

## Contents

Project Number: P161227.....	4
Project Number: P168724.....	20
Project Number: P174008.....	46
Project Number: P168668.....	50
Project Number: P173008.....	61
Project Number: P168951.....	74
Project Number: P167455.....	84
Project Number: P171054.....	96
Project Number: P171633.....	100
Project Number: P174198.....	110
Project Number: P161432.....	120
Project Number: P170718.....	144
Project Number: P173965.....	154
Project Number: P172597.....	156
Project Number: P173702.....	173
Project Number: P172761.....	190
Project Number: P172732.....	199
Project Number: P174075.....	217
Project Number: P164545.....	221
Project Number: P169677.....	229
Project Number: P173811.....	237
Project Number: P169265.....	242
Project Number: P163328.....	265
Project Number: P172567.....	274
Project Number: P157245.....	281
Project Number: P166239.....	294
Project Number: P169641.....	304
Project Number: P165129.....	313
Project Number: P163836.....	328
Project Number: P170669.....	334
Project Number: P167247.....	369

Project Number: P172724..... 380  
Project Number: P172342..... 386  
Project Number: P166309..... 395  
Project Number: P165838..... 406  
Project Number: P161706..... 417  
Project Number: P171331..... 433  
Project Number: P170682..... 446  
Project Number: P163966..... 455  
Project Number: P168153..... 460  
Project Number: P174116..... 469  
Project Number: P167665..... 478  
Project Number: P164354..... 496  
Project Number: P171040..... 501  
Project Number: P163989..... 516  
Project Number: P169830..... 527  
Project Number: P163353..... 537  
Project Number: P163533..... 567  
Project Number: P168539..... 583  
Project Number: P171440..... 594  
Project Number: P171269..... 601  
Project Number: P169196..... 619  
Project Number: P168233..... 625  
Project Number: P168640..... 635  
Project Number: P167817..... 640  
Project Number: P169927..... 667  
Project Number: P171086..... 687  
Project Number: P164382..... 691  
Project Number: P170358..... 697  
Project Number: P166694..... 705  
Project Number: P170248..... 711  
Project Number: P166279..... 724  
Project Number: P170366..... 735  
Project Number: P173838..... 739

Project Number: P168025..... 741  
Project Number: P167757..... 753  
Project Number: P167826..... 755  
Project Number: P171780..... 767  
Project Number: P166868..... 772  
Project Number: P172426..... 780  
Project Number: P170329..... 803  
Project Number: P168590..... 809  
Project Number: P164321..... 816  
Project Number: P170558..... 821  
Project Number: P170466..... 828  
Project Number: P166420..... 843  
Project Number: P172796..... 854  
Project Number: P171114..... 859

**Project Number: P161227**

<b>Project Name</b>	Bangladesh Municipal Water Supply and Sanitation Project
<b>Project Document URL</b>	<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/208161563156170021/bangladesh-municipal-water-supply-and-sanitation-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/208161563156170021/bangladesh-municipal-water-supply-and-sanitation-project</a>
<b>Financing Instrument</b>	Investment Project Financing
<b>Financial product</b>	Credit
<b>Lowest level of granularity</b>	Sub-component/Activity

<b>Climate Change Vulnerability Context</b>	Provided in the Strategic Context pages 7-8.
<b>Intent to Address Vulnerability</b>	Provided in the Relevance to Higher Level Objectives section, page 9, paragraph 10.
<b>Link to Project Activities</b>	Provided in the Project Components section, at the component level.
<b>Incremental Cost?</b>	Not provided.

Name	Value	Description
Component 1	US\$10.69 million	Component 1 - Sector Support and Capacity Strengthening (Total cost US\$21.42 million including contingencies US\$0.42 million; IDA US\$10.69 million; GOB US\$0.04 million). This component will comprise three subcomponents: (1.1) Strengthening institutional capacity of municipalities to manage WSS through the provision of support to participating municipalities on, inter-alia: (a) citizen participation and interface for activities that include implementing mobile and IT enabled complaint redressal systems, annual citizen surveys, developing and implementing gender action plans, (b) WSS institutional capacity improvements including dissemination of model municipality bye-laws for WSS, WSS accounting systems, audit, IT systems, and MIS, (c) service delivery parameters such as water quality monitoring and expansion of fecal sludge treatment (including expanding technical capacity thereof), and (d) develop contract management capacities to procure and supervise private sector operators; (1.2) Providing support for institutional and operational sustainability through, inter-alia: (a) financial support through Performance Grants for institutional improvements and service delivery based on participating municipalities' performance according to an annual Performance Scorecard, and (b) provision of financial support for FSTP operations and O&M Subsidy Grants to meet participating municipalities' WSS related operational expenditures to promote user charge collection and household

	<p>enrolment; and (1.3) Strengthening DPHE for water and sanitation sector roles through the financing of consultancies that will assist DPHE in, interalia: (a) establishing and adapting technical standards, standard operating procedures and manuals on technical, operational, and financial management including instituting Geographic Information System (GIS) and IT-enabled systems, (b) strengthening DPHE’s water quality monitoring and surveillance systems to monitor and prevent bacteriological contamination of water, (c) establishing a national water and sanitation sector Management Information System (MIS), (d) training and capacity building for staff from DPHE and participating municipalities, (e) preparing guidelinesfor enabling the participation of the private sector in the water and sanitation sector, (f) adopt climate change relevant technical guidelines and standards in relation to WSS, and (g) supporting the establishment and operationalization of a Municipality Support Unit within DPHE to act as a one-stop window on WSS providing coordination and support to all municipalities.</p>
	<p>Subcomponent 1.1 - Strengthening Institutional Capacity of Municipalities to Manage WSS (Total US\$2.52 million; IDA US\$1.25 million; GOB US\$0.03 million; excluding contingencies)</p> <p>2. This subcomponent will provide implementation support to municipalities across five dimensions: (a) citizen participation, including through developing interfaces such as mobile enabled complaint redressal systems and annual citizen surveys; (b) WSS institutional capacity improvements such as disseminating model municipality bylaws for WSS and enhancing the quality of WSS accounting systems, audit, IT systems, and MIS; (c) service delivery performance parameters such as water quality and safe collection and treatment of fecal sludge; (d) contract management capacities to procure and supervise private operators; (e) capacity building on gender, especially developing and implementing GAPs in municipalitiesfor women’s participation in decision making and ensuring women’s employment in service delivery, and enhancing the technical capacity on the safe disposal and treatment of fecal sludge and the implications on the quality of water in the absence thereof in the event of flooding or drought. (Other gender actions are also included in Subcomponent 3.1 on sanitation.)</p>
	<p>Subcomponent 1.2 - Support for Institutional and Operational Sustainability (Total US\$15.60 million; IDA US\$7.80 million; excluding contingencies)</p> <p>3. Support for institutional incentives. The project will measure the performance of municipalities through predetermined indicators such as citizen engagement, FM, revenue systems, WSS organization, water supply coverage, water quality, number of hours of supply, complaint redressal, sanitation coverage, solid waste collection, containment structures in households, and GAP implementation. This includes indicators on sanitation coverage, solid waste collection and co-composting, preparation of sanitation action plans, and so on. All these indicators measure the contribution to FSM and the full suite of activities leads to the reduction of</p>

	<p>GHG emissions as elaborated under Subcomponent 3.1. An annual performance scorecard for each municipality will be calculated by a third-party agency, and municipalities would be rewarded additional funding based on its score. The municipality will be able to use all the additional support toward ensuring expansion of fecal sludge treatment, including co-composting, and drainage improvements that are in compliance with the climate-change-sensitive designs as determined by the engineer. US\$6.8 million is allocated for this purpose. A performance scorecard manual, included in the PIM, details the indicators, process of scoring, and computing rewards annually.</p> <p>4. Operational expenditure support in early years of operations. The project will provide subsidy grants to municipalities to help meet operational expenditures, including those of the FSTPs, during the first three years of operations as they ramp up their revenue collection and become financially sustainable. About US\$8.7 million is allocated for this purpose to cover all 30 systems. For the FSTPs in particular, this will give time to (a) the operators to improve operational efficiencies and develop compost products for the market and (b) the municipalities to levy sanitation-related taxes/charges on citizens.</p>
	<p>Subcomponent 1.3 - Strengthening of DPHE for Water and Sanitation Sector Roles (Total US\$2.88 million; IDA US\$1.43 million; GOB US\$0.01 million; excluding contingencies)</p> <p>5. Consultancies will be hired to help the DPHE strengthen sector support roles. They will assist the DPHE in the following: (a) Establishing and adapting technical standards; standard operating procedures; and manuals on technical, operational, and FM including instituting Geographic Information System (GIS) and IT-enabled systems such as NRW monitoring and control system for water loss reduction and leakage detection to make it more resilient against climate-induced threats (b) Strengthening the DPHE's water quality monitoring systems to monitor and prevent bacteriological contamination of water (including through inland flooding and increased salinity because of climate change) (c) Establishing a national water and sanitation sector MIS, which will facilitate water quality monitoring, waste reduction, and efficient water resources management (d) Training and capacity building, including module development, training delivery, and study tours for the DPHE and municipality staff to improve operational efficiencies in water and sanitation systems including the use of energy-efficient pumps to reduce water loss especially in the municipalities at the risk of drought, new IT-enabled systems, inclusion and gender focus, and improving awareness around and response to climate resilience-related challenges and rapid-onset emergencies<sup>21</sup> (e) Creating private sector participation and regulation guidelines for the WSS sector in municipalities (including FSM). (f) Developing policies that adopt climate change-relevant technical guidelines and standards in relation to WSS. 6. The project will assist in the creation and running of a Municipality Support Unit within the DPHE that will provide coordination and support to</p>

		<p>municipalities as a one-stop shop on the water and sanitation sector in the future, including measures and technologies to combat climate change and improve resilience. Thus, the project's initial support to the DPHE in strengthening its systems is expected to have a sectorwide impact, beyond the project municipalities.</p>
Component 2	US\$54.68 million	<p>Component 2 - Investment for Water Supply Infrastructure (Total Cost US\$116.83 million including contingencies US\$4.2 million; IDA US\$54.68 million; GOB US\$7.46 million). This component includes (2.1) providing infrastructure investments for the installation of piped water supply systems in each participating municipality, including inter-alia: bulk water intake systems, water treatment facility, water storage, transmission and distribution pipe network, house connections including meters, and related appurtenances of the water supply system (with both the bulk and the distribution systems being operated by private sector operators), and (2.2) establishing an immediate response system to enable the participating municipalities to repair their WSS system and/or avoid deterioration to cope with disasters and climate-induced emergencies.</p>
		<p>Subcomponent 2.1 - Infrastructure Investments for the Installation of Piped Water System (Total US\$103.00 million; IDA US\$51.50 million; excluding land acquisition and development<sup>22</sup> and contingencies)</p> <p>7. The piped water supply systems are expected to improve efficiency and diversify delivery systems and water sources. In particular, as water supply sourced from surface water or aquifers that lie at a depth of at least 300 meters would increase, there would be less reliance on tube wells sourced from shallow aquifers, which are more susceptible to salinity intrusion and possible contamination from unsafe disposal of fecal waste, especially if urban flooding occurs frequently.</p> <p>8. The subcomponent will comprise financing for (a) the bulk treated supply systems, which include surface water or groundwater intake facilities, water treatment facilities, treated water storage facilities, take-off point, and related pipes and appurtenances, and (b) the distribution systems, which include transmission and distribution pipelines, house connections including meters, and related appurtenances. The systems will be designed based on a phased approach that corresponds to demand assessments, responsiveness to inland flooding or salinity-induced corrosion of infrastructure or other climate-change-induced threats as determined by the design engineers, such as raised platform or foundation for installations to respond to flooding. The provision of energy-efficient pumps has been expressly stipulated to ensure that maximum water is pumped for a given amount of energy used. This overall design is to ensure that municipalities at the risk of drought because of climate change, and even those at risk of flooding, are able to efficiently allocate their freshwater resources with minimum wastage.</p> <p>9. For the distribution system, the project will ensure that the municipalities mobilize household demand right from the preparation</p>

		<p>stages. This will be done through an eligibility condition, where (a) before granting approval to bid out any distribution package, the project will require each municipality to enroll at least 50 percent of the potential customer households in the distribution system and collect enrollment deposits from them and (b) before commissioning the system, at least 75 percent enrollment will be needed. The prerequisites for implementation of distribution works are elaborated in the PIM. This eligibility condition will ensure the project targets areas within a municipality that have high enrollment, which may not necessarily be in the 'core' central areas only. These distribution packages are estimated to cover an average of about 55 percent of the households in a municipality. However, the intention is to aim for 100 percent, and a higher connection achievement will be rewarded to municipalities under Subcomponent 1.2. In addition to the eligibility condition, the connection services will be streamlined to ensure strong customer demand, by having the scheme designs cover everything right up to service connections including meters. In this way, households do not have to arrange for personnel and materials to get connected, and connection delays can be minimized. 10. According to the GHG accounting, the net emissions for all of Subcomponent 2.1 are estimated to be -562,414 tCO<sub>2</sub>-eq for this subcomponent's 20-year life, resulting in net emissions reductions largely because of ending the use of overhead pumps. For the water supply activities, the net emissions from each step are as follows: 37,285 tCO<sub>2</sub>-eq because of source extraction, 730 tCO<sub>2</sub>-eq from source conveyance, 43,124 tCO<sub>2</sub>-eq from potable water treatment, 31,145 tCO<sub>2</sub>-eq from piped water distribution, and -674,697 tCO<sub>2</sub>-eq from ending the use of overhead pumps.</p>
		<p>Subcomponent 2.2 - Immediate Response Facility for Disasters and Climate-induced Emergencies (Total US\$2.17 million; IDA US\$1.08 million; excluding contingencies)</p> <p>11. The DPHE does not have emergency response goods and equipment that can immediately mobilize and support the WSS needs of natural disaster-affected municipalities across the country. More powerful tropical cyclones and increasing inland flooding may not only cause damage to water supply infrastructure and contaminate drinking water but as a consequence may also result in residents' switching from piped service back to tube wells due to interruption in service or lack of a discernible difference in the quality between the two. An allocation to support the DPHE in building its quick response system will thus be provisioned, which will swiftly allow the project municipalities to repair their WSS system or to take measures to avoid further deterioration.</p>
Component 3	US\$30.67 million	<p>Component 3 - Improving Sanitation and Drainage (Total Cost US\$61.33 million including contingencies US\$2.30 million; IDA US\$30.67 million). This component comprises: (3.1) Improving sanitation and septage management, including, inter-alia: (a) support to participating municipalities to develop appropriate septage management models, through the engagement of Municipality Sanitation Support Consultants, (b) investments in pilot FSTPs (emptying and treatment) in three (3)</p>



	<p>Participating Municipalities, (c) public toilets construction and operations management, (d) providing Sanitation Grants, (e) support to informal cleaning workers with equipment and training for fecal sludge management, and (f) providing basic infrastructure for septage disposal in twenty seven (27) participating municipalities; and (3.2) improving drainage, including financing investments in critical drainage infrastructure to manage grey-water and storm water flooding in those participating municipalities that show progress in implementation of water supply schemes.</p>
	<p>Subcomponent 3.1 - Improving Sanitation and Septage Management (Total US\$29.13 million; IDA US\$14.57 million; excluding contingencies)</p> <p>12. For total sanitation improvement of the municipalities, the project will support all elements of the sanitation service delivery chain. Unlike water supply service that will concentrate on specific areas of the municipality where there is demonstrated demand, the scope of sanitation service improvement will entail the entire municipality and cover all households. Improved sanitation and septage management will reduce the contamination of surface water and groundwater and increase the availability of water supply, thereby helping alleviate water stress, especially in the coastal areas of Bangladesh (which are affected by salination) and areas affected by drought.</p> <p>13. More specifically, the project will finance the following under this subcomponent: • Preparation of municipality sanitation plans and implementation consultancy that will provide support in developing a sustainable septage management model, considering the population, economic status of household, type and accessibility of containment systems, availability or lack of service providers for emptying, availability of land for the treatment facility, risk of inland flooding because of climate change, policy/regulation, and affordability of service • Subsidy grant to the poor households for toilet improvements to help move away from unsanitary toilets • Reward to municipalities for sanitation access improvements under Subcomponent 1.2 • Construction of public toilets and operational models to help the floating population, informal workers, and so on access improved toilets • Equipment including vacutugs/trucks and safety gear for emptying operators for FSM • Training and capacity building of informal workers, women’s groups, and so on for FSM. • Basic infrastructure for safe disposal locations for septage in 27 municipalities • Pilot FSTPs in three municipalities and O&amp;M expenses for the first three years to permit stabilization of the business model • Landfill development, waste bins, and so on which will improve solid waste management capacities of the municipalities and help reduce disease vectors, especially in cases of climate-change-induced flooding.</p> <p>14. The fecal sludge collection and treatment activities under Subcomponent 3.1 have estimated net emissions of –171,055 tCO<sub>2</sub>-eq, due to the upgrading of latrine conditions while also treating septage and</p>

		latrine waste that would otherwise go untreated. The net emissions for each step of the septage treatment activities break down as follows: 428 tCO <sub>2</sub> -eq from the use of trucks for septage collection, 0 tCO <sub>2</sub> -eq from septic tanks use, 3,870 tCO <sub>2</sub> -eq process N <sub>2</sub> O emissions from fecal sludge treatment, and – 175,353 tCO <sub>2</sub> -eq from the combination of improvements to latrines and removing latrine waste for disposal and treatment. It should be noted that the changes in the methane correction factor for latrines is part of the Intergovernmental Panel on Climate Change (IPCC) 2006 guidance on wastewater, which helps sets the standard for GHG accounting in wastewater and fecal sludge collection and treatment activities. The entire financed system from latrine upgrades, fecal sludge collection, and aerobic treatment work together to produce these estimated net emissions reductions.
		Subcomponent 3.2 - Drainage Improvements (Total US\$29.9 million; IDA US\$14.95 million; excluding contingencies)  15. This investment will contribute to the municipalities' climate change adaptation measures as urban flooding/inundation is one of the main climate change risks identified and now experienced in Bangladesh. From the existing drainage master plan that each municipality has, with the help of TSU consultants, the drainage action plan will identify critical areas in the municipalities that will be increasingly prone to storm water flooding exacerbated by climate change and build resilience by adopting measures to reduce flooding. The drainage plans will include management and basic treatment of gray water and will use appropriate measures to prevent contamination of freshwater flows in the event of inland flooding, thus preventing a public health hazard. The project will finance and put out for bidding only the investments in critical drainage infrastructure in the municipalities—not every infrastructure in the drainage master plans. The municipality will prioritize those capital works that can be swiftly implemented as soon as they become eligible.
Component 4	US\$3.96 million	Component 4 - Project Implementation and Management Support (Total Cost US\$9.95 million including contingencies US\$0.08 million; IDA US\$3.96 million; GOB US\$2.03 million). This component will support key project management activities to enable the DPHE in coordinating and implementing project activities at the national and local levels, complying with the Association's fiduciary procedures and safeguards, including: (a) the establishment of a national PMU (within DPHE) and recruitment of a Technical Support Unit (TSU) consultancy that will place multi-disciplinary teams to support participating municipalities in implementation of project activities and building their capacities; (b) training and exposure visits; (c) carrying out of audits of project internal processes; (d) fiduciary and environmental and social management of the project; (e) carrying out of third-party institutional performance audits and sample citizens' surveys; (f) communications campaigns including awareness generation and behavior change communications; and (g) project reporting.
Component 5	US\$0.0	Component 5 - Contingent Emergency Response (Total Cost US\$0 million; IDA US\$0 million). A provisional zero amount component is included under

		<p>this project that will allow for rapid reallocation of loan proceeds from other project components during an emergency, under streamlined procurement and disbursement procedures. In addition, the contingent component may also serve as a conduit for additional funds to be channeled to the project in an emergency. The details of this Contingent Emergency Response Component will be provided in the annex of the Project Implementation Manual (PIM).</p>
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Climate Change Co-benefits section/Additional information on climate relevance from documentation
<p>Not provided.</p> <p>Page 10, paragraph 14: “The project components have been structured to reflect the PDO, paying special attention to reduce the risk of urban flooding due to climate change and build water quality monitoring capacity for bacteriological contamination that could arise from such flooding. The project also supports strengthened capacity of the stakeholders to build awareness and resilience against such climate-induced emergency risks. The details about project activities, including the aspects related to building resilience against climate-induced risks, are provided in annex 1.”</p> <p>Page 13, paragraph 22: “Long-term outcomes of the project are likely to include the municipalities’ greater ownership and sustainability of water, sanitation, and drainage infrastructure and services delivery; greater sharing of benefits and inclusion; public health gains because of reduced untreated human excreta in the environment; and improved climate resilience.” Climate only one of multiple objectives.</p>

Greenhouse Gas Accounting
<p>Greenhouse gas (GHG) analysis. The project will have environmental benefits from GHG emissions reduction. The net emissions for Subcomponent 2.1 are estimated to be -562,414 tCO2-eq over 20 years, largely because of ending the use of overhead pumps. The fecal sludge collection and treatment activities under Subcomponent 3.1 have estimated net emissions of -171,055 tCO2-eq, due to the upgrading of latrine conditions while also treating septage and latrine waste that would otherwise go untreated. The entire financed system from latrine upgrades, fecal sludge collection, and aerobic treatment work together to produce these estimated net emissions reductions. The detailed results from the GHG analysis are presented in annex 1.</p>

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.1	1.25	(2/5)/2)	(2/5)/2)	0.25	0.25	<p>The objective of Sub-component 1.1 is “Strengthening Institutional Capacity of Municipalities to Manage [Water Supply and Sanitation]”.</p> <p>5 activities are outlined:</p>

						<ul style="list-style-type: none"> <li>(c) “service delivery performance parameters such as water quality and safe collection and treatment of fecal sludge”;</li> </ul> <p>and</p> <p>(e) “capacity building on gender, especially developing and implementing GAPs in municipalities for women’s participation in decision making and ensuring women’s employment in service delivery, and enhancing the technical capacity on the safe disposal and treatment of fecal sludge and the implications on the quality of water in the absence thereof in the event of flooding or drought.”</p> <p>are climate-relevant.</p> <p>By addressing inland flooding risks and the consequent bacteriological contamination the activities are linked to the provided vulnerability context and attempt to address it. Regarding mitigation, the activities qualify under the “Greenfield projects that reduce methane or nitrous oxide emissions through wastewater, fecal sludge or septage collection and treatment” eligible activity.</p>
SC 1.2	7.8	0.25	0.25	1.95	1.95	<p>The objective of Sub-component 1.2 is “Support for Institutional and Operational Sustainability”.</p> <p>The project will measure the performance of municipalities through predetermined indicators such as citizen engagement, FM,</p>

						<p>revenue systems, WSS organization, water supply coverage, water quality, number of hours of supply, complaint redressal, sanitation coverage, solid waste collection, containment structures in households, and GAP implementation.</p> <p>By engaging with water supply and “drainage improvements that are in compliance with the climate-change-sensitive designs” the sub-component is linked to the vulnerability context and states an intent to address it. Documentation states 50% of the total funds in support of the sub-component are allocated for drainage improvements. Incremental costs of adaptation within this 50% have not been provided regarding the climate sensitive designs. To adhere to the principle of conservativeness a coefficient of 0.25 has been applied to total funds to calculate adaptation co-benefits.</p> <p>The remaining 50% of funds are assessed to be partially mitigation relevant. This recognises that climate and mitigation activities are one of many (such as actions to improve revenue systems etc.). Activities are linked to fecal sludge treatment and solid waste collection and co-composting, and qualify as mitigation co-benefits under the “Greenfield projects that reduce methane or nitrous oxide emissions through wastewater, fecal sludge or septage collection and treatment” eligible activity. To adhere to the principle of conservativeness a coefficient of 0.25 has been applied to total funds to calculate mitigation co-benefits.</p>
SC 1.3	1.43	4/6	1/6	0.95	0.24	The objective of Sub-component 1.3 is “Strengthening of DPHE for Water and Sanitation Sector Roles”.

						<p>6 activities are outlined under the sub-component:</p> <ul style="list-style-type: none"> <li>• (a), (b) and (f) create a clear link between their activities and the vulnerability context and are therefore entirely adaptation-relevant</li> <li>• (c) and (d) are climate relevant and cross-cut adaptation and mitigation. They focus both on water resource management in the context of water sector vulnerability to climate change, and on energy efficiency and waste management.</li> </ul> <p>Activities are linked to energy efficiency are relevant under the “Greenfield and brownfield projects that promote improved operation and maintenance to reduce water losses, promote energy savings, or meet or exceed wastewater treatment targets” eligible activity. Activities engaged with waste management and treatment qualify as mitigation co-benefits under the ““Greenfield projects that reduce methane or nitrous oxide emissions through wastewater, fecal sludge or septage collection and treatment”” eligible activity.</p>
SC 2.1	51.5	0.25	0.25	12.875	12.875	<p>The objective of Sub-component 2.1 is “Infrastructure Investments for the Installation of Piped Water System”. Where the piped water supply systems are expected to improve efficiency and diversify delivery systems and water sources.</p> <p>Funds will finance: “(a) the bulk treated supply systems, which include surface water or groundwater intake facilities, water treatment facilities, treated water storage facilities, take-</p>

					<p>off point, and related pipes and appurtenances, and (b) the distribution systems, which include transmission and distribution pipelines, house connections including meters, and related appurtenances.”</p> <p><b>Adaptation:</b></p> <p>Systems will be designed to be responsive to “inland flooding or salinity-induced corrosion of infrastructure or other climate-change induced threats as determined by the design engineers, such as raised platform or foundation for installations to respond to flooding”.</p> <p>By engaging with water supply and sanitation activities within a context of sectoral climate vulnerability, while ensuring actions will enhance resilience, the sub-component will result in adaptation co-benefits.</p> <p>The adaptation co-benefits assessment results from the following steps:</p> <ul style="list-style-type: none"> <li>• In recognition that adaptation is one of multiple objectives (including mitigation) an initial coefficient of 0.5 can be applied to total finances.</li> <li>• Due to the absence of granular information regarding the incremental costs of adaptation to the project a further coefficient of 0.5 can be applied. This second coefficient ensures adherence to the principle of conservativeness in the face of uncertainty.</li> </ul> <p><b>Mitigation:</b></p>
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						<p>According to the GHG accounting, the net emissions for all of Subcomponent 2.1 are estimated to be -562,414 tCO<sub>2</sub>-eq for this subcomponent's 20-year life, resulting in net emissions reductions largely because of ending the use of overhead pumps. The sub-component therefore qualifies under the "Greenfield water supply projects meeting high energy efficiency standard or making use of demand management" eligible activity.</p> <p>The mitigation co-benefits assessment results from the following steps:</p> <ul style="list-style-type: none"> <li>• In recognition that mitigation is one of multiple objectives (including adaptation) an initial coefficient of 0.5 can be applied to total finances.</li> <li>• Due to the absence of granular information regarding finance in support of mitigation-specific actions, a further coefficient of 0.5 can be applied. This second coefficient ensures adherence to the principle of conservativeness in the face of uncertainty.</li> </ul>
SC 2.2	1.08	0.5	0	0.54	0	<p>The objective of Sub-component 2.2 is "Immediate Response Facility for Disasters and Climate-induced Emergencies". Support will the DPHE in building its quick response system to both natural disasters and climate impacts. This will swiftly allow the project municipalities to repair their WSS system or to take measures to avoid further deterioration.</p> <p>By engaging with water supply and sanitation management the sub-component is linked to the vulnerability context and states an intent to address it. Because climate-related emergencies are one of two motivations behind the provision of</p>



						<p>these swift response finances, an adaptation coefficient of 0.5 has been applied.</p> <p>Not evidence of mitigation relevance.</p>
SC 3.1	14.57	0.25	0.25	3.64	3.64	<p>The objective of Sub-component 3.1 is “Improving Sanitation and Septage Management”</p> <p>Improved sanitation and septage management will reduce the contamination of surface water and groundwater and increase the availability of water supply, thereby helping alleviate water stress, especially in the coastal areas of Bangladesh (which are affected by salination) and areas affected by drought.</p> <p>The fecal sludge collection and treatment activities under Subcomponent 3.1 have estimated net emissions of –171,055 tCO<sub>2</sub>-eq, due to the upgrading of latrine conditions while also treating septage and latrine waste that would otherwise go untreated.</p> <p>9 activities are outlined under the sub-component. All activities are linked to either: (1) the climate vulnerability context, showing an intent to address it through improving water supply resilience to climate change and improving resilience to flooding and the water contamination it causes; or (2) net GHG emissions reductions.</p> <p>Activities are linked to energy efficiency are relevant under the “Greenfield and brownfield projects that promote improved operation and maintenance to reduce water losses, promote energy savings, or meet or exceed wastewater treatment targets” eligible activity. Activities</p>

						<p>engaged with waste management and treatment qualify as mitigation co-benefits under the “Greenfield projects that reduce methane or nitrous oxide emissions through wastewater, fecal sludge or septage collection and treatment” eligible activity.</p> <p>Because neither the incremental cost of adaptation activities nor detailed granularity regarding mitigation activities and their costs has been provided, a coefficient of 0.5 has been applied to adhere to the principle of conservativeness. The finance cross-cuts adaptation and mitigation co-benefits.</p>
SC 3.2	14.95	1	0	14.95	0	<p>The objective of Sub-component 3.2 is drainage improvements. Documentation states that “This investment will contribute to the municipalities’ climate change adaptation measures as urban flooding/inundation is one of the main climate change risks identified and now experienced in Bangladesh.”</p> <p>Improved drainage will reduce vulnerability to climate induced flooding and intrusion. The sub-component activities are therefore strongly linked to the provided vulnerability context.</p> <p>The sub-component is deemed to be entirely focused on adaptation.</p>
C 4	3.96	0.25	0.25	0.99	0.99	<p>The objective of Component 4 is “Implementation and Management Support”.</p> <p>6 activities are outlined under the component. Because other components are consistently adaptation and mitigation relevant, by extension, this component is deemed to be partially climate-relevant. Activities evidence some focus on</p>

						climate resilience and technical assistance regarding water infrastructure (which will indirectly lead to GHG emissions reductions).  A climate coefficient of 0.5 has been applied to the component's budget, which is deemed to cross-cut adaptation and mitigation outcomes.
C5	0	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
26.4	35.905	36.0%	21.5	19.945	7.2%

Reported climate finance	Assessed climate finance	Error
47.9	55.85	23.1%

Project Number: P168724

<b>Project Name</b>	Bangladesh Second Programmatic Jobs Development Policy Credit
<b>Project Document URL</b>	<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/32022159287742418/bangladesh-second-programmatic-jobs-development-policy-credit">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/32022159287742418/bangladesh-second-programmatic-jobs-development-policy-credit</a>
<b>Financing Instrument</b>	Development Policy Financing
<b>Financial product</b>	Credit
<b>Lowest level of granularity</b>	Prior Action

<b>Climate Change Vulnerability Context</b>	Provided in the Introduction and Country Context section, page 6, paragraph 4.
<b>Intent to Address Vulnerability</b>	Provided in the Proposed Operation section, page 19, paragraph 34.
<b>Link to Project Activities</b>	Provided in the Proposed Operation section at the Pillar and Prior Action level.
<b>Incremental Cost?</b>	None provided.

Name	Value	Description
Pillar A: Modernizing the trade and investment environment		<p>38. Bangladesh must expand and diversify exports and investment, while building its domestic SMEs. While Bangladesh has had huge success with integration in the RMG GVC, it has become far too reliant on the sector, which accounts for around 85 percent of all exports. With job growth in RMG slowing rapidly<sup>24</sup>, the GoB is seeking alternative sources of large-scale waged employment accessible to women and to absorb the large number of workers migrating from rural to urban areas. The COVID-19 crisis has highlighted the risk of relying on a single sector, with RMG manufacturers caught first by the supply shock from China and then later the demand shock from European and American buyers. Diversifying will require a significant increase in both FDI and domestic investment. Ensuring this growth is sustainable will also require greater attention to meeting environmental and social standards, to safeguard competitiveness in global markets, safety in the workplace, and protection of labor rights, and to mitigate the risks of climate change and environmental degradation.</p> <p>39. Pillar A builds on the reforms initiated in DPC1 and supports rapid recovery from the COVID-19 crisis by strengthening the environment for job-creating private investment and promoting exports, while helping mitigate environmental and climate change impacts of industrial expansion. The actions in this pillar will be especially important to help Bangladesh</p>

		<p>recover quickly from the COVID-19 crisis when global demand picks up. Specifically, the operation: (i) follows on from the enactment of the One Stop Service (OSS) Act in DPC1 to implement a more conducive environment for investment facilitation, while progressing on reforms that support more efficient business entry and exit; (ii) supports customs modernization by enacting key regulations and building the institutional capacity for implementing risk management in customs; (iii) builds on the initial steps taken in DPC1 to put in place new policies and procedures to facilitate expanded use of bonded warehouses outside the RMG sector; and (iv) promotes environmental and social standards compliance in emerging manufacturing sectors.</p>
PA 1	250/10	<p>Prior Action 1: (i) The Prime Minister’s Office has issued the “One Stop Service (Bangladesh Investment Development Authority) Rules, 2020” and published them in the Official Gazette; and, (ii) The Cabinet has approved draft amendments to the Companies Act, including provisions to allow for single-person companies, speed business registration, and strengthen corporate governance. DPC 3 Trigger: BIDA has fully operationalized the OSS for services required for investors to start a business through streamlining key regulatory processes across relevant ministries and agencies. DPC 3 Trigger: The Recipient has implemented further reforms to the legal environment governing company formation, commercial dispute resolution, and insolvency.</p> <p>44. Expected results: The above actions are expected to reduce the cost and time to set up and operationalize a business. This will contribute to faster response in the recovery phase of the COVID-19 crisis and will lead to increased investment and jobs growth through a significant increase in new business registrations. Evidence from research using global Doing Business indicators shows reforms in business start-up regulations increase complementarity between FDI and domestic investment<sup>27</sup>, and in developing economies, expanded business entry and investment promotion, along with a simpler tax regime, are associated with higher job creation<sup>28</sup>. Research<sup>29</sup> also shows that significant reforms to business registration result in higher firm start-ups and increased output in the affected industries, leading to increased employment rates. By simplifying the bureaucracy, lowering costs, and facilitating formalization of microenterprises, the actions are expected to have greater benefits for female-run businesses. Moreover, introduction of a transparent automated system is expected to benefit women-owned businesses disproportionately by helping overcome information access and mobility barriers, while enabling women to circumvent gender discrimination. Trade facilitation</p> <p><u>Investment facilitation</u> 40. Exploiting the potential for diversified export-oriented sectors as job creators will require improved capability to attract and service new FDI and domestic investors. Firms looking to establish a new business in Bangladesh must navigate a non-transparent and cumbersome regulatory space that includes services delivered by 34 different line agencies. Constraints to establishment and operations</p>

	<p>impinge even more on female-owned businesses<sup>25</sup>, due to women facing greater barriers to access information; financial, time, and mobility constraints; purdah practices; and exposure to harassment and corruption through the existing procedures.<sup>26</sup> As investors re-establish but also rethink their supply chains in the aftermath of the COVID-19 crisis, addressing the onerous administrative barriers to business formation in Bangladesh is even more urgent.</p> <p>41. DPC1 put in place key legislation to improve investment facilitation and steps have been taken since then to ease the burdens of company formation. The OSS Act 2018 provides the legal basis for the establishment of a 'virtual' one-stop service (OSS) for investment establishment and defines the roles and responsibilities of the relevant line agencies. In 2019, the GoB took several actions to reduce the costs and speed the process of new business registration, including notably: i) reduction of Company Incorporation fees from BDT 20,670 (~US\$245) to BDT 8,020 (US\$95); ii) elimination of the pre-requirement of physical inspection of business premises to issue a VAT registration certificate; and, iii) elimination of preinspection for the issuance of trade license. These actions, along with several others to ease the process of registering a property, obtaining a construction permit, and getting an electricity connection, while not included in the policy matrix, will help reduce barriers to formal establishment of SMEs.</p> <p>42. DPC2 supports operationalization of the OSS to facilitate new investment. DPC2 supports completion of the OSS Rules, which defines the standard operating procedures that ensure bound service delivery by agencies and facilitates cross-agency coordination. This has allowed BIDA to initiate process streamlining and online facilitation through the OSS system for the key procedures required for new investors to establish a business and initiate operations. To date, the OSS is supporting streamlined service delivery for services provided by BIDA, the Registrar of Joint Stock Companies and Firms, the National Bureau of Revenue (NBR), and the Dhaka and Chittagong City Corporations. In addition, e-payment has been enabled for all services provided through the OSS. DPC3 will support further implementation of the OSS program.</p> <p>43. DPC2 also supports the GoB's progress in reforming the Companies Act. The archaic Companies Act, the main body of which has stood since 1913, is plagued by lack of regulatory clarity in explaining business processes, limited provision for integrating modern financing instruments, and onerous business entry and exit procedures. An amendment to the Companies Act was passed by Parliament in February 2020, speeding company registration by eliminating the requirement for a company seal. A further and more substantive set of amendments that both eliminate further administrative requirements but also address barriers that restrict entrepreneurship and prevent businesses from operating formally, limiting their access to finance and judicial protection, has received Cabinet</p>
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		approval and is expected to be enacted by July 2020. These amendments cover: i) introduction of a single-person company; ii) provisions for submission of electronic documents; iii) extension of notification for annual general meetings; and, iv) introduction of new governance related to extraordinary general meetings. Upon enactment, amendments in the Companies Act can have an immediate impact on the business environment, as they require no further enabling rules or institutions.
PA 2	250/10	<p>Prior Action 2: The National Board of Revenue (NBR) has: (i) issued a set of rules and directives to support ongoing customs modernization initiatives; and, (ii) received approval from the Ministry of Public Administration (MoPA) for establishment of a dedicated unit responsible for implementing a risk management approach across customs. DPC3 Trigger: The Ministry of Finance has issued the necessary legal provisions required to implement, operationalize, and maintain the National Single Window.</p> <p>48. Expected results: The above actions are expected to contribute to a lower share of shipments being inspected by border authorities and faster and more predictable processing times for importing and exporting. This will contribute to job creation by enhancing the competitiveness of exporters as well as firms using imported inputs to sell in the domestic market. Women-owned businesses are expected to benefit disproportionately, as formally established female-headed businesses are more likely to export and import than male-headed businesses.<sup>33</sup> Moreover, automation helps women-owned businesses overcome time and mobility constraints as well as gender biases.</p> <p><u>Trade facilitation.</u> 45. Introducing a modern customs regime is critical to support GVC integration and facilitate a trade-led recovery. Despite the sharp decline in global trade as a result of the COVID-19 crisis, trade expansion remains fundamental to the GoB's plans to generate large-scale waged employment over the medium term. Indeed, rapid response to re-emerging export demand will be particularly critical for the recovery phase in countries like Bangladesh. In this context, improving trade facilitation is a top priority. Bangladesh's customs regime, which fails to exploit the opportunities of automation and risk-based approaches, is increasingly a binding constraint to the expansion of export-oriented industry. Bangladesh ranks 176th of 190 economies in the 2020 Doing Business 'trading across borders' indicator, by far the worst-performing country in South Asia and far behind landlocked countries like Bhutan (30th) and Nepal (60th), as well as India, (68th). Delays in clearing processes and non-procedural hassles raise greater barriers for female traders.<sup>30</sup> Female entrepreneurs in Bangladesh highlight the importance of simplification and harmonization of customs documentation and automation of trade procedures.<sup>31</sup></p> <p>46. DPC1 set the stage for modernization initiatives through the preparation of a new Customs Act. After being delayed for a number of years, the GoB was able to align stakeholders on the importance of customs reform in 2018, receiving final Cabinet approval and submitting to</p>

