor endowment. The SCTS defines labor-constrained households based on chronic illness, physical disability or a labor-dependency ration greater than three.

G. Environmental and Social Safeguards Specialists on the Team

Brandon Enrique Carter, Environmental Specialist
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Njavwa Namposya Chilufya, Social Specialist

SAFEGUARD POLICIES THAT MIGHT APPLY

Safeguard Policies	Triggered?	Explanation (Optional)
Environmental Assessment OP/BP 4.01	No	
Performance Standards for Private Sector Activities OP/BP 4.03	No	
Natural Habitats OP/BP 4.04	No	
Forests OP/BP 4.36	No	
Pest Management OP 4.09	No	
Physical Cultural Resources OP/BP 4.11	No	
Indigenous Peoples OP/BP 4.10	No	
Involuntary Resettlement OP/BP 4.12	No	
Safety of Dams OP/BP 4.37	No	
Projects on International Waterways OP/BP 7.50	No	
Projects in Disputed Areas OP/BP 7.60	No	

KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

Proposed project activities are not divergent from the parent project which is aimed at providing comprehensive support to enhance poor women's livelihood capabilities and supporting adolescent girls attain secondary education



through provision of grants and bursaries respectively. Additional financing will support an increased number of beneficiaries across the 10 provinces of Zambia. There are no major works anticipated on the project likely to result in significant environmental and social impacts. The project will be implemented mostly in rural areas where education levels are low and incidences of Gender Based Violence (GBV) are usually high due to existing cultural norms that exacerbate exposure of women and girls to forms of gender violence. The situation is further heightened by existing gender inequalities and an absence of services for GBV survivors in rural areas. To safeguard against this risk during project implementation, the project will ensure communities in the areas of influence are sensitized on the subject, informed of available services for survivors of GBV, and the project Grievance Redress Mechanism (GRM) strengthened to include reporting of complaints related to GBV. Furthermore, all project service providers will be sensitized and required to adhere to appropriate workers code of conduct. The risk will be periodically monitored during project implementation.

2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:
There are no long-term environmental impacts as a consequence of the Project.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.
No alternatives to the current set of household-based activities are envisaged or relevant.

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.
No safeguard policies have been triggered due to the nature of household-based activities.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.
Not applicable.

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

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



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APPROVAL

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