		<p>Parliament the new Customs Act (replacing the Customs Act 1969). The new Act allows for more efficient trading and provides legislative coverage for critical initiatives such as the introduction of risk management and the National Single Window (NSW), including provisions for electronic information exchange, improved inter-agency coordination, and strengthened governance.</p> <p>47. DPC2 supports implementation of customs reforms through new customs rules and the establishment of a risk management unit. Since 2018 NBR introduced a number of key rules, standing orders, and directives required to implement the customs modernization reforms which are underpinned by the new Customs Act but which are also able to be effective under the existing Customs Act, including: Authorized Economic Operator Rule; Customs De Minimis Rules; Transactions-based Post Clearance Audit; Standing Order for Confiscated Goods Disposal; Intellectual Property Enforcement Rules; Electronic Seal &amp; Lock Rule; and a directive on the use of Time Release Studies. Three additional rules<sup>32</sup> have been approved by NBR and are awaiting final processing to be issued when the Customs Act is enacted by Parliament (initially expected in the April session, but delayed due to the GoB COVID-19 shutdown). The Customs Risk Management Rule will come into effect when GoB reopens, as DPC2 also supported the establishment of a Customs Risk Management Unit in NBR, which will be responsible for consignment, conveyance and passenger, including crew targeting intelligence, data analytics, financial risk management, and international coordination, risk profiling and other risk management activities. DPC3 will provide the legal and institutional basis for implementation of the NSW, which requires coordination among the 39 agencies and 12 ministries involved in border management.</p>
PA 3	250/10	<p>Prior Action 3: The NBR has: (i) approved operational policies and processes to improve efficiency and transparency of the bonded warehouse regime, including licensing, audit, management, and reconciliation; and (ii) issued guidelines on the application of risk management principles to the bonded warehouse regime. DPC3 Trigger: The NBR has: (i) introduced an automated bond licensing and reconciliation system to improve efficiency and transparency; and (ii) issued a revised bonded warehouse policy for non-RMG sectors, including leather goods and footwear.</p> <p>52. Expected results: The above actions are expected to increase transparency and efficiency of the SBW program – for example the process for issuing bond licenses is expected to be reduced from 15 steps to just 4, while the process for the passbook registry will be reduced from 16 steps to 6. This is expected to enable more firms, particularly from sectors outside RMG, to benefit from the SBW regime, supporting expansion in labor intensive, export-oriented manufacturing sectors.</p> <p><u>Bonded warehouses</u> 49. Bangladesh’s special bonded warehouse (SBW) regime, widely recognized as a catalyst for the development of the RMG sector, has not been exploited to support other sectors. The SBW regime</p>



		<p>has enabled RMG firms to integrate in global value chains by availing duty-free imports for export production. However, while there are no specific legal or policy provisions that restrict the use of the facility, in practice there remain major barriers to availing SBW outside of RMG (which accounts for 90 percent of all license holders), including: shorter audit cycles; inability to bond multiple premises on one license; and requirement to finance the costs of on-site Bond Commissionerate staff. Moreover, lack of transparency and inefficiencies in SBW procedures impose barriers on new firms and sectors while raising costs for all participants. The operation of the regime is completely paper-based, and authorities exercise 100 percent transaction-by-transaction control, rather than relying on risk management systems, making the process burdensome for both the licensee and Customs officials.</p> <p>50. The first operation in the DPC series supported information provision to help establish a level playing field and strengthen the basis for a more effective SBW regime, complementing the GoB-financed SBW automation and business process reform project. The NBR published on its website summarized steps and rules of SBW processes, along with the full set of rules that govern the program in order to provide greater transparency to firms looking to make use of the SBW regime, particularly from outside the RMG sector. In parallel, the NBR began implementation of a US\$10m GoB-financed project to improve efficiency and automate SBW processes, including bond license issuance, audit, management, reconciliation, and renewal. Substantial progress has been made on the project, with the business process review having been completed and all recommendations consulted with stakeholders.</p> <p>51. DPC2 and DPC3 build on the results from the business process review and establish new policies and procedures to improve access to the SBW regime for key sectors and improve overall efficiency of the program. DPC2 emphasizes getting an approved process and underlying policies for effective implementation of the bond automation initiative, including simplification of the bond license, audit, management, and reconciliation system. It also supports the approval of guidelines to implement risk management practices in the SBW program. DPC3 supports the introduction of an automated bond licensing and reconciliation system to improve efficiency and minimize leakage, along with introduction of new, simplified policies that better aligns non-RMG export sectors with the SBW regime for RMG.</p>
PA 4	250/10	<p>Prior Action 4: The Ministry of Commerce has published guidelines for compliance of social and environmental (including energy and water consumption) standards for the leather and the light engineering / plastics sectors. DPC3 Trigger: The Department of Environment has developed guidelines for the assessment, implementation, supervision, monitoring, and reporting of occupational health and safety and community health and safety risks as part of Environmental Impact Assessment guidelines.</p>

	<p>Environmental, safety, &amp; health standards 53. Bangladesh’s industry-led development path supported through Pillar A is expected to have strong, positive impacts on job creation and poverty reduction, but it may have negative spillovers in terms of rising GHG emissions and increased environmental and health risks. For example, while job creation through manufacturing sector growth facilitates adaptation to climate change, it also raises demand for electricity consumption (which may come increasingly through fossil-fuel based generation), puts pressure on water resources, increases solid waste, and increases demand for transport. At the same time, there is a great opportunity for Bangladesh industry to begin adopting international standards and practices for energy efficiency and environmental management. Indeed, moving quickly to adopt international standards is increasingly a requirement for entry into the GVCs Bangladesh’s exporters target. Moreover, the COVID-19 crisis has underscored the importance of considering how potential health impacts of operations, both on workers and communities, are managed and mitigated.</p> <p>54. DPC1 helped establish the fiscal and regulatory basis for strengthened environmental policy and greater consideration of how public policy and investment addresses climate change. Environmental policy regulating industries was strengthened through an update of the National Environmental Policy in October 2018. This was complemented by the rollout of Climate Budgeting, including the publication of a Citizen’s Climate Budget in August 2018, which improved the transparency of government spending and signaled the importance of investing to address climate change.</p> <p>55. DPC2 supports issuing guidelines for compliance with national, regional, and global standards for environmental and social management practices in emerging manufacturing sectors. These guidelines, which target the export-oriented supply chain in manufacturing sectors – including leather, plastics, and light engineering – have been developed through the Ministry of Commerce (MoC), in consultation with: the Ministry of Industries (Mol); the Ministry of Environment, Forest and Climate Change; the Ministry of Labour and Employment (MoLE); and the Sustainable and Renewable Energy Development Authority. In addition to addressing environmental standards in production and waste management, they include guidelines to improve efficiency in energy and water use to fulfill the industry efficiency and sustainability targets, in line with Bangladesh’s Nationally Determined Contributions. In the leather sector, this Prior Action has been complemented by Cabinet adoption of the Leather Sector Policy in September 2019, which puts a priority on environmental compliance. The guidelines on environmental and social management practices will be followed up in DPC 3 with actions strengthen occupational health and safety systems, with a specific emphasis on containing the spread of COVID-19 virus and protecting workers and surrounding communities to support recovery and strengthen resilience in these sectors.</p>
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<p>Pillar B: Strengthening systems that protect workers and build resilience</p>		<p>56. Pillar B builds on DPC1 actions to increase protection of Bangladeshi workers and includes new actions to strengthen and expand of safety nets in response to the COVID-19 crisis. Support to increase investment in Pillar A is expected to contribute to more and higher quality (waged) jobs. However, most employees in Bangladesh work in conditions of significant vulnerability, with few having access to written contracts, appropriate occupational health and safety standards, and social insurance. Bangladeshis working outside the formal sector – including non-formal wage workers, daily laborers, and low-income self-employed – face even greater vulnerability, with low productivity, poor working conditions, and highly volatile earnings. In the context of the COVID-19 crisis, there is an urgent need to protect the earnings of both formal and informal workers, particularly those who are not already covered by social safety nets. This pillar builds on the Bank’s broad engagement with the GoB in strengthening social protection and labor market systems (see Box 1 in Section 4.3). It supports improved job quality through new interventions and enhanced implementation of existing laws and standards, including: (i) protecting the earnings of workers in labor-intensive export sectors whose jobs are threatened by the COVID-19 crisis through low interest loans to employers, which are earmarked for wage payments; (ii) providing a cash transfer to low-income informal workers who have lost earnings due to the COVID-19 crisis, as an initial step in expanding access to safety nets in urban areas; and, (ii) building on DPC1 labor law reforms to expand protection of workers and strengthen capacity to enforce labor regulations.</p>
<p>PA 5</p>	<p>250/10</p>	<p>Prior Action 5: The Recipient’s central bank (Bangladesh Bank), has initiated the roll-out of a financing scheme to enable employers in export industries to maintain wage and allowance payments to workers affected by the COVID-19 crisis. DPC 3 Trigger: The Ministry of Labor and Employment has initiated a pilot of the EII scheme in at least one export-oriented sector.</p> <p>Expanding safety nets for formal and informal workers</p> <p>57. The COVID-19 crisis threatens millions of jobs in the critical export manufacturing sectors covered in Pillar A of this operation, with young female workers facing the biggest risks. With the collapse in demand from key buyers in Europe and the US, Bangladesh’s exporters, particularly in the RMG sector – who operate with tight margins and have large amounts of capital tied up in inputs – face a severe cash crunch. As of early April 2020, more than US\$3 billion in existing production orders had been cancelled and future orders put on hold<sup>34</sup>. While some factories remain open, thousands have been forced to shut. This puts potentially millions of workers, mainly young females many of whom have relocated to Dhaka and Chittagong, in a highly vulnerable situation. It also cuts off remittances to rural areas, thus transmitting the shock across Bangladesh. Finding a way to maintain employment and earnings during the shutdown is critical not only to protect these workers but also to enable the factories to re-start quickly and maintain productivity once orders return.</p>

	<p>58. DPC2 supports the GoB’s intervention to assist employers to maintain paying wages for workers in export industries impacted by the crisis. The initiative launched in April 2020, provides BDT50 billion (US\$588 million) in working capital credit to export-oriented employers exclusively to cover salaries and allowances for workers (management is excluded) for an initial period of up to three months. Workers would receive payments for salary at reduced rates according to the labor legislation<sup>35</sup> plus allowances (e.g. housing, transport, food). The level of payment per worker would vary but may average around US\$150 for a basic shop-floor operative. At the current level of funding, the scheme is expected to cover up to 3.5 million beneficiaries. The program will be financed from the budget and implemented through the banking system. Specifically, the Ministry of Finance will provide capital to Bangladesh Bank, which will establish a refinancing fund for commercial banks at zero percent interest. Commercial banks will onlend to businesses at a 2 percent interest rate, which banks will retain to cover administrative costs. Commercial banks will bear the credit risk of the loans. Loans will have a two-year term with a 6-month grace period. While the loans are to be taken out by firms, the proceeds are to be distributed directly to the bank accounts or mobile financial service accounts (e.g. bKash) of individual workers and verified by National ID cards. This ensures that all payments from the scheme go directly to workers. Bangladesh Bank has advised the factory owners to help workers who do not have a bank account to get one. To support implementation of this intervention, the GoB will declare mobile financial services as essential ‘emergency services’ to allow mobile financial services to operate during the government-imposed shutdown. This will contribute to supporting continuity of safety net payments in future climate-induced natural disasters. The GoB is expected to continue adapting its response measures as the situation evolves and further extension of support is not precluded.</p> <p>59. DPC3 will support efforts to further expand safety nets for workers in key export sectors. While the DPC2 action is designed specifically in response to COVID-19, it provides an important test case of how the GoB may begin building a network of safety nets to support workers, starting first with wage workers in critical export sectors. While developing a fully-fledged unemployment insurance system is still some ways off, one area in which efforts have been ongoing is on compensation to worker’s for employment injuries. Some agreed mechanisms for injury compensation are addressed in the 2018 Labour Law amendments; and another scheme exists specifically for RMG. However, the existing modalities are not effective or sustainable for either workers or employment. At present, workers and their families must seek payment directly from employers, raising the risk of non-compliance. A national EII scheme that spreads risks across all employers<sup>36</sup> will help minimize risks to workers while reducing uncertainties for employers. MoLE initiated cooperation with ILO and GIZ in 2015 to initiate the EII reform program, which includes a Tripartite working arrangement with employers and workers representatives</p>
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PA 6	250/10	<p>Prior Action 6: The Recipient has established a new cash transfer scheme targeted to informal workers whose earnings have been affected by the COVID-19 crisis. DPC 3 Trigger: The Recipient has initiated a new cash transfer program or extended existing cash transfer programs in poor urban areas.</p> <p>63. Expected results: The actions above are expected to improve the livelihoods of low wage and poor workers during the crisis. This is expected to have a particularly strong impact on female workers, who are over-represented export sector jobs, and on urban informal workers who are most at risk from the mobility restrictions resulting from the crisis. Over time, the actions are expected to contribute to establishing a broader and more structured safety nets system in Bangladesh, promoting improved livelihoods, greater labor mobility, and higher productivity. Labor standards and enforcement.</p> <p>60. The measures taken to contain the COVID-19 crisis have affected millions of workers beyond formal waged workers in the export sector. Mobility restrictions and the extended shut down of government and private businesses is jeopardizing the livelihoods of informal wage workers, daily laborers and self-employed individuals, especially in urban areas, as demand for their services collapsed (e.g. transport, construction, retail, or food services). Finding a way to ensure minimum earnings for these workers, through income support, is critical not only to protect these workers from falling into extreme poverty, but also to prevent the depletion of their accumulated human and productive capital. Indeed, it is essential that affected households do not resort to selling productive assets, foregoing important health care as needed, or losing their housing and safety. This is critical to ensure recent gains in poverty reduction and human capital accumulation are not lost during this crisis.</p> <p>61. The Bank is working closely with the GoB to strengthen safety nets, with an increasing focus on the urban poor. Bangladesh’s current system of safety nets has a strong rural focus; coverage in urban areas is significantly lower than in rural areas<sup>37</sup>. With urbanization continuing to accelerate and climate-induced internal migration swelling the ranks of the urban poor, GoB has put the expansion of safety nets in urban areas at the heart of its National Social Security Strategy (2015). The Bank is providing both financial and technical support to assist in strengthening design, targeting, and efficiency of safety nets in Bangladesh (see Box 1 in Section 4.3) and has identified urban safety nets as a critical gap to be addressed.</p> <p>62. DPC 2 supports a GoB initiative to expand safety nets to the urban informal sector through a cash transfer to low-income informal workers, day laborers, and self-employed individuals whose earnings have been impacted by the crisis. As part of the COVID-19 response, the GoB has initiated an unconditional one-time BDT 2,000 (approximately US\$24) cash transfer targeted to informal sector workers, predominantly in urban areas,</p>
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		<p>with an initial budget provision of BDT 7.6 billion (approximately US\$90 million). The scheme is targeting to reach around 3 million beneficiaries and payments will be made, as under PA5, through electronic transfers to bank accounts or mobile financial services. The Ministry of Disaster Management &amp; Relief (MoDMR) will be responsible for implementation, working under the direction of the PMO. District Commissioners are working with MoDMR in preparing the list of beneficiaries, which will target low earning day laborers, construction workers, hawkers and market workers, rickshaw/van pullers, transport workers, and hotel workers. While implementation of this scheme – which requires large-scale enrolment of beneficiaries – will face challenges, it also represents an opportunity to build an expanded registry of safety nets recipients and put in place mechanisms for cash transfer payments via mobile bank accounts. This can contribute to the broader reforms of improved management and targeting of safety net programs (in particular by ensuring inter-operability with the National Household Database), as well as means to quickly deliver cash assistance, and provide a strong platform for expansion of the safety nets program in urban areas, an increasing area of priority in the Bank’s support to GoB on safety nets. As with Prior Action 5, the use of mobile payments will contribute to ensuring continuity of safety net payments in future climate-induced natural disasters. DPC3 will support expansion of safety net programs in urban areas.</p>
PA 7	250/10	<p>Prior Action 7: The Ministry of Labour and Employment has launched nationally and across sectors the Labor Inspection Management Application (LIMA), which includes mechanisms for feedback from workers and online reporting of inspection results. DPC3 Trigger: The Recipient has strengthened the capacity of DIFE to enforce remediation for violations of labor and safety regulations.</p> <p>67. Expected results: The actions above are expected to contribute to greater access of workers to the benefits of formality, including contracts, access to clearly established compensation and benefits, and redress for grievances. They will also help ensure that the de facto environment regulating worker protection is more closely aligned with existing laws and regulations.</p> <p>64. Bangladesh continues to lag both in the legal protection of workers and in the enforcement of existing labor laws. The 2013 Rana Plaza tragedy, the largest but by no means only example, illustrated major gaps in workplace safety and highlighted the lack of effective mechanisms to compensate workers for workplace accidents. Problems with working conditions go well beyond safety. Female workers in lowskill jobs tend to be most vulnerable and routinely face longer working hours, harassment, and lack of access to maternity and family leave. And while women are legally protected from sexual harassment in the workplace, concern over harassment and gender-based violence (GBV) is among the most commonly cited barriers to labor force participation by low income women<sup>38</sup> .</p>

	<p>65. Following on from commitments made to the ILO and partners in the Sustainability Compact, the GoB enacted significant amendments to its Labour Act under the first DPC operation. The Labour Act (Amendment) 2018 brought Bangladesh into compliance with key ILO conventions and addressed a number of critical issues, including: (i) banning any form of labor for children under the age of 14; (ii) reducing barriers to workers establishing unions; (iii) initiating mandatory four-week paid maternity leave; (iv) doubling statutory compensation in the event of workplace injury or death; and, (v) providing increased autonomy for the Department of Inspections of Factories and Establishments (DIFE). This was complemented by passage of the Export Processing Zones Labor Act 2019 in February 2019, which extends most of the provisions of the new Labour Act amendments to Bangladesh’s Export Processing Zones, Special Economic Zones, and Hi-Tech Parks.</p> <p>66. Following on from this, DPC2 and DPC3 focus on strengthening the GoB’s capacity to monitor and enforce labor regulations. DPC2 supports strengthening enforcement capacity of the labor inspectorate (DIFE) through the national rollout of a Labor Inspections Management Application (LIMA), developed with support from the ILO. LIMA also includes a mechanism for workers to (anonymously) file grievances or reports to DIFE about workplace issues – including sexual harassment and incidents of GBV. It also supports publication of regular inspection reports to increase transparency of the process. DPC3 will support actions to complement the strengthened autonomy of DIFE with measures to improve enforcement capacity on the ground.</p>
<p>Pillar C: Improving policies and programs to enhance access to jobs for vulnerable populations</p>	<p>68. Pillar C expands and supports implementation of DPC1 actions to strengthen programs and institutions that support youth, women, and overseas migrants to access current and emerging job opportunities. While the COVID-19 crisis may disrupt programs targeting women, youth, and migrants in the short term, it also makes it all the more important to improve their effectiveness to prepare for the recovery, as these target groups are likely to bear the brunt of the COVID-19 impact on labor markets. At present, many GoB and donor programs are in place to support these target groups but they are fragmented, poorly coordinated, and lack robust institutional support. Efforts to expand access to employment opportunities would help poor households diversify their sources of income and assist those impacted by the effects of climate change to find alternative livelihoods. Pillar C aims to strengthen existing institutions and programs, including: (i) expanding on DPC1 support to overseas migrants to address policy gaps contributing to high migration costs; and, (ii) following on from DPC1 support for the National Skills Development Authority (NSDA) Act to put in place implementing regulations and establish the NSDA institutional authority. The DPC series will also continue to support expanded access to employment for women and the development of the private daycare market by building capacity to establish and enforce quality standards for the provision of daycare services.</p>

PA 8	250/10	<p>Prior Action 8: The Ministry of Expatriates Welfare and Overseas Employment has issued the “Recruitment Agency License and Code of Conduct Rule” and the “Recruitment Agency Classification Rule” and published them in the Official Gazette. DPC3 Trigger: The MoEWOE has established procedures for monitoring and enforcing recruitment agency performance as per the “Recruitment Agency Classification Rule”.</p> <p>74. Expected results: The actions above are expected to lower the costs and risks of temporary overseas migration in the medium-term, leading to greater access and economic returns to migration for a wider range of Bangladeshis. Lowered migration costs will not only increase access to overseas migration for vulnerable households, such as those impacted by climate change for whom local earning opportunities are increasing restricted, but also increase the gains from migration by lessening the debt burden on migrants and their households.</p> <p>Reducing the costs of migration 69. While overseas migration is currently restricted by the COVID-19 crisis, it is expected to remain a key channel for Bangladeshis, increasingly including women, to access job opportunities. In recent years, around 1 million Bangladeshis have gone abroad for temporary employment each year. Remittances from overseas averaged 8 percent of GDP over the last decade (12 times the global average) and have been important for supporting consumption growth and, subsequently, poverty reduction. Overseas employment opportunities are an increasingly important avenue for women – while women accounted for less than 3 percent of outbound migrants in 2006-2008, just one decade later they account for nearly 14 percent. It is expected to become even more important in the future as state-supported female labor migration is pivoting from mostly domestic helpers to higher-skilled caregiver positions.<sup>39</sup></p> <p>70. International migration is also an important mechanism for adaptation to climate change and resilience to climate shocks. Bangladesh’s extreme vulnerability to climate change is expected to have significant impact on poverty<sup>40</sup>. International migration offers an alternative livelihood for rural populations threatened by displacement resulting from climate-induced natural disasters and declining economic sustainability of land. Remittance-receiving households tend to be more resilient to climate shocks due to more diverse income sources, as well as higher incomes. An increasing number of rural households are displaced due to river erosion and workers lose lands for agricultural activities, and they tend to migrate to urban areas or overseas. For instance, five of the districts currently most vulnerable to extreme climate alone account for 10 percent of temporary migrant workers sent overseas in 2007-17.<sup>41</sup></p> <p>71. However, migrants are exposed to high costs and risks. Migrant workers face some of the highest costs of migration in the world, inflated by fees to agents and intermediaries. For example, migration costs on the</p>
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		<p>Bangladesh-Kuwait corridor are estimated to be as high as nine months of wages at the destination, with intermediaries accounting for 70 percent of the costs.<sup>42</sup> High costs of migration exacerbate the vulnerability of migrants at destination, since they are often highly indebted and must remain in employment at the host country, where they may be legally prohibited from changing employers. The risks migrants face in host countries has been highlighted sharply during the COVID-19 crisis, as reports indicate up to 150,000 Bangladeshi migrants in the GCC have lost their earnings but are also unable to return home due to mobility restrictions, contractual obligations, and financial hardship.</p> <p>72. DPC1 supported legislation to strengthen the institutional capacity to provide improved and expanded services to overseas migrants. The Wage Earners Welfare Board (WEWB) Act 2018 institutionalized WEWB and ensured greater representation from migrants. Most importantly, it gave WEWB a broader mandate to develop and provide services for migrant workers in distress (including legal and medical assistance), and programs for entrepreneurship and career development for returning migrants. Such targeted services will be important for female migrants, who are predominantly domestic workers in the GCC, and who have higher rates of return before contract-end, particularly due to abuse. During the COVID-19 crisis, WEWB has provided humanitarian support to migrants abroad, including food provision and grants, through the Wage Earners Welfare Fund. The MoEWOE has also set aside a Tk2 billion (US\$23.5 million) fund to support migrants who were forced to return to Bangladesh.</p> <p>73. DPC2 and future triggers focus on addressing Bangladesh’s high and exploitative migration costs through better regulation of intermediaries. DPC1 supported legislation to strengthen the institutional capacity to provide improved and expanded services to overseas migrants, notably institutionalizing the Wage Earners Welfare Board (WEWB) and giving it a broader mandate to provide services for migrant workers. DPC2 addresses high migration costs that result from the recruitment system. Specifically, it addresses key parts of 2013 Migration Act that were never implemented, including rules on licensing of recruitment agencies and other intermediaries as well rules regarding classification of agencies and a code of conduct for operations. These rules are critical to enable regulation of the industry, allowing for monitoring and enforcement of improper and illegal practices.</p>
PA 9	250/10	<p>Prior Action 9: The Recipient has put in place the necessary legal and institutional measures to enable the NSDA to operate, including: (i) an approved staffing organogram; (ii) the NSDA Rule; and, (iii) guidelines for registration of training institutions and for management of the National Human Resource Development Fund. DPC3 Trigger: The NSDA has established a mechanism to ensure sustainable financing of Industry Skills Councils.</p>

	<p>78. Expected results: The above actions are expected to result in better targeted training programs that are more relevant to the needs of employers. The actions will increase the availability of quality skills training for the low-skilled unemployed, benefitting youth women, and migrants seeking alternative livelihoods because of climate change impacts. This should contribute to improve access to good jobs by youth, women, and migrants, and raise productivity.</p> <p>Strengthening relevance and coordination of skills development 75. Unemployment and underemployment of youth and women is partly driven by significant skills mismatches in the private sector. While educational outcomes are improving rapidly in Bangladesh, transitions of youth into quality employment is getting more challenging, as reflected in declining youth labor force participation higher youth unemployment, particularly among females.<sup>43</sup> One of the reasons for this is the increasing gap between the skills of school-leavers and the needs of employers. Women are less likely than men to have technical skills that open the door to quality jobs. And young people in regions and sectors impacted by climate change and other shocks (including COVID-19) increasingly must reorient their skills to capture opportunities in the urban labor market. The ability of skills-development systems to address these mismatches is challenged by the youth bulge and rapidly changing technologies, as well as structural gender inequalities<sup>44</sup>. But it is also constrained by an outdated and poorly coordinated national system for competency development and training. Currently 23 different ministries administer skills training programs; these lack coordination with each other, as well as with industry necessary to ensure that training is relevant to employer needs.</p> <p>76. The National Skills Development Authority (NSDA) Act (DPC1) is expected improve coordination and relevance of the programs targeting skills development for youth. Enactment of the NSDA Act in 2018 provides the legal and institutional basis for implementing the National Skills Development Strategy. The NSDA operates as an autonomous agency under the Prime Minister, establishing and approving competency standards and coordinating training and skills development programs, including through the Industry Skills Councils. It also provides a focal point to implement targeted efforts to reach more women through skills development initiatives, in order to reduce the gender gap in skills.</p> <p>77. DPC2 supports effective implementation of the NSDA Act, with a focus on institutionalizing the NSDA, while DPC3 triggers focus on financial sustainability. Actions under DPC2 support issuing regulations and guidelines for the NSDA’s operation. This includes approved rule and organogram of NSDA and establishing an enhanced financing mechanism to channel financing for skills development through the National Human Resources Development Fund. The mechanism for registering skills training provider under the NSDA will be defined through approved registration guidelines. DPC3 supports full operationalization of the 12 Industry Skills</p>
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		Councils, through the establishment of sustainable funding mechanisms, co-financed with industry, and with clear tripartite governance structures
PA 10	250/10	<p>Prior Action 10: The Cabinet has approved the draft Child Daycare Act. DPC3 Trigger: The MoWCA has established an institutional structure to oversee regulation of daycare facilities.</p> <p>81. Expected results: The above actions are expected to establish the institutional capacity for regulating the child daycare sector in Bangladesh. Within the timeframe of the program, it can be expected that the institutional framework will be established. Licensing and regulation of daycare centers may be initiated by 2022, beginning with publicly financed centers (currently, 94 are operational, with another 60 being planned) and moving on to pilot with existing NGO-supported centers before rolling out to privately-operated facilities. The actions should result in an increased number of daycare centers meeting quality requirements. International evidence indicates that improved access to quality childcare has a significant impact enabling mothers with young children to participate in the labor force and increase the hours of work<sup>49</sup>. In addition, given that the majority of caregivers and teachers in daycare centers are females, development of the sector will create significant job opportunities for women.</p> <p>Increasing access to childcare for working women <sup>79</sup>. Access to quality and affordable childcare services represents a significant barrier to women’s labor force participation in Bangladesh. Women’s labor force participation in urban areas drops dramatically upon marriage and still further with the presence of young children. 77 percent of inactive women (versus 13 percent of inactive men) report housework and care of family responsibilities as the primary reason for inactivity<sup>45</sup>. Even among working women, the average hours in work are significantly lower for married women with children compared to single women. One of the major constraints to female labor supply among mothers with young children is lack of systematic provision of public or private daycare services. Just over 20 percent of women working in firms with 250 or more workers indicate they have access to childcare services<sup>46</sup>; this falls to well below 10 percent for women working in smaller firms<sup>47</sup>. While there are financial and cultural barriers to availing daycare services, there also exist legal and institutional restrictions, including absence of policies for licensing and regulating childcare service standards, and of effective enforcement or incentives to promote their establishment and use<sup>48</sup>. These limitations particularly impinge on women in urban areas, including those displaced due to climate related risks, as they likely lack social networks and kinship that often provide support with childcare.</p> <p>80. The Child Daycare Act will play an important role in helping create a market for quality daycare services in Bangladesh. Daycare centers in Bangladesh outside the small number that are GoB-run are not licensed under any regulatory regime other than standard trade licensing, leading to</p>

		<p>no clear standards or ability to monitor adherence to standards. This is has contributed to lack of consistent quality among daycare facilities and to significant uncertainties for working families. It has also acted as a barrier to quality private investment in a market that is expected to grow rapidly in the coming decades. To address this, The Ministry of Women and Children Affairs (MoWCA) has prepared a Child Daycare Act which provides the basis for licensing and regulating public and private childcare services. The Act – which has been drafted based on similar legislation in countries such as Malaysia, Singapore, and Australia, among others – establishes common standards for licensing and regulation of public (including government-run and government-subsidized) and private daycare centers, setting out standard operating procedures in daycare centers and key physical requirements to ensure the environment of childcare centers is conducive for children’s physical, emotional, and cognitive development. The Act has received Cabinet approval and is expected to be enacted by July 2020. Following this, DPC3 will also support putting in place the institutional structure to regulate the emerging market for daycare services.</p>
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<b>Climate Change Co-benefits section</b>
None provided.

<b>Greenhouse Gas Accounting</b>
None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA 1	250/10	0	0	0	0	<p>Pillar 1 “supports rapid recovery from the COVID-19 crisis by strengthening the environment for job-creating private investment and promoting exports, while helping mitigate environmental and climate change impacts of industrial expansion”.</p> <p>The outcome of PA 1 is “(i) The Prime Minister’s Office has issued the “One Stop Service (Bangladesh Investment Development Authority) Rules, 2020” and published them in the Official Gazette; and, (ii) The Cabinet has approved draft amendments to the Companies Act, including provisions to allow for single-person companies, speed business</p>

						<p>registration, and strengthen corporate governance.”</p> <p>Project documentation provides no link between PA 1 and the provided vulnerability context and therefore adaptation co-benefits cannot be counted. Neither adaptation, resilience nor vulnerability are mentioned and no expected results reference adaptation or mitigation.</p> <p>There is no evidence of mitigation-relevance.</p>
PA 2	250/10	0	0	0	0	<p>The outcome of PA 2 is “The National Board of Revenue (NBR) has: (i) issued a set of rules and directives to support ongoing customs modernization initiatives; and, (ii) received approval from the Ministry of Public Administration (MoPA) for establishment of a dedicated unit responsible for implementing a risk management approach across customs”.</p> <p>Project documentation provides no link between PA 2 and the provided vulnerability context and therefore adaptation co-benefits cannot be counted. Neither adaptation, resilience nor vulnerability are mentioned and no expected results reference adaptation or mitigation.</p> <p>There is no evidence of mitigation-relevance.</p>
PA 3	250/10	0	0	0	0	<p>The outcome of PA 3 is “The NBR has: (i) approved operational policies and processes to improve efficiency and transparency of the bonded warehouse regime, including licensing, audit, management, and reconciliation; and (ii) issued guidelines on the application of risk management principles to the bonded warehouse regime.”.</p>

						<p>Project documentation provides no link between PA 3 and the provided vulnerability context and therefore adaptation co-benefits cannot be counted. Neither adaptation, resilience nor vulnerability are mentioned and no expected results reference adaptation or mitigation.</p> <p>There is no evidence of mitigation-relevance.</p>
PA 4	250/10	0	0.25	0	6.25	<p>The outcome of PA 4 is “The Ministry of Commerce has published guidelines for compliance of social and environmental (including energy and water consumption) standards for the leather and the light engineering / plastics sectors”.</p> <p>The PA “supports issuing guidelines for compliance with national, regional, and global standards for environmental and social management practices in emerging manufacturing sectors” including “to improve efficiency in energy and water use to fulfill the industry efficiency and sustainability targets, in line with Bangladesh’s Nationally Determined Contributions”.</p> <p>Project documentation provides no link between PA 4 and the provided vulnerability context and therefore adaptation co-benefits cannot be counted. Neither adaptation, resilience nor vulnerability are mentioned and no expected results reference adaptation.</p> <p>The PA is partially relevant towards mitigation due to engagements with energy and water consumption guidelines within manufacturing sectors. The eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking</p>

						<p>is “Brownfield industrial energy-efficiency improvement”.</p> <p>In recognition that two sets of guidelines (or motivations) are to be published, social and environmental, an initial coefficient of 0.5 can be applied in recognition that only the latter motivation is mitigation relevant.</p> <p>Within those environmental guidelines, multiple motivations are expressed, including ensuring general environmental standards in production and waste management, alongside energy efficiency. A further 0.5 coefficient can be applied to recognise these competing motivations, resulting in a final mitigation coefficient of 0.25</p>
PA 5	250/10	0	0	0	0	<p>The outcome of PA 5 is “The Recipient’s central bank (Bangladesh Bank), has initiated the roll-out of a financing scheme to enable employers in export industries to maintain wage and allowance payments to workers affected by the COVID-19 crisis”.</p> <p>The PA “supports the GoB’s intervention to assist employers to maintain paying wages for workers in export industries impacted by the crisis”.</p> <p>It is also stated that, while responding to COVID is the objective, “Bangladesh Bank has advised the factory owners to help workers who do not have a bank account to get one. To support implementation of this intervention, the GoB will declare mobile financial services as essential ‘emergency services’ to allow mobile financial services to operate during the government-imposed shutdown. This will</p>

						<p>contribute to supporting continuity of safety net payments in future climate-induced natural disasters.”</p> <p>The PA is therefore responding to the COVID-19 crisis, yet provides a very weak link between the PA and the provided vulnerability context. In the absence of incremental adaptation costs no adaptation co-benefits have been counted so as to not over-report. This is because the vast majority of finance is assumed to be provided to employers, who can provide it to employees during the crisis, without incremental costs for the facilitation of mobile payments, estimating adaptation co-benefits is not possible.</p> <p>No evidence of mitigation relevance.</p>
PA 6	250/10	0	0	0	0	<p>The outcome of PA 6 is “The Recipient has established a new cash transfer scheme targeted to informal workers whose earnings have been affected by the COVID-19 crisis.”.</p> <p>The PA “supports a GoB initiative to expand safety nets to the urban informal sector through a cash transfer to low-income informal workers, day laborers, and self-employed individuals whose earnings have been impacted by the crisis” where “climate induced internal migration swelling the ranks of the urban poor”.</p> <p>It is also stated that, while responding to COVID is the objective, “[The PA] can contribute to the broader reforms of improved management and targeting of safety net programs (in particular by ensuring inter-operability with the National Household Database), as well as means to quickly deliver cash assistance, and provide a strong</p>



						<p>platform for expansion of the safety nets program in urban areas, an increasing area of priority in the Bank's support to GoB on safety nets. As with Prior Action 5, the use of mobile payments will contribute to ensuring continuity of safety net payments in future climate-induced natural disasters. DPC3 will support expansion of safety net programs in urban areas."</p> <p>The PA is therefore responding to the COVID-19 crisis, yet provides a very weak link between the PA and the provided vulnerability context. In the absence of incremental adaptation costs no adaptation co-benefits have been counted so as to not over-report. This is because the vast majority of finance is assumed to be provided to employers, who can provide it to employees during the crisis, without incremental costs for the facilitation of mobile payments, estimating adaptation co-benefits is not possible.</p> <p>No evidence of mitigation relevance.</p>
PA 7	250/10	0	0	0	0	<p>The outcome of PA 7 is "The Ministry of Labour and Employment has launched nationally and across sectors the Labor Inspection Management Application (LIMA), which includes mechanisms for feedback from workers and online reporting of inspection results."</p> <p>The PA will "contribute to greater access of workers to the benefits of formality, including contracts, access to clearly established compensation and benefits, and redress for grievances".</p> <p>Project documentation provides no link between PA 7 and the provided vulnerability context and therefore</p>

						<p>adaptation co-benefits cannot be counted. Neither adaptation, resilience nor vulnerability are mentioned and no expected results reference adaptation.</p> <p>No evidence of mitigation-relevance.</p>
PA 8	250/10	0.5	0	12.5	0	<p>PAs 8, 9 and 10 are under Pillar C, which aims to expand and support “actions to strengthen programs and institutions that support youth, women, and overseas migrants to access current and emerging job opportunities.”</p> <p>The outcome of PA 8 is “The Ministry of Expatriates Welfare and Overseas Employment has issued the “Recruitment Agency License and Code of Conduct Rule” and the “Recruitment Agency Classification Rule” and published them in the Official Gazette.”</p> <p>The PA is expected to “lower the costs and risks of temporary overseas migration in the medium-term, leading to greater access and economic returns to migration for a wider range of Bangladeshis. Lowered migration costs will not only increase access to overseas migration for vulnerable households, such as those impacted by climate change for whom local earning opportunities are increasing restricted, but also increase the gains from migration by lessening the debt burden on migrants and their households.”</p> <p>An expected result of the PA is “Lowered migration costs will not only increase access to overseas migration for vulnerable households, such as those impacted by climate change for whom local earning opportunities are increasing</p>

						<p>restricted, but also increase the gains from migration by lessening the debt burden on migrants and their households.”</p> <p>Project documentation evidences that adaptation is not the fundamental objective of the PA, yet provides an (indirect) link between PA 8 and the provided vulnerability context. Without incremental adaptation costs or further granularity in the form of activities, aims and motivations, an adaptation coefficient of 0.5 has been applied to reflect that adaptation is not the main objective of the PA.</p> <p>No evidence of mitigation-relevance.</p>
PA 9	250/10	0.5	0	12.5	0	<p>PAs 8, 9 and 10 are under Pillar C, which aims to expand and support “actions to strengthen programs and institutions that support youth, women, and overseas migrants to access current and emerging job opportunities.”</p> <p>The outcome of PA 9 is “The Recipient has put in place the necessary legal and institutional measures to enable the NSDA to operate, including: (i) an approved staffing organogram; (ii) the NSDA Rule; and, (iii) guidelines for registration of training institutions and for management of the National Human Resource Development Fund.”</p> <p>One motivation (among may) of the PA is that “young people in regions and sectors impacted by climate change and other shocks (including COVID-19) increasingly must reorient their skills to capture opportunities in the urban labor market”.</p>

						<p>An expected result of the PA is “better targeted training programs that are more relevant to the needs of employers. The actions will increase the availability of quality skills training for the low-skilled unemployed, benefitting youth women, and migrants seeking alternative livelihoods because of climate change impacts.”</p> <p>Project documentation evidences that adaptation is not the fundamental objective of the PA, yet provides an (indirect) link between PA 9 and the provided vulnerability context. Without incremental adaptation costs or further granularity in the form of activities, aims and motivations, an adaptation coefficient of 0.5 has been applied to reflect that adaptation is not the main objective of the PA.</p> <p>No evidence of mitigation-relevance.</p>
PA 10	250/10	0	0	0	0	<p>PAs 8, 9 and 10 are under Pillar C, which aims to expand and support “actions to strengthen programs and institutions that support youth, women, and overseas migrants to access current and emerging job opportunities.”</p> <p>The outcome of PA 9 is “The Cabinet has approved the draft Child Daycare Act.”</p> <p>Project documentation provides no link between PA 10 and the provided vulnerability context and therefore adaptation co-benefits cannot be counted. Neither adaptation, resilience nor vulnerability are mentioned and no expected results reference adaptation or mitigation.</p> <p>There is no evidence of mitigation-relevance.</p>

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
21.3	25.0	17.4%	6.3	6.5	3.2%

Reported climate finance	Assessed climate finance	Error
27.6	31.5	14.1%

**Project Number: P174008**

<b>Project Name</b>
Benin First Fiscal Management and Structural Transformation Development Policy Operation: Supplemental Financing
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/204891593482668331/benin-first-fiscal-management-and-economic-transformation-development-policy-operation-additional-financing">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/204891593482668331/benin-first-fiscal-management-and-economic-transformation-development-policy-operation-additional-financing</a> (Program Document)
<b>Financing Instrument</b>
Development Policy Financing
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Prior Action

<b>Climate Change Vulnerability Context</b>
N/A
<b>Intent to Address Vulnerability</b>
N/A
<b>Link to Project Activities</b>
N/A
<b>Incremental Cost?</b>
N/A

Name	Value	Description
PA 1	50/9	Prior Action #1. To increase tax revenue, the Recipient's President has adopted a decree transmitting to Parliament the Budget Law 2020: (i) elimination the exemptions of fees on property transactions, by re-institution of a 5 percent fee; (ii) increasing the excise tax rates on tobacco, alcoholic beverages, energy drinks and fruit juices; and (iii) increasing
PA 2	50/9	Prior Action #2. To improve tax administration, the Recipient's MEF has (i) adopted an arrêté which (i) sets up certification terms for an electronic tax payment system used by companies; issued (ii) a circulaire which contains its technical specifications; and (iii) a circulaire that expands electronic notification and payment coverage to medium-sized businesses located in the Littoral, Atlantique and BorgouAlibori departments of the Recipient's territory.
PA 3	50/9	Prior Action #3. To improve debt management, the Recipient's MEF has adopted an arrêté on external borrowing requiring the prior approval of the National Commission for Indebtedness (CNE), through the issuance of a formal opinion, on the basis of (i) a face-to-face meeting for the approval of non-concessional or commercial loans, and concessional loans greater than FCFA 67 billion; or (ii) a virtual consultation by mail for other concessional loans.
PA 4	50/9	Prior Action #4. To improve the technical performance of SBEE, the Recipient's Ministry of Energy, and MEF have approved a recovery plan for the electricity

		sector for the period 2019- 2022, including policies to reduce technical and non-technical losses.
PA 5	50/9	Prior Action #5. To ensure the financial balance of the SBEE, the Recipient has (i) initiated a process to ensure that electricity bills are paid regularly to SBEE by public sector companies (PSEs) by signing Memoranda of Understanding with OGSB; and (ii) approved an interministerial arrêté establishing a compensation mechanism under which it ensures the periodic payment of the revenue gap arising from electricity tariffs approved by the regulator and actual tariffs to enable SBEE to achieve its financial equilibrium.
PA 6	50/9	Prior Action #6. To promote renewable energy sources, the Recipient's Council of Ministers has adopted and submitted to Parliament, a draft Electricity Code which includes (i) a chapter on renewable energy and whose objective is to increase its share in the energy mix; and (ii) the designation of the responsible entity for its implementation.
PA 7	50/9	Prior Action #7. To guarantee the quality of digital services, the Recipient's Ministry of the Digital Sector, has adopted an arrêté creating the supervisory body for the trust service providers in accordance with the Recipient's Code du Numérique.
PA 8	50/9	Prior Action #8. To develop digital infrastructure, the Recipient's Council of Ministers has adopted a decree defining the new regulatory framework for the mutualization of Fiber-to-the-Home (FTTH) infrastructure.
PA 9	50/9	Prior Action #9. To promote the use of digital platforms, the Recipient's President has adopted a decree creating and operationalizing the ANSSI.

<b>Climate Change Co-benefits section</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA 1	50/9	0	0	0	0	No evidence of climate relevance.
PA 2	50/9	0	0	0	0	No evidence of climate relevance.
PA 3	50/9	0	0	0	0	No evidence of climate relevance.
PA 4	50/9	0	0.5	0	2.78	<p>The prerequisite of PA 4 is that the recipient has approved a recovery plan for the electricity sector for the period 2019- 2022, including policies to reduce technical and non-technical losses.</p> <p>Where the recipient must improve the technical performance of the electrical utility. In doing so a model must be implemented to improve (1)</p>

						<p>the financial performance of the sector; and (2) to ensure the cost-effective production of electricity, the Recipient has implemented an updated least cost plan for generation, transmission, and distribution.</p> <p>½ motivations/outcomes of the PA is mitigation relevant, and qualifies under the Common Principles for Climate Change Mitigation Finance Tracking, under the eligible activity: “Brownfield efficiency improvement or reduction of CO2e emissions in transmission or distribution of electricity, heat or gas.”</p>
PA 5	50/9	0	0	0	0	No evidence of climate relevance.
PA 6	50/9	0	1	0	5.55	<p>The prerequisite of PA 6 is that the recipient has adopted and put into effect a set of policies to promote sound regulations (including off-grid tariffs, off-grid coverage, incentives) for the introduction of renewable energy, including solar energy, with the participation of the private sector.</p> <p>The PA is therefore entirely mitigation relevant, and qualifies under the Common Principles for Climate Change Mitigation Finance Tracking, under the eligible activity: “National, subnational or territorial cross-sectoral policy actions that aim to lead to climate change mitigation actions or technical support for such actions”</p>
PA 7	50/9	0	0	0	0	No evidence of climate relevance.
PA 8	50/9	0	0	0	0	No evidence of climate relevance.
PA 9	50/9	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
0	0	0%	8.3	8.3	0%

Reported climate finance	Assessed climate finance	Error
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8.3	8.3	0%
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Project Number: P168668

<b>Project Name</b>
Benin First Fiscal Management and Structural Transformation Development Policy Operation
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/538291576465283329/benin-first-fiscal-management-and-structural-transformation-development-policy-financing">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/538291576465283329/benin-first-fiscal-management-and-structural-transformation-development-policy-financing</a>
<b>Financing Instrument</b>
Development Policy Financing
<b>Financial product</b>
Credit, Grant
<b>Lowest level of granularity</b>
Prior Action

<b>Climate Change Vulnerability Context</b>
None provided.
<b>Intent to Address Vulnerability</b>
None provided.
<b>Link to Project Activities</b>
None provided.
<b>Incremental Cost?</b>
N/A.

Name	Value	Description
PILLAR 1: STRENGTHENING FISCAL AND DEBT MANAGEMENT		The objective of this pillar is to heighten revenue mobilization, and improve fiscal and debt management. The World Bank and the IMF are working jointly on supporting the tax mobilization effort by complementing and supporting each other's actions. In the proposed series the focus is on enhanced excise tax rates, including on health damaging products; the elimination of the exemptions of fees on property transactions; and higher income tax rates by adjusting the minimum tax payment in the corporate income taxation. In addition, the Government is making an effort to ensure tax compliance through the introduction of a digital platform for registration, declarations, and payments by the taxpayers. An improved debt management through enhanced regulations will also support debt sustainability. Complementing these measures, the IMF is supporting other revenue-raising measures as part of the budget 2019 and 2020; technical assistance on PFM and SOE reform; and the strengthening of the Medium-Term Debt Management Strategy (MTDS). The sustainability of revenue mobilization efforts will be improved by the strong cooperation and alignment with the IMF interventions.
PA 1		Prior Action 1: To increase tax revenue, the Recipient's President has adopted a decree transmitting to Parliament the Budget Law 2020: (i) eliminating the exemptions of fees on property transactions, by re-institution of a 5 percent fee; (ii) increasing the excise tax rates on

		tobacco, alcoholic beverages, energy drinks and fruit juices; and (iii) increasing the corporate minimum tax by 0.25 percent.
PA 2		Prior Action 2: To improve tax administration, the Recipient's MEF has (i) adopted an arrêté which sets up certification terms for an electronic tax payment system used by companies; issued (ii) a circulaire which contains its technical specifications; and (iii) a circulaire that expands electronic notification and payment coverage to medium-sized businesses located in the Littoral, Atlantique and Borgou-Alibori departments of the Recipient's territory.
PA 3		Prior Action 3: To improve debt management, the Recipient's MEF has adopted an arrêté on external borrowing requiring the prior approval of the National Commission for Indebtedness (CNE), through the issuance of a formal opinion, on the basis of (i) a face-to-face meeting for the approval of non-concessional or commercial loans, and concessional loans greater than FCFA 67 billion; or (ii) a virtual consultation by mail for other concessional loans.
PILLAR 2: IMPROVE THE FINANCIAL SUSTAINABILITY OF THE ENERGY SECTOR		<p>The second pillar in the series consolidates the Government's efforts in supporting the long-term sustainability of the energy sector. The first objective is to improve financial management of the electricity utility SBEE and to facilitate planning for the cost-effective supply of electricity. Together these will improve the power sector's long-term sustainability. The program of policy actions supported under this pillar aims at sustaining the effort started under the previous DPF series. In addition, it aims at promoting the use of renewable energies.</p> <p>Since 2016, the Government has addressed key bottlenecks of the energy sector, starting with the electricity sector. A comprehensive and integrated energy strategy emerged with the support of development partners including the Millennium Challenge Corporation (MCC), with whom the Government signed a US\$375 million Compact (Grant) for the power sector in 2015. Acknowledging that past unreliability of electricity supply in Benin was due to the financial stress and poor performance of its utility distribution company (SBEE), and that of the Togo-Beninese energy importing and transporting company (CEB)<sup>10</sup>, several actions in this regard were supported by the last DPF series. These included the payment of arrears by SBEE to CEB, and the implementation of a Revenue Protection Program for large consumers, which consisted in the installation of either smart meters monitoring consumption or of prepaid meters for other consumers.</p> <p>4.22 More recently, Benin decided to shift towards the domestic generation of clean energy to meet the need for electricity in the country. While the country has benefited from regional energy imports through the binational company owned by Togo and Benin (CEB) for several decades, the Government has decided to focus on domestic generation to reduce dependency on imports and promote energy security. Benin plans to add 500MW of domestic generation, which will include (i) the installation of a 120MW public plant financed by the Islamic Development Bank - which</p>

	<p>became operational in June 2019 operating on heavy fuel oil (HFO) until gas becomes available in 2020; (ii) a 146MW Independent Power Producers (IPP) with private investment located at Maria Gléta 2 to operate on gas (under preparation); and (iii) solar generation through IPPs. The Government's decision to increase energy security is sustainable if the financial equilibrium of the sector is preserved over time. Going forward, Benin would need to implement a recovery plan which covers all aspects of the sector, that is a cleaner and more affordable energy mix, increased revenues through the Revenue Protection Program and improved billing collection, as well as a decrease in costs through a loss reduction program.</p> <p>4.23 Efforts have also been made by Togo and Benin to improve the financial situation of CEB. As of January 2019, both Governments have decided that the two national distribution utilities, SBEE and CEB, will only be responsible for the power importation for their respective countries. To finance its operational and maintenance costs, CEB collects the wheeling charges of CFAF 10 per kWh on the amount of energy transmitted to the distribution networks of Benin and Togo.</p> <p>4.24 Despite such efforts, the sector still faces significant challenges, with the cost of getting electricity ranked among the main bottlenecks for Doing Business (DB) (2019) in Benin. Benin ranked very low (178 out of 190) with respect to the cost of getting electricity in the Doing Business index for 2019, significantly hampering the competitiveness of the private-sector. Access to reliable electricity is limited for private consumers: only 30 percent of households in 2018 had access to electricity, while demand is projected to grow by 7 percent annually. The cost of getting electricity is high in Benin and is 5, 4 and 3 times lower in Cote d'Ivoire, Ghana, and Togo respectively - DB Index. Electricity retail tariffs in Benin are above global averages, even though set below cost-recovery levels, mainly due to the use of expensive rental generators and high technical and commercial losses. The DPF addresses these issues by ensuring the financial sustainability and long-term creditworthiness of the SBEE. This goal requires the gradual alignment of SBEE revenues with (at least) operating costs. Over the past few years, SBEE revenues have covered on average about 80 percent of its operating costs. In the absence of a regular compensation mechanism by the Government to make up the shortfall of revenue, the sector has received subsidies on an irregular basis which has in turn prevented the necessary capital investments. In addition, while the central administration has made successful efforts to pay its electricity bills to SBEE, following the signing of a protocol in 2018, public enterprises have still not followed. Prior actions, Indicative Triggers and Expected Results</p> <p>4.25 To improve the financial viability of the electricity sector, the Government has approved in October 2019 a financial recovery plan for the sector over the period 2019-2022, including policies to reduce</p>
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	<p>technical and non-technical losses (Prior Action 4). The plan has been developed from a financial model integrating all key sector parameters that account for the financial equilibrium of the power sector. Such a plan is critical as the Government embarks on the installation of new national generation capacity, while complementing this effort with intermittent renewable energy. The adoption of the financial recovery plan (with a detailed investment plan, a strategy and financial model) allows the Ministry of Energy and the SBEE to identify and implement medium-term measures that sustain the financial equilibrium of the electricity sector, including a sound energy mix, an increase in revenues, and a program for reducing both technical and non-technical losses.</p> <p>4.26 The Government is also competitively hiring a private administrator, under a performance-based contract, to manage SBEE (Indicative Trigger 4) with the aim of improving efficiency. The financial recovery plan will be reflected in this management contract setting guidelines for efficiency gains with policies addressing the different components of technical losses (distributional, transmission and collection rates), human resources and organizational management, priority investments to reduce losses, a management information system, a revenue protection program to secure billing collection from larger consumers, and expected enhancements in the quality of service to SBEE's customers. Concurrently, the Government will (i) validate a new performance-based contract-plan for SBEE and start its implementation consistent with the model for improving the financial performance of the sector; and (ii) implement an updated least cost plan for generation, transmission, and distribution (Indicative Trigger 4). The preparation and adoption of a least cost generation multiyear plan for generation, transmission and distribution will give visibility and sustainability to the efforts led by the Government to develop generation capacity and improve the transmission and distribution systems satisfying the increasing demand in the medium term in a financially viable manner.</p> <p>4.27 Moreover, the Government has initiated reforms to secure financial equilibrium of SBEE. Building on the efforts supported by the previous DFP series, the SBEE has signed a series of protocols to ensure that public enterprises with low-voltage meters install prepayment meters, while those non-eligible commit to prepayment mechanisms. While those protocols are not legally binding, they encourage the option of installing pre-paid meters that enforce interruption of service if the amount pre-paid is exhausted and not replenished. The installation of prepaid meters follows the signing of the document. Two of such protocols have been signed with large public companies representing about 60 percent of pending arrears to SBEE (Prior Action 5). Additionally, the Government has adopted an arrêté establishing a compensation mechanism under which it ensures the payment of the revenue gap arising from electricity tariffs approved by the regulator and actual tariffs to enable SBEE to achieve its financial equilibrium (Prior Action 5). This action follows a new</p>
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	<p>tariff policy adopted by the Council of Ministers in 2018. It empowers the regulator Electricity Regulatory Agency (Agence Regulatrice de l'Electricite, ARE) to approve a technical tariff in line with the dispositions of the Electricity Code already approved by the Council of Ministers and under judiciary review before its transmission to Parliament. Lastly, it will establish a payment mechanism of the wheeling charge from SBEE to the CEB for transmission of electricity for domestic generation and imports (Indicative Trigger 5). The Government has published reference values for the power wheeling tariff charged by CEB to SBEE for any electricity passing through CEB's transmission grid, based on the costs of the transmission grid. In April 2018, the Haut Conseil Inter-Etatique of the two Governments of Benin and Togo adopted the wheeling charge of FCFA 10 per kWh to compensate CEB on the use of transmission networks (supported by the previous DPO series). While key to increase transparency of tariffs and avoiding hidden subsidies to the SBEE by CEB, the current measures support the formalization of the mechanism through which compensation should take place. The completion of this measure will strengthen the financial situation of CEB, which will be the key transmission utility for both countries. Following the recent submission of a new law on SOEs to Parliament requiring the production of internal and external audits of their financial statements and their publication, the SBEE will publish the 2019 audit results of its financial statements carried out by an independent accounting firm (Indicative Trigger 5). This trigger will strengthen the sector governance and will help the Government and SBEE to identify areas of efficiency improvement, cost reduction, and revenue increase, thus enhancing SBEE creditworthiness.</p> <p>4.28 To promote the use of renewable energy, Benin has strengthened the legal framework for renewable energy generation projects and goals. After adoption by the Council of Ministers, the Government requested the legal opinion from the Supreme Court in July 2019, prior to the future submission to Parliament of the Electricity Code (Prior Action 6). The new Code will constitute a major step towards achieving the financial viability of the energy sector and promoting the development of electricity from renewable sources of energy. The Electricity Code will enact the objective of achieving a sustainable energy mix through the adoption of new technologies. The Code designates the Ministry of Energy as the main responsible entity for achieving this goal. It further clarifies the Government responsibility of granting tax exemptions and/or subsidies to companies producing or promoting the production of renewable energy sources. It adopts and implement a national policy setting sound regulations on off-grid tariffs, off-grid coverage, incentives, etc. Ultimately, such a national policy will promote rapid off-grid access to electricity by rural households with the introduction of renewable energy with private sector participation (Indicative Trigger 6), thus contributing to the Government's strong commitment to climate-change mitigation. In this regard, the Government is already committed to signing contracts</p>
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	<p>with IPPs for the installation of solar stations with a total capacity of no less than 85 MW by 2021. The tender was already launched under the MCA Compact in mid-2019. To diversify the sources of energy, the development of solar plants has been envisioned with the support of the French Development Agency (Agence Française de Développement, AFD) and the MCC. These actions will complement the efforts that are being carried out by the Ministry of Environment to comply with the Nationally-Determined Commitments (NDCs) under the Paris Declaration. In June 2018, Parliament approved a Climate-Change Law, for which decrees of implementation are currently being drafted. The law ensures the compliance with the specific provisions of national and international legal instruments on climate change, when taking measures to achieve sustainable economic and social development, security, and energy efficiency.</p> <p>4.29 All the reforms supported by the series will produce significantly positive financial results for the SBEE and will promote Benin's gradual transition towards renewable energy sources. The level of technical and commercial losses is expected to decline from 24 percent in 2018 to 20 percent in 2021. Concurrently, the average cost of electricity supply (production + imports) should decline thanks to the implementation of the minimum costs production plan. All in all, it is expected that SBEE will improve its operational costrecovery by 2021 and that the share of energy from renewable sources increases by more than 3 percentage points to above 13 percent by 2021.</p>
PA 4	<p>Prior Action 4: To improve the technical performance of SBEE, the Recipient's Ministry of Energy and MEF have approved a recovery plan for the electricity sector for the period 2019-2022, including policies to reduce technical and non-technical losses.</p>
PA 5	<p>Prior Action 5: To ensure the financial balance of the SBEE, the Recipient has (i) initiated a process to ensure that electricity bills are paid regularly to SBEE by public sector companies (PSEs) by signing Memoranda of Understanding with OGSB (the Stadiums Management Office or Office de Gestion des Stades du Bénin); and (ii) approved an interministerial arrêté establishing a compensation mechanism under which it ensures the periodic payment of the revenue gap arising from electricity tariffs approved by the regulator and actual tariffs to enable SBEE to achieve its financial equilibrium.</p>
PA 6	<p>Prior Action 6: To promote renewable energy sources, the Recipient's Council of Ministers has adopted and submitted to Parliament a draft Electricity Code which includes (i) a chapter on renewable energy and whose objective is to increase its share in the energy mix; and (ii) the designation of the responsible entity for its implementation.</p>
PILLAR 3: FOSTER THE DIGITAL ECONOMY	<p>The third pillar in the series supports the Government's efforts to reduce the digital divide and accelerate Benin's structural transformation. The Government has launched a major restructuring of the sector with the enactment of the new Digital Law (Code du Numérique – Law 2017-2020 adopted on June 13, 2017). This new law is aligned with international best</p>

	<p>practices as it covers all five pillars of the Digital Economy (as defined under the DE4A initiative: infrastructure, financial services, entrepreneurship, platforms, and skills). However, this new Law needs many application Decrees to be effectively implemented. The proposed series supports the authorities in their effort to accelerate the drafting and adoption of key decrees. The policy actions supported under this pillar aim at complementing the efforts undertaken through previous lending operations since 2009 (e-Benin (P113370 FY2010), West Africa Communications Infrastructure Program SOP3 (WARCIP, P155876 FY2017) Benin, and ongoing (Benin Digital Rural Transformation P162599, FY2020). Reforms aim to enable the cost-effective development of fiber optic infrastructure in urban areas. They also promote digital start-ups by enabling the young labor force to acquire digital skills and take advantage of the potential offered by digital technologies. All of them fall under the new Digital Law, which constitutes the framework for all government reforms in the digital sector and its strategy towards the digital economy.</p> <p>The development of the digital sector in Benin is severely lagging, but quickly catching up. As of 2017, Benin ranks 161 out of 176 countries on the ICT Development Index measured by the International Telecommunication Union (ITU). Although the index value has slightly moved up (from 1.92 in 2016 to 1.94 in 2017), this is due to the very slow pace of reforms that hindered the development of the digital sector for decades until 2017. Since 2017, the Government has put the digital economy at the center of its development strategy and launched a series of reforms that are transforming the digital sector (e.g. the enactment of the Digital Law, the liquidation of the incumbent operator Benin Telecom SA with a monopoly in the sector). Benin has already set up a Universal Access Fund (ABSU-CEP through the e-Benin project), connected to the ACE cable, and liberalized international internet access (ACE landing station through the WARCIP Program). The Digital Development Agency (ADN), created on December 13, 2017 is responsible for the implementation of the national digital strategy, including Internet access and digital services</p> <p>Consolidation of recent reform efforts is critical for raising productivity as broadband penetration and the use of digital payments are very low (respectively at 13.4 percent and 28.5 percent). For decades, the monopoly of the Benin Telecom SA was a major obstacle to fiber optic deployment by private operators, and thus limited fixed broadband coverage. Contrarily to the mobile market, fixed broadband penetration is in its infancy with only 27,000 subscribers (equivalent to a 0.2 percent penetration rate). First, as in most African countries, the fixed phone penetration is very low at 1.9. Second, subscribers are mainly enterprises and public institutions, of which less than a third are connected by copper wireline. The rest are connected through wireless technology (CDMA). Therefore, broadband Internet remains a service used by industry, government, and a few privileged households, far below the regional</p>
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	<p>average of 4.6 percent. In comparison, and despite a prominent growth of more than 600 percent in five years, the mobile internet represents 97.9 percent of total internet (fixed and mobile) market. Lack of private investments in broadband infrastructure (fiber optic) and of performing internet exchange points (IXPs) and Data Centers, have prevented the uptake of broadband services outside Cotonou and Porto Novo.</p> <p>To improve the quality of digital services, the Government has issued an arrêté creating the supervisory body for the trust service providers in line with the Digital Law (Code du Numérique). (Prior Action 7). The expected boost in the development and provision of digital services in Benin will require the establishment of trustworthy third parties that will ensure the constant integrity and protection of collected and transmitted data. The proposed Prior Action will establish the legal framework under which potential trust service providers can guarantee the quality of sensitive digital services (financial transactions, certifications, personal data collection, etc.). By guaranteeing the integrity and confidentiality of the data, the Government will encourage users and increase adoption rates. Moreover, the Government will (i) operationalize the supervisory body of trust digital service providers; (ii) establish operating and quality standard for digital service providers; and (iii) adopt an inspection plan for the year (Indicative Trigger 7). These are critical measures for ensuring sound regulations for safe and efficient services in a rapidly evolving sector.</p> <p>To encourage access to cost-effective quality digital services, the Government has adopted a decree that establishes a new regulatory framework for the mutualization of FTTH infrastructure (Prior Action 8). The completion of this prior action provides private operators with a clear framework for infrastructure sharing and thus should eventually decrease the marginal costs of investments. By promoting the shared access to the existing backbone network, the action supported here should unlock the operators' ability to invest in coverage in rural areas. Concurrently, the Universal Access Fund (ABSU-CEP) will adopt and put into effect a new Universal Access Strategy; and a private manager for the Beninese Digital Infrastructure Corporation (SBIN), the structure in charge of optical fiber deployment (Indicative Trigger 8). Coupled with the operationalization of the Universal Access Fund, this new regulatory and institutional framework should result in an increase of investments in broadband infrastructure, in particular fiber and 4G (towers) networks, which will in turn address broadband network coverage issues.</p> <p>With the objective to promote e-government, the Government has issued a decree creating and operationalizing the ANSSI (Prior Action 9). This measure establishes the agency in charge of overseeing cybersecurity in Benin. With the expected boost in data usage across the country, cybersecurity will rapidly become an issue. Based on the model adopted in West Africa and Europe, this independent agency will monitor and prevent cyber threats.</p>
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	<p>4.36 Furthermore, the Government will implement (i) a single interoperability framework for digital platforms; and (ii) a Public Key Infrastructure (PKI) by establishing norms and appointing the authorities in charge of delivering Registration and Certificates (Indicative Trigger 9). Following the establishment of the supervisory body for trust service provider, this measure will define the norms and standards for all public digital platforms and ensure interoperability of the systems across the ministries and government entities. Once the interoperability is defined, this trigger will implement a PKI, allowing highly secured transaction such as electronic signature. Together the measures supported here guarantee secure transactions in what regards public services.</p> <p>4.37 The proposed measures are expected to significantly increase the quality and integrity of the digital services developed and provided in Benin both from the supply and demand sides. They should lead to an increase in the number of registered digital service providers from 0 to 5 by 2021; and to an increase in the number of people using public digital services. Concurrently, access to enhanced broadband internet should increase during this period from 13.4 to 20 percent, while the number of secure digital services increases following the increase in trust digital service platforms<sup>11</sup> from 0 to 5 by 2021.</p>
PA 7	Prior Action 7: To guarantee the quality of digital services, the Recipient's Ministry of the Digital Sector has adopted an arrêté creating the supervisory body for the trust service providers in accordance with the Recipient's Code du Numérique
PA 8	Prior Action 8: To develop digital infrastructure, the Recipient's Council of Ministers has adopted a decree defining the new regulatory framework for the mutualization of Fiber-to-the-Home (FTTH) infrastructure.
PA 9	Prior Action 9: To promote the use of safe digital platforms, the Recipient's President has adopted a decree creating and operationalizing the National Agency for Security Information Systems (Agence National de la Security de Services d'Information, ANSSI).

<b>Climate Change Co-Benefits section</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA 1	16.66	0	0	0	0	Not climate relevant.
PA 2	16.66	0	0	0	0	Not climate relevant.
PA 3	16.66	0	0	0	0	Not climate relevant.

PA 4	16.66	0	0	0	0	<p>PA 4 has the potential to be relevant towards the eligible activity: “Brownfield efficiency improvement or reduction of CO2e emissions in transmission or distribution of electricity, heat or gas” which requires “The entity applying the Common Principles [to] demonstrate a substantial improvement in energy efficiency or a substantial reduction in net GHG emissions through such measures in the supply chain itself, by reducing overall consumption, or by facilitating the consumption of very-low-carbon energy.”</p> <p>Further adding that:</p> <p>“A substantial improvement in energy efficiency in the case of technical loss reduction in transmission or distribution of electricity is demonstrated by comparing the reduction in technical losses before and after the project intervention.”</p> <p>Assessed documentation provides no evidence of an expected and substantial improvement in energy efficiencies or an expected and substantial reduction in net GHG emissions, through, for example, GHG accounting (which is not provided).</p>
PA 5	16.66	0	0	0	0	<p>While under Pillar 2, the context to which suggests relevance towards mitigation, PA 5 focuses on ensuring electricity bills are paid and establishing a compensation mechanism to ensure the periodic payment of the revenue gap arising from electricity tariffs. It is therefore not relevant towards any eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking.</p>
PA 6	16.66	0	1	0	16.66	<p>PA 6 is 100% relevant towards mitigation and qualifies for the eligible activity: “Policy support and</p>

						technical assistance for climate change mitigation". The adoption of renewable energy will produce climate change mitigation co-benefits since they help reduce losses and promote a more efficient use of energy.
PA 7	16.66	0	0	0	0	Not climate relevant.
PA 8	16.66	0	0	0	0	Not climate relevant.
PA 9	16.66	0	0	0	0	Not climate relevant.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
0	0	0%	16.7	16.7	0%

Reported climate finance	Assessed climate finance	Error
16.7	16.7	0%

**Project Number: P173008**

<b>Project Name</b>
Bhutan Development Policy Financing with Cat DDO
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/563141589594494085/Bhutan-Development-Policy-Financing-with-Catastrophe-Deferred-Drawdown-Option-Project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/563141589594494085/Bhutan-Development-Policy-Financing-with-Catastrophe-Deferred-Drawdown-Option-Project</a> (Program Document)
<b>Financing Instrument</b>
Development Policy Financing with Catastrophe Deferred Drawdown Option
<b>Financial product</b>
Credit
<b>Lowest level of granularity</b>
Prior Action

<b>Climate Change Vulnerability Context</b>
Provided in the Introduction and Country Context Section, pages 5-6.
<b>Intent to Address Vulnerability</b>
Provided in the Proposed Operation section, within the PDO.
<b>Link to Project Activities</b>
Provided in the Proposed Operation section at the Prior Action level.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
		<p>Pillar A. Integrating Climate and Disaster Resilience into the Built Environment</p> <p>40. Prior Actions under this pillar reflect the RGOB’s commitment to enhance its technical and institutional capacity for integrating resilience into the built environment. This pillar corresponds to the 12th FYP’s NKRA’s #6 on Carbon Neutrality, Climate and Disaster Resilience, #9 on Infrastructure, Communication and Public Services, and #15 on Sustainable Human Settlements. The Prior Action 1 forms an overarching legal framework for the built environment while the Prior Action 2 specifically addresses access to resilient and energy efficient housing.</p>
PA 1		<p>Prior Action 1. The Recipient, through its Cabinet, has approved the National Construction Industry Policy on February 4, 2020, which promotes the quality of construction towards a safe, resilient and energy efficient built environment; as evidenced by letter Ref C-3/49/2020/462 dated February 26, 2020.</p> <p>41. While construction is one of the country’s key economic activities, the industry faces challenges to improving the quality of construction practices and professionalizing the construction industry. In 2017, the construction sector contributed approximately 16 percent to the GDP. 24 The industry heavily relies on foreign workers and imported construction materials with an annual remittance of BTN12.76 billion (US\$166.97 million). 25 As it has a high potential to generate wealth, employment and sustainable growth within the framework of GNH, the</p>

	<p>Economic Development Policy 2016 identifies construction industry as a priority sector.<sup>26</sup> The 2016 Performance Audit of DM identified inadequate application of resilient engineering design standards and lack of proper planning, design, and workmanship in construction works. <sup>27</sup> Considering that the volume of construction is expected to increase due to urbanization, hydropower development and overall development of the country, promoting quality construction is critical to ensure a safe and resilient built environment. To address this challenge, the 12th FYP aims to professionalize the country’s construction sector.</p> <p>42. The National Construction Industry Policy lays the foundation for a regulatory and institutional framework for improving quality of construction by professionalizing the construction industry. As mandated by the policy, the Ministry of Works and Human Settlements (MoWHS) will establish the Engineering Council of Bhutan for registering, regulating, and professionalizing the country’s 4,000 construction professionals<sup>28</sup> . In addition, the policy mandates the Construction Development Board to be reestablished as the Construction Development Authority (CDA) to (i) strengthen the system for registration, certification, and licensing of more than 2,500 contractors; (ii) institute a mechanism to regulate and enforce strict compliance of the regulation, quality and standards in construction industry; and (iii) carry out capacity building of contractors. Without registration and certification, construction professionals and contractors will not be allowed to provide services. The policy outlines interventions for promoting resilient and green growth, including the development of Codes of Conduct and Ethics for contractors and professionals, guidelines for quality assurance and worksite safety, strategies for resilient and sustainable operation and maintenance of utility services, and material testing laboratories.</p> <p>43. The implementation of this policy is expected to ensure safe, resilient and energy efficient infrastructure and buildings. Construction of buildings in Bhutan is guided by the Building Code 2018 and Building Regulation 2018, which are mainly applicable to concrete framed buildings. The RGOB is considering developing building codes for vernacular structures such as stone masonry and rammed earth as well as the Code of Practice for Green Buildings<sup>28F</sup> <sup>29</sup> based on the Bhutan Green Building Guidelines 2013. Registration and certification of construction professionals are the prerequisite and foundation for enforcing strict compliance of the regulation, quality and standards across all types of infrastructure and construction works in the country through professionalization of practitioners underpinned by mandatory requirements on certified professionals in future public works. The Department of Engineering Services (DES) has already established the interim Engineering Council within the department to start registering and certifying engineers. Both CDA and Council will be established as an autonomous organization of the RGOB under the planned Construction Industry Act. In the interim, the CDB will monitor large, medium and small contracts for all types of infrastructure and buildings and institute a mechanism to regulate and enforce strict compliance of the regulation, quality and standards in construction industry.</p>
PA 2	<p>Prior Action 2. The Recipient, through its Cabinet, has approved the revised National Housing Policy, on February 4, 2020, which promotes the safe and</p>

	<p>resilient housing development for the urban poor; as evidenced by the letter Ref C-3/49/2020/462 dated February 26, 2020.</p> <p>44. Building safe and green buildings based on climate smart local area plans is critical to address the increasing pressure on housing services and provide decent housing at affordable prices. The 2009 earthquake with magnitude 6.1 affected over 4,000 households and left over 7,000 people without adequate shelter.<sup>30</sup> Another earthquake with magnitude 6.9 hit all the Dzongkhags in 2011, affecting the housing sector.<sup>31</sup> The 12th FYP recognizes this challenge and highlights the need for retrofitting the existing houses to reduce their structural vulnerability. As of 2017, 21.7 percent of the country’s population had migrated from rural to urban areas. As urban population is projected to increase from 37.8 percent in 2017 to 56.8 percent by 2047<sup>32</sup>, the demand for housing in urban centers will continue to increase. Although less than two percent of Thimphu’s population lived in squatter settlements in 2017,<sup>33</sup> this may increase in the absence of an adequate supply of affordable housing based on migration, urban population growth trends, and a growing burden on rent costs, which consumes more than 40 percent of the monthly household income in cities.<sup>34</sup> Without interventions, urban low-income groups would lack access to affordable and safe housing and quality essential services that will further increase their vulnerability to shocks. Such deficiencies in the housing sector could lead to increased informal settlements that often develop in hazard-prone areas.</p> <p>45. The proposed reform aims to enable and enhance the safety, resilience and affordability of housing for the urban poor. The formulation of the housing policy is one of the Key Performance Indicators of the 12th FYP. The policy has amended the 2002 National Housing Policy based on the new guiding principles of affordability, adequacy, accessibility, safety and resilience, energy and environmental conservation, and community vitality. It outlines interventions for ensuring the resilience of all housing structures through enforcement of safety standards and regulations to prevent risk to lives and property, avoid environmental losses, and minimize the need for investments in reconstruction in accordance with Building Code 2018 and Building Regulation 2018. In addition, the policy targets promotion of energy efficient housing development to reduce energy consumption, considering that buildings are the highest national energy consuming sector (over 40 percent).<sup>35</sup> Furthermore, the policy contributes toward the improvement of urban planning and management capacity building at the MoWHS to enable Local Area Plans and Structure Plans to better manage risk-informed urban growth, housing need and infrastructure supply, which can improve affordability and better access to jobs and services. Apart from the involvement of the MoWHS and the National Housing Development Corporation, there is currently no central coordinating entity that oversees the housing development in the country. As per the policy, the MoWHS will establish a dedicated housing unit within the Department of Human Settlements for the overall coordination and implementation of this policy. Based on the policy, the MoWHS plans to formulate the National Housing Act and amalgamate it with the Tenancy Act.</p>
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	<p>46. The implementation of this policy is expected to ensure the identification of state land for resilient, affordable and energy efficient housing development. The Department of Human Settlement (DHS) in coordination with the National Land Commission (NLC) will identify state land for new public housing development in Thimphu and Phuentsholing, which are the largest cities in the country and prone to flooding and landslides during monsoon seasons. While there has been public housing development in the two cities, the DHS will mandate new public housing to be resilient and energy efficient as per the National Housing Policy, Building Code 2018, Building Regulation 2018, and Green Building Guidelines 2018. In Bhutan, hazard information is generally incorporated into the Local Area Plans and Structure Plans; however, proper disaster and climate risk assessments still require technical capacity building and inter-departmental coordination. The DHS in coordination with relevant agencies will ensure that the housing designs are developed based on site-specific disaster and climate risk assessments.</p>
	<p>Pillar B. Strengthening Bhutan’s institutional and technical capacity for emergency preparedness and response</p> <p>47. Prior Actions under this pillar will support the RGOB’s efforts to enhance its emergency preparedness and response capacity. This pillar corresponds to the 12th FYP’s NKRA #6 on Carbon Neutrality, Climate and Disaster Resilience and #14 on Healthy and Caring Society. Prior Action 3 strengthens the RGOB’s emergency preparedness and response to hydrometeorological hazards while Prior Action 4 addresses health emergencies.</p>
PA 3	<p>Prior Action 3. The Recipient, through its NDMA chaired by the Prime Minister, has designated the NCHM as the ‘National Hydromet Hazard Early Warning Service Provider’, pursuant to Section 108 of the Disaster Management Act’ to ensure clear and systematic early warning and notification to vulnerable populations and government agencies of threatening hydrometeorological hazards, disaster situations or events in the country; as evidenced by the Executive Order (C-2/2019/369) issued by the NDMA dated December 5, 2019.</p> <p>48. The absence of official and scientifically validated early warning services had adversely affected timely and appropriate emergency response and evacuation in the past, putting at risk the lives of vulnerable people. In the absence of clear authority provided to the NCHM, notifications were previously done through informal arrangements and did not mandate the government agencies to act upon the information shared by the NCHM. In addition, without its formal designation, the NCHM did not have the authority to announce that the unqualified information on social media was imprecise. The lack of an authoritative voice on hydromet information meant that vulnerable people relied on wide ranging sources of information, leading to inconsistent responses and unnecessary panic among the public. During recent GLOF incidents, the absence of an official early warning adversely affected timely and appropriate evacuation by local communities and emergency actions by government agencies as the decisions were made on the basis of individual risk perception and inaccurate information.</p> <p>49. This reform represents a high-level decision that empowers NCHM to save lives, transforming the national culture towards relying only on the scientifically</p>



	<p>informed-official warning system. It operationalizes Section 108 of the DM Act 2013, which mandates the NDMA to direct a relevant agency to put in place early warning systems. Early warnings are directly provided to the local communities through sirens and loudspeakers for their timely evacuation in times of hydromet disaster. This reform also enablesthe activation of the Disaster Management and Contingency Plans by Dzongkhags, Thromdes, and line ministries upon receipt of reliable warnings provided by the NCHM. This prior action will ensure authoritative and timely early warning and allow for better decision support in advance of hydromet hazards’ impact on the ground. The team will strengthen the narrative of this PA to clarify that it is much more than an administrative designation in the context of Bhutan.</p> <p>50. As the designated national early warning services provider, the NCHM will formulate the National Meteorology and Hydrology Policy. This policy will provide a legal framework for the country allowing NCHM to: (i) enhance its provision of hydromet, climate and early warning services; (ii) ensure it retains a primary role in acquisition of such data and information; (iii) provide guidance for data use and sharing by others; (iv) promote quality controlled methods for hydromet data measurement across agencies; and (v) systematize processes for early warning to ensure their integrity and accuracy. The policy will also support Bhutan in structuring regional collaboration for strengthening its capacity to deliver such services. The NCHM also plans to establish a dedicated 24/7 National Weather and Flood Warning Center.</p>
PA 4	<p>Prior Action 4. The Recipient, through its MoH, has approved the Bhutan Pandemic Preparedness and Response Plan (BPPRP) and Standard Operating Procedures (SOPs) on March, 2020 which enhances the Recipient’s preparedness and response capacities; as evidenced by letter Ref. MoH/DoPH/ZDCP(12)/2019-2020/11502 dated March 11, 2020.</p> <p>51. A robust health preparedness and response mechanism is essential for the RGoB to address the emerging disease outbreaks of epidemic and pandemic potential. Over 60 percent of human infectious diseases worldwide are caused by pathogens of a zoonotic nature, mostly originating from wildlife. The most important zoonotic diseases occurring in Bhutan are Rabies (17 outbreaks in 2016) and Highly Pathogenic Avian Influenza (HPAI H5N1) (ten outbreaks since 2010), followed by anthrax, leptospirosis, scrub typhus, cystic echinococcosis and bovine brucellosis. In addition, Bhutan suffers from high rates of a series of climate-sensitive health burdens. Projected temperature rise (higher in mountainous areas than elsewhere in the world) is likely to increase the probability of GLOF; increase the geographic range and incidence of vector-borne diseases, particularly malaria and dengue; and increase the incidence of waterborne diseases. On particular, increasing temperatures are complicating the control of vector-borne diseases in Bhutan. Dengue, for example, which was for the first time documented in Bhutan in 2004, is now endemic during the monsoon period. In addition, diarrheal diseases represent a significant cause of morbidity in Bhutan for the last decade and contribute to about 10-15 percent of morbidity cases. Climate change has also influenced the drying up of water sources or contamination of water due to flooding, increasing the risk of diarrheal disease.</p>

	<p>52. The IHR/JEE (2017) and the Global Health Security Index 2019 identified weaknesses in Bhutan’s capabilities to detect, assess, notify and respond to public health emergencies. As evidenced in the confirmed COVID-19 case in Bhutan, for example, the movement of people and goods poses risk to rapid spread of disease. This is compounded by the country’s vulnerability to climate-induced health risks. Given that Bhutan is a touristic country and livestock is an important component of Bhutan’s mixed farming systems, it is essential that the country strengthens its health and other related systems, including crossborder collaboration for the control of diseases of public health significance.</p> <p>53. As a result, and in an effort to respond to public health weaknesses, the BPPRP was developed— through extensive consultation with a wide range of stakeholder. The BPPRP defines the roles and responsibilities of the different entities of government, and their coordinating functions and mechanisms during health emergencies. The BPPRP is accompanied by a range of SOPs, in areas such as containment, risk management and clinical management. They provide the foundation for effective and efficient implementation and use of the BPPRP by establishing operational procedures and coordination mechanisms for multiple types of emergencies, including the COVID-19 response. As a result, the BPPRP and associated SOPs are expected to guide the RGOB to plan and respond to pandemics and health emergencies, including disease outbreaks with epidemic and pandemic potential to minimize its health and economic consequences. The BPPRP complements and builds on the experience of the 2016 HEDCP.</p> <p>54. Progress towards adherence to the BPPRP and SOPs will be measured based on the implementation of simulations and mock drill exercises on an annual basis. This is a key indicator being monitored under the Zoonotic Program in coordination with Emergency Medical Services Division. Simulations and mockdrill exercises— which are recommended by WHO and the Global Health Security Agenda— constitute vital components of epidemic and pandemic preparedness, and are expected to assess the effectiveness of operational procedures and coordination mechanisms at all levels of the health system. The findings of these assessments— which are expected to inform, inter alia, capacity building plans and technical revision to SOPs—directly support strengthening of public health emergency capabilities (including institutional and technical aspects). As such, they have been identified as a key component in the validation of core capacities under the IHR monitoring and evaluation framework.</p>
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<b>Climate Change Co-benefits section/Additional information on climate relevance from documentation</b> Not provided.
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<b>Greenhouse Gas Accounting</b> Not provided.
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Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA 1	14.8/4	0.25	0.25	0.925	0.925	<p>PA 1's prerequisite is that "The Recipient, through its Cabinet, has approved the National Construction Industry Policy on February 4, 2020, which promotes the quality of construction towards a safe, resilient and energy efficient built environment".</p> <p>Documentation states "The National Construction Industry Policy lays the foundation for a regulatory and institutional framework for improving quality of construction by professionalizing the construction industry, and that "The proposed reform aims to enable and enhance the safety, resilience and affordability of housing for the urban poor".</p> <p>In concrete terms, the policy will:</p> <ul style="list-style-type: none"> <li>• Establish the Engineering Council of Bhutan for registering, regulating, and professionalizing the country's 4,000 construction professionals.</li> <li>• Mandate the Construction Development Board to be re-established as the Construction Development Authority (CDA) to: (i) strengthen the system for registration, certification, and licensing of more than 2,500 contractors; (ii) institute a mechanism to regulate and enforce strict compliance of the regulation, quality and standards in construction industry; and (iii) carry out capacity building of contractors.</li> </ul> <p>Adaptation:</p>

					<p>There is therefore a weak link between PA 1 and the provided climate vulnerability context through prerequisite actions to ensure the resilience of housing.</p> <p>The assessment of adaptation co-benefits is a result of the following steps:</p> <ul style="list-style-type: none"> <li>• Enhancing the resilience of housing is not the primary objective or outcome of the prerequisite policy, resulting in an initial coefficient of 0.5 being applied.</li> <li>• The Reference Guide on Adaptation Co-benefits states: "If a component/sub-component/prior action/DLI is designed to adapt to climate change-induced natural disasters and earthquakes, only 50% of its financing amount or incremental cost for adaptation to climate change can be counted." This results in a second coefficient of 0.5 being applied to ensure conservativeness when proportionality cannot be determined accurately.</li> </ul> <p>Mitigation:</p> <p>Activities to ensure energy efficiency in the build environment qualifies under the eligible activity: "Measures that reduce net energy consumption, resource consumption or CO2e emissions, or measures that increase plant-based carbon sinks in new or retrofitted buildings and associated grounds, enabling certification standards to be met".</p>
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						<p>The assessment of mitigation co-benefits is a result of the following steps:</p> <ul style="list-style-type: none"> <li>• Enhancing the energy efficiency of the housing sector is not the primary objective or outcome of the prerequisite policy, resulting in an initial coefficient of 0.5 being applied.</li> <li>• Due to a lack of granularity concerning mitigation outcomes and co-benefits to enable proportionality to be determined accurately, a second coefficient of 0.5 has been applied to ensure conservativeness</li> </ul>
PA 2	14.8/4	0.25	0.25	0.925	0.925	<p>PA 2's prerequisite is that "The Recipient, through its Cabinet, has approved the revised National Housing Policy, on February 4, 2020, which promotes the safe and resilient housing development for the urban poor".</p> <p>Documentation states as a motivation for the PA, that "Building safe and green buildings based on climate smart local area plans is critical to address the increasing pressure on housing services and provide decent housing at affordable prices". Adding that "The implementation of this policy is expected to ensure the identification of state land for resilient, affordable and energy efficient housing development."</p> <p>Adaptation:</p> <p>There is a link between PA 2 and the provided climate vulnerability context through prerequisite actions to ensure the resilience of housing.</p>

					<p>The assessment of adaptation co-benefits is a result of the following steps:</p> <ul style="list-style-type: none"> <li>• Enhancing the resilience of housing is not the only objective or outcome of the prerequisite policy (energy efficiency is also a stated motivation and outcome), resulting in an initial coefficient of 0.5 being applied.</li> <li>• The Reference Guide on Adaptation Co-benefits states: "If a component/sub-component/prior action/DLI is designed to adapt to climate change-induced natural disasters and earthquakes, only 50% of its financing amount or incremental cost for adaptation to climate change can be counted." This results in a second coefficient of 0.5 being applied to ensure conservativeness when proportionality cannot be determined accurately.</li> </ul> <p>Mitigation:</p> <p>Activities to ensure energy efficiency in the build environment qualifies under the eligible activity: "Measures that reduce net energy consumption, resource consumption or CO2e emissions, or measures that increase plant-based carbon sinks in new or retrofitted buildings and associated grounds, enabling certification standards to be met".</p> <p>The assessment of mitigation co-benefits is a result of the following steps:</p> <ul style="list-style-type: none"> <li>• Enhancing the energy efficiency of the housing</li> </ul>
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						<p>sector is not the primary objective or outcome of the prerequisite policy, resulting in an initial coefficient of 0.5 being applied.</p> <p>Due to a lack of granularity concerning mitigation outcomes and co-benefits to enable proportionality to be determined accurately, a second coefficient of 0.5 has been applied to ensure conservativeness</p>
PA 3	14.8/4	0.5	0	1.85	0	<p>PA 3's prerequisite is that "The Recipient, through its NDMA chaired by the Prime Minister, has designated the NCHM as the 'National Hydromet Hazard Early Warning Service Provider', pursuant to Section 108 of the Disaster Management Act' to ensure clear and systematic early warning and notification to vulnerable populations and government agencies of threatening hydrometeorological hazards, disaster situations or events in the country".</p> <p>Documentation states as a motivation for the PA, that "The absence of official and scientifically validated early warning services had adversely affected timely and appropriate emergency response and evacuation in the past, putting at risk the lives of vulnerable people".</p> <p>Adding that "This reform represents a high-level decision that empowers NCHM to save lives, transforming the national culture towards relying only on the scientifically informed-official warning system."</p> <p>Adaptation:</p> <p>There is a strong link between PA 3 and the provided climate vulnerability context through prerequisite actions to ensure warning systems are developed.</p>

						<p>The assessment of adaptation co-benefits is a result of the following step:</p> <ul style="list-style-type: none"> <li>The Reference Guide on Adaptation Co-benefits states: "If a component/sub-component/prior action/DLI is designed to adapt to climate change-induced natural disasters and earthquakes, only 50% of its financing amount or incremental cost for adaptation to climate change can be counted." This results in a coefficient of 0.5 being applied to ensure conservativeness when proportionality cannot be determined accurately.</li> </ul> <p>No evidence of mitigation relevance.</p>
PA 4	14.8/4	0	0	0	0	<p>PA 4's prerequisite is that "The Recipient, through its MoH, has approved the Bhutan Pandemic Preparedness and Response Plan (BPPRP) and Standard Operating Procedures (SOPs) on March, 2020 which enhances the Recipient's preparedness and response capacities".</p> <p>Documentation states as a motivation for the PA, that "A robust health preparedness and response mechanism is essential for the RGoB to address the emerging disease outbreaks of epidemic and pandemic potential".</p> <p>There is no evidence of climate relevance.</p>

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
7.3	3.7	49.3%	2.2	1.85	15.9%



<b>Reported climate finance</b>	<b>Assessed climate finance</b>	<b>Error</b>
9.5	5.55	41.6%

## Project Number: P168951

<b>Project Name</b>
Cap Haitien Urban Development Project - P168951
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/439051582235915245/haiti-cap-haitien-urban-development-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/439051582235915245/haiti-cap-haitien-urban-development-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Grant
<b>Lowest level of granularity</b>
Sub-component/Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Country Context section, very briefly, on page 10, paragraph 3.  Earthquakes and tsunamis, alongside climate-related natural disasters, are referenced in the project context. This means a maximum of 50% of finance at a given level of granularity, related to disaster response, can qualify as adaptation finance. Disconnect between the Project Appraisal Summary and the Project Description. With the former integrating evidence of climate-relevance while the latter less so.
<b>Intent to Address Vulnerability</b>
Provided in Relevance to Higher Level Objectives section, page 13, paragraph 12.
<b>Link to Project Activities</b>
Provided in the Project Development Objective section, page 14, and the Project Components section, from pages 14-16, as required for IPF.
<b>Incremental Cost?</b>
Partially provided.

Name	Value	Description
Component 1: Urban Infrastructure Investments	US\$48.9 million	Component 1: Urban Infrastructure Investments (US\$48.9 million). This Component will support the Government of Haiti (GoH) to carry out large urban infrastructure investments; and neighborhood upgrading investments, including the preparation of required feasibility studies, environmental and social studies, detailed designs, construction works and construction supervision. Investments will include: the upgrading of open and green areas, such as parks, playgrounds, squares and waterfronts <sup>27</sup> ; and/or the rehabilitation of roads <sup>28</sup> and associated infrastructure, such as drainage <sup>29</sup> , sidewalks, pedestrian walkways, street lightning <sup>30</sup> and bike paths <sup>31</sup> ; and the rehabilitation of facades or public buildings and the rehabilitation or expansion of basic infrastructure, such as water supply and sanitation networks. <sup>32</sup> All investments will incorporate climate change and disaster risk considerations, as well as gender, when appropriate. Budget for resettlement compensation and assistance has also been included in this Component. A flexible and phased approach, as further outlined below, will be incorporated`.

	<p>17. Large urban infrastructure investments. Two large urban infrastructure investments have been identified for project support: (i) the upgrading of a section of the Cap-Haitien waterfront, and (ii) the rehabilitation/expansion of a key link road, the SOS road.<sup>33</sup> The section of the waterfront to be upgraded, located along the Boulevard du Cap-Haitien and known as the 'Picolet Bord de Mer', already plays an important role for tourism and commercial development and can be further strengthened as a local economic node. The rehabilitation of the SOS road is expected to improve traffic in the city center by providing an alternative, all-season route connecting the National Road 1 (RN1) and National Road 3 (RN3). The preliminary project envelope for these two investments is US\$23.7 million, including studies, construction works and technical supervision. <sup>33</sup> The rehabilitation of the SOS road, which serves as a bypass road, was identified as a priority investment in the framework of the Cap-Haitien Region Development Plan or Esquisse de Schéma d'Aménagement du Pole de Cap-Haitien (2013). The urban mobility diagnostic recently conducted by the Bank also identified the need for a bypass to reduce traffic congestion downtown, which would provide mitigation co-benefits.(Footnote: ""About 50 percent of the financing for this activity relates directly to the implementation of flood risk reduction measures."" ). Upgrading of the Cap-Haitien waterfront. The project investments will focus on upgrading the northern section of Cap-Haitien's waterfront on the Boulevard du Cap-Haitien, known as the Bord de Mer Picolet. Investments will focus on improving non-motorized transport infrastructure (e.g., sidewalks, bike lanes), expanding drainage to increase climate resilience, solar street lighting, strengthening of the existing boardwalk to better protect it from coastal erosion<sup>47</sup>, and the installation of vegetation and trees.<sup>48</sup> Minor road repairs will also be financed. About 60 percent of the financing for this activity will cover expansion of drainage, and coastal erosion measures to increase resilience to climate events and climate change.</p> <p>18. Neighborhood Upgrading. The neighborhood upgrading investments will improve the living conditions for inhabitants of Cap-Haitien by focusing on upgrading areas where urbanization is possible, given the level of risk. A spatial analysis of the Cap-Haitien city-region was conducted to inform neighborhood selection and prioritization. <sup>34</sup> Neighborhoods were prioritized to select areas: (i) located along the urban expansion axis of the city, and (ii) with relatively low exposure to natural hazards, in order to disincentivize further urbanization of high hazard-prone areas. Based on these criteria, two priority neighborhoods were identified for project support: Petit Anse and Balan. The envelope allocated to support neighborhood upgrading in Petit Anse and Balan is US\$13.7 million. A neighborhood vision plan for the two selected neighborhoods will set the framework for the neighborhood upgrading investments. <sup>52</sup> It will be developed using a participatory planning approach and will include nature-based solutions and incorporate gender-sensitive approaches as further described in Section IV A ii.</p>
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		<p>Investments may include rehabilitation of streets, the expansion of non-motorized transport infrastructure (e.g., sidewalks and bike lanes), expansion of drainage, energy efficient street lighting, and the rehabilitation/creation of public spaces, such as squares, recreation areas, and parks, including the planting of trees and other vegetation. The selection criteria for neighborhood upgrading investments is detailed in the TORs of the consultancy for developing the vision plan and is part of the POM. Investments will be sequenced to implement simpler subprojects first, and more complex subprojects (which might require the development and implementation of Resettlement Action Plans) later. The MDOD will be delegated the responsibility for the implementation of neighborhood upgrading investments, under the oversight of UCE/MTPTC.</p> <p>19. Flexible and phased approach. At appraisal, 80 percent of the funds under Component 1 were allocated to: (i) upgrade of one section of the city’s waterfront; (ii) support the rehabilitation of the SOS road; and (iii) upgrade the neighborhoods of Petit Anse and Balan. The remaining 20 percent of funds under Component 1 are unallocated. The use of the remaining funds will be determined during the second year of implementation, taking into account the evolution of the local context, the performance of the project implementing unit and following a set of principles and procedures (described in Section IV A and detailed in the Project Operational Manual (POM)). The Project’s duration has been adjusted to seven years to allow sufficient time to implement project activities.</p>
Component 2: Capacity Building	US\$1.9 million	<p>This Component will support the GoH to carry out infrastructure planning, technical studies and activities under Component 1 by strengthening its capacity and the capacity of the Municipality to maintain urban infrastructure investments, including training on climate resilient operation and maintenance, to implement small urban management initiatives, and to manage its tourism destinations. It will complement the technical assistance being provided by the MDUR Project to the municipalities in the Cap-Haitien cityregion – which focuses on urban planning and financial management - and the support the PAST Project is providing to the destination management organization of the North of Haiti (Organization de Gestion de la Destination Nord d’Haiti - OGDNH). The urban management initiatives (UMIs) will be designed so that their implementation is largely driven by the municipality: with a strong community engagement, and to produce visible results in the short-term, require minimal financial resources to be put in place, and take into consideration existing institutional capacity constraints. Three UMI’s have been identified for project support: (i) the development of a street-addressing platform; (ii) the implementation of tactical urbanism initiatives<sup>35</sup>; and (iii) the implementation of a community mobilization campaign for the use of public spaces.</p>

Component 3: Contingent Emergency Response (CERC)	US\$0 million	This Component will finance provision of support upon occurrence of an Eligible Emergency. It includes the implementation of emergency works, rehabilitation and associated assessments, at the Government’s request in the event of a disaster. Uncommitted funds may be reallocated from other components in accordance with an Emergency Action Plan prepared by the GoH, and the CERC’s implementation modalities. A dedicated chapter of the POM details the guidelines and instructions to trigger a qualifying emergency and the use of funds under this Component. The amount of uncommitted funds to be allocated to this Component will be decided at the time of the emergency in agreement with the World Bank.
Component 4: Project Management and Implementation Support	US\$5.2 million	This Component will finance costs related to Project management and implementation as needed by the Project Implementation Unit, including: (i) hiring specialized staff or consultants for project implementation; (ii) carrying out monitoring and evaluation activities; (iii) carrying out reporting and project audits; (iv) conducting capacity building and training activities linked to project implementations for procurement, safeguards, monitoring and evaluation, communication, citizen engagement, technical and financial management; and (v) covering operating costs.

**Climate Change Co-Benefits Section**

Provided:

“Climate Change co-benefits. Project’s investments and technical assistance will bring significant climate change cobenefits by adapting to and mitigating the consequences of climate change, especially the increased frequency and intensity of adverse hydro-meteorological events. Urban infrastructure investments under the Project will make use of resilient design and construction practices that account for exposure to natural hazards and climate change effects. The design and upgrading of the SOS road, the waterfront, and the drainage works around the airport will take into consideration risk assessments and hydrological modelling of present-day and future floods, sea level rise and storm surge. Project investments at the neighborhood level will contribute to a more resilient and sustainable urban development by: (i) conserving existing public spaces and green areas in areas that are exposed to flood hazards (by avoiding their urbanization), and (ii) redirecting urban growth to less exposed areas through urban upgrading. Climate change mitigation measures will be applied through the: (i) use of solar energy to the extent possible; (ii) creation and maintenance of pedestrian and non-motorized accesses and public spaces to disincentivize the use of vehicles; and (iii) incorporation of green areas in public spaces to decrease water runoff and absorb air pollution. The rehabilitation of the SOS road will contribute directly to a reduction in Greenhouse Gas (GHG) emissions (Section IV A iii), as it will reduce travel time between the RN1 and RN3 through an improved road surface, and also provide an alternative shorter route to the existing road which passes through the city center. It will also contribute to the reduction of flood risks in the neighborhood to the east of the airport. All investments will incorporate design features to increase the city’s resilience by reducing flood risk through improved drainage and the implementation of permeable surfaces, as well as increasing coastal resilience by stabilizing the coast line and managing wave impact.”

Greenhouse Gas Accounting
None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C1: Subcomponent 1.1a. Large urban infrastructure investments: Cap-Haitien waterfront	11.85	0.6	0.4	7.11	4.74	<p>The evidence of climate-relevance is provided in the description of the entire component: "All investments will incorporate climate change and disaster risk considerations" and project "All designs will incorporate features to assure resilience towards floods and earthquakes and consider climate change effects. All permanent construction executed in the framework of the project will adhere to national and international standards on earthquake resistance and rainwater drainage."</p> <p>Evidence regarding adaptation assessment: "Minor road repairs will also be financed. About 60 percent of the financing for this activity will cover expansion of drainage, and coastal erosion measures to increase resilience to climate events and climate change." Assumed that this is an indication of incremental costs of adaptation.</p> <p>Evidence regarding mitigation assessment: "Investments will focus on improving non-motorized transport infrastructure (e.g., sidewalks, bike lanes), expanding drainage to increase climate resilience, solar street lighting, strengthening of the existing</p>

						boardwalk to better protect it from coastal erosion, and the installation of vegetation and trees.” Due to focus on non-motorised transport, solar street lighting, and tree planting, the remaining funds are deemed to be mitigation relevant. Eligible activity = “Non-motorised transport (NMT) or schemes for sharing bicycles
C1: Subcomponent 1.1b. Large urban infrastructure investments: SOS Road	11.85	0.5	0.2	5.925	4.74	<p>The evidence of climate-relevance is provided in the description of the entire component: “All investments will incorporate climate change and disaster risk considerations” and project “All designs will incorporate features to assure resilience towards floods and earthquakes and consider climate change effects. All permanent construction executed in the framework of the project will adhere to national and international standards on earthquake resistance and rainwater drainage.”.</p> <p>Evidence regarding adaptation assessment: “About 50 percent of the financing for this activity relates directly to the implementation of flood risk reduction measures.” Assumed that this is an indication of incremental costs of adaptation. However, it is likely the case that less than 50% of the finance in support of this activity will represent genuine incremental costs of adaptation.</p> <p>Evidence regarding mitigation assessment: The building of link</p>

						roads to reduce congestion, without the simultaneous promotion of public mass transport or low emissions fuels, does not match any eligible activities within the Bank's Common Principles for Climate Change Mitigation Finance Tracking. Furthermore evidence of GHG accounting, or of net emissions reductions has been provided, under the principle of conservativeness a coefficient of 0.2 has been applied due to the observation that 1/5 results indicators for C1 are mitigation relevant ("Km of non-motorized transport infrastructure constructed/rehabilitated (Kilometers)". Eligible activity = "Non-motorised transport (NMT) or schemes for sharing bicycles "
C1: Subcomponent 1.2. Neighborhood upgrading investments	13.7	0.25	0.25	3.425	3.425	Evidence regarding adaptation assessment: Focus on increased drainage alongside urban development highlight a partial focus on adaptation. As earthquakes and tsunamis, alongside climate-related natural disasters, are referenced in the project context, this means a maximum of 50% of finance at a given level of granularity, related to disaster response, can qualify as adaptation finance.  A partial link is provided between the project activities and the vulnerability assessment/stated intent to address that vulnerability within this sub-component ("access to quality public space and reducing the impact of flood events."). Urban development has been prioritised in areas which disincentivize further



						<p>urbanization of high hazard-prone areas, thereby reducing vulnerability to climate, and non-climate-related, natural disasters. However, mobility, road safety and access to public space are also objectives.</p> <p>Two reduction factors of 50% have been applied due to the combined focus on earthquakes and climate hazards, and the partial relevance towards adaptation. Resulting in a coefficient of 0.25.</p> <p>Evidence regarding adaptation assessment: Most funds target urban development, within the climate-relevance of the finance in support of this sub-component there is evidence of mitigation objectives through the creation of non-motorised transport infrastructure and low-emissions lighting. Eligible activity = "Non-motorised transport (NMT) or schemes for sharing bicycles</p>
C1: Unallocated (Flexible and phased approach)	10.6	0	0	0	0	These funds are unallocated and therefore climate-relevance cannot be evidenced.
C1: Resettlement compensation	0.9	0	0	0	0	These funds are not outlined in detail in project documentation and therefore climate-relevance cannot be evidenced.
C2: UMI 1: Street Addressing	0.5	0.25	0.25	0.125	0.125	The assessment of Component 2 recognises that the capacity building support being provided is to enable the implementation of Component 1, which is partially climate relevant. Coefficients of 0.25 have been applied for both adaptation and mitigation finance, and relevant towards

						adaptation and mitigation is outlined above.
C2: UMI 2: Tactical Urbanism	0.3	0.25	0.25	0.075	0.075	The assessment of Component 2 recognises that the capacity building support being provided is to enable the implementation of Component 1, which is partially climate relevant. Coefficients of 0.25 have been applied for both adaptation and mitigation finance, and relevant towards adaptation and mitigation is outlined above.
C2: UMI 3: Community mobilization campaign	0.2	0.25	0.25	0.05	0.05	The assessment of Component 2 recognises that the capacity building support being provided is to enable the implementation of Component 1, which is partially climate relevant. Coefficients of 0.25 have been applied for both adaptation and mitigation finance, and relevant towards adaptation and mitigation is outlined above.
C2: OGNDH support	0.9	0.25	0.25	0.225	0.225	The assessment of Component 2 recognises that the capacity building support being provided is to enable the implementation of Component 1, which is partially climate relevant. Coefficients of 0.25 have been applied for both adaptation and mitigation finance, and relevant towards adaptation and mitigation is outlined above.
C3: Contingent Emergency Response	0.0	0	0	0	0	N/A.
C4: Project Management and Implementation Support	5.2	0	0	0	0	0/5 activities are deemed to be climate-relevant.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
23.6	16.935	28.2%	14.0	13.38	4.4%

<b>Reported climate finance</b>	<b>Assessed climate finance</b>	<b>Error</b>
37.6	30.315	19.4%

**Project Number: P167455**

<b>Project Name</b>
Ceara Rural Sustainable Development and Competitiveness Phase II
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/489161563760847949/brazil-second-phase-of-ceara-rural-sustainable-development-and-competitiveness-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/489161563760847949/brazil-second-phase-of-ceara-rural-sustainable-development-and-competitiveness-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Component/Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Strategic Context section, page 2, paragraph 5; and page 4, paragraph 11 and 13.
<b>Intent to Address Vulnerability</b>
Provided in the Relevance to Higher Level Objectives section.
<b>Link to Project Activities</b>
Provided in the Project Description section, at the sub-component level.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Component 1	US\$43.54 million	Component 1: Sustainable Economic Inclusion (US\$68.79 million; IBRD loan US\$43.54 million). The purpose of the component is to improve the access for family farming producers' organizations (including priority vulnerable groups, women and youth) to dynamic markets, thus leading to more sustainable sources of income. It is expected to benefit about 13,000 households through the financing of about 430 subprojects. This will support the most climate-shock affected groups to access climate-proof economic opportunities. Market access will be fostered through the identification of private and public buyers and the formulation and implementation of business plans, under subprojects, to meet market requirements. Through their own producers' organizations (PO), family farmers will have possibilities to mitigate the impact of small farm size (atomization), adopting new technologies and increasing their competitiveness, improving product quality, quantity, and traceability as required by the high-end value chains. Moreover, given the climate variability and water scarcity, the component will pay special attention to increase the capacity to manage potential impacts of climate change to agro-ecosystems, by promoting technologies and agricultural and resource management practices that have demonstrated stronger effects on farm sustainability and effectiveness in semi-arid rural areas and are well adapted to agro-climatic conditions in the State for 7,000 farmers. The

		component will also identify the need for improvement in water supply, either for human consumption or for productive use, for households involved in subprojects to be financed. The identified demand will be evaluated as part of the activities of component 2 to attend these households with water supply systems or for analysis of the feasibility for reuse of gray water for productive purposes.
		Subcomponent 1.1: Strengthening Organizations for Enhanced Market Access (US\$60.24 million; IBRD loan US\$37.88 million). This subcomponent supports the preparation and implementation of Productive Subprojects by selected Producer Organizations in priority areas through: (i) technical assistance, carrying out pre-investment studies, preparation of business plans, capacity-building activities, inter alia; and (ii) the provision of Matching Grants to Producer Organizations for carrying out Productive Subprojects, including, inter alia: minor on-farm infrastructure; energy, water and soil conservation and management measures; provision and utilization of inputs, equipment and tools; complementary technical assistance services; support to meet legal environmental and sanitary requirements for market access; implementation of sustainable management plans (especially agro silvo pastoral) in areas of Caatinga.
		Subcomponent 1.2: Improving Social and Productive Inclusion for Vulnerable Groups (US\$8.55 million; IBRD loan US\$5.65 million). Support the preparation and implementation of Investment Subprojects in selected organizations of priority Vulnerable Groups in rural areas through: (i) technical assistance, capacity-building activities and preparation of community development plans; and (ii) the provision of Matching Grants to Vulnerable Groups for carrying out Investment Subprojects to increase food security and income generation initiatives through improved productivity, greater efficiency in water use, and increased resiliency to climate change.
Component 2	US\$35.35 million	Component 2 – Rural Water Supply and Sanitation Access (US\$53.09 million; IBRD loan US\$35.35 million). The objective of this component is to support the State’s efforts to universalize access to improved water and sanitation by investing in sustainable and resilient service provision in prioritized rural communities, which are subject to the highest climate risks. Water and sanitation infrastructure investments will include: (i) water supply for human consumption for communities identified on both components 1 and 2; (ii) rural onsite sanitation for communities supported with water interventions; (iii) reuse of grey water and of wastewater from desalination processes to support agricultural production; and (iv) protection or recuperation of water sources. Lack of access to water and sanitation has immediate implications on the health and quality of life of the rural population, moreover, waterborne diseases are known to have a greater impact on children under 5 years old, and pregnant and lactating women. In this sense, the activities to be financed under Component 2 have the potential to reduce gender gaps by shrinking the time spent by women collecting water and lessening the likelihood of waterborne diseases with improved/new water access and sanitation infrastructure. This component also supports the adaptation to climate-change, particularly among drought affected population, by introducing

	<p>technologies that will allow the reuse of gray water for agricultural productive purposes and the conservation and recovery of fragile watersheds ecosystems.</p>
	<p>Subcomponent 2.1: Expanding Water and Sanitation Access (US\$49.13 million; IBRD loan US\$32.72 million). This subcomponent will support: (i) the construction or rehabilitation of water supply systems<sup>23</sup> for prioritized communities, including energy supply and the adoption of technological innovation aiming at reducing costs, increasing resilience and improving system operational efficiency and (ii) the construction or improvement of onsite sanitation structures such as household sanitary kits or treatment units in favor of selected communities who are beneficiaries of water interventions.</p> <p>35.The new water supply systems will be financed through three approaches: (i) in response to the demand of component 1; (ii) spontaneous demand; and (iii) induced demand; and will support the rehabilitation of water supply systems<sup>24</sup> of a specific number of communities prioritized by SISAR to join the existing operation and maintenance (O&amp;M) scheme to improve the SISAR scheme sustainability. Water supply systems will include the intake from water sources (most common are wells or small reservoirs), simplified treatment (e.g. desalinization, filtration and disinfection), reservation, distribution, macro and micro-metering; including the energy supply connecting to the grid (if existent) or another energy efficient<sup>25</sup> solution. The subcomponent will require that systems are resilient to climate change and create incentives in the design of the infrastructure for the adoption of technological innovation (e.g. solar panel, chlorine equipment, etc.) aiming to reducing costs, increasing resilience and the operational efficiency of the systems. Water sources availability and alternatives would be assessed before the design and implementation of subproject with support from COGERH and FUNCEME’s data and expertise.</p> <p>36.In addition, this subcomponent will support the construction of onsite sanitation structures– complete household sanitary kits (módulos sanitários domiciliares - MSD) or treatment units for existing sanitary kits - in the communities identified to receive new water systems<sup>26</sup>. Piloting of a new approach for families who desire to make improvements to existing sanitary kits based on demand using microcredit (via the State Fund for Family Agriculture Development – Fundo de Desenvolvimento da Agricultura Familiar - FEDAF) will be tested. Sanitary kits include water-flushed toilet, water tank, laundry, washbasin, shower), inspection box, and treatment using septic tank. Capacity building and behavior change activities will be carried out to promote hygiene, the rationale use of water and of the sanitary kits. Collection and treatment of the sludge will be tested using the SISAR scheme. Therefore, the operation of these sanitary kits is expected to be made climate-resilient by being very water use efficient.</p>

		<p>Subcomponent 2.2. Increasing Water Security and Resilience (US\$3.96 million; IBRD loan US\$2.64 million). This subcomponent supports the implementation of water reuse systems for agricultural production purposes in response to subcomponent 1.1, and activities aimed at the protection and conservation of water sources surrounding areas for communities who benefited from water supply interventions under subcomponent 2.1 of the Project.</p> <p>38. More specifically, the subcomponent aims to increase the availability and access of water for agricultural production purposes by financing the implementation of water reuse systems in response to the demands of component 1 (as indicated by the environmental management or business plans); as well as the promotion of activities aimed at the protection and conservation of water sources (small reservoirs, river banks etc.) surrounding areas for communities who benefited from water supply interventions. The activities relating to reuse of gray water/renewable water along-side the water harvesting and conservation efforts will increase the efficiency of water deployed for production purposes in this water stressed State. These activities directly address climate adaptation for the heavily climate-affected agriculture in this drought-prone area.</p>
Component 3	US\$31.41 million	<p>Component 3 – Institutional Strengthening and Project Management (US\$31.41 million; IBRD loan US\$20.86 million). The overall objective of the component is to strengthen the organizational, management, knowledge and operational capacity of key implementing State institutions, as well as to provide overall Project Management and Supervision.</p>
		<p>Subcomponent 3.1. Institutional Strengthening and Capacity Building (US\$13.04 million; IBRD loan US\$8.69 million). This subcomponent aims to strengthen the organizational, management, knowledge, strategic and operational capacity of key implementing institutions, including, inter alia, the Project Manager, the Strategic Partners, the Project Auditors and the Cooperating Entities.</p> <p>41. The subcomponent will strengthen public institutional capacity, including staff training and capacity building and improvement of technical services delivery aimed at rural population in most climate affected areas. The subcomponent will focus on consolidating the coordination of sectorial agencies, relevant to the implementation of the State's programs and policies supported under the Project<sup>27</sup> and enable better sustainability of policies and programs post-Bank support. Given the strategic role of SDA, EMATERCE CAGEGE, SOHIDRA and SISAR (Strategic Partners), Agropolos Institute (Project Manager), and the State Auditing Court (TCE) and the State General Controller and Ombudsman (CGE) (Project Auditors) in the implementation of Components 1 and 2, the Project will support key activities to strengthen these agencies' strategic and operational capacity, especially for planning for climate adaptation and mitigation by building on the project activities. Activities may include, inter alia: consolidation of the SDA's management system; restructuring and strengthening of UGP and EMARTECE; piloting of a management scheme for sludge management and</p>

		the implementation of multi-community solar panel schemes to support water pumping 28 . In addition, other partner institutions such as FUNCEME, COGERH, IPECE, and Secretariat of Cities (Cooperating Entities) will also develop key activities and/or share knowledge of the sector to improve rural resilience and sustainability.
		Subcomponent 3.2. Project Management and Supervision (US\$18.37 million; IBRD loan US\$12.16 million). The subcomponent will support overall Project management, coordination and implementation, including inter alia: (i) interinstitutional coordination; (ii) activity monitoring, evaluation and impact assessment; (iii) fiduciary administration, internal controls and audits; (iv) environmental and social safeguards management and implementation; (v) a citizen’s engagement and grievance redress mechanisms; (vi) studies and pilots supporting Productive Subprojects and Investment Subprojects; and (vii) communication and outreach strategy.

<b>Climate Change Co-benefits section</b>	
	<p>Provided:</p> <p>Climate Co-Benefits. Since the subprojects under Component 1 will be demand-driven and competitively selected, an ex-ante assessment of expected climate co-benefits cannot be carried out. However, the Project will actively promote and support intensive awareness raising and improved capacities for adaptation to climate change and climate variability (by adoption of climate smart approaches and practices), as well as adoption of innovations and realization of investments, including implementation of natural resources management plans, that are likely to contribute to a reduction in GHG emissions and/or carbon sequestration (see Annex 2 and its Appendix 2). Component 1, however, has an important climate adaptation function as it targets communities that are most heavily hit by climate shocks and provides support for them to adapt with climate-informed economic opportunities.</p> <p>Under Component 2, the project will contribute to a more efficient and sustainable management of water and sanitation services (including reuse of grey water) as well as to ensure the afforestation/restoration of key areas in watersheds. On the adaptation side, the activities will provide water and sanitation services as well as irrigation to areas most affected by droughts and will build resilient infrastructure. Ultimately, under Component 3, State Institutions will be strengthened and supported to promote climate action through afforestation and ecosystem services restoration in highly vulnerable areas (see further details in Annex 2). On adaptation, the activities will support institutional coordination for this.</p> <p>Climate and Disaster Risk Screening. The Climate Risk Screening Report established that exposure to the current and future climate hazards will pose a moderate risk to the project as the project activities have a resilience focus. The main climate hazards are high temperatures, droughts and intensive rains/floods. The proposed interventions are expected to reduce the potential impact of these hazards, particularly in the context of climate change. The implementation of subprojects under Component 1 will increase the beneficiaries’ resilience by promoting the adoption of technologies and practices that have proven to reduce risks and contribute to climate change adaptation. Activities under Component 2 will also strengthen livelihoods resilience with improved access, quality, resilience and sustainability of water and sanitation services. The detailed Climate Co-Benefits,</p>



Greenhouse Gas Emissions Analysis and Disaster Risk Screening is archived in the project document files.

**Greenhouse Gas Accounting**

Net carbon balance. A GHG appraisal of the entire set of activities to be carried out under the Project has been carried out using the ex-ante carbon-balance tool (EX-ACT), which quantifies the net carbon balance with regard to tCO<sub>2</sub>e, resulting from GHGs emitted or sequestered during the project implementation and capitalization period (20 years) compared to the without-project scenario. The Project leads to estimated annual climate change mitigation benefits of 66,474 tCO<sub>2</sub>e, when compared to a business-as-usual baseline scenario. This is equivalent to annually reduced GHG emissions per hectare of 0.2 tCO<sub>2</sub>e. After 20 years, GHG mitigation benefits amounting to a reduction of 1,329,478 tCO<sub>2</sub>e will be generated. In addition to the achievement of the PDO, the Project also provides intermediate GHG emission reductions as a co-benefit of the project implementation.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.2	37.88	0.125	0.125	4.735	4.735	<p>The overall aim of Component 1 is “is to improve the access for family farming producers’ organizations (including priority vulnerable groups, women and youth) to dynamic markets, thus leading to more sustainable sources of income”.</p> <p>Sub-component 1.1 is engaged with “Strengthening Organizations for Enhanced Market Access”, and will engage through two activities:</p> <ol style="list-style-type: none"> <li>I. technical assistance, carrying out pre-investment studies, preparation of business plans, capacity-building activities, inter alia;</li> <li>II. the provision of Matching Grants to Producer Organizations for carrying out Productive Subprojects</li> </ol> <p>Documentation states the difficulty in calculating co-benefits regarding sub-projects before they have been undertaken. However, that “the Project will actively promote and support intensive awareness raising and improved capacities for adaptation to climate change and</p>

						<p>climate variability (by adoption of climate smart approaches and practices), as well as adoption of innovations and realization of investments, including implementation of natural resources management plans, that are likely to contribute to a reduction in GHG emissions and/or carbon sequestration”.</p> <p>There is therefore a link between the stated activities and the provided climate vulnerability context, showing an intent to address it.</p> <p>The sub-component is relevant under the Common Principles for Climate Change Mitigation Finance Tracking under the eligible activity:  “Agricultural projects that contribute to increasing the carbon stock in the soil or avoiding loss of soil carbon through erosion control measures”.</p> <p>The climate co-benefits assessment results from the following steps:</p> <ul style="list-style-type: none"> <li>III. Recognising that neither adaptation nor mitigation are the principal objective of the sub-component, an initial coefficient of 0.5 can be applied.</li> <li>IV. In recognition of the inherent uncertainty involved in estimating ex-ante climate co-benefits before demand driven projects have been selected, a second coefficient of 0.5 can be applied to adhere to the principle of conservativeness.</li> <li>V. This final coefficient of 0.25 can then be split between adaptation and mitigation co-benefits.</li> </ul>
SC 1.2	5.65	0.25	0	1.4125	0	Sub-component 1.2 is engaged with “Improving Social and Productive

						<p>Inclusion for Vulnerable Groups”, and will engage through two activities:</p> <ul style="list-style-type: none"> <li>VI. technical assistance, capacity-building activities and preparation of community development plans; and</li> <li>VII. the provision of Matching Grants to Vulnerable Groups for carrying out Investment Subprojects to increase food security and income generation initiatives through improved productivity, greater efficiency in water use, and increased resiliency to climate change</li> </ul> <p>There is therefore a link between the stated activities and the provided climate vulnerability context, showing an intent to address it.</p> <p>The adaptation co-benefits assessment results from the following steps:</p> <ul style="list-style-type: none"> <li>VIII. Recognising that ½ activities are adaptation relevant, an initial coefficient of 0.5 can be applied.</li> <li>IX. Further recognising that the adaptation-relevance of activity II is partial, and also recognising the inherent uncertainty involved in estimating ex-ante climate co-benefits before demand driven projects have been selected, a second coefficient of 0.5 can be applied to adhere to the principle of conservativeness.</li> <li>X. Resulting in a final adaptation coefficient of 0.25.</li> </ul> <p>There is no evidence of mitigation relevance.</p>
SC 2.1	32.72	0.75	0.25	24.54	8.18	The overall aim of Component 2 is “to support the State’s efforts to

					<p>universalize access to improved water and sanitation by investing in sustainable and resilient service provision in prioritized rural communities, which are subject to the highest climate risks”.</p> <p>Sub-component 2.1 is engaged with “Expanding Water and Sanitation Access”, and will engage through two activities:</p> <ul style="list-style-type: none"> <li>XI. the construction or rehabilitation of water supply systems for prioritized communities, including energy supply and the adoption of technological innovation aiming at reducing costs, increasing resilience and improving system operational efficiency (56% of funds; 18.32 million); and</li> <li>XII. the construction or improvement of onsite sanitation structures such as household sanitary kits or treatment units in favor of selected communities who are beneficiaries of water interventions (44% of funds; 14.4 million)</li> </ul> <p>There is therefore a strong link between some of the stated activities and the provided climate vulnerability context, which has a focus on drought and water access in this specific region.</p> <p>Regarding mitigation, the Climate Co-Benefits section states “Under Component 2, the project will contribute to a more efficient and sustainable management of water and sanitation services (including reuse of grey water) as well as to ensure the afforestation/restoration of key areas in watersheds.” The sub-</p>
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						<p>component is relevant under the Common Principles for Climate Change Mitigation Finance Tracking under the eligible activity: “Greenfield and brownfield projects that promote improved operation and maintenance to reduce water losses, promote energy savings, or meet or exceed wastewater treatment targets”.</p> <p>The climate co-benefits assessment results from the following steps:  XIII. Evidences suggests that the whole project qualifies towards climate co-benefits, yet focuses more on adaptation than mitigation.  XIV. In the absence of more granular information to assign proportionality, coefficients of 0.75 and 0.25 have been applied regarding adaptation and mitigation co-benefits, respectively.</p>
SC 2.2	2.64	1	0	2.64	0	<p>Sub-component 2.2 is engaged with “Increasing Water Security and Resilience”, and “supports the implementation of water reuse systems for agricultural production purposes in response to subcomponent 1.1, and activities aimed at the protection and conservation of water sources”.</p> <p>There is therefore a strong link between some of the stated activities and the provided climate vulnerability context, which has a focus on drought and water access in this specific region.</p> <p>The sub-component is assessed to be entirely adaptation relevant.</p>
SC 3.1	8.69	0	-	0	1.63	<p>The overall aim of Component 3 is “to strengthen the organizational, management, knowledge and operational capacity of key implementing State institutions, as</p>

						<p>well as to provide overall Project Management and Supervision”.</p> <p>Sub-component 3.1 “aims to strengthen the organizational, management, knowledge, strategic and operational capacity of key implementing institutions, including, inter alia, the Project Manager, the Strategic Partners, the Project Auditors and the Cooperating Entities”</p> <p>Activities may include, inter alia: consolidation of the SDA’s management system; restructuring and strengthening of UGP and EMARTECE; piloting of a management scheme for sludge management and the implementation of multi-community solar panel schemes to support water pumping. Where “Piloting the sludge management scheme and the solar panel multi-community schemes cost add up to around USD 1.63 million”</p> <p>Regarding mitigation, this US\$1.63 million is relevant under the Common Principles for Climate Change Mitigation Finance Tracking under the eligible activities: “Generation of renewable energy with low lifecycle GHG emissions to supply electricity, heating, mechanical energy or cooling”; and “Greenfield or brownfield projects that improve latrines or collection of wastewater, fecal sludge or septage”.</p> <p>There is little evidence regarding adaptation relevance, and the proportion of activities which will support adaptation. To adhere to the principle of conservativeness no adaptation co-benefits have been counted.</p>
SC 3.2	12.16	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
38.5	33.3275	13.4%	22.1	14.545	34.2%

Reported climate finance	Assessed climate finance	Error
60.6	47.8725	21.0%

Project Number: P171054

<b>Project Name</b>
Climate Adaptation and Resilience for South Asia
<b>Project Document URL</b>
<a href="https://documents1.worldbank.org/curated/en/546561589594553555/pdf/South-Asia-Climate-Adaptation-and-Resilience-for-South-Asia-CARE-Project.pdf">https://documents1.worldbank.org/curated/en/546561589594553555/pdf/South-Asia-Climate-Adaptation-and-Resilience-for-South-Asia-CARE-Project.pdf</a>
<b>Financing Instrument</b>
Investment Policy Financing
<b>Financial product</b>
Grant
<b>Lowest level of granularity</b>
Activity

<b>Climate Change Vulnerability Context</b>
Provided in Regional Context section, page 7. Between 1990 and 2019, over 1000 climate-induced disasters in South Asia region affected over 1.68 billion people
<b>Intent to Address Vulnerability</b>
Provided in Project Development Objective statement, page 12: The objective of the Project is to contribute to an enabling environment for climate resilience policies and investments in select sectors and countries in South Asia.
<b>Link to Project Activities</b>
Provided in PDO level indicators, page 12: <ul style="list-style-type: none"> <li>• Improved access to regional climate information and analytics for climate-informed decision making in select sectors;</li> <li>• National-level decision-making and planning tools are better climate risk informed in select sectors;</li> <li>• Regional climate resilience guidelines for select sectors incorporated into national standards;</li> <li>• Sectoral investments supported to include climate risks and resilient design in select sectors; and</li> <li>• Institutional capacities within select sectors strengthened to undertake climate informed policies and planning.</li> </ul>
<b>Incremental Cost?</b>
None provided

Name	Value	Description
1.1: Expanding SAR Regional Resilience Data and Analytics Services (RDAS)	3.5	Develop public-domain RDAS Platform with climate and sectoral data for resilience for all SAR countries. Develop a Data and Analytical Services Catalog and facilitate use of the system developed.
1.2: Strengthening national-level	6	Develop interactive dashboards to facilitate access to relevant data and analytics to support decisions for targeted stakeholders, leveraging the public Data and Analytical Services Catalog in the Subcomponent 1.1 and other public/confidential data/analytic

Commented [1]:



sectoral decision support systems (DSS) for the Participating countries		services developed as part of this sub-component. Facilitate use of systems developed with appropriate IT platforms
1.3: Trainings for Climate-Informed Decision-Making	0.5	(1) Virtual and other training of potential RDAS user groups in all SAR countries. (2) Training on respective DSS for policymakers and operational users from planning, finance, agriculture/livestock, water, transport and DRM in Nepal, Bangladesh and Pakistan.
2.1: Advisory services for policy and investment interventions	5	(1) Utilize the existing Climate Change PER – policy, institutional and public expenditure review – to identify gaps and sequence an action plan for climate and disaster risk-informed investment, appraisal and approval framework. (2) Utilize World Bank’s Climate Change Fiscal Risk Analysis tool to support design of climate-related fiscal-risk mitigation measures. (3) Conduct district-level climate vulnerability assessments in three participating countries.
2.2: Promoting Climate Resilient Design and Standards	2	Develop regional guidelines for all SAR countries (finance, planning, agriculture, transport, water)
2.3: Implementation Support to Climate Risk Management Solutions: Capacity building and technical support	14	(1) Provide training to increase understanding of climate-resilience adaptive policy making, design and solutions in priority sectors (transport, water and agriculture). (2) Adoption of technology solutions in focus countries; support for creation of climate-smart institution, governance, and finance; establishing a mechanism to support national level centers of excellences and universities for technical collaboration with line ministries; diagnosis and adaptive design. (3) Technical support to Ministries of Finance and Planning for climate-informed macro-level analysis, modeling, and climateinformed fiscal risk management. (4) Technical support to assist countries in gaining access to international climate finance including support accreditation process for national/sub-national entities to access GCF
Component 3: Project Management and Specialized Support	5	This component will finance establishing and operating the ADPC and RIMES Project Implementation Units (PIUs). RIMES will be allocated US\$2 million and ADPC will be allocated US\$3 million. This also includes financing consultancies required for the preparation and supervision of specific activities, monitoring and

	evaluation, trainings, exposure visits, internships (that can also be financed by the other Components), studies for knowledge generation and sector-specific climate impacts and related interventions, inclusive and gendered practices in climate resilient planning and investments. Additional US\$0.5 million will be allocated to APDC, financed through the PARCC TF, to administer activities under Sub-component 2.4.
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<b>Climate Change Co-benefits section</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
1.1: Expanding SAR Regional Resilience Data and Analytics Services (RDAS)	3.5	1	0	3.5	0	Entirely focused on adaptation.
1.2: Strengthening national-level sectoral decision support systems (DSS) for the Participating countries	6	1	0	6	0	Entirely focused on adaptation.
1.3: Trainings for Climate-Informed Decision-Making	0.5	1	0	0.5	0	Entirely focused on adaptation.
2.1: Advisory services for policy and investment interventions	5	1	0	5	0	Entirely focused on adaptation.

2.2: Promoting Climate Resilient Design and Standards	2	1	0	2	0	Entirely focused on adaptation.
2.3: Implementation Support to Climate Risk Management Solutions: Capacity building and technical support	14	1	0	14	0	Entirely focused on adaptation.
Component 3: Project Management and Specialized Support	5	1	0	5	0	Entirely focused on adaptation.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
36	36	0%	0	0	0%

Reported climate finance	Assessed climate finance	Error
36	36	0%

## Project Number: P171633

<b>Project Name</b>
ADDITIONAL FINANCING FOR THE SOCIAL SAFETY NET PROJECT (Comoros - Social Safety Net Project : Additional Financing)
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/472011576810896780/comoros-social-safety-net-project-additional-financing">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/472011576810896780/comoros-social-safety-net-project-additional-financing</a> (Additional Financing documentation); <a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/216571468018596777/comoros-comoros-social-safety-net-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/216571468018596777/comoros-comoros-social-safety-net-project</a> (for information on Sub-component 1.2, Activity (b)).
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Grant
<b>Lowest level of granularity</b>
Component/Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Country Context section, page 9, paragraph 12. The AF is noted as part of a comprehensive World Bank response to address impacts from Cyclone Kenneth, where cyclones are affected by climate change.
<b>Intent to Address Vulnerability</b>
Provided in the Country Context section, page 9, paragraph 13.
<b>Link to Project Activities</b>
Provided in Section x, page y, at the z level, as requested for IPF.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 1	15	<p>Component 1: Establishing a Productive and Disaster Responsive Safety Net. (Original US\$4 million; revised US\$3.43 million; additional US\$15 million). Under Subcomponent 1.2, the AF will finance two distinct activities as detailed in the following paragraphs.</p> <p>45. This AF was prepared in close cooperation with the Emergency Project to ensure complementarities and synergies with activities (a) and (b) (outlined below). The Emergency Project will focus on addressing recovery and reconstruction needs in the housing and infrastructure sectors and will therefore use different targeting criteria to select beneficiary communities and households, Emergency Project placing an emphasis on impacts on housing. However, the intervention areas of both projects are likely to overlap, because both projects focus on areas affected by the cyclone and target poor and vulnerable households. Close coordination is therefore needed through joint work with the DGSC.</p> <ul style="list-style-type: none"> <li>Activity a. The Emergency project will finance the reconstruction of 1,000 houses on the three islands, complementing component a of this AF. Using transparent and objective selection criteria, households will be identified among the poorest whose houses have been damaged by the cyclone to receive housing support from the Emergency Project. To ensure coordination, the registry of beneficiary households to be developed under this AF will be shared with the Emergency Project and will include some</li> </ul>

		<p>variables on the housing conditions and damage from the cyclone. The Emergency Project will then use the information from the registry to complement its database for targeting. In communities targeted by both projects, it is therefore possible that some of the poorest and most vulnerable households will be selected both for the recovery grants and for housing support.</p> <ul style="list-style-type: none"> <li>• Activity b. The Emergency Project also plans to finance US\$0.7 million of small community infrastructures, focusing on different types of infrastructure such as walkways, alleys, roads and associated drainage; small public spaces such as parks; small recreational infrastructures; solar powered public lamps; and other small infrastructures closely related to housing. This AF, on the other hand, will focus on community infrastructure such as schools, health centers, water storage, and so on.</li> </ul> <p>46. During further preparation and implementation, coordination will be ensured through joint work with the DGSC's and DoSSP's representation in the Emergency Project's Steering Committee.</p>
<p>Sub-component 1.2, Activity (a)</p>	<p>15</p>	<p>34. Activity (a): Support the early recovery of selected, cyclone-affected households (US\$10 million). This activity will be implemented through the provision of recovery grants and access to an integrated support package comprising adult training sessions and livelihood support services for 10,000 selected poor households in villages affected by the cyclone.</p> <p>35. This activity will build on international experience and finance studies to develop and implement a sequenced and flexible approach to livelihoods strengthening that includes (a) recovery grants for all beneficiaries; (b) a set of options for livelihood support services to accompany the grant that will accommodate different settings and socioeconomic conditions; and (c) adult learning sessions. This integrated package will tackle key constraints to the recovery and creation of income-generating activities and focus on restoring productive assets, increasing productivity in agriculture, diversifying livelihoods, and increasing resilience to future disasters. The set of options offered to beneficiaries for technical livelihood support services will be determined based on the economic potential and constraints of each region and the support will be flexible to adjust to the heterogeneity of needs and capacities of beneficiary households.</p> <p>36. Recovery grants will be paid to beneficiary households through third-party institutions (microfinance, bank, mobile banking, and so on) in three instalments as described in Table 1. The first disbursement will be paid upon registration in the program and is expected to enable beneficiary households to cover their short-term consumption needs. The second installment will be paid upon validation of a simple and realistic 'recovery plan' that will lay out how the household proposes to use the money, and the third installment will be paid after a simple assessment of the progress made in implementing the plan without applying rigid criteria. While beneficiaries will be encouraged to use part of the second and third payments to rebuild or develop economic activities and productive assets, flexibility will be built in to ensure that the recovery plans are realistic, and the scale is adjusted to the conditions of the households. It is therefore expected that most registered households will receive the three instalments. This subcomponent will finance the direct cost of the grant as well as the cost of transfer through third-party providers. The amount of the grant (US\$700 to US\$750), corresponds to around 63 percent of average annual per capita consumption.</p> <p>(a) Livelihood support services will provide beneficiaries with the necessary skills and support to develop their choice of income-generating activities as they</p>

	<p>receive the recovery grant. It will be based on previous analytical work carried out by the World Bank on promising value chains and include livelihood orientation, goal setting, training in technical skills for livelihood development, coaching and mentoring, and follow-up support to beneficiaries to sustain their economic inclusion activities. Beneficiaries will be grouped for the livelihood support trainings based on their choice of livelihoods. Women will be particularly encouraged to diversify their income-generating activities and consider occupations that are traditionally taken by men.</p> <p>(b) In parallel, the beneficiaries will be supported through adult learning sessions related to human development and economic inclusion to strengthen their resilience. This will include a package of core trainings on early child development and parenting, nutrition, health and sanitation, family planning, women empowerment, and financial literacy and planning. The parts of the package of training related to human development (early child development, health, education, family planning, parenting, and reproductive health) and women empowerment will be coordinated with the COMPASS Project (P166013), given the latter's plans to implement similar measures in pilot zones. Methodology as well as tools and materials will be developed jointly. The coordination, collaboration, and communication during preparation and implementation will be facilitated by the fact that both the health project and the AF are under the same ministry (MoHSSP). Health, Nutrition, and Population and Social Protection and Jobs teams have jointly hired a specialist to help the PIUs of the two projects prepare those activities. Financial literacy will be promoted through the opening of bank accounts by each participant in microfinance institutions (MFIs) of their choice. The sessions will draw on behavioral approaches and focus particularly on boosting women's empowerment and participation in household decision making and budget management. The project will draw on lessons from other countries with behavioral interventions, such as Madagascar and Kenya, for the design and implementation of these adult learning sessions. Beneficiaries will be grouped for the delivery of the trainings under the leadership of 'group leaders', preferably women, and in safe spaces. Those leaders will be supported by the social protection committees, nongovernmental organizations (NGOs), and project staff to deliver the trainings. The project will elaborate materials and tools for mother/father leaders. The capacity building of the mother/father leaders and the wellbeing sessions will adopt a participatory, iterative, and playful pedagogy using examples and experiences relevant to the beneficiaries to facilitate assimilation and appropriation of key messages.</p> <p>37. The enrollment step will help determine which household members will collect the transfer and participate in the livelihood support services and adult training sessions. By default, the female head of the household or the spouse of the household head will be the primary recipient of the grant. Households will be offered the option to request that the transfer be made to a bank account owned jointly by the head of the household and his spouse or to an alternative recipient in case the household head and/or his spouse are unavailable. The enrollment step will also determine which household members will participate in the different training sessions, depending on the household's livelihood strategies and the skills and capacities of the different household members. A lot of flexibility will be allowed to adjust to the specific conditions of beneficiary households and maximize the impact of both the grant and the support services.</p> <p>38. Geographic targeting. Based on the Memorandum of Understanding signed in 2015, the PIU coordinates with the DGSC on targeting. To effectively and quickly respond to</p>
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	<p>emergencies, the project had to coordinate action and efforts with the DGSC, which is the government agency in charge of Disaster Risk Management (DRM). The working group which also includes the MoHSSP and ANACEP decided on geographic targeting using the data collected by the DGSC to objectively identify the most affected areas. The two criteria used to identify the villages most in need of assistance following the cyclone were (a) high impacts of Cyclone Kenneth in the community (villages identified as priority 1 or 2 in the recovery plan) and (b) high poverty rate: (villages where more than 69 percent of the population lives below the poverty rate).<sup>10</sup> All 118 villages that met those two criteria were selected to benefit from the project activities: 83 in Grandes Comores, 22 in Anjouan, and 13 in Mohéli. Among those villages, 35 are priority one villages and 83 are priority two villages. No priority three village was selected as the impacts of Cyclone Kenneth were smaller and poverty rates in those villages ranged from 26 percent to 60 percent.</p> <p>39. Distribution of beneficiary households on the three islands. In all identified villages, 30 percent of households will be selected among the poorest and most vulnerable to benefit from the recovery grant and the associated package of support services. In total, 10,000 households or about 50,000 persons representing 15 percent of the affected population will benefit from the project. To facilitate the implementation, a minimum of 30 and a maximum of 400 beneficiary households per village were set. Based on the latest population estimates available,<sup>11</sup> the beneficiary households will therefore be distributed as follows on the three islands: 55 percent in Grandes Comores, 32 percent in Anjouan, and 13 percent in Mohéli.</p> <p>40. Selection of beneficiary households. Beneficiary households will be identified in cyclone-affected villages based on a combination of community selection and categorical criteria considering gender aspects. The development of the targeting system and guidelines will be financed under Component 3, and the implementation will be financed under this subcomponent. The following criteria will be considered: (a) education of the household head; (b) number of children below five years living in the household; (c) household's assets; and (d) gender of the household head.</p> <p>41. Guidelines will be developed as part of the emergency response manual to prioritize households based on these criteria. The selection of households will follow the following steps: • Community assembly to present the project • Pre-registration of households interested in joining the project: several registration centers will be opened to facilitate the process. Data on the household will be collected during registration, including information on household identification, household demographic composition, variables related to the selection criteria, and damage to housing caused by the cyclone (to be used by the Emergency Project). • First community validation to ensure that the most affected households are pre-registered • Prioritization based on the criteria determined by the project • Validation by the community • Validation by the project staff to ensure that procedures complied with the guidelines.</p> <p>42. NGOs, consultants, or other third parties will be contracted competitively to provide support to the implementation of the recovery grant. The project will build on the lessons learned from the parent project during which overall support from NGOs was positive. However, resource availability was an issue in Mohéli, and NGOs and the payment agency had three-year contracts which reduced the administrative costs but also the leverage of the project to ensure quality. (a) Targeting. Targeting was carried out by the project team during implementation of the parent project. Given the increase in scale of the activities and the need to act quickly to respond to the emergency, the</p>
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		<p>project staff will be assisted by consultants or NGOs for the targeting process of the AF, including community validation and beneficiary registration. (b) Livelihood support and adult learning sessions. NGOs will be recruited competitively to provide those services following training guidelines and emergency response manual developed by the project. They will collaborate with the local agriculture offices to ensure that existing good practices are carried forward and will train and support group leaders for the delivery of the adult training sessions. In the interest of efficiency, the project may decide to offer one-year contracts, renewable if evaluation is satisfactory, instead of three-year contracts. (c) Payment. The parent project had a contract with the Union des Meck, which used a highly centralized payment system that delayed payments to beneficiaries. This AF will try to collaborate with local agencies (MFIs, banks, and so on) and will assist beneficiaries to open bank accounts to overcome this issue.</p> <p>43. A communication strategy will be developed by the implementing agency to foster transparency, to ensure that eligibility and targeting criteria are well understood, and to encourage families to focus on their human development and economic recovery.</p>
Sub-component 1.2, Activity (b)		<p>44. Activity (b): The rehabilitation/reconstruction of damaged infrastructure (US\$5 million). This activity was already included under the original Subcomponent 1.2 and will therefore not require any significant change in design.</p> <p>This activity will be guided by the DGSC which the government agency in charge of DRM. Around 100 infrastructure subprojects are expected to be financed in poor communities in Priority 1 and 2 areas, considering the damage assessment of the Government. A participatory, community-based approach will be followed to identify priority infrastructure. Communities will be responsible for maintenance to ensure sustainability. Cash-for-work modalities will be used for minor rehabilitation works when it is technically possible and local labor and materials are available. The rehabilitation would therefore be implemented through either contractors or, where possible, through cash-for-work activities, supported and supervised by NGOs, for light repairs of damaged infrastructure, to ensure that a large part of the financing benefits the participating communities.</p> <p>The sub-component will also finance the rehabilitation and reconstruction of small village infrastructure damaged by natural disasters and emergency cash-for-work activities for clean-up and repair. Private construction companies will be contracted to carry out the infrastructure works. Based on the results of a recent technical audit of all of the infrastructure projects implemented under the Emergency Crisis Response Project, the FADC is conducting an ongoing review of procedures and standards to improve the technical quality of the community infrastructure sub-projects, increase their resilience to disasters, and strengthen their maintenance. The improvements proposed by the review will be reflected in a revised Infrastructure Sub-project Manual for the basic infrastructure sub-projects, which will be submitted for the Bank's "no objection" prior to effectiveness.</p>
Component 3	3	<p>Component 3: Strengthening Safety Net Management, Coordination, and Monitoring and Evaluation will be scaled up under the AF. This component will obtain additional funding of US\$3 million. Split into two activities: (a) support re. the Recovery Grant (\$2 million); and (b) support re. the Rehabilitation of Small Infrastructures (\$1 million).</p> <p>48. Component 3: Strengthening Safety Net Management, Coordination, and Monitoring and Evaluation will be scaled up under the AF. This component will obtain additional funding of US\$3 million to ensure proper management of activities under Subcomponent 1.2 and continue to support the GoC in building a social protection system.</p>



	<p>(a) The AF will support coordination and M&amp;E of the activities. To this end, regional offices of the project will be reopened, and funding will be used for hiring of consultants, logistics, provision of equipment, training of trainers, communication, and operating costs;</p> <p>(b) The AF will continue to support the foundations and main elements of a safety net system (i) MIS with unique identification and key socioeconomic and demographic information on beneficiaries in the target areas; (ii) development of a targeting system and tools to identify poor and vulnerable affected households; (iii) grievance and redress systems supporting responsive management and social accountability; and (iv) efficient payment systems. These services have been designed under the parent project and are crucial for building a social protection system. The AF will try to adopt innovations with the use of digital technology to enhance these services;</p> <p>(c) The AF will contribute to strengthening the institutional and technical capacity of the Government. All these key elements of the SSN system will be developed in close collaboration with the DoSSP. In addition, the project will continue to assist the DoSSP in the establishment of a social registry. The project will also support the DoSSP to enable carrying out supervision of the programs as well as coordination and M&amp;E functions which are central to the establishment of a strong SSN.</p> <p>49. The costs by component for the original financing and the AF are presented in Table 4. Table 5 presents the breakdown of the budget (including administrative costs) between the socioeconomic recovery grant and the rehabilitation of infrastructures. The direct transfers to beneficiary households is estimated at around 60 percent of the total cost of the recovery grants, while livelihood support and adult training sessions are estimated to account for 10 percent to 15 percent of the total budget for this activity. The latter is essential to complement the cash transfer and foster positive behavioral change toward improved well-being and long-term improvement of the living conditions of household beneficiaries.</p>
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<p><b>Climate Change Co-benefits section</b></p> <p>Not provided:</p> <p>Climate Change section, pages 25-26, paragraph 53: “The Comoros is at constant risk and exposure to climate and geographical hazards, as exemplified by the passing of Cyclone Kenneth. Recent trends have indicated an uptick in cyclones and heavy rain as well as droughts that have been longer in duration in recent years. The proposed AF is seeking to build the resilience of communities by repairing/rehabilitating and strengthening small social community infrastructures that predominantly serve vulnerable populations damaged by the passage of the cyclone. The project will use the building-back-better approach, will foster wider dissemination of DRM concepts, and help ensure higher and safer standards of construction to ensure infrastructure resilience. All community infrastructure will be designed to be climate resilient, in that they are planned, designed, built, and operated in a way that anticipates, prepares for, and adapts to changing climate conditions. The project is also focusing on a ‘productive inclusion’ approach, which encompasses a phased intervention that combines a large cash grant with livelihood support services (chosen from a set of options relevant to the local context) and adult learning sessions (health, education, empowerment, and so on), with the objective to support self/wage employment and diversification of livelihoods and resilience. These SSN instruments are being used as part of an effort to be more responsive to urgent needs following disasters as a measure of climate adaptation and the approach fosters greater resilience of communities overall. A climate screening has been conducted and while it indicates high</p>
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levels of exposure with moderate level of impact to project-supported infrastructure, the project will also contribute to modulate risks through capacity building to anticipate natural disasters better and target responses more effectively."

**Greenhouse Gas Accounting**

None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
"The proposed AF would (a) scale up SSNP activities in the cyclone-affected areas through Subcomponent 1.2 ensuring an early recovery response to natural disasters; (b) expand Component 3 for additional project management, supervision, and operating costs"						
SC 1.2, (a)	10	0.25	0	2.5	0	<p>The objective of activity (a) is "Support the early recovery of selected, cyclone-affected households", adding that the activity "will be implemented through the provision of recovery grants and access to an integrated support package comprising adult training sessions and livelihood support services for 10,000 selected poor households in villages affected by the cyclone."</p> <p>The activity will tackle "key constraints to the recovery and creation of income-generating activities and focus on restoring productive assets, increasing productivity in agriculture, diversifying livelihoods, and increasing resilience to future disasters." Resultingly, the activities will increase general socioeconomic resilience while integrating resilience building activities, showing an intent to address the outlined vulnerability context.</p> <p>Project documentation notes that: "the AF provides an opportunity to connect the emergency, humanitarian response with a more resilience-oriented approach." Highlighting that portions of the support are better described as finance for energy and humanitarian responses.</p> <p>Due to a lack of more granular information, an initial coefficient of 0.5 can be applied based on the following reasoning:</p>

						<ul style="list-style-type: none"> <li>- Adaptation is not the fundamental or primary driver of the project. Cyclones are exacerbated by climate change, rather than caused by them.</li> <li>- The response to the cyclone (through financial grants, livelihoods support, and adult learning) will integrate some adaptation co-benefits, while also benefiting other areas.</li> <li>- Portions of the support are better described as emergency/humanitarian support. There is no stipulation that household grants are to be used on adaptation.</li> </ul> <p>Due to the lack of incremental adaptation cost figures, and because adult education and livelihood activities again only partially focus on resilience building, a further coefficient of 0.5 is applied resulting in a final coefficient of 0.25. The final coefficient adheres to a principle of conservativeness so as to not over-report adaptation co-benefits where there is uncertainty.</p> <p>Project documentation makes no reference to “emission(s)”, “mitigation”, “GHG”. Making only one reference to solar lights, without further more granular information regarding expected benefits and costs. Therefore, there is no evidence of mitigation relevance or mitigation co-benefits within the project.</p>
SC 1.2, (b)	5	0	0	0	0	<p>The objective of activity (b) is to: “finance the rehabilitation and reconstruction of small village infrastructure damaged by natural disasters and emergency cash-for-work activities for clean-up and repair”.</p> <p>It is noted that the reconstruction and rehabilitation of climate-related infrastructure (such as natural resource management infrastructure related to water and agriculture) will enhance the resilience of pastoral beneficiaries through general socioeconomic resilience building.</p>

						<p>However, there is a lack of incremental adaptation costs, and activities are indirectly related to adaptation and resilience building. As a result, there is no explicit evidence provided within Additional Financing documentation, or the original project's documentation, that reconstruction and rehabilitation will integrate adaptation/resilience concerns. The text surrounding this activity does not explicitly state any intent to address the outlined vulnerability context, and adaptation co-benefits cannot be counted as a result.</p> <p>Project documentation makes no reference to "emission(s)", "mitigation", "GHG". Making only one reference to solar lights, without further more granular information regarding expected benefits and costs. Therefore, there is no evidence of mitigation relevance or mitigation co-benefits within the project.</p>
C3, (a)	2	0.25	0	0.5	0	<p>The objective of component 3, activity (a) is to ensure "ensure proper management of activities under Subcomponent 1.2 and continue to support the GoC in building a social protection system" through support re. the provision of Recovery Grants.</p> <p>The coefficients applied here therefore reflect those assigned to Sub-component 1.2, activity (a), where this \$2 million of finance is deemed to be facilitative in delivering those objectives and outcomes.</p> <p>Project documentation makes no reference to "emission(s)", "mitigation", "GHG". Making only one reference to solar lights, without further more granular information regarding expected benefits and costs. Therefore, there is no evidence of mitigation relevance or mitigation co-benefits within the project.</p>
C3, (b)	1	0	0	0	0	<p>The objective of component 3, activity (b) is to ensure "ensure proper management of activities under Subcomponent 1.2 and continue to support the GoC in building a social protection system" through support re. the provision of . the Rehabilitation of Small Infrastructures.</p>

					<p>Because no climate finance could be evidenced to result from Sub-component 1.2, activity (b), no climate finance can be evidenced here.</p> <p>Project documentation makes no reference to “emission(s)”, “mitigation”, “GHG”. Making only one reference to solar lights, without further more granular information regarding expected benefits and costs. Therefore, there is no evidence of mitigation relevance or mitigation co-benefits within the project.</p>
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Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
8.1	3	63.0%	0.6	0	100%

Reported climate finance	Assessed climate finance	Error
8.7	3	65.5%

**Project Number: P174198**

<b>Project Name</b>
COVID-19 Crisis Response Emergency Development Policy Financing
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/245601593396125091/seychelles-covid-19-crisis-response-emergency-development-policy-financing">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/245601593396125091/seychelles-covid-19-crisis-response-emergency-development-policy-financing</a>
<b>Financing Instrument</b>
Development Policy Financing
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Prior Action

<b>Climate Change Vulnerability Context</b>
Very weak vulnerability context provided in the Prior Actions, Results and Analytical Underpinnings section.
<b>Intent to Address Vulnerability</b>
Provided in the Proposed Operation section, page 19 paragraph 33.
<b>Link to Project Activities</b>
Provided in Prior Actions, Results and Analytical Underpinnings section.
<b>Incremental Cost?</b>
N/A.

Name	Value	Description
PA 1		<p>Prior Action #1: The Borrower, through its Cabinet of Ministers, has approved the Seychelles Response Plan to Covid-19 as laid out in Cabinet Memorandum C20/MEM/066, which defines the strategy for the immediate response to the first wave of COVID-19 and lays the foundation for subsequent reopening and testing strategies, and took adequate measures to prevent imported cases.</p> <p>36. Rationale: The initial global outbreak of COVID-19 posed a significant challenge for Seychelles, which has limited capacity in response to infectious diseases. In 2018, the World Health Organization (WHO) conducted a Joint External Evaluation (JEE) of Seychelles' capacity in 19 technical and 48 sub-technical fields on how to deal with the risks of infectious diseases through a coordinated response. Out of 48 sub-technical fields, Seychelles received a score of 1 or 2 (the maximum is 5) on 24 indicators, showing the weak institutional capabilities of the country in dealing with health crises. The evaluation shows that Seychelles need to formalize existing procedures, and document existing processes. In addition, the report finds that Seychelles was ill-prepared in antimicrobial resistance or capacity to prevent zoonotic diseases like COVID-19. Seychelles was also assessed as less able to rapidly respond to and mitigate the spread of an epidemic (Rapid Response), due to weak emergency preparedness response planning. These findings highlight the need to strengthen institutional capacities to adequately address public health emergencies. The COVID-19 pandemic exposed the serious gaps in the Government's capacity to respond to this public health emergency with an ad-hoc</p>

	<p>and poorly coordinated, rather than a well institutionalized approach. As to date the COVID-19 outbreak seems to be contained in the Seychelles (out of the 11 positive cases, last one to be registered was on April 6th, 2020, and all of them have now recovered), the focus on setting-up proper mechanisms to prevent and manage potential new outbreaks in mid-term is essential.</p> <p>37. Policy action: This DPO supports the adoption of the Seychelles Response Plan to COVID-19. This Response Plan lays out the strategy and costing of the country's emergency response to the first wave of COVID-19 and lays a foundation for the development of mid- and long-term health-sector response strategies including the COVID-19 testing strategy. The Response Plan, in combination with action taken to prevent the importation of new cases by closing the borders, has proven effective in minimizing the health impact of COVID-19 in Seychelles demonstrated by the total case count of 11 by June 2020. The consecutive mid- and long-term plans are being prepared by the GoS with support from WHO based on the initial Response Plan and are scheduled to be completed before the end of June 2020.</p> <p>38. Results: Given the importance of imported cases for Seychelles' epidemic trajectory, the Seychelles Response Plan to COVID-19 includes strong testing guidelines to ensure that all new arrivals in Seychelles are properly screened and tested. The current guidelines<sup>6</sup> mandate a negative test 48 hours or less before entering the territory for all passengers. The proposed result indicator is the effective enforcement of the guidelines, resulting in at least 95 percent of new arrivals having been screened and tested according to protocol.</p> <p>39. Status: Completed. The COVID-19 Response Plan was approved by Cabinet of Ministers in May 2020.</p>
PA 2	<p>Prior Action #2: The Borrower through its National Assembly and Cabinet of Ministers approved measures to support vulnerable households affected by COVID-19 through: (i) increase in allocation to social protection; and (ii) increase in the one-off assistance paid under the Social Welfare Assistance benefit.</p> <p>40. Rationale: Seychelles had a comprehensive social protection policy in place prior to the advent of COVID19. A major component of this was the Social Welfare Assistance (SWA) benefit, which was provided to various households needing income assistance. Seychelles had been in the enviable position of having more job openings than there were job seekers. To promote more social inclusion and economic productivity, since 2017 the Agency for Social Protection (ASP) had instituted a mechanism whereby those applying for SWA on the basis of unemployment would first be screened by the Department of Employment with regards to their occupational skills and experience and potentially matched with available jobs. Those unable to be matched with jobs could then be entered into the Unemployment Relief Scheme for a period of 6 months to a year. This is essentially a public works scheme where the individual would be employed by a government agency doing whatever type of work the person was capable of doing, such as cleaning parks. During the placement process, households were given SWA on a temporary basis, until the placement with either a job or the Unemployment Relief Scheme could take place. Welfare assistance schemes in Seychelles are</p>

	<p>means-tested, with imputed expenditures for a household of that particular composition subtracted from total household income. The Government is engaging with the World Bank in a social protection Program for Results (PforR) which will go to Board September 2020. The PforR will support revisions in the means-testing criteria to include information like socioeconomic needs in addition to income and expenditures. Lack of social protection for low-income households increases their vulnerability to shocks caused by health crises such as COVID-19 as well as climate-related hazards.</p> <p>41. Policy action: Given the heavy concentration of employment around the tourism industry, which has now been temporarily shut down, the Government responded to mitigate the risk of high unemployment. In order to provide coverage to informal workers or others who were facing hardships, the Government increased the budget for both SWA and the Unemployment Relief Scheme. SWA increased from an originally budgeted Rs. 47.772 million to Rs. 77.772 million, a 62 percent increase. The Unemployment Relief Scheme has received double its previous allocation of Rs. 10 million to cover the increased potential demand from those who are facing needs. While there are no changes in the criteria to benefit from the schemes, since household income has fallen, for even existing beneficiaries, there is likely to be an increase in the size of benefit and consequently an increase in the number of households being covered.</p> <p>42. Results: This prior action is expected to result in a 20 percent increase of the number of people benefiting from social protection or social welfare to buffer the impact of COVID-19. In the case of Social Welfare Assistance, which is a means-tested scheme, both the number of beneficiaries may increase and the average benefit per household may increase. Benefits are based on the difference between actual household income and imputed expenditures for a household with the same characteristics. Some beneficiary households who were earning some income may have seen this income evaporate, resulting in higher benefits going to these households. In other cases, households who were previously not receiving benefits may now find themselves in need and requiring benefits. In yet other cases, households who had been receiving the benefit while awaiting job placement are likely to be waiting longer, again increasing the caseload of beneficiaries. By contrast, the Unemployment Relief Scheme which pays similar to minimum wage, is expected to increase the number of beneficiaries. Again, while some of these are new beneficiaries, some of the beneficiaries who would have reached their time limit, may be continued in their role until the emergency passes. Increased access to social protection will reduce benefitting households' vulnerability to shocks, including those caused by climate-related hazards for those beneficiaries located in flood, landslide and erosion hazard zones.</p> <p>Status: Completed as evidenced by the Appropriation (Amendment) Act of 2020 (Act 13 of 2020), published in the Borrower's Supplement Official Gazette on April 11, 2020).</p>
PA 3	<p>Prior Action #3: The Borrower through its National Assembly approved: (i) guarantee salaries to all employees in companies affected by the COVID-19 pandemic for three months and (ii) postponement of taxes until September 2020</p>



	<p>(Corporate Social Responsibility, Tourism Marketing Tax, Business Tax and taxes on NonMonetary Benefits Income).</p> <p>Rationale: This prior action seeks to support the Government in managing the adverse economic impact of COVID-19 by guaranteeing the salaries of employees in the formal private sector and temporarily lessening the tax burden for businesses. The COVID-19 related impacts on international tourist arrivals and closure of local economic activities has affected most private sector operators and most of the Seychelles work force. Supporting the private sector through salary guarantees and postponement of taxes aims to mitigate the effect of COVID-19 on the private sector and allow productive sectors to maintain their viability. The measures also reduce the direct and indirect impacts of income loss to the work force. Certain economic sectors, which are large employers, such as for instance tourism, are particularly affected by imposed social distancing measures or supply chain and labor disruptions. The tourism sector directly accounts for 58 percent, 27 percent and 12 percent of tourism marketing tax, corporate social responsibility tax and businesses tax, respectively. Thus, the postponement of the payment of these taxes will help to provide temporary relief and lessen the burden on businesses as they try to stay viable.</p> <p>Policy action: This operation supports a direct financial support mechanism to companies and workers through the guarantee of salaries and postponement of the payment of taxes (Corporate Social Responsibility, Tourism Marketing Tax, Business Tax and taxes on Non-Monetary Benefits Income). These policy measures were approved in the amended budget with a total of around US\$88 million for the salary guarantees alone as part of the GoS Covid-19 response package. Indications from the April and May processing of the scheme suggest that uptake for the salary guarantee may be less than budgeted. The GoS will enhance liquidity for businesses by deferring payments of taxes by private sector companies. The tax deferment was also approved in the amended budget approved by the National Assembly on March 30, 2020. Deferment of the taxes lasts from April to September 2020. The GoS created the Financial Assistance for Job Retention (FA4JR) Committee to administer the government’s private sector wage guarantee scheme to help businesses pay the salaries of their employees<sup>7</sup>. The scheme is primarily intended to assist private businesses and non-governmental organizations (NGOs) which already submit a monthly payroll to the Seychelles Revenue Commission (SRC), regardless of how many employees they have. Applicants must be able to meet all of the following criteria: • Be able to explain how COVID-19 has caused significant disruption to its business activity • Prove a reduction in turnover of more than 25 percent • Be temporarily unable to pay normal salaries • Agree that no staff are to be made redundant.</p> <p>In addition, the full list of businesses and organizations that received assistance will be published in the public domain after the assistance period is over. Only fixed allowances will be paid by the government assistance. Periodic allowances and commissions that vary month-on-month (e.g. service charge) will not be covered.</p>
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	<p>Results: Results will be measured in (i) the number of workers in the private sector having benefited from salary guarantee with the objective to reduce job and income losses and (ii) the number of firms benefiting from the postponement of taxes. The salary guarantee scheme will provide assistance to national and foreign workers in the private sector with an individual ceiling of R30,000, with a total budget allocation for the scheme of R1,090,531,200. The target for this prior action is set at 25,000 workers (67 percent of the estimate private sector workforce in 2019) benefiting from a salary guarantee and increase in the percentage of small and medium enterprises benefiting from postponement of taxes to mitigate the impact of COVID-19 to 90 percent.</p> <p>Status: Completed, as evidenced by the Employment (Amendment) Act of 2020 (Bill No.19 of 2020), published in the Borrower's Supplement Official Gazette on April 29, 2020 and the Appropriation (Amendment) Act of 2020 (Act 13 of 2020), published in the Borrower's Supplement Official Gazette on April 11, 2020.</p>
PA 4	<p>Prior Action #4: The Borrower, through its Cabinet of Ministers, approved the Central Bank Act, 2020 (Amendment) and the Financial Institutions Act (Amendment), 2020, to allow the Central Bank to support the economy during the economic crisis created by the COVID-19 pandemic.</p> <p>Rationale: Past crises have shown the crucial importance of maintaining a healthy financial sector for a rapid and balanced economic recovery. The financial sector in Seychelles is sound, albeit with challenges related to weak capacity of commercial banks to serve certain market segments, and the relative absence of non-bank financial institutions and deep capital markets. Micro, Small and Medium Enterprises (MSMEs) play a critical role in the Seychellois economy but face challenges in obtaining credit. This challenge is expected to be exacerbated as the crisis triggered by the pandemic is expected to cause a reduction in income for households and MSMEs and lead to liquidity constraints and a rapid rise of non-performing loans in the financial sector. The DPF supports the GoS in policy reforms to offer the financial sector the required flexibility to effectively respond to the crisis by ensuring adequate access to credit and the normal functioning of financial markets by providing extra liquidity to commercial banks. In a statement issued on March 21, 2020 the CBS announced the creation of a credit facility that will fund the private sector relief scheme to MSMEs.</p> <p>Policy action: This Prior Action is composed of two linked policy actions that holistically contribute to the financial sector sustainability during the COVID-19 crisis. The CBS Act, 2004 was amended to permit the CBS, in the event of a force majeure<sup>8</sup>, to make loans, advances and rediscounts to banks and other financial institutions in Seychelles for periods not exceeding 3 years (this was increased from 18 months) and to purchase or acquire treasury bills and other securities guaranteed by the Government<sup>9</sup>. The amendments to the Financial Institutions Act include changes to the definition of financial institutions to include the Development Bank of Seychelles and the Seychelles Credit Union to enable these institutions along with 7 commercial banks<sup>10</sup> to administer the private sector relief scheme. The Private Sector Relief scheme is funded by a credit line facility of SCR500 million to assist MSMEs with an annual turnover of up to SCR25 million.</p>

	<p>Credit facilities under this scheme carry a fixed interest rate of 1.5 percent per year as well as a 6-month moratorium, where borrowers will have the option of not repaying both the principal and interest amount during that period. The maximum repayment period for loans is 3 years. Funds can be borrowed in the form of loans or overdraft facilities to cover critical expenditures including rent, utilities, salaries, taxes and goods and services contracts for a period of 6 months. The scheme was activated on May 18, 2020 following the finalization of the enabling legal framework and signing of the Agreement by the stakeholders sharing the risks of the credit facilities - notably the CBS, Government and the participating creditgranting institutions. The Government is providing a guarantee of 70 percent of the total funds disbursed under this scheme. Eligible MSMEs have a period of 6 months starting May 18, 2020 to apply for assistance under the Private Sector Relief Scheme. The CBS will be closely monitoring the administration of the scheme by the creditgranting institutions. To benefit from the Private Sector Relief Scheme MSMEs need to have an annual turnover of up to Rs. 25 million or less, are not defaulters on any existing loan repayment as at end-February 2020 and are facing revenue constraints due to COVID-19. All the applications are subject to credit assessment which is different for each bank. If the business is being supported by the Government, it will not be eligible for such a loan.</p> <p>Results: Both actions not only provide the financial sector with a more resilient policy framework during this crisis but will remain in place for future health or disaster emergencies, including for a potential second wave of the COVID-19 pandemic in Seychelles. This prior action facilitates the enabling legal environment to create and administer the private sector relief which is expected to lead to greater resilience of MSME firms and lay the foundation for a more rapid post-crisis recovery. In the short-term, many MSMEs will face liquidity constraints even if the business model is viable over the medium-to-longer term. The ability to support those principally viable enterprises through the private sector relief scheme is critical. The result indicator related to this prior action specifically measures percentage uptake of the credit line facility under the Private Sector Relief Scheme to help micro, small and medium enterprises (MSMEs) impacted by COVID-19.</p> <p>Status: Completed, as evidenced by the CBS (Amendment) Act of 2020 (Act 11 of 2020), published in the Borrower’s Supplement Official Gazette on April 9, 2020; and Financial Institutions (Second Amendment) Act of 2020 (Act 11 of 2020), published in the Borrower’s Supplement Official Gazette on April 9, 2020.</p>
PA 5	<p>Prior Action #5: The Borrower through its National Assembly approved new anti-money laundering and combating the financing of terrorism anti-money laundering/combating the financing of terrorism (AML/CFT) Act 2020 and Beneficial Ownership (BO) Act 2020 to strengthen the domestic financial sector and to establish and maintain an up to date register of beneficial owners.</p> <p>Rationale: Seychelles offshore financial sector and the broader financial industry has faced challenges with pressures to comply with global transparency standards and AML regulations. In addition, the sector has faced the challenge of declining correspondent banking relationships through the de-risking efforts of US and</p>

	<p>European banks. In February 2020, the European Union took the decision to add Seychelles to the list of non-cooperative jurisdictions for tax purposes. France has also blacklisted the territory for insufficient provision of information on offshore entities. The industry and its regulators face a challenge to ensure compliance with tighter global regulations. To restore its reputation and maintain its attractiveness for foreign direct investment, Seychelles has undertaken to comply with international compliance standards. Otherwise, Seychelles is likely to be further negatively affected by the global trend of banks “de-risking” their correspondent relationships, hampering the financial transactions needed for international trade, and further financial sector development. However, an effective date has not been set as the AG’s office advised to wait for the regulations which are under preparation and will be ready by mid-July 2020. With regards to implementation, the financial sector RAS is providing support to develop the risk-based supervision methodology and tools as well as capacity building. With regards to the BO register, the Financial Intelligence Unit (FIU) has the intention to customize the existing GoS AML database (the team has not yet engaged on this).</p> <p>Policy action: This DPF supports the implementation of the AML/CFT and BO laws. Both laws have benefitted from support from the global team under the financial sector RAS and takes into consideration the latest international guidance. The implementation of the AML/CFT and BO laws will assist to promote transparency and better align the country’s legal framework with international standards by introducing new measures to combat money laundering and terrorist financing. Additionally, the laws will also help address threats to the integrity of the financial system as well as reputational risks and help counter other threats, such as corruption and tax crimes. The BO Act seeks to provide for identification and verification of beneficial ownership of legal persons and legal arrangements; to establish and maintain an up to date register of beneficial owners. The Act stipulates that the Register has to be kept by all legal persons and legal arrangements and shall be maintained in confidentiality. The FIU shall be the nodal agency to maintain the Seychelles BO database by populating the beneficial ownership information (including the periodic update requirements) reported by the legal persons or the legal arrangements, through their resident agent. In addition, the National AML Committee (NAC) will undertake programs to create awareness of the provisions of the legislations among the relevant stakeholders and the general public.</p> <p>Results: A new AML legislation has been enacted that includes measures to strengthen entity transparency, particularly on IBCs. A National AML/CFT Committee has been appointed to improve coordination among relevant agencies and implement the recommendations of the 2018 Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) mutual evaluation report. Results will be measured by the percentage of legal entities that have submitted verifiable ownership information to the database held by the FIU.</p> <p>Status: Completed, as evidenced by the Anti-Money Laundering and Countering the Financing of Terrorism Act of 2020 (Act 5 of 2020), published in the Borrower’s Supplement Official Gazette on March 6, 2020; and as evidenced by the BO Act of</p>
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		2020 (Act 4 of 2020), published in the Borrower's Supplement Official Gazette on March 6, 2020
PA 6		<p>Prior Action #6: The Borrower through its Cabinet of Ministers approved the new Climate Change Policy to reduce Seychelles' vulnerability to climate change impacts.</p> <p>Rationale: Climate change impacts both present and future generations of Seychelles. Seychelles is categorized as a Small Island Developing State (SIDS) and a Large Ocean State (LOS) based on the similar characteristics of other SIDS and LOS in relation to their remoteness, small land area, limited capacity and lack of resources. With their own particular characteristics, this makes the islands vulnerable and susceptible to climate change. About 90 percent of its total population is clustered in the shoreline of the inner islands of Mahé, Praslin and La Digue. Already today, Seychelles faces frequent coastal flooding and erosion, extreme rainfall and drought events. Climate change is expected to make these hazards more frequent and more intense. Specifically, sea-level rise and climate change induced changes in rainfall patterns may cause increased levels of damage to housing, infrastructure and agriculture. Changing monsoons and rain patterns in Seychelles are furthermore thought to have an effect on the persistence of epidemics like dengue fever as favourable temperature and humidity conditions during the rainy season increases the spread of such viruses<sup>11</sup>. Whereas Seychelles on a global level only has a minor contribution to climate change, the country emits an average of 5.38 tons of Co2 per person, and this is growing annually. About 95 percent of these GHG emissions come from the energy sector from electricity generation and transport and they are mainly CO2 emissions. The remaining 5 percent is mainly methane coming from the wetlands and the landfills<sup>12</sup>.</p> <p>Being an inherently cross-sectoral issue, the institutional leadership on climate change has lacked a clear framework. The subject is under the responsibility of the Ministry of Environment, Energy and Climate Change, who lead the representation of Seychelles at the international level and develop national guidance. However, no high-level coordination mechanism has been in place to help mainstream climate change into sectoral planning or establish and implement cross-sectoral goals for adaptation and mitigation</p> <p>Policy Action: This operation supports the Cabinet of Ministers approval of the first national Climate Change Policy. The main objective of the Policy is to facilitate a coordinated, coherent, proactive and effective response to the local, regional and global challenges and opportunities presented by Climate Change. Six specific objectives are defined under this umbrella, namely to (1) advance understanding of Climate Change and its impacts on Seychelles; (2) strengthen capacity and social empowerment at all levels to adequately respond to Climate Change; (3) mainstream and integrate Climate Change considerations into all relevant sectors and all levels of government; (4) achieve transition to a low carbon economy; (5) put in place measures to adapt, build resilience and minimize vulnerability to the impacts of Climate Change; and (6) contribute effectively to regional and global negotiations on Climate Change. To reach these objectives, the Policy envisages</p>

	<p>the establishment of the National Climate Change Council. This Council will be chaired by the Vice President of Seychelles with representation of key ministries and authorities and will be responsible for the national coordination of climate change objectives, including the mainstreaming in sectoral plans and policies and the definition of adaptation and mitigation targets.</p> <p>The Climate Change Policy builds upon a series of Policies, Plans and Legislation pertinent to climate change governance, including the Environment Protection Act of 1995 (Amended in 2016), the Conservation and Climate Adaptation Trust of Seychelles Act of 2015, the Disaster Management Act of 2014, the Energy Act of 2012, the Seychelles Sustainable Development Strategy (SSDS) of 2012-2020, the Blue Economy Strategic Policy Framework and Roadmap of 2018-2030 and the Coastal Management Plan 2019 – 2024. It is furthermore linked directly to international commitments, including the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement.</p> <p>Results: Number of government sectors guided on the mainstreaming of climate change in sectoral policies through the new National Climate Change Council chaired by the Vice President.</p> <p>Status: Completed, as evidenced by the Cabinet of Ministers’ Decision of May 20, 2020, published in the government’s website, approving the Seychelles’ National Climate Change Policy “Making Seychelles Climate Resilient”, dated May 2020.</p>
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<b>Climate Change Co-Benefits Section</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA 1	15/6=2.5	0	0	0	0	Not climate relevant.
PA 2	2.5	0	0	0	0	Not climate relevant.
PA 3	2.5	0	0	0	0	Not climate relevant.
PA 4	2.5	0	0	0	0	Not climate relevant.
PA 5	2.5	0	0	0	0	Not climate relevant.
PA 6	2.5	4.5/6	1.5/6	1.875	0.625	Of the 6 objectives outlined in PA 6: (1), (2), (3) and (5) are deemed to be adaptation relevant; (4) is mitigation relevant; (6) is deemed to be cross-cutting and relevant to both adaptation and mitigation.

						<p>The Environment and Poverty/Social Analysis Table states that PA 6 will have significant poverty, social or distributional effects, stating: “positive effect through the reduction of climate change impacts on coastal communities and potentially reducing greenhouse gas emission and pollution”. Due to the lack of evidence surrounding emissions reductions (through GHG accounting) and due to the doubt surrounding the mitigation impacts results from PA 6, the principle of conservativeness suggests that mitigation finance should not be counted.</p>
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Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
2.1	1.875	10.7%	0.4	0.625	56.3%

Reported climate finance	Assessed climate finance	Error
2.5	2.5	37.5%

**Project Number: P161432**

<b>Project Name</b>
Dhaka Sanitation Improvement Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/394831585015315459/Bangladesh-Dhaka-Sanitation-Improvement-Project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/394831585015315459/Bangladesh-Dhaka-Sanitation-Improvement-Project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Credit
<b>Lowest level of granularity</b>
Sub-component/Activity

<b>Climate Change Vulnerability Context</b>
A vulnerability context provided in the Strategic Context section, page 8, paragraph 6
<b>Intent to Address Vulnerability</b>
Provided in the Relevance to Higher Level Objectives section, page 10, paragraph 14. Stating.
<b>Link to Project Activities</b>
Provided in the Project Components and Detailed Project Descriptions sections.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 1	US\$3.54 million	<p>Component 1. Institutional Support for Sanitation Service Delivery (Total cost US\$7.08 million including contingencies US\$0.17 million; IDA US\$3.54 million; Asian Infrastructure Investment Bank [AIIB] US\$3.54 million) 22. The component will provide institutional support to DWASA for sustainable sanitation service delivery.</p> <p>This component will directly contribute to improved operational and financial efficiencies (see Components 2 and 3) and include relevant training on climate change. The improved operational efficiencies will contribute to a more reliable, better managed, and more intensely used sanitation system by increasing the number of connections to the sewer network and the number of users of alternative sanitation systems—thereby raising the beneficiaries’ satisfaction and resilience to floods and cyclones (see Component 2 for details).</p>
Subcomponent 1.1		<p>Subcomponent 1.1. Support for establishment of a strengthened sanitation function in the DWASA’s organizational structure, and support its operational and financial strengthening by: (i) conducting training of DWASA personnel in STP operations, trunk maintenance management and operation and maintenance management of sewers; (ii) conducting training of [DWASA personnel] in procurement and contract management; (iii) conducting training on climate change and improving operational efficiencies in sanitation systems through energy-</p>



		<p>efficient technologies and Information Technologies (IT); (iv) strengthening of its GIS and MIS for sanitation and (v) preparation and implementation of a gender action plan for DWASA;</p> <p>3. The first subcomponent will support operational and financial strengthening of DWASA for improved operations and functioning of all project-supported sanitation infrastructure and for improved services delivery.</p>
Subcomponent 1.2		<p>Subcomponent 1.2. Support to commercial and financial strengthening activities for sanitation functions of DWASA through (i) developing and implementing a sewer connection strategy and plan; (ii) developing a water and sewerage tariff rationalization framework; (iii) improving DWASA's billing and collection system; and (iv) providing technical assistance in accounting, financial management and auditing functions of DWASA;</p>
Su3component 1.3		<p>Strengthening communications and public engagement with citizens, including (i) engagement with the low-income communities and female-headed households and providing training in climate adaptation for improved water, sanitation and hygiene practices; (ii) providing assistance for the implementation of DWASA's communication and stakeholder engagement strategy; (iii) making improvements in citizen engagement including setting up an IT-enabled complaints management system; (iv) carrying out improvements in grievance redressal; and (v) conducting citizen report card surveys by third-party agencies;</p>
Subcomponent 1.4		<p>Subcomponent 1.4. Technical assistance for a study for exploring the feasibility of advanced financing options in future infrastructure investments for DWASA;</p> <p>7. In line with the programmatic support for implementation of the Dhaka Sewerage Master Plan, it will be useful to explore the possibility of more advanced financing options to mobilize financing for investments and improve efficiency of operations such as BOT in the future along with tariff structure rationalization. The subcomponent, through a separate consultancy package, will therefore include a study of financing options such as BOT, Design-Build-Operate-Transfer, and so on for DWASA in the future.</p>
Subcomponent 1.5		<p>Subcomponent 1.5. Coordination with other stakeholders, including technical assistance to address coordination issues on sanitation between DWASA, DNCC, DSCC, DoE, RAJUK, and other utilities and agencies through (i) setting up a policy and coordination mechanism amongst these agencies; and (ii) carrying out of relevant studies and consultations to support this sub-component to improve the overall urban environment and management of Dhaka's development (see annex 2)</p>
Component 2	US\$154.3 million	<p>Component 2. Sewerage and Wastewater Treatment (Total cost US\$446.52 million including contingencies US\$9.01 million; IDA US\$154.3 million; AIB US\$154.3 million; GoB US\$137.92 million)</p>

		<p>25. The designs will ensure that fewer sewage pumping stations (SPSs) are required and, where needed, new and more efficient SPSs replace the older and poorly functioning ones. The proposed systems will increase energy efficiency and reduce greenhouse gas (GHG) emissions by generating energy from treatment of biosolids<sup>16</sup> and use of pipes with lower carbon footprint. The project will assist DWASA in implementing technology-enabled processes including supervisory control and data acquisition system, geographical information system (GIS), and so on, for improved operations management. The component is about 93 percent of total project financing and is expected to result in sizable net emission reductions.</p> <p>26. The interventions will support reduction in the volume of untreated wastewater and fecal sludge discharged into water bodies and drainage canals. This will reduce flood risk and impact of floods as floodwaters will be less contaminated.<sup>17</sup> Thus, the residents of Dhaka will be more resilient to floods and cyclones.</p> <p>28. All these activities will reduce the contamination of water bodies by untreated fecal sludge, thereby reducing the impact of floods and cyclones and increasing the residents' resilience to these climate-exacerbated events. The component will also focus on reducing the gender gap in access to sanitation services by poor households, including those headed by women.</p>
Subcomponent 2.1		Subcomponent 2.1. Provision of support for rehabilitation, replacement of sewerage and reactivation/new construction of sewer connections to maximize connections in the Pagla catchment to ensure last mile coverage using a Design-Build model and incentivizing contractors to maximize service connections by financing house-service connections;
Subcomponent 2.2		Subcomponent 2.2. Support the replacement and/or rehabilitation of Eastern and Western Trunk Mains using a Design-Build approach;
Subcomponent 2.3		Subcomponent 2.3. Support the construction of a new Pagla Sewage Treatment Plant at the existing treatment site, including provision of about 200 million litres per day primary and secondary treatment capacity using a Design-Build-Operate model; and
Subcomponent 2.4		Subcomponent 2.4. Support finalization of feasibility studies, engineering designs and bidding documents for priority sewerage and wastewater treatment interventions in the Uttara catchment (see annex 2).
Component 3	US\$4.23 million	Component 3. Alternative Sanitation (Total cost US\$8.46 million including contingencies US\$0.20 million; IDA US\$4.23 million; AIIB US\$4.23 million) <sup>27</sup> . This component will help DWASA provide alternative sanitation services in areas where sewers are not feasible and/or where there are tenurial barriers, such as in low-income settlements. The component will include

Sub-component 3.1		Subcomponent 3.1. Improve sanitation and septage management within Pagla catchment, through upgradation of unimproved toilets of poor households through the support of select non-governmental organizations;
Sub-component 3.2		Subcomponent 3.2. Provision and installation of demonstration units for alternative sanitation solutions viz. supporting pilot demonstrations of DEWATS, communal septic tanks; 18
Sub-component 3.3		Subcomponent 3.3. Provision of services involving septage emptying, transport and treatment, including leasing of emptying and transport equipment to private operators <sup>19</sup> .
Component 4	US\$7.93 million	<p>Component 4. Project Implementation and Management Support (Total cost US\$20.94 million including contingencies US\$0.25 million; IDA US\$7.93 million; AIIB US\$7.93 million; GoB US\$5.08 million).</p> <p>29. This component will support DWASA in coordinating and implementing project activities, complying with the World Bank fiduciary procedures and safeguards. This component comprises • The establishment of the Project Management Unit and recruitment of the specific individual consultants; • Procurement of consulting firms for Project management and design-review and contract supervision to support Project implementation; • Carrying out of audits of Project internal processes; • Fiduciary and environmental and social management of the Project including implementation of the gender action plan and preparation and implementation of relevant safeguard documents; • The acquisition of specialized equipment; and • Project reporting.</p>
Component 5	US\$0.0	<p>Component 5. Contingent Emergency Response (US\$0) 30. A provisional zero amount component is included under this project to allow for rapid reallocation of loan proceeds from other project components during an emergency, under streamlined procurement and disbursement procedures. In addition, the contingent component may also serve as a conduit for additional funds to be channeled to the project in the event of an emergency. The details of this Contingent Emergency Response Component (CERC) have been provided in the annex of the Project Implementation Manual. 31. A breakdown of cost for each component is presented in Table 1. Counterpart funding will cover land acquisition, resettlement compensation, import duty and value added taxes on foreign imports, fuel, workshop and sitting allowances, honoraria, consumables, printing and advertising expenditures.</p>

<b>Climate Change Co-benefits Section</b>	
Not provided.	
Additional information on climate relevance from documentation:	

**Table 1.1. Component 2 Project Measures and Estimated Cost<sup>a</sup>**

No.	Project Items	Existing Facility (Capacity/Type)	Project Measure	Estimated Cost (US\$, millions)
1	Pagla sewer network and sewer connections	360 km sewers, 11 SLSs	392 km sewers, 2 SLSs—serving about 1.5 million people (approximately 56,962 connections)	126.0
2	Eastern Trunk Main (Madhubagh-Pagla STP)	12.8 km diameter 900–1,350 mm including 2 SLSs	12 km new trunk main diameter 900–2,600 mm including one SPS	73.2
3	Western Trunk Main (Hazaribagh-Narinda Pumping Station)	6.6 km diameter 600–900 mm including one SLS and one SPS	7 km new/rehabilitated trunk main including one SLS and one SPS	26.6
4	Pagla STP	Installed capacity 96 MLD, operating at 30–40 MLD (primary treatment plus ponds)	200 MLD (primary + secondary treatment)	82.0
5	Uttara Catchment	Draft sanitation design and bidding documents	Draft sanitation design and bidding documents—review and revision	2.5
<b>Total Investment</b>				<b>310.3</b>

Note: a. Based on the DB/DBO consultant’s information.

Proportion of Component 2 costs (above table excludes contingencies):

- SC 2.1 (Pagla sewer) = 40.61%
- SC 2.2 (Eastern & Western Trunk Main) = 32.16%
- SC 2.3 (Pagla STP) = 26.43%
- SC 2.4 (Uttara Catchment) = 0.81%

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0/12 Intermediate Outputs reference adaptation , resilience or vulnerability, and 0/8 outcomes reference adaptation, resilience or vulnerability. While adaptation co-benefits can still arise, this strongly indicates that adaptation is not the primary objective of the project and that adaptation co-benefits are indirect. Where this is the case, incremental costs should be provided to reduce uncertainty.

**Greenhouse Gas Accounting**

None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.1	3.54/5	0.2/2	0.2/2	0.07	0.07	The objective of Sub-component 1.1 is: “Support for establishment of a

					<p>strengthened sanitation function in the DWASA's organizational structure, and support its operational and financial strengthening".</p> <p>The Project Components section states: "This component will directly contribute to improved operational and financial efficiencies (see Components 2 and 3) and include relevant training on climate change. The improved operational efficiencies will contribute to a more reliable, better managed, and more intensely used sanitation system by increasing the number of connections to the sewer network and the number of users of alternative sanitation systems—thereby raising the beneficiaries' satisfaction and resilience to floods and cyclones (see Component 2 for details)."</p> <p>Adaptation:</p> <p>The above evidences a link between the undertaken activities and the provided vulnerability context, and adaptation co-benefits can be counted. The adaptation co-benefits assessment finds 1/5 stated activities to be climate relevant (iii) (cross-cutting relevance towards both adaptation and mitigation).</p> <p>Mitigation:</p> <p>The Sub-component is of relevant to the following eligible activities, under the</p>
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						Common Principles for Climate Change Mitigation finance tracking: (1) “Brownfield projects for wastewater that reduce emissions through energy efficiency improvements or improved treatment targets”
SC 1.2	3.54/5	0	0	0	0	No evidence of climate relevance.
SC 1.3	3.54/5	0.2/2	0.2/2	0.07	0.07	<p>The objective of Sub-component 1.3 is: “Strengthening communications and public engagement with citizens”.</p> <p>The Project Components section states: “This component will directly contribute to improved operational and financial efficiencies (see Components 2 and 3) and include relevant training on climate change. The improved operational efficiencies will contribute to a more reliable, better managed, and more intensely used sanitation system by increasing the number of connections to the sewer network and the number of users of alternative sanitation systems—thereby raising the beneficiaries’ satisfaction and resilience to floods and cyclones (see Component 2 for details).”</p> <p>Adaptation:</p> <p>The above evidences a link created between the undertaken activities and the provided vulnerability context,</p>

						and adaptation co-benefits can be counted. The adaptation co-benefits assessment finds 1/5 stated activities to be adaptation relevant (i).  Mitigation:  No evidence of mitigation relevance.
SC 1.4	3.54/5	0	0	0	0	No evidence of climate relevance.
SC 1.5	3.54/5	0	0	0	0	No evidence of climate relevance.
SC 2.1	154.3 *0.4061	0.25	0.75	15.67	47.00	Bangladesh's population density and rapid urbanisation, alongside the need for general development in the water sector, are the fundamental drivers leading to the need to improve sanitation infrastructure in Dhaka.  Wastewater treatment and sanitation improvements in Bangladesh have a high potential to be adaptation-relevant, due to the hydrological impacts of climate change in the region as outlined in the vulnerability context. Where energy efficiency and emissions reductions are evidenced wastewater activities can also be mitigation relevant.  The objective of Sub-component 2.1 is: "Provision of support for rehabilitation, replacement of sewerage and reactivation/new construction of sewer connections to maximize connections in the Pagla catchment to ensure last mile coverage using a Design-Build model and incentivizing contractors to maximize

					<p>service connections by financing house-service connections”.</p> <p>Adaptation:</p> <p>The Project Components section states: “The interventions will support reduction in the volume of untreated wastewater and fecal sludge discharged into water bodies and drainage canals. This will reduce flood risk and impact of floods as floodwaters will be less contaminated. Thus, the residents of Dhaka will be more resilient to floods and cyclones.”</p> <p>There is therefore a link created between the undertaken activities and the provided vulnerability context, and adaptation co-benefits can be counted.</p> <p>The adaptation co-benefits assessment follows 2 steps, acknowledging that:</p> <ul style="list-style-type: none"> <li>(2) The principal ‘objective’ of the activity is not adaptation and instead will build sanitation infrastructure to be able to withstand current population densities. This results in an initial coefficient of 0.5 being applied.</li> <li>(3) Lastly, there is significant uncertainty created by the lack of granular information regarding the</li> </ul>
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						<p>incremental cost of adaptation to the infrastructure project. There is no information indicating how finance will explicitly improve the climate resilience of sanitation services. Therefore, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result, a second coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.25.</p> <p>Mitigation:</p> <p>Documentation evidences the mitigation relevance of the sub-component by stating that “The designs will ensure that fewer sewage pumping stations (SPSs) are required and, where needed, new and more efficient SPSs replace the older and poorly functioning ones. The proposed systems will increase energy efficiency and reduce greenhouse gas (GHG) emissions by generating energy from treatment of biosolids and use of pipes with lower carbon footprint.” Adding that financing is expected to result in significant net emissions reductions, despite no GHG accounting being provided.</p>
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						<p>Although no GHG accounting has been provided within the Project Appraisal Document, the document does state: "According to the estimation in the Conceptual Design Reports, energy reuse potential from biogas ranges from 25 percent to 50 percent depending on the sewage treatment technology chosen."</p> <p>The Sub-component is of relevant to the following eligible activities, under the Common Principles for Climate Change Mitigation finance tracking:</p> <p>(4) "Brownfield projects for wastewater that reduce emissions through energy efficiency improvements or improved treatment targets"</p> <p>So as to adhere to the principle of conservativeness, a coefficient of 0.75 is applied to ensure no finance is double counted when aggregating adaptation and mitigation co-benefits.</p>
SC 2.2	154.3*0.3216	0.25	0.75	12.41	37.22	<p>Bangladesh's population density and rapid urbanisation, alongside the need for general development in the water sector, are the fundamental drivers leading to the need to improve sanitation infrastructure in Dhaka.</p> <p>Wastewater treatment and sanitation improvements in Bangladesh have a high potential to be adaptation-relevant, due to the</p>

					<p>hydrological impacts of climate change in the region as outlined in the vulnerability context. Where energy efficiency and emissions reductions are evidenced wastewater activities can also be mitigation relevant.</p> <p>The objective of Sub-component 2.2 is: “support the replacement and/or rehabilitation of Eastern and Western Trunk Mains using a Design-Build approach”.</p> <p>Adaptation:</p> <p>The Project Components section states: “The interventions will support reduction in the volume of untreated wastewater and fecal sludge discharged into water bodies and drainage canals. This will reduce flood risk and impact of floods as floodwaters will be less contaminated. Thus, the residents of Dhaka will be more resilient to floods and cyclones.”</p> <p>There is therefore a link created between the undertaken activities and the provided vulnerability context, and adaptation co-benefits can be counted.</p> <p>The adaptation co-benefits assessment follows 2 steps, acknowledging that:</p> <p>(5) The principal ‘objective’ of the activity is not adaptation and instead</p>
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					<p>will build sanitation infrastructure to be able to withstand current population densities. This results in an initial coefficient of 0.5 being applied.</p> <p>(6) Lastly, there is significant uncertainty created by the lack of granular information regarding the incremental cost of adaptation to the infrastructure project. There is no information indicating how finance will explicitly improve the climate resilience of sanitation services. Therefore, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result, a second coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.25.</p> <p>Mitigation:</p> <p>Documentation evidences the mitigation relevance of the sub-component by stating that "The designs will ensure that fewer sewage pumping stations (SPSs) are required and, where needed, new and more efficient SPSs replace the older and poorly functioning ones. The proposed systems will increase energy efficiency</p>
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					<p>and reduce greenhouse gas (GHG) emissions by generating energy from treatment of biosolids and use of pipes with lower carbon footprint.”  Adding that financing is expected to result in significant net emissions reductions, despite no GHG accounting being provided.</p> <p>Although no GHG accounting has been provided within the Project Appraisal Document, the document does state:  “According to the estimation in the Conceptual Design Reports, energy reuse potential from biogas ranges from 25 percent to 50 percent depending on the sewage treatment technology chosen.”  Adding “the envisaged new eight SPSs in the Pagla catchment will increase energy efficiency and reduce GHG emissions, as compared to the energy efficiency of operating several more SPSs required for the existing sewer system”.</p> <p>The Sub-component is of relevant to the following eligible activities, under the Common Principles for Climate Change Mitigation finance tracking:</p> <ul style="list-style-type: none"> <li>(7) “Brownfield projects for wastewater that reduce emissions through energy efficiency improvements or improved treatment targets”</li> <li>(8) Greenfield and brownfield projects that promote</li> </ul>
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						<p>improved operation and maintenance to reduce water losses, promote energy savings, or meet or exceed wastewater treatment targets</p> <p>So as to adhere to the principle of conservativeness, a coefficient of 0.75 is applied to ensure no finance is double counted when aggregating adaptation and mitigation co-benefits.</p>
SC 2.3	154.3*0.2643	0.25	0.75	10.20	30.59	<p>Bangladesh's population density and rapid urbanisation, alongside the need for general development in the water sector, are the fundamental drivers leading to the need to improve sanitation infrastructure in Dhaka.</p> <p>Wastewater treatment and sanitation improvements in Bangladesh have a high potential to be adaptation-relevant, due to the hydrological impacts of climate change in the region as outlined in the vulnerability context. Where energy efficiency and emissions reductions are evidenced wastewater activities can also be mitigation relevant.</p> <p>The objective of Sub-component 2.3 is: "Support the construction of a new Pagla Sewage Treatment Plant at the existing treatment site, including provision of about 200 million litres per day primary and secondary treatment capacity using a Design-Build-Operate model".</p>

					<p>Adaptation:</p> <p>The Project Components section states: “The interventions will support reduction in the volume of untreated wastewater and fecal sludge discharged into water bodies and drainage canals. This will reduce flood risk and impact of floods as floodwaters will be less contaminated. Thus, the residents of Dhaka will be more resilient to floods and cyclones.”</p> <p>There is therefore a link created between the undertaken activities and the provided vulnerability context, and adaptation co-benefits can be counted.</p> <p>The adaptation co-benefits assessment follows 2 steps, acknowledging that:</p> <p>(9) The principal ‘objective’ of the activity is not adaptation and instead will build sanitation infrastructure to be able to withstand current population densities. This results in an initial coefficient of 0.5 being applied.</p> <p>(10) Lastly, there is significant uncertainty created by the lack of granular information regarding the incremental cost of adaptation to the infrastructure project.</p>
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					<p>There is no information indicating how finance will explicitly improve the climate resilience of sanitation services. Therefore, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result, a second coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.25.</p> <p>Mitigation:</p> <p>Documentation evidences the mitigation relevance of the sub-component by stating that “The designs will ensure that fewer sewage pumping stations (SPSs) are required and, where needed, new and more efficient SPSs replace the older and poorly functioning ones. The proposed systems will increase energy efficiency and reduce greenhouse gas (GHG) emissions by generating energy from treatment of biosolids and use of pipes with lower carbon footprint.” Adding that financing is expected to result in significant net emissions reductions, despite no GHG accounting being provided.</p> <p>Although no GHG accounting has been provided within the Project Appraisal Document, the document does state: “The</p>
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					<p>envisaged sludge treatment foresees sludge stabilization in anaerobic digesters and dewatering to at least 25 percent dry solids. The former is required to minimize bad odor emissions, reduce sludge quantities by about 30 percent, generate electricity from biogas, and use the energy to reduce the energy needs of the STP". Adding, "According to the estimation in the Conceptual Design Reports, energy reuse potential from biogas ranges from 25 percent to 50 percent depending on the sewage treatment technology chosen."</p> <p>The Sub-component is of relevant to the following eligible activities, under the Common Principles for Climate Change Mitigation finance tracking:</p> <p>(11) "Brownfield projects for wastewater that reduce emissions through energy efficiency improvements or improved treatment targets"</p> <p>(12) Greenfield and brownfield projects that promote improved operation and maintenance to reduce water losses, promote energy savings, or meet or exceed wastewater treatment targets</p> <p>So as to adhere to the principle of conservativeness, a coefficient of 0.75 is applied</p>
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						to ensure no finance is double counted when aggregating adaptation and mitigation co-benefits.
SC 2.4	154.3*0.0081	0.25	0.75	0.31	0.94	<p>The objective of Sub-component 2.3 is: “Support finalization of feasibility studies, engineering designs and bidding documents for priority sewerage and wastewater treatment interventions in the Uttara catchment”.</p> <p>The Sub-component is seen to facilitate Sub-components 2.1-2.3, and therefore the above assessments have been applied here.</p>
SC 3.1	4.23/3	0.25	0	0.3525	0.0	<p>The objective of Sub-component 3.1 is: “Improve sanitation and septage management within Pagla catchment, through upgradation of unimproved toilets of poor households through the support of select non-governmental organizations”.</p> <p>Adaptation:</p> <p>The Project Components section states: “All these activities will reduce the contamination of water bodies by untreated fecal sludge, thereby reducing the impact of floods and cyclones and increasing the residents’ resilience to these climate-exacerbated events.”</p> <p>There is therefore a link created between the undertaken activities and the provided vulnerability context,</p>

					<p>and adaptation co-benefits can be counted.</p> <p>The adaptation co-benefits assessment follows 2 steps, acknowledging that:</p> <p>(13)The principal 'objective' of the activity is not adaptation and instead will improve the management of the sanitation and septage sector. This results in an initial coefficient of 0.5 being applied.</p> <p>(14)Lastly, there is significant uncertainty created by the lack of granular information regarding the incremental cost of adaptation to the infrastructure project. There is no information indicating how finance will explicitly improve the climate resilience of sanitation services. Therefore, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result, a second coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.25.</p> <p>Mitigation:</p>
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						There is no evidence of mitigation relevance.
SC 3.2	4.23/3	0.25	0	0.3525	0.0	<p>The objective of Sub-component 3.2 is: "Provision and installation of demonstration units for alternative sanitation solutions viz. supporting pilot demonstrations of DEWATS, communal septic tanks".</p> <p>Adaptation:</p> <p>The Project Components section states: "All these activities will reduce the contamination of water bodies by untreated fecal sludge, thereby reducing the impact of floods and cyclones and increasing the residents' resilience to these climate-exacerbated events."</p> <p>There is therefore a link created between the undertaken activities and the provided vulnerability context, and adaptation co-benefits can be counted.</p> <p>The adaptation co-benefits assessment follows 2 steps, acknowledging that:</p> <p>(15)The principal 'objective' of the activity is not adaptation and instead will improve the management of the sanitation and septage sector. This results in an initial coefficient of 0.5 being applied.</p> <p>(16)Lastly, there is significant uncertainty created by the lack of</p>

						<p>granular information regarding the incremental cost of adaptation to the infrastructure project. There is no information indicating how finance will explicitly improve the climate resilience of sanitation services. Therefore, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result, a second coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.25.</p> <p>Mitigation:</p> <p>There is no evidence of mitigation relevance.</p>
SC 3.3	4.23/3	0.25	0	0.3525	0.0	<p>The objective of Sub-component 3.3 is: "Provision of services involving septage emptying, transport and treatment, including leasing of emptying and transport equipment to private operators".</p> <p>Adaptation:</p> <p>The Project Components section states: "All these activities will reduce the contamination of water bodies by untreated fecal sludge, thereby reducing the impact of floods and cyclones and increasing the residents'</p>

					<p>resilience to these climate-exacerbated events.”</p> <p>There is therefore a link created between the undertaken activities and the provided vulnerability context, and adaptation co-benefits can be counted.</p> <p>The adaptation co-benefits assessment follows 2 steps, acknowledging that:</p> <p>(17)The principal ‘objective’ of the activity is not adaptation and instead will improve the management of the sanitation and septage sector. This results in an initial coefficient of 0.5 being applied.</p> <p>(18)Lastly, there is significant uncertainty created by the lack of granular information regarding the incremental cost of adaptation to the infrastructure project. There is no information indicating how finance will explicitly improve the climate resilience of sanitation services. Therefore, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result, a second coefficient of 0.5 can be applied.</p>
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						<p>The final adaptation co-benefits coefficient is therefore deemed to be 0.25.</p> <p>Mitigation:</p> <p>There is no evidence of mitigation relevance.</p>
C 4	7.93	0	0	0	0	No evidence of climate relevance.
C 5	0	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
43.7	39.79	9.0%	124.1	115.89	6.6%

Reported climate finance	Assessed climate finance	Error
167.8	155.68	7.2%

**Project Number: P170718**

<b>Project Name</b>	Digital Federated States of Micronesia Project
<b>Project Document URL</b>	<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/432601585596558171/federated-states-of-micronesia-digital-federated-states-of-micronesia-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/432601585596558171/federated-states-of-micronesia-digital-federated-states-of-micronesia-project</a>
<b>Financing Instrument</b>	Investment Project Financing
<b>Financial product</b>	Grant
<b>Lowest level of granularity</b>	Sub-component

<b>Climate Change Vulnerability Context</b>	Provided in the Strategic Context section, page 9, paragraph 4.
<b>Intent to Address Vulnerability</b>	Provided in the Relevance to Higher Level Objectives section, page 14, paragraph 19.
<b>Link to Project Activities</b>	Provided in the Project Components section.
<b>Incremental Cost?</b>	Not provided.

Name	Value	Description
Component 1	US\$15 million	<p>Component 1. National Digital Connectivity Infrastructure (US\$15M). This component will support the development of climate and disaster resilient national digital connectivity infrastructure. The activities are designed to maximize benefits for public institutions, private sector businesses and to leverage the private sector to address bottlenecks within different parts of the digital connectivity value chain which have the largest impact on costs, competitiveness and reliability of internet connectivity, including in remote underserved areas and on outer islands. The component will improve the conditions and readiness for private sector investment by lowering the capital costs of entry, and reducing investment risk.</p> <p>(a) Improving national connectivity (US\$12M): This subcomponent includes financing for constructing and installing domestic fiber optic and wireless networks and related infrastructure to strengthen domestic internet and telecommunications connectivity. It will improve digital connectivity by deploying climate resilient, energy efficient fiber optic networks, and other related infrastructure, to strengthen connectivity and bridge the middle and last miles between submarine fiber cable systems and end-users. These highcapacity fiber optic and wireless networks are needed to bring high quality, high capacity services to consumers, which are unaffordable on a purely private sector basis. This subcomponent will be implemented by the</p>



		<p>OAE, which will provide access to other operators on a cost-based, open access and non-discriminatory basis. Where feasible and practicable, existing infrastructure will be utilized to lower investment costs and minimize land and social impacts, such as existing electricity distribution poles, existing easements and ducting. Private operators are expected to be responsible for the final connection of retail customers, including all customer relationship responsibilities (e.g., customer service and billing), particularly to provide opportunities for the private sector operators to distinguish themselves and compete in the marketplace.</p> <p>(b) Bridging the connectivity gap for outer islands (US\$3M): This subcomponent includes financing for constructing and installing telecommunications infrastructure and providing connectivity services in underserved and remote areas in the Recipient's territory, selected in accordance with criteria and procedures detailed in the Project Operations Manual (POM), including via public private partnership arrangements when appropriate, pursuant to the requirements set forth in the POM. It will subsidize the deployment of infrastructure and connectivity services by private sector operator(s) utilizing climate resilient solutions (e.g., solar powered 4G LTE base stations and satellite connectivity). For the purposes of this subcomponent, the outer islands are those islands which can only be feasibly served by satellite. 10 The private sector partner submitting the lowest complying bid will be selected. The contract will specify minimum performance standards, including financial and technical capacity, quality, coverage, availability and price. Where economically and technically feasible, the private partner will be expected to offer roaming and interconnection services to any access seeker to promote competition and competitive neutrality in the market. The PPP will incorporate mechanisms to ensure the financial and operational sustainability of services over the life of the infrastructure.</p>
Component 2	US\$6.5 million	<p>Component 2. Digital Government Platform (US\$6.5M). This component will support a program of activities designed to develop the Recipient's National and State governments' digital capabilities. It will finance a range of interventions and investments beginning with the development and implementation of a nationwide Digital Government Strategic Framework (DGSF). This DGSF will be linked to priority business process reviews, the development of government enterprise architecture and the rollout of a national government portal and priority digital services to the extent feasible. At the outset, a stocktaking of current systems, processes and existing priorities across the five National and State governments will be undertaken.</p> <p>(a) Digital Government Strategic Framework. This subcomponent includes developing a digital government strategic framework on the direction, principles and practices of the National Government and State Governments' use of digital technologies, including stakeholder consultations and developing processes for implementation. The DGSF will set the direction, principles and practices for the Government's use of digital technologies. It will be based on a "whole of Government" approach. Governance, services</p>

	<p>delivery and implementation arrangements will be detailed in the DGSF. The ultimate intent of the DGSF will be to improve Government business process and workflow efficiencies, increasing access to services, and enhancing the quality of life for citizens and residents, while reducing the complexity for businesses transacting with Government. Government will undertake department and stakeholder consultations across the National government and with the states. The DGSF will need to align with the SDP, the FSM Infrastructure Development Plan for FY2016-FY2025 (IDP) and other specific strategic plans. A process for putting in place digital delivery platforms, digital authentication mechanisms, digital payment gateways, shared platforms, common standards and interoperability mechanisms, will also be pursued.</p> <p>(b) Unified National Government Online Portal. This subcomponent includes designing and implementing a unified national government online portal for information and services, including transactions with government departments and agencies. It will finance development of a single window to facilitate citizen and business access to public information, interactions and transactions with Government departments and agencies. The “Single Window” will require a standard (“look and feel”) government agency landing page template to show continuity and consistency in the implementation of information services in each agency. The portal will provide the starting point for information and transactional services. The portal will be designed around the needs of citizens and how people interact with government, for example around health, education, tax, starting a business, driving, travel, etc. Public communications campaigns may be conducted through the portal with both online and offline communications strategies that direct users to relevant online content.</p> <p>(c) Digital Services Pilot. This subcomponent will include conducting a readiness assessment for selected priority digital services, and identifying and developing high value pilot digital services to demonstrate the value of shared digital government infrastructure and services. It will finance a needs analysis for selected priority digital services, based on a readiness assessment for digital services (institutional as well as technical). It will also support advisory services to implement modifications of associated business processes within relevant departments and agencies. The focus will be on developing one or two high value demonstration e-services that build on and demonstrate the value of using shared digital government infrastructure and services, and will build on the single window “Government Portal” initiative to provide convenient access to various government services. One immediate priority is development and implementation of “payments as a service”. A common digital payments platform will be supported for government to facilitate use of electronic and online digital payments for public services.</p> <p>(d) Digital Identification. This subcomponent will include designing and implementing a digital identification platform establishing a single, secure mechanism for individuals to prove their identity online and to facilitate access to digital government services consistent with the Principles on</p>
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		<p>Identification for Sustainable Development. It will finance the design and establishment of a Digital ID platform to give people and businesses in FSM the choice to create a single, secure way to prove identity and use government (and potentially private) services online. The objective will be to increase access to and enable the digitalization of public and private sector services. Priority services digital ID may include financial services (e.g. remittances and account opening), digital health services, identifying students and for other trusted transactions through the digital government platform (e.g. registering businesses, renewing a driver's license or paying taxes) and in the digital economy (e.g. e-commerce), including facilitating Know Your Customer (KYC) requirements. Digital ID will provide an option for people to transact directly with government online rather than bringing physical identity documents to government offices.</p> <p>(e) Secure Government Network, Disaster Recovery/Business Continuity and Government Cloud (FSM-Cloud). This subcomponent will include designing and implementing secure government network systems to promote common information systems, standards and applications, including e-mail, for government users. It will finance design and procurement of shared Digital Government Platform to promote common information systems, standards and applications, including secure email, for government users. Proprietary and open source options will be considered. This subcomponent will consider and evaluate alternative cloud computing models taking into consideration climate change impacts, disaster risks security, resource management, operational and capital cost of operations, continuity of operations, and total cost of ownership. Improved network coverage and enhanced network resiliency will also be leveraged to develop and roll out early warning systems to respond to climate-related disasters (e.g., typhoons and tsunami events).</p>
Component 3	US\$3 million	<p>Component 3. Enabling Environment for Digital Government and Digital Economy (US\$3.0M). This component will support the carrying out a program of activities designed to strengthen the Recipient's enabling environment for digital government and the digital economy. It will also provide ongoing support to traditional regulatory priorities for the telecommunications sector, particularly to promote investment, technological innovation and evolution, and the long-term interests of users of digital services. In addition, support to the National Government Gender Development Office will be provided to ensure they have the relevant skills and resources to provide guidance on gender dimensions to be considered in the development of the DGSF and the roll out of new services—particularly to monitor and proactively support steps to maintain equity of access to digital services by gender.</p> <p>(a) Legal and Regulatory Framework for Digital Government (US\$0.75M). Developing the policy legal and regulatory frameworks, and developing and strengthening institutional capabilities, for digital government and digital economy, including but not limited to data privacy, data protection, cybersecurity, Netsafe principles and practices to regulate harmful digital communications, cybercrime, e-commerce and digital transactions, authentication standards, and protocols and processes to improve data</p>

		<p>governance. Improved data governance and data protection arrangements, specifically to strengthen data privacy and prevent the misuse of data, are an essential part of building trust and confidence in digital government services and the transition to a digital economy.</p> <p>(b) Government’s Cyber Security Program (US\$0.5M). Supporting the development and rollout of a cyber security program, including the development of operational and administrative standards, assurance, monitoring, audit, cyber security emergency response capabilities, institutional capacity building, training and awareness programs. The Cyber Security Program will also include security training and awareness programs for government users, government IT and security professionals, management, citizens and the private sector.</p> <p>(c) Telecommunications Regulatory Support (US\$0.75). Strengthening the capacity of the TRA to fulfil effectively its responsibilities and mandate under the Telecommunications Act, as well as such other responsibilities that may be conferred on it from time to time. It will build on the existing program of support extended to the TRA under the FSM Connectivity Project, including licensing, interconnection, wholesale access, spectrum issues, quality of service monitoring and enforcement, technical regulation, and leadership and advocacy issues in the long-term interests of users. The subcomponent will also support institutional capacity building, particularly to strengthen the ability for the TRA to deliver on any additional responsibilities which may be conferred on it, including but not limited to data privacy, data protection, harmful digital communications and cybersecurity.</p> <p>(d) Gender Development Office Support (US\$1M). Strengthening the institutional capacity of the Gender Development Office of the Department of Health and Social Affairs of the Recipient to carry out activities to increase participation in the digital economy on a gender informed basis, including policy development, research, monitoring and evaluation, citizen engagement, and outreach activities relating to digital literacy and digital entrepreneurship. This subcomponent will assist the Gender Development Office in contributing to gender informed policy development associated with the roll out of digital infrastructure and services, particularly the passage of gender-sensitive legislation relating to harmful digital communication. The capacity of the Gender Development Office to monitor and mitigate issues and concerns associated with digital harms from a gender perspective will also be strengthened.</p>
Component 4	US\$6.3 million	<p>Component 4. Project Management (US\$6.3M).</p> <p>(a) Project Implementation Unit (US\$1.3M). Supporting the Project Implementation Unit (PIU) on management and implementation of the Project, including financing of training and operating costs. The PIU will be responsible for overall Project management and coordination. Other aspects of Project administration (procurement, financial management, audit, communications and safeguards) will remain the responsibility of the PIU, but</p>

	<p>support for these activities will be provided by the Central Implementation Unit (CIU).</p> <p>(b) Central Implementation Unit (US\$5M). Supporting the CIU with regard to preparatory and implementation activities related to the Project, as well as other projects financed by Bank, including financing of training and operating costs. This subcomponent will provide approximately three to four years of core funding for the CIU. 11 The CIU provides fiduciary and operational support for all World Bank projects in FSM and is located within DoFA.</p>
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<b>Climate Change Co-benefits section</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C 1a	12.0	0.25	0.75	3	9	<p>Component 1 will support the development of climate and disaster resilient national digital connectivity infrastructure. Activity (a) includes financing for constructing and installing domestic fiber optic and wireless networks and related infrastructure to strengthen domestic internet and telecommunications connectivity.</p> <p>Documentation states that climate resilient, energy efficient fiber optic networks will be deployed. There is therefore a link between the PA and the vulnerability context, by stating an intent to enhance infrastructure resilience.</p> <p>Regarding mitigation, the transition from the legacy copper network to fiber based terrestrial networks (financed under component 1(a)) will trigger significant energy savings of between 40- 60 percent. The activity qualifies under the Common Principles for Climate Change</p>

						<p>Mitigation Finance Tracking, under the eligible activity: “Measures that reduce net energy consumption, resource consumption or CO2e emissions, or increase plant-based carbon sinks in greenfield and brownfield buildings and associated grounds”</p> <p>The adaptation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Adaptation is not the principal objective of the activity, despite co-benefits arising. This results in an initial coefficient of 0.5 being applied.</li> <li>• Within adaptation-relevant components, the incremental costs of adaptation and mitigation have not been provided, nor have details to allow proportionality to be estimated. Due to the importance of incremental costs for the calculation of co-benefits in infrastructure projects, a second coefficient of 0.5 has been applied to adhere to the principle of conservativeness.</li> <li>• This results in a final coefficient of 0.25 which is deemed to be cross-cutting.</li> <li>• Remaining finance qualifies as mitigation co-benefits.</li> </ul>
C 1b	3.0	0.125	0.125	0.375	0.375	<p>Component 1 will support the development of climate and disaster resilient national digital connectivity infrastructure. Activity (b) includes financing for constructing and installing telecommunications infrastructure and providing connectivity services in underserved and remote areas.</p>

					<p>Documentation states the activity will subsidize the deployment of infrastructure and connectivity services by private sector operator(s) utilizing climate resilient solutions (e.g., solar powered 4G LTE base stations and satellite connectivity). There is therefore a link between the PA and the vulnerability context, by stating an intent to enhance infrastructure resilience.</p> <p>Regarding mitigation, the transition from the legacy copper network to fiber based terrestrial networks (financed under component 1(a)) will trigger significant energy savings of between 40- 60 percent. The activity qualifies under the Common Principles for Climate Change Mitigation Finance Tracking, under the eligible activity: "Generation of renewable energy with low lifecycle GHG emissions to supply electricity, heating, mechanical energy or cooling"</p> <p>The climate coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Climate change adaptation and mitigation are not the principal objective of the activity, despite co-benefits arising. This results in an initial coefficient of 0.5 being applied.</li> <li>• Within climate-relevant components, the incremental costs of adaptation and mitigation have not been provided, nor have details to allow proportionality to be estimated. Due to the importance of incremental costs for the calculation of co-benefits in infrastructure projects, a second coefficient</li> </ul>
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						<p>of 0.5 has been applied to adhere to the principle of conservativeness.</p> <ul style="list-style-type: none"> <li>This results in a final coefficient of 0.25 which is deemed to be cross-cutting.</li> </ul>
C 2a	6.5/5	0	0	0	0	No evidence of climate relevance.
C 2b	6.5/5	0	0	0	0	No evidence of climate relevance.
C 2c	6.5/5	0	0	0	0	No evidence of climate relevance.
C 2d	6.5/5	0	0	0	0	No evidence of climate relevance.
C 2e	6.5/5	0.25	0	0.325	0	<p>Activity (e) will design and implement: “secure government network systems to promote common information systems, standards and applications, including e-mail, for government users”.</p> <p>This subcomponent will consider and evaluate alternative cloud computing models taking into consideration climate change impacts, disaster risks security. There is therefore a link between the stated activities and the vulnerability context, and an intent to address it.</p> <p>The adaptation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>Adaptation is not the principal objective of the activity, despite co-benefits arising. This results in an initial coefficient of 0.5 being applied.</li> <li>Within climate-relevant components, the incremental costs of adaptation and mitigation have not been provided, nor have details to allow proportionality to be estimated. Due to the importance of incremental costs for the calculation of co-benefits in infrastructure projects, a second coefficient of 0.5 has been applied to</li> </ul>



						<p>adhere to the principle of conservativeness.</p> <ul style="list-style-type: none"> <li>This results in a final coefficient of 0.25.</li> </ul>
C 3a	0.75	0	0	0	0	No evidence of climate relevance.
C 3b	0.5	0	0	0	0	No evidence of climate relevance.
C 3c	0.75	0	0	0	0	No evidence of climate relevance.
C 3d	1.0	0	0	0	0	No evidence of climate relevance.
C 4a	1.3	0	0	0	0	No evidence of climate relevance.
C 4b	5.0	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
4.6	3.7	19.6%	9.9	9.375	5.3%

Reported climate finance	Assessed climate finance	Error
14.5	13.075	9.8%

**Project Number: P173965**

<b>Project Name</b>
Economic Management and Competitiveness Development Policy Operation: COVID19 Supplemental Financing
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/678361591985509652/georgia-economic-management-and-competitiveness-development-policy-operation-covid-19-supplemental-loan">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/678361591985509652/georgia-economic-management-and-competitiveness-development-policy-operation-covid-19-supplemental-loan</a>
<b>Financing Instrument</b>
Development Policy Financing
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Prior Action

<b>Climate Change Vulnerability Context</b>
None provided in the additional financing documentation, yet the Program Document for the parent project contains an undetailed vulnerability assessment on page 6, paragraph 5.
<b>Intent to Address Vulnerability</b>
None provided for additional financing.
<b>Link to Project Activities</b>
None provided for additional financing.
<b>Incremental Cost?</b>
None provided.

<b>Climate Change Co-benefits section</b>
None provided.

<b>Greenhouse Gas Accounting</b>
None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
Prior Actions 1-8	48.9	0	0	0	0	There is no evidence to suggest that the objectives of the additional finance seek to address the vulnerability assessment provided in the parent project's documentation. No link can therefore be made between that climate vulnerability and the activities being funded. No adaptation co-benefits can be counted.

						<p>A single reference to “climate” is made in the additional finance documentation: “Importantly, the World Bank started providing technical assistance to build capacity to identify and report fiscal risks from natural disaster/climate risks; the teams are considering the inclusion of pandemics into the analysis.” The reference is unconnected to the Prior Actions. There is no reference to climate vulnerability and no incremental adaptation costs stated.</p> <p>No evidence of mitigation-relevance.</p>
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Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
1.2	0	100%	0.0	0	0%

Reported climate finance	Assessed climate finance	Error
1.2	0%	100%

Project Number: P172597

<b>Project Name</b>
Economic Recovery Development Policy Loan
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/665101593482807601/ukraine-first-economic-recovery-development-policy-loan">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/665101593482807601/ukraine-first-economic-recovery-development-policy-loan</a> (Program Document)
<b>Financing Instrument</b>
Development Policy Financing
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Prior Action

<b>Climate Change Vulnerability Context</b>
Provided in the Environmental Aspects section for the agricultural sector, page 31, paragraph 59.
<b>Intent to Address Vulnerability</b>
Provided in the Environmental Aspects section for the agricultural sector, page 31, paragraph 59.
<b>Link to Project Activities</b>
Context surrounding the Prior Actions, and the Prior Actions themselves, create no link between those actions and their expected results and the vulnerability context. Information and framing within the Environmental Aspects section is markedly different to the framing in the Proposed Operation section. This adds significant uncertainty when attempting to estimate co-benefits.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Pillar 1		<p>28. The reforms under the first pillar help demonopolize key sectors of the economy and strengthen anticorruption institutions to bolster investor confidence. The unbundling of the gas sector, with a large footprint of a state-owned monopoly, and clarifying the legal framework for private investment in infrastructure through concessions are intended to promote competition and attract investment in important parts of the economy. The unbundling of Naftogaz is also important to preserve Ukraine’s role as a long-term gas transit partner for Europe after 2019. Clarifying the legal framework for concessions would help increase private participation in infrastructure development and facilitate much-needed investment in a key area. Strengthening anticorruption institutions addresses investor concerns about the lack of a level playing field and weak trust in the rule of law. Overall, these reforms should help attract investment and increase productivity in key sectors of the economy as well as across the board.</p> <p>Demonopolize and unbundle ownership of the gas sector</p> <p>29. Ownership unbundling of gas transmission from Naftogaz and certification of the new Transmission System Operator (TSO) are critical for the liberalization of</p>

	<p>the gas market in line with the EU Association Agreement and the 2015 Gas Market Law. Unbundling is also critical to ensure that Ukraine remains an important long-term gas transit route for supply of gas to Europe, after the 2009 contract with Gazprom expired at end-2019, and to prevent the risk of the “zero gas transit revenue scenario”. Both Gazprom and the EC publicly had stated that a new agreement would not be possible without unbundling of the TSO in line with EU rules. Furthermore, unbundling is critical for attracting investment to maintain and modernize the gas transport network. The vertically integrated structure of gas transit and production, with gas transmission assets and transit revenues (about US\$2.5 billion in 2018) within Naftogaz, had been a significant roadblock in advancing negotiations on the new long-term gas transit agreement and in attracting investment in the transport network. Due to the Stockholm Arbitration (SA) decision of February 2018, the core transport assets (Gas Transport System, GTS—operated by UTG, UkrTransGaz) could be transferred from Naftogaz to an independent Gas TSO (fully owned by MGU, Mahistralni Gazoprovody Ukrainy) only after the previous transit contract with Gazprom expired on December 31, 2019.</p> <p>30. The unbundling of the Gas TSO from Naftogaz was completed on January 1, 2020, leading to a new 5-year gas transit agreement. The transfer of gas transmission assets from UTG (fully owned by Naftogaz) to Gas TSO LLC (fully owned by MGU) took place on January 1, 2020. This final step of unbundling followed a chain of important steps taken since September 2019. The new government approved Cabinet Resolution #840 in September 2019 with an agreed action plan on unbundling. On October 31, the Law No. 264-IX on Unbundling was approved by the Rada with 341 votes (a strong majority representing all factions), with the law enacted on November 29, 2019. This was followed by the signing of Sales and Purchase Agreement (SPA) between Naftogaz/UTG and MGU, and the Economic Management Rights Transfer Agreement which allowed for the transfer of state-owned GTS assets from UTG to Gas TSO. On November 22, the Energy Regulator (NEURC) issued a preliminary certification for the new Gas Transmission System Operator (TSO) and on December 17, the Energy Community Secretariat (ECS) issued its certification which recognizes the Gas TSO as an independent TSO in line with the EU 3rd Energy Package and the Gas Market Law of Ukraine. This enabled the signing of a new 5-year gas transit agreement between Naftogaz and Gazprom under which: (i) Gazprom paid \$2.92 billion to Naftogaz as part of the Stockholm Arbitration settlement and both parties agreed to drop any future claims from the contract signed in 2009; (ii) the minimum transit volume will be 65 bcm in 2020 and 40 bcm in 2021-2024; and (iii) transit revenues will flow in a transparent manner from Naftogaz to the Gas TSO, based on the tariff set by the Energy Regulator (NEURC).</p> <p>31. Weaknesses in the legal framework for private investment have hindered infrastructure development in Ukraine. Transport, energy and social infrastructure remain inadequate. Ukraine ranked 119th among 160 countries on the quality of trade and transport infrastructure in the World Bank’s Logistics Performance Index (LPI) for 2018. It also remains one of the most energy-intensive economies in the world and is burdened by a medical system with an oversized and outdated</p>
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	<p>hospital network. Infrastructure investment has been very reliant on the public sector, but the government has had limited fiscal space for public investment. Increasing private sector participation in infrastructure investment, including through concessions, is thus an important priority. The authorities have overhauled the Law on Concessions to catalyze private and foreign direct investment in infrastructure development.</p> <p>32. The new Law on Concessions establishes a framework based on international best practice to attract private investment in infrastructure and is in compliance with EU standards and regulations pertaining to concessions. Key enhancements of the new Law include: (i) a transparent procedure for selection of the concessionaire on a competitive basis; (ii) clear ownership control; (iii) provisions to enable bankability such as compensation in case of early termination, step-in rights, and direct agreement between project lenders, concessionaires, and grantors; (iv) simplified procedures for licenses and permits and for allocating land plots; (v) the possibility of dispute resolution by international commercial or investment arbitration; and (vi) a clear mechanism for monitoring fulfillment of the concession agreement. In addition, the new Law on Concessions is aligned with the PPP Law, including provisions for rigorous economic appraisal of project proposals. The authorities have been developing regulations that will enable effective implementation of the new Concessions Law. As a result of the new Concessions Law, two pilot port concession projects (Olvia port and Kherson port) are expected to be signed in 2020, with initial private investment of \$140 million in Olvia and \$11 million in Kherson. Although both tenders were implemented under the old concessions law, the new law has made commercial and financial closing possible by creating necessary conditions for project financing by lenders.</p> <p>Strengthen anticorruption institutions</p> <p>33. Strengthening the governance of the asset declaration system, restoring liability for illicit enrichment, and providing a civil forfeiture remedy are important to address key weaknesses that have emerged in the new anti-corruption architecture established after 2014. Ukraine's economy has for long faced an anticompetitive environment arising from rent-seeking, weak rule of law, and state capture by powerful vested interests. Since 2014-2015, in response to popular demand, a set of key anti-corruption institutions were established, including the National Agency for Corruption Prevention (NACP, responsible for asset declarations), the National Anti-Corruption Bureau (NABU, with investigative functions), and the Special Anti-Corruption Prosecutor Office (SAPO). However, at end-2018, despite widespread suspicions of illicit enrichment based on asset declarations and officials' lifestyles inconsistent with legal sources of income, and despite hundreds of cases investigated by NABU and sent to the courts, no major corruption convictions had taken place. The resulting public outcry led to the creation of the new High Anti-Corruption Court (HACC), which began functioning on September 5, 2019, with judges selected with the support of international partners. The HACC is expected to play a significant role in ending this impunity and establishing accountability. Despite this institutional progress, two important weaknesses in the nascent architecture have emerged. First, the governance of</p>
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		<p>NACP was compromised at an early stage through political interference and ineffective leadership, which has undermined the verification of asset declarations and the creation of an effective conflict of interest system. Second, in March 2019, the Constitutional Court rejected the provisions criminalizing illicit enrichment, creating a hole in the nascent anticorruption architecture.</p> <p>34. In order to address the weaknesses in the system, legislation to strengthen the governance of NACP and restore liability for illicit enrichment were enacted in the fall of 2019. The law to strengthen the governance of NACP with a decisive role for international experts in the selection process of a single director, was approved by the Rada and enacted by the President in October 2019. This is expected to strengthen and depoliticize the management of the NACP, with the new NACP head appointed in January 2020. The NACP legislation also provides for true risk-based and non-discretionary electronic verification process. Under a revised verification regulation agreed in late April 2020, prioritization criteria adopted in May 2020, and changes to the risk indicators underpinning the e-verification system, NACP will be able to strengthen the verification process with stronger automatic risk analysis, an increased role for cross-checking information in all declarations and random assignment of high risk declarations for full verification by NACP staff. These changes will allow for a more coherent, comprehensive and, eventually a more expedited everification of all submitted asset declarations.</p> <p>Second, legislation to restore criminal liability for illicit enrichment was approved by the Rada at the end of October 2019 and enacted by the President in November 2019. The legislation also introduced a new remedy for the civil forfeiture of assets that cannot be explained by an official's legitimate wealth, which would be limited to cover officials under NABU's jurisdiction and with cases to be adjudicated by the HACC. The draft legislation underwent broad consultations with domestic and international experts as well as civil society, and the drafting of the new provision took into consideration the Constitutional Court's analysis of the previous illicit enrichment law. The World Bank and the EU also commissioned expert analyses of the civil confiscation provisions, which confirmed that the draft legislation included the principles of legal clarity, right to a fair trial, and protection of property rights. With these two important weaknesses addressed, and the operation of the HACC since September 2019, it is expected that Ukraine's anti-corruption architecture is better prepared to deliver the results promised by the Government. As of May 8, 2020, the HACC had issued 70 criminal decisions with six convictions, including one for money laundering, while its investigative judges handled over 7,000 motions and actions.</p>
PA 1	250/7	<p>Prior Action 1: Completed the unbundling of the state-owned gas transport system from Naftogaz on January 1, 2020 through: (i) the enactment of Law #264-IX on Unbundling; and (ii) the transfer of state-owned gas transport system's assets from the balance sheet of UTG to Gas TSO LLC.</p> <p>Expected Result: The share of gas transit revenues flowing in a transparent manner from Naftogaz to the new independent Gas TSO, based on the tariff set by the NEURC, increases from 0 percent in 2019 to 100 percent in 2021. This major milestone to demonopolize and increase transparency in the gas market in Ukraine will help Naftogaz and the new Gas TSO focus on improving efficiency and</p>

		investment in their respective business areas of production and transmission. It should provide better incentives for Naftogaz to address the stagnation of gas production and for the Gas TSO to address unauthorized gas offtakes and invest in maintenance and modernization of the transmission network. The elimination of unauthorized gas offtakes (estimated at UAH 10 billion in 2020) will require continued reforms in the gas sector, including tariff adjustments for gas distribution and district heating companies.
PA 2	250/7	<p>Prior Action 2: Enacted Law # 155-IX on Concession to enhance the legal framework for attracting private investment in infrastructure and ensuring transparency in concession projects.</p> <p>Expected Result: The number of concession projects signed with private investment mobilized through project financing by lenders increases from 0 in 2019 to 2 in 2021. A key improvement in the new Concessions Law is that concessional projects will be “bankable” and can take advantage of project financing. Such improvements in the bankability of concession projects, together with the broader improvements in transparency and clarity, should help increase private investor participation in infrastructure development in Ukraine.</p>
PA 3	250/7	<p>Prior Action 3: Enacted Law # 140-IX to strengthen the governance of the National Agency of Corruption Prevention (NACP) and Law # 263-IX to restore liability for illicit enrichment and enable civil forfeiture of unjustified assets.</p> <p>Expected Result: Number of full verifications of high-risk declarations selected using prioritization criteria, assigned automatically to staff, and implemented using an improved methodology increases from 0 in 2019 to 1,000 in 2021. Carrying out a significant number of detailed verifications of asset declarations based on a more risk-sensitive approach with reduced discretion should help increase accountability and bolster investor’s confidence in Ukraine’s nascent efforts to establish a level playing field.</p>
		<p>Pillar 2: Strengthening Land and Credit Markets</p> <p>35. The reforms under the second pillar will support the economic recovery and increase the efficiency of allocation of resources by establishing an agricultural land market, resolving NPLs in SOBs, and strengthening the supervision of NBFIs. Establishing a market for agricultural land with adequate safeguards for transparency and efficiency, as well as improved access to credit, would help attract investment and increase productivity by enabling more productive farmers to expand and providing incentives for less productive farmers to upgrade their productivity or exit. Strengthening the NPL resolution framework for SOBs and more broadly strengthening the governance of SOBs would help attract private equity investment to SOBs, improve the efficiency of allocation of credit across the economy, and enable higher credit growth to the enterprise sector. Strengthening the supervision of NBFIs would help address a major source of fraud and vulnerability in a rapidly growing part of the financial sector. Establish a transparent market for agricultural land with adequate safeguards</p> <p>36. Ending the moratorium on agricultural land sales is critical to improve the security of land tenure, increase investment in higher value-added agriculture, and</p>



	<p>enable the use of land as collateral to access credit. Ukraine has the largest endowment of arable land in Europe—33m hectares, compared to 18m hectares in France and 11m hectares in Poland. However, agricultural productivity in Ukraine is much less: US\$440 per hectare in 2018, compared to US\$1,100 in Poland and US\$2,450 in France, in part because Ukraine focuses on lower value-added products (such as grains). The moratorium on agricultural land sales undermined the security of land tenure and incentives to undertake productivity enhancing investments such as irrigation and manage the land in a sustainable manner, including perennials, and crop rotation. The moratorium also undermines the flow of financing to small and medium producers because land cannot be used as collateral. Estimates show that establishing a transparent and efficient market for agricultural land, with adequate safeguards and access to finance would have a positive impact on economic growth.<sup>10</sup> The impact would be at the higher end of the range with fewer restrictions on size or foreigners, and with effective and sustainable access to financing for small, credit constrained farmers, to enable them to participate in the market and enhance their productivity.</p> <p>37. The land turnover law (LTO) approved by Rada with a market opening date of July 1, 2021 is an important first step toward establishing a transparent and efficient agricultural land market. The approved law lifts the 20-year old moratorium on agricultural land sales and allows purchases by individuals up to 100 hectares from July 1, 2021 and purchases by legal entities from 2024. The right to buy agricultural land would initially be limited to Ukrainian citizens. With polls showing opposition to foreign purchases of agricultural land at 70-80 percent, the approved law also temporarily excludes foreigners until a referendum on the issue is held.<sup>11</sup> Going forward, to increase the impact of the reform, it will be important to explore the possibility of expanding participation and competition in the market by bringing forward the participation of legal entities, relaxing restrictions on the size of land purchases, and enabling the sale of state land. Importantly, the LTO allows for the use of land as collateral, with banks able to assume ownership of land with the requirement to sell it within two years. This is an important provision for unlocking credit to the agricultural sector.</p> <p>38. In order to safeguard the transparency and efficiency of the market once it is opened, and to prevent monopolization, it is also critical to expeditiously enact a set of complementary legislation. This set of complementary legislation includes: (i) providing free and open access to the cadaster data and to mandate interoperability between the cadaster and registry, which is important to reduce manipulation of ownership records and opportunities for corruption (Law #554-IX, approved April 13, 2020); (ii) streamlining land transfer procedures and decentralizing land management, which streamlines procedures to create, transfer, and use land parcels; and transfers the ownership and administration of state land from the Geocadaster to local authorities (Draft Law #2194); (iii) regulating local state land use, mandating electronic auctions for state land sales; and restricting discretionary handouts of state land by local authorities (Draft Law #2195); and (iv) preventing multiple registrations and raider attacks by fully automating exchange of information between the registry and cadaster, mandating digitization of all paper records to registry, and requiring registration of</p>
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	<p>all transaction prices for sales and leases (Law #340-IX, approved December 5, 2019). Laws 554-IX and 340-IX have been enacted. Prompt enactment of the pending Draft Laws # 2194 and 2195 is essential to allow enough time for implementation prior to the land market opening on July 1, 2021. Furthermore, expeditious implementation of all four complementary laws is critical to ensure that the land market will be transparent, efficient, and safeguard the rights of million landowners.</p> <p>39. Access to financing for small, credit-constrained farmers through sustainable and effective financing instruments will allow them to effectively participate in the land market. Small farmers in Ukraine (i.e. those cultivating less than 500 hectares) are significantly credit constrained because banks consider them high risk. With no performance data on loans to this cohort, perceived risk is higher than actual risk. To address this market failure, a partial credit guarantee (PCG) facility can help reduce credit risk and enable lending to small farmers. The authorities are working on a draft legislation to establish a small agency with an independent governance structure to administer the PCG on a commercial basis. In order to be effective and sustainable, the PCG facility needs to have a professional and independent supervisory board, free from political influence. While it would initially need to be capitalized by the state, it should be run on a self-sufficient basis in line with international best practice, with guarantee fees covering operational expenses of the fund. Allowing private sector participation would also facilitate contributions from international development partners to the capital of the facility. Expeditious approval and implementation of this legislation is critical to make the facility operational prior to the land market opening in July 2021. In addition, access to financing for small farmers can benefit from improving the targeting agricultural subsidies. While fiscal support to agriculture has declined in the last 5 years (due to reduced tax expenditures), direct subsidies still amounted to \$250 million (0.15 percent of GDP) in 2019, with most of this benefiting large and influential producers. International experience suggests that the support should be: (i) targeted to small farmers (under 500 hectares) who are most credit constrained; and (ii) provided through upfront matching grants (rather than interest rate subsidies) to defray interest and fixed costs during the initial years, provide incentives to increase profitability, and involve stable fiscal costs. Action can be taken to further specify the allocation of agricultural subsidies for 2021 and improve their targeting to predominantly small farmers (under 500 hectares) in the form of matching grants rather than interest rate subsidies. In the absence of an effective PCG facility and improved targeting of agricultural subsidies, small farmers could face exclusion from the agricultural land market, with increased concentration of land and lost opportunity for small farmers to contribute to increased productivity and diversification into higher value-added products.</p> <p>Strengthen the NPL Resolution Framework</p> <p>40. Resolving NPLs and strengthening governance of SOBs in Ukraine is critical to improve the efficiency of credit allocation and increase credit to the private sector, particularly in the context of the COVID-19 crisis. The banking system in Ukraine, with a history of related party lending, came under considerable stress following</p>
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	<p>the 2014-2015 economic crisis. The authorities responded with major reforms to resolve and recapitalize banks and strengthen supervision. As a result, a total of 96 out of 182 banks were resolved since 2014; and PrivatBank, the largest systemic bank in Ukraine with a large related party portfolio, was nationalized in December 2016 after the former owners failed to implement agreed recapitalization and restructuring plans. While these reforms helped strengthen financial sector stability, a large share of SOBs (55 percent of banking sector assets) and a high share of NPLs (49 percent overall and 65 percent in SOBs as of April 2020) continue to undermine the efficiency of financial intermediation and credit growth to the private sector.<sup>12</sup> The COVID-19 crisis is expected to again impact the quality of bank assets, further underscoring the need to put in place a framework for resolving NPLs. A pre-requisite for achieving this in SOBs has been to strengthen corporate governance. SOBs in Ukraine have long operated under the political influence of vested interests that have distorted the allocation of capital. An opportunity to address this challenge has been created by the enactment in 2018 of the SOB Law intended to establish independent supervisory boards. While the supervisory boards were selected by November 2019, the process proved challenging, underscoring the need to continue monitoring threats to their independence.</p> <p>41. Moving forward, the priority is to establish an enabling framework for NPL resolution in SOBs. The authorities also took initial steps toward this objective, including strengthening creditor rights, issuing regulations on the tax treatment of write-offs, and approving a new Insolvency Code. Going forward, with independent supervisory boards in place, the resolution of NPLs in SOBs has been expected to come from three sources: (i) write-offs of fully provisioned NPLs (through NBU prudential regulation); (ii) restructuring and sale of NPLs with haircuts on principal without threat of prosecution; and (iii) resolving complex, multicreditor NPLs involving powerful business groups, which will require a special approach combining technical resolutions tools with strong political will. A major challenge in restructuring and sale of NPLs has been that legislation on criminal penalties for misappropriation of state funds leads to a high risk for SOB supervisory boards and management when the recoveries on NPLs are below the outstanding principal. SOBs are thus reluctant to take difficult decisions on haircuts when restructuring and selling NPLs below book value. In order to address this challenge, a Cabinet Resolution has been approved in April 2020 enabling SOBs to make use of all conventional NPL resolution tools, including those involving haircuts on principle, without threat of prosecution. In addition, NBU prudential regulations were approved in February and April 2020 to facilitate write-offs of fully provisioned NPLs. Going forward, it will be important to expeditiously implement the new NPL resolution framework. This will involve preparation of NPL resolution plans by the SOBs.</p> <p>Strengthen supervision of non-banking financial institutions</p> <p>42. Strengthening the supervision of NBFIs is expected to address a major source of fraud and vulnerability in a rapidly growing part of the financial sector. The regulation of NBFIs, including insurance, pension funds, non-bank lenders, and</p>
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		<p>credit unions is very weak, leading to significant fraud and money laundering, especially in the insurance industry. This is impeding the NBF sector from playing a productive role in supporting economic growth and is also a vulnerability for the economy. Many insurance companies (including the largest in the system) collect substantial premiums that are transferred fully to obscure local re-insurance schemes without paying claims, while the effective loans rates of non-bank lenders are often hundreds of percent. While the banking sector was contracting in 2014-2017, some segments of NBF sector (financial companies) experienced unprecedented growth, almost doubling their total assets, including by acquiring low-quality assets of failed banks. The current financial sector regulation is fragmented between three regulators with the NBF regulator being the weakest, non-functional, lacking both independence and capacity, while being tasked with “supervising” about 2200 institutions. The solution is to abolish the NBF regulator and split its functions between the National Bank of Ukraine and the National Commission for Securities and Stock Market (NCSM), which are two institutions with much more credibility and capacity. This would be accomplished by the recently approved Law also referred to as the “Split Law”.</p>
PA 4	250/7	<p>Prior Action 4: Enacted Law # 552-IX to enable the sale of agricultural land and the use of land as collateral and Law # 554-IX to strengthen transparency by improving access to cadastral data and links between the cadaster and registry. Trigger 1 (DPL-2): Enact legislation to strengthen land management, streamline land transfer and registration procedures, and make emphyteusis rights transferable and mortgageable. Trigger 2 (DPL-2): Enact legislation to introduce electronic auctions and restrict discretionary handouts of state land via free privatization.</p> <p>Expected Result: Area of agricultural land (previously under moratorium) transacted by eligible individuals increases from 0 hectares in 2019 to 100,000 hectares in 2021. The establishment of a record of transparent agricultural land transfer transactions, with registered prices, would help increase the security of land tenure and facilitate investment in higher value-added agriculture. It would also boost financing for agriculture, particularly to small farmers, by enabling the use of land as collateral.</p>
PA 5	250/7	<p>Prior Action 5: Issued NBU prudential regulations #49 and #52 on write-offs for fully provisioned NPLs and approved Cabinet Resolution # 281 to enable state-owned banks NPL resolution through conventional tools including restructuring and sale with haircut on principal, as well as write-offs.</p> <p>Expected Result: Value of gross Pre-2020 Non-Performing Loan (NPL) portfolio in State-Owned Banks (SOBs) declines from UAH 397 billion in (end) 2019 to under UAH 300 billion in 2021. This significant reduction in the NPL portfolio would enable the SOBs to focus their staff resources on identifying and assessing new lending opportunities, thus improving prospects for greater credit to the private sector. The reduction in NPLs would also help increase interest from private investors in taking an equity position in these state-owned banks, which is one of the major medium-term objectives of the government’s strategy for state-owned banks.</p>
PA 6	250/7	<p>Prior Action 6: Enacted Law # 79-IX to enhance the regulatory framework for non-bank financial institutions by abolishing the National Financial Services Commission</p>

	<p>and assigning the regulatory functions to the National Bank of Ukraine and National Securities and Stock Market Commission.</p> <p>Expected Result: NBU and NSSMC adopt action plan on reshuffling supervisory regimes for insurance, credit unions, pension funds, and other NBFIs. This would help significantly improve supervision and confidence in the non-banking financial sector in Ukraine. It would also help the development of a more diverse set of financial assets, which is important to establish the pre-conditions for Ukraine’s aspirations promote the development of individual retirement accounts, and thus longer-term savings and investment opportunities.</p>
	<p>Pillar 3: Bolstering the Social Safety Net</p> <p>43. Bolstering the social safety net, with a focus on the elderly population, is important to cushion the impact of the COVID-19 crisis. The welfare of poor and vulnerable households is being affected by the pandemic due to several factors, including the loss of labor income, lower remittances, and higher expenditures on key services including health, transportation, and other necessities. The elderly population is among the most vulnerable both to the health shock and to income volatility resulting from the pandemic. The largest part of the social safety net in Ukraine is pensions, with spending on pension benefits amounting to about 11 percent of GDP. Pensions also account for a significant part of household incomes, particularly for those in the bottom 40 percent of the population. In this context, bolstering pension benefits, especially for the elderly in the bottom part of the income distribution, is an important instrument to cushion the impact of the crisis on the elderly population. Bolster pension benefits</p> <p>44. Indexation of pensions is a key tool for preserving the real incomes of the elderly. Prior to the Pension Reform adopted in 2017, no clear rules of indexation existed for existing pensioners. Pension indexation was done in an ad-hoc basis and in a pro-cyclical manner. During 2014-2015 crisis, pensions were not indexed, eroding the real income of the old-age population relying almost exclusively on pensions. As a result, the relative position of pensioners in the income distribution worsened, with 15 percent of them falling into the bottom quintile (compared to 10 percent before the crisis) and accounting for 33 percent of the bottom 40 percent in 2016 (compared to 29 percent in 2014). One of the key features of the pension reform law approved in 2017 was the introduction of systematic rules for annual indexation of the pension benefit, to safeguard the income of pensioners in real terms, including during downturns. However, the law provided flexibility on the date of the statutory pension indexation each year, thus undermining the predictability of the pension benefit each year and resulted in some volatility of purchasing power.</p> <p>44. In response to the COVID-19 pandemic, the Government has brought forward the date of pension indexation in 2020, which has introduced greater predictability in pension benefits for the year. The initial budget allocation for pensions in 2020 would have allowed for the indexation this year to only kick in toward the end of the calendar year. The Cabinet Resolution # 251, adopted on April 1, 2020, stipulated an 11 percent increase in the pension benefit for most beneficiaries,</p>

		<p>applying to the pension benefits starting from May 1, 2020. The decision to proceed with the statutory indexation in May required an additional allocation of UAH 12.4 billion to the Pension Fund of Ukraine, which was part of the budget amendment approved in April 2020. To further protect the elderly, the government also introduced a one-time top-up of UAH 1,000 for those who receive less than UAH 5,000 per month, which is expected to cover 10.6 million pensioners. In addition, the government introduced a temporary top-up of UAH 500 per month for pensioners above 80 years of age, covering 1.5 million people. These measures are expected to have a significant positive impact in bolstering pension benefits during the COVID-19 crisis. Going forward, it will be important to take measures to improve the predictability on a permanent basis, including timely indexation and clear rules for supplementary benefits for those over 80 years of age.</p>
PA 7	250/7	<p>Prior Action 7: Approved Cabinet Resolution # 251 to set the date and rate for the statutory pension indexation in 2020 and bolster the purchasing power of the pension benefit. Trigger 4 (DPL-2): Improve predictability and sustainability of pension benefits, including timely indexation and clear rules for supplementary benefits for those over age 80.</p> <p>Expected Result: Pension benefits increase in line with the indexation formula within the first half of each calendar year, allowing adequate support for pensioners, of which at least 65 percent are women. Reducing discretion in the date of pension indexation each year will provide greater predictability in the purchasing power of the pension benefit each year, which is particularly important during a sharp economic downturn. With incomes of elderly women relying more on pension benefits, greater predictability in the benefit addresses an important gender related disparity.</p>

#### Environmental Aspects section

56. Climate and Environmental benefits. The proposed operation promotes climate and environmental benefits in the most important areas of climate related challenges for Ukraine, namely its large agricultural sector which is a source of GHG emissions, and the energy intensive infrastructure. Three out of the seven prior actions supported by the operation can yield environmental and climate benefits First, the prior action to establish an agricultural land market can strengthen the security of land tenure and provide incentives for landowners and land users to more sustainably manage land assets and undertake investments to manage climate impacts. Second, the prior action to unbundle Naftogaz is expected to stimulate energy efficiency investments and measures to reduce gas transmission system losses, which should help cut GHG emissions. Third, the prior action on improving the legislative framework for private investment in infrastructure through Concessions should help in attracting greater private investment toward less energyintensive infrastructure.

57. Climate and environmental implications of the gas sector unbundling prior action. This reform to unbundle the gas sector is expected to bring significant positive climate change mitigation benefits by reducing greenhouse gas (GHG) emissions related to the consumption and transmission of natural gas. Ukraine is ranked fifth in the world for energy intensity and is also one of Europe's largest energy consumers. It is also a major source of energy transmission from Russia to Europe. In 2015 and 2016,

the authorities embarked upon a historic energy tariff adjustment program which raised heating and gas tariffs between 250 to 500 percent. The successive adjustments in energy tariffs progressively incentivized greater energy efficiency in the residential sector. In 2017, Ukraine's total natural gas consumption has decreased by 4 percent compared to 2016 (from 33.2 to 31.9 bcm). Out of this total, household consumers used 11.2 bcm of gas in 2017, which is 6 percent or 0.7 bcm less than in 2016. The unbundling of the gas TSO from the vertically integrated Naftogaz will further stimulate efficiency improvements, including the elimination of "unauthorized gas offtakes" estimated at 1.5bcm (worth about UAH 10 billion) in 2019. Also, the newly established independent TSO will prioritize investments in modernization of gas transmission infrastructure including digitalization of metering, billing and balancing system, as well as efficiency improvements of outdated compressor stations. Such measures will significantly reduce gas consumption and losses in the gas transmission system of Ukraine and, therefore, cut GHG emissions.

58. Climate and environmental implications of the Concessions prior action. This reform is expected to contribute to positive climate mitigation and adaptation impacts. Transport, energy and social infrastructure in Ukraine remain inadequate requiring significant investment. Infrastructure investment has been dominated by the public sector and has not benefitted from the efficiency, innovation, and green orientation that the private sector brings today. The new Law on Concessions establishes a clear and sound framework based on international best practice to catalyze private and foreign direct investment in infrastructure development. The Law, in compliance with EU standards and regulations pertaining to concessions, will enable Ukraine to continue to shift its infrastructure investment toward a more climate friendly and greener path, in line with its commitments to the EU as outlined in its Association Agreement. The new law includes specific provisions that incentivize energy efficiency in concession investments. In particular, Article 8 of the law specifies limits on the amount of losses and thermal energy per unit of service provided for heating, water supply and wastewater disposal facilities, which must be part of the terms of the concessions' agreement. With appropriate strengthening of the environmental assessment system and enforcement mechanisms, foreign and private investors will be expected to increase social responsibility awareness and introduce climate-friendly and environmentally sound technologies and practices that support climate adaptation and mitigation.

59. Climate and environmental implications of the land market prior action. Ukraine is one of the largest agricultural producers in the world and a significant portion of the population relies on the agriculture sector for livelihood. However, this sector is highly vulnerable to climate change, which threatens this major source of economic growth and household incomes. Higher temperatures could cause shifts in agricultural zones across Ukraine, and floods and water deficiencies have had a significant impact on agricultural output and household incomes over the last 20 years. An exacerbation of these vulnerabilities through the anticipated impacts of climate change could undermine Ukraine's overall development objectives, as well as the objectives of this operation. By undermining incentives to sustainably manage land and undertake adaptation investments, the insecurity of land tenure and limited access to finance for small farmers leaves Ukraine's agricultural sector and associated household livelihoods even more vulnerable to climate change. The prior action to establish a transparent and efficient market for agricultural land would provide better incentives for landowners and land users to sustainably manage land and undertake investments in strengthening climate resilience. This prior action thus has both climate change mitigation and adaptation benefits. In this context, Draft Law #2194 (on land management and streamlining land transfer procedures) is intended to include safeguards provisions to identify environmentally sensitive

lands, while Draft Law #2195 is intended to prevent discretionary handouts of environmentally sensitive state-owned land.

60. Improved security of land tenure is critical to mitigate climate change. The academic literature (e.g. Nizalov et al. 2016) as well as case studies document that inability of Ukrainian farmers to acquire secure land ownership rights has led to short-term profit maximization without regard to long-term environmental costs. This has led to a failure to adopt climate smart agriculture and sustainable land management practices such as zero tillage, and is contributing to ongoing irreversible degradation of Ukraine’s soil due to soil mining, failure to capture carbon via perennials, GHG emission through large-scale peatland conversion, and inefficient use of other resources such as water. By allowing farmers to own the land they cultivate, the land-related actions in the DPL will help reverse this trend and provide the basis for adoption of more sustainable practices in agriculture.

61. With small farmers in Ukraine particularly vulnerable to climate change, improving the security of land tenure and enhancing access to credit will help build resilience to these impacts. Available data shows that Ukraine’s climate has already started changing. Climate modeling indicates that air temperature will continue to rise, and the precipitation region will alter through the year. Anticipated impacts include change in climatic seasons and growing season duration, reduced stable snow cover, changes in water resources availability (with likely down trend), increased frequency and magnitude of extreme weather events, shifts in agro-ecological zones, and increases in diseases and pests. All these factors will directly impact agricultural production. Assessments by experts show that about 60-70 percent of losses caused by extreme climate events fall to agriculture and crops losses (mostly due to droughts) fall in the range of 10-70 percent. In this context, improving the security of land tenure and access to credit will allow small farmers to implement necessary adaptive measures to cope with the changing climatic conditions, and bounce back from potential adverse impacts of extreme weather events and climate-related disasters.

**Greenhouse Gas Accounting**

Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA 1	250/7	0	0	0	0	PA 1 will demonopolize and unbundle ownership of the gas sector to ensure Ukraine remains an important long-term gas transit route for supply of gas to Europe.  The Common Principles for Climate Change Mitigation Finance Tracking state that activities in support of upstream and midstream activities in the fossil fuel industry should be excluded: “Upstream activities involve exploration or production of fossil fuels and midstream activities include



						<p>natural gas processing, storage, transportation, liquefaction and regasification, and crude oil refining.”</p> <p>No evidence of adaptation co-benefits.</p>
PA 2	250/7	0	0	0	0	<p>PA 2 will improve the legal framework for investment through concessions. To incentivise private investment in infrastructure. Context surrounding PA 2 and the expected results show no evidence of climate co-benefits.</p> <p>The Environmental Aspects section states: “The new law includes specific provisions that incentivize energy efficiency in concession investments. In particular, Article 8 of the law specifies limits on the amount of losses and thermal energy per unit of service provided for heating, water supply and wastewater disposal facilities, which must be part of the terms of the concessions’ agreement.”</p> <p>Under the energy efficiency category of the Common Principles for climate change mitigation finance tracking it is stated that “The entity applying the Common Principles shall demonstrate a substantial improvement in energy efficiency or a substantial reduction in net GHG emissions.”</p> <p>No GHG accounting, or evidence in support of net emissions reductions, has been provided. In the context of Ukraine, which is stated in the document to be “one of the most energy intensive countries in the world”, such evidence is deemed to be required before mitigation co-benefits can be recorded. This is particularly the case in the context of actions to incentivise greenfield development, and actions within a</p>

						<p>project which could result in heightened fossil fuel use.</p> <p>No evidence of adaptation co-benefits.</p>
PA 3	250/7	0	0	0	0	No evidence of climate co-benefits.
PA 4	250/7	0.125	0.125	4.46	4.46	<p>PA 4 will establish a transparent market for agricultural land with adequate safeguards. The expected result is an “Area of agricultural land (previously under moratorium) transacted by eligible individuals increases from 0 hectares in 2019 to 100,000 hectares in 2021”.</p> <p>The Environmental Aspects section states: “The prior action to establish a transparent and efficient market for agricultural land would provide better incentives for landowners and land users to sustainably manage land and undertake investments in strengthening climate resilience.” Adding, the law “is intended to include safeguards provisions to identify environmentally sensitive lands”.</p> <p>Documentation adds: “Improved security of land tenure is critical to mitigate climate change. The academic literature (e.g. Nizalov et al. 2016) as well as case studies document that inability of Ukrainian farmers to acquire secure land ownership rights has led to short-term profit maximization without regard to long-term environmental costs. This has led to a failure to adopt climate smart agriculture and sustainable land management practices such as zero tillage, and is contributing to ongoing irreversible degradation of Ukraine’s soil due to soil mining, failure to capture carbon via perennials, GHG emission through large-scale peatland conversion, and</p>

						<p>inefficient use of other resources such as water”.</p> <p>The law therefore creates a weak an indirect link between the activities and the vulnerability context.</p> <p>Climate coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Neither adaptation nor mitigation is the principal objective of the project, resulting in an initial coefficient of 0.5.</li> <li>• No granular information or incremental adaptation costs have been provided to accurately assign proportionality by disaggregating climate from non-climate finance. This results in the assumption of a second 0.5 coefficient.</li> <li>• Due to the inherent uncertainty involved in assigning co-benefits for projects which indirectly create adaptation and mitigation co-benefits, a third coefficient of 0.5 is applied in an attempt to adhere to the principle of conservativeness, so as to not over-report adaptation co-benefits.</li> <li>• Final coefficient of 0.125</li> </ul> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance tracking:  “Agricultural projects that contribute to increasing the carbon stock in the soil or avoiding loss of soil carbon through erosion control measures”</p>
PA 5	250/7	0	0	0	0	No evidence of climate co-benefits.
PA 6	250/7	0	0	0	0	No evidence of climate co-benefits.
PA 7	250/7	0	0	0	0	No evidence of climate co-benefits.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
5.0	4.46	10.8%	5.0	4.46	10.8%

Reported climate finance	Assessed climate finance	Error
10.0	8.92	10.8%

Project Number: P173702

<b>Project Name</b>
Emergency Locust Response Program
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/881361590285631239/djibouti-ethiopia-kenya-and-uganda-emergency-locust-response-program-phase-1">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/881361590285631239/djibouti-ethiopia-kenya-and-uganda-emergency-locust-response-program-phase-1</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Credit, Grant
<b>Lowest level of granularity</b>
Activity

<b>Climate Change Vulnerability Context</b>
Provided in Strategic Context, pages 5-6.
<b>Intent to Address Vulnerability</b>
Provided in Strategic Context, pages 8-9.
<b>Link to Project Activities</b>
Provided in Program Description section at the sub-component level as required of IPF.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Component 1: Surveillance and Control Measures		This component will limit the growth of existing Desert Locust populations and curb their spread, while mitigating the risks associated with control measures and their impacts on human health and the environment. It has three sub-components that countries can select depending on the context and the priorities of governments responding to the crisis.
Sub-component 1.1		Sub-component 1.1: Continuous Surveillance activities would provide early warning, inform effective control operations, and mobilize assistance (under Component 2) to affected and at-risk communities to enable informed and climate-responsive locust management decision-making. Satellite images and the associated geospatial technologies would provide timely data to assess the risk of impending locust outbreaks. This information could be used for targeted preventative management actions in the locust breeding areas under changing climatic conditions. Habitat mapping will assess climate, soil and other variables to map susceptibility of land areas in space and time to locust outbreak (locust vulnerability map) or land areas that are already proliferated by locusts (locust impact map). Activities under this component would include but would not be limited to: i) monitoring observed breeding and egg-laying areas including breeding activities induced by weather variability and climate change to inform early action; ii) conducting ground surveys and other data collection to assess the locust situation and climate-induced habitat conditions; and iii) collecting and analyzing data to inform planning and ensure appropriate control methods are applied. Innovative

		approaches to surveillance—such as, the use of satellite maps, drones, eLocust3, GPS enabled cameras and meta-data analysis and climate information for locust risk mapping to better pinpoint outbreaks and to aid in damage assessments and response programming—would also be financed.
Sub-component 1.2		Sub-component 1.2: Control measures would reduce locust populations and prevent their spread to new areas through a range of targeted ground and aerial control operations. It would, whenever possible, emphasize neutralizing hopper bands using bio-pesticides before they develop into adult swarms, the control of which requires extensive use of conventional pesticides. Technology used would include insect growth regulators, bio-pesticides, or conventional chemical pesticides. Methods used would include ground and aerial spraying. A thorough pest management plan (PMP) developed under the management of the World Bank’s environmental specialists and the Lead Environmental Specialist and expert on Pest Management, will be required of every project. Examples have already been developed in projects that have triggered CERCs to respond to the crisis. This component would finance spraying equipment, protective gear, data collection systems, training and other goods and services needed to support control measures. A full list would be outlined in project procurement documents and would align with the PMP and related safeguard instruments.
Sub-component 1.3		Sub-component 1.3: Risk reduction and management would monitor and assess the effectiveness of control measures and environmental and human health risks associated with locust control, and implement health, environmental and safety measures to reduce risks to an acceptable minimum. This sub-component will finance mostly technical assistance. Monitoring of control operations is necessary to assess whether adverse effects occur and under what circumstances so that they can be mitigated. Monitoring and building environment and climate literacy will also help increase outreach of reliable climate-smart pest management knowledge. Activities would include: i) testing of human health and soil and water for contamination from use of insecticides; ii) optimizing the selection of control strategies, protection measures, and insecticides based on situational and environmental assessments; and iii) providing safety and awareness training for spraying teams and other locust control personnel. Public awareness campaigns will keep the public informed about possible environmental and health effects of insecticides, before, during and after locust control operations.
Component 2: Livelihoods Protection and Rehabilitation		Beyond the immediate control measures deployed to curtail the proliferation and spread of the locusts, the next priority and the objective of Component 2 would be to help protect the poor and vulnerable in locust affected areas. The aim is to safeguard them from human capital and asset loss, enhance their access to food, and rehabilitate food production systems and livelihoods that have been damaged or destroyed by swarms. Activities under this component would be implemented through two mutually supportive sub-components: 1) Safeguarding Food Security and Protecting Human Capital; and 2) Restoring and Rehabilitating Agricultural and Pastoral Livelihoods for enhanced adaptation and resilience.

Sub-component 2.1	<p>Sub-component 2.1: Safeguarding Food Security and Protecting Human Capital will protect the poor and vulnerable in locust affected areas from livelihood and asset loss by providing emergency income support in the form of CTs and/or cash for work (CfW), to smoothen consumption and enhance the purchasing power of vulnerable households to purchase food and basic needs. The subcomponent will target poor and vulnerable households at risk of food insecurity and/or who have lost their income as a result of the locust upsurge or who have experienced damaged to their livelihood assets. Farmers who may lose sale/income as a result of unintended damages from accidental pesticides spray impacts beyond the defined buffer zone on people, livestock, agricultural produce and livestock feed, will be considered eligible for the safety net support. An added element that would be provided for livestock holding households is fodder provision to replace impacted grazing land until restoration can be completed. CfW programs can support activities that can strengthen community defenses against locust invasion—e.g., construction of quality grain and seed storage.</p> <p>Interventions under this subcomponent would be delivered through new or existing national government food security, social safety net, and community-driven development (CDD) programs. The existing programs would be scaled up either vertically to provide additional emergency cash top up to existing beneficiaries of poverty-based CTs, or horizontally to add new beneficiaries for an emergency cash or in-kind support. Given the fact that Locust Response and COVID-19 Response projects will be implementing in the same countries, the World Bank teams will monitor to ensure that the programs are well coordinated and have the appropriate measures to avoid overlapping and/or duplicating beneficiaries. The risk of this is relatively low given that COVID-19 projects will most likely be implementing in densely populated urban and peri-urban areas, while the Locust Response projects will implement in rural farming and pastoral areas. Additionally, where feasible the same programs would be used to respond to both crises, therefore enabling coordination of beneficiary targeting.</p>
Sub-component 2.2	<p>Sub-component 2.2: Rehabilitating Agricultural and Pastoral Livelihoods will support affected farmers and livestock holding households to restore their productive assets for sustained food security and enhanced adaptation and resilience. The subcomponent will promote the adoption of climate-smart crop and livestock practices for reduced GHG, enhanced resilience, and the implementation of livelihood support and diversification initiatives. Support will be provided for agroecosystem management approaches that enhance resilience of farm and landscape to changes in climate and pest. This would be achieved through delivering (i) climate-smart farmer packets to get food and fodder production damaged by locusts re-started as soon as possible; (ii) pasture restoration or temporary forage/feed provision and climate-resilient grazing management in pastoralist areas impacted by the locust upsurge; and (iii) in certain cases assisting with animal re-stocking with climate-resilient and stress tolerant breeds. Farmer packets would aim to diversify production and introduce improved, climate-resilient varieties that provide for higher yields and are resistant to pest/disease and other climate-related threats.</p>

		<p>Pasture restoration would be done in most areas by establishing nurseries throughout the affected area to re-establish pasture flora. Legumes and grasses adapted to the local environment will be promoted to increase biodiversity and landscape resilience. Leguminous species are also beneficial for climate mitigation, fixing atmospheric nitrogen and improving soil fertility. Both crop and pasture restoration would need to support plantings that would promote the restoration of pollinator populations in the affected area. Provision of forage/feed or animals would be temporary measures to meet the needs of those livestock keepers in danger of being severely decapitalized as a result of the locust upsurge through animal loss or the need for distress sales due to lack of browse.</p>
Sub-component 2.3		<p>Sub-component 2.3: Assessing Impacts and Targeting Response. This sub-component would finance assessments of the immediate and medium-term impacts of the Desert Locust upsurge on crops and pastures and on food and nutrition security of the affected populations. These assessments would also help to inform the targeting and programming of response measures and provide lessons for other countries and phases.</p>
Component 3: Coordination and Early Warning Preparedness		<p>This component would strengthen the regional and national capacity for surveillance and control operations. At regional level, this could include developing technical partnerships with relevant organizations, such as the Desert Locust Control Organization for East Africa (DLCO-EA) and IGAD. Early warning systems will be strengthened to support prevention and rapid response to new and existing climate change-induced locust infestations, thereby limiting in-country and cross-border spread and intensification. Emphasis will be placed on building capacity to enable rapid and targeted short-term responses and long-term adaptation planning. At country level it would include support to the development and updating of regional and national contingency plans for Desert Locust crises, promoting learning across countries to boost competencies in forecasting, surveillance and control, and exploring the use of new technologies for surveillance, such as drones. Such efforts would take into consideration guidance from appropriate international and regional organizations. The program will also support the countries' participation in international collaborative efforts to prevent a re-occurrence of this natural disaster building the capacity of crop protection agencies, financing equipment and software, and strengthening preparedness and early warning systems at national and sub-national levels. This component will mostly finance technical assistance and outreach.</p> <p>The program encourages action-oriented in-depth evaluation of select topics relevant to better prepare for future locust upsurges. An example might be assessments of the efficiency and effectiveness of specific project interventions such as biological control of locusts. Another example might be an assessment of how climate change is pushing locust swarms into new locations and changing the dynamics of re-emergence. Component 3 permits financing both these action-oriented assessments and the sharing of resulting insights amongst other participating countries under the MPA, including as needed travel of technical experts between participating countries for the purpose of learning or disseminating insights. It will</p>



	<p>encourage engagement with research institutions and regional organizations for the purposes of exchanging information and insights and, optionally, to assist in the above referenced assessments of project experience.</p> <p>The program will support investment to strengthen country capacities to monitor the locust situation under changing climatic conditions using Geographic Information System (GIS) spatial data and remote sensing approaches. The program will build capacity to monitor the relationships between weather trends and Desert Locust territories and identify the conditions for an outbreak and early population increases. This will include support for the development of country risk management plans that include roles and responsibilities of key stakeholders in locust management for each of the countries.</p>
<p>Component 4: Project Management</p>	<p>This would finance the associated costs such as implementation support, financial management (FM), procurement, environmental and social management, communications and knowledge management. The communications component will help promote increased community awareness about the impacts of the locust swarms and the response efforts to support communities before, during, and after the crisis. Governments, at both national and local levels, will need information about combatting locust populations and how and when pesticides can be used safely and effectively. For local communities in areas that have been treated with pesticides, they will need information on how to safely navigate its effects on plants, livestock, and water systems and what precautions are to be taken before, during and after control operations (e.g., re-entry and withholding periods, dangers of reusing empty drums). Citizen engagement, community empowerment, mobilization and participation will be critical to developing community-led responses that will address immediate concerns and build resilience going forward.</p> <p>Communications will play a critical role in the successful implementation of the ELRP through the country programs, internally within the World Bank, and among the World Bank and other donors. The country teams were encouraged to include financing for communication activities to ensure that governments, communities, and other stakeholders get the information about the threat presented by locusts, the measures required to combat them, and safety measures during campaigns. In addition, raising awareness about the services offered in Component 2 and the eligibility requirements will aid in targeting program benefits and reducing conflict over project services. Finally, communications will be critical to moving information among countries, regional, and international organizations to improve the ability of countries to respond to locust upsurges at the earliest point possible. At the program level, the World Bank’s communications unit will manage the implementation of a communications plan that will include outreach to and coordination with participating Governments and regional and international organizations (e.g., FAO, WFP, IGAD, and the African Development Bank (AfDB)).</p>

**Climate Change Co-Benefits Section**

Not provided.

**Greenhouse Gas Accounting**

The World Bank uses the Ex-Ante Carbon-Balance Tool (EX-ACT) to estimate the impact of agricultural investment lending on GHG emissions and carbon sequestration. EX-ACT is a land-based appraisal system for assessing a project’s net carbon balance – the net balance of tons of CO2 equivalent (tCO2eq) of GHGs that were emitted, or carbon sequestered as a result of project interventions – compared to a “without project” scenario. A GHG analysis was conducted for each of the “first mover” countries under this MPA, their results are summarized below:

- **Djibouti.** The estimated areas to be brought under Climate Smart Agriculture (CSA) intervention is 2,000 hectares (ha), 10,000 ha of pasturelands is expected to be improved through input application, and an estimated 242,000 animals will receive improved feeding and animal health services. The net carbon balance over a period of 10 years is estimated to be -291,086 tCO2e (approximately -29,108 tCO2e per year) At a conservative carbon price (US\$40/t), the value of the reduced GHG emissions under the Djibouti Locust Response Project is about US\$11.6 million.
- **Ethiopia.** It is estimated that the total area under which the project will promote CSA intervention is 197,617 ha, approximately 29,642 ha of the pasturelands will receive improved inputs, and an estimated 2,124,000 animals will receive improved feeding and animal health services. The net carbon balance over a period of 10 years is estimated to be -3,216,221 tCO2e (approximately -321,622 tCO2e per year). At a conservative carbon price (US\$40/t), the value of the reduced GHG emissions under the Ethiopia Locust Response Project is about US\$128.6 million.
- **Kenya.** The estimated areas to be brought under CSA interventions is 87,269 hectares (ha), 16,363 ha of pastureland is expected to be improved through input application, and an estimated 1,160,000 animals will receive improved feeding and animal health services. The net carbon balance over a period of 10 years is estimated to be -1,789,494 tCO2e (approximately -178,989 tCO2e per year). At a conservative carbon price (US\$40/t), the value of the reduced GHG emissions under the Kenya Locust Response Project is about US\$71.6 million.
- **Uganda.** The estimated areas that will be improved under CSA interventions is 50,408 ha, over 7,000 ha of land use change is expected through the promotion of tree planting, 15,000 ha of degraded lands will be improved, and 3,200 animals will be introduced to the project area with improved feeding practices. The net carbon balance over a period of 10 years is estimated to be -2,395,307 tCO2e (approximately -239,530 tCO2e per year). At a conservative carbon price (US\$40/t), the value of the reduced GHG emissions under the Uganda Locust Response Project is about US\$95.8 million.

**Djibouti**

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.1	2.27/3	1	0	0.76	0	3/3 activities outlined in the international Program Description

						relate to the outlined climate-related vulnerability context/intent to address that vulnerability.
SC 1.2	2.27/3	1	0	0.76	0	6/6 activities outlined in the national Program Description relate to the management of climate-induced locust swarms. The activities undertaken therefore entirely relate to the outlined climate-related vulnerability context/intent to address that vulnerability.
SC 1.3	2.27/3	0	0	0	0	0/2 activities outlined in the national Program Description relate to the management of climate-induced locust swarms. The activities undertaken are therefore not relevant to the outlined climate-related vulnerability context/intent to address that vulnerability.
SC 2.1	2/2	0.5	0	0.5	0	<p>Subcomponent does not outline activities, yet the aim of SC 2.1 is to provide emergency income support to vulnerable populations impacted by climate-induced locust swarms. Therefore the subcomponent will contribute to enhancing socioeconomic resilience in the face of a climate-induced disaster, and therefore relates to the provided vulnerability context and shows intent to address that vulnerability.</p> <p>Due to the temporary enhancement of resilience through emergency income support, elements of this finance could be considered as humanitarian aid rather than finance building permanent resilience to climate change. This is because the sub-component aims to restore agriculture to its prior state while mainstreaming climate smart practices. Under the principle of conservativeness, and due to a lack of incremental costs of adaptation, a coefficient of 0.5 has been applied.</p>
SC 2.2	2/2	$((2/2)*0.5) * (2.5/3)$	$((2/2)*0.5) * (0.5/3)$	0.42	0.08	The sub-component will finance climate-smart agriculture to enhance

						<p>resilience to climate-induced pests and climate change, mitigate emissions, and provide livelihood support. The sub-component strongly relates to the provided vulnerability context and shows intent to address that vulnerability through the outlined activities.</p> <p>The sub-component will finance three activities: “The project will finance: (i) farmer packets to (re)start crop and fodder production; (ii) livestock production-related packets with inputs for pasture restoration in pastoralist areas impacted by the invasion, and where needed - assisting with animal re-stocking; and (iii) vaccination campaigns to prevent disease outbreaks (e.g., rift valley fever) and provision of animal health services.”</p> <p>Resultingly, a portion of the finance being provided seeks to restore previous agricultural activity, whilst mainstreaming adaptation and climate considerations within those activities. Another portion seeks to prevent disease outbreaks in livestock. Under the principle of conservativeness and a lack of incremental costs of adaptation, an overall coefficient of 0.5 has been applied, which is then distributed between adaptation and mitigation finance.</p> <p>3/3 activities are seen to be partially climate relevant (2 adaptation relevant (i, iii) and 1 cross-cutting (ii)).</p>
SC 3.1	1.1/2	1	0	0.55	0	<p>The sub-component seeks to enhance readiness in relation to climate-induced locust swarms and therefore to build resilience to them. The finance therefore closely relates to the provided vulnerability context</p>

						and explicitly seeks to address it. Coefficient of 1 applied.
SC 3.2	1.1/2	1	0	0.55	0	The sub-component seeks to enhance readiness in relation to climate-induced locust swarms and therefore to build resilience to them. The finance therefore closely relates to the provided vulnerability context and explicitly seeks to address it. Coefficient of 1 applied.
C 4	0.63	0	0	0	0	No evidence of climate-relevance.

Ethiopia						
Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.1	43.1/3	1	0	14.37	0	Activities will focus on the role of climate change and weather variability on the distribution, incidence and intensity of locusts to enable informed and climate-responsive locust management decision-making. They therefore strongly relate to the provided vulnerability context and show intent to address it.
SC 1.2	43.1/3	1	0	14.47	0	2/2 activities outlined in the national Program Description relate to the management of climate-induced locust swarms. The activities undertaken are therefore relevant to the outlined climate-related vulnerability context and have an intent to address that vulnerability.
SC 1.3	43.1/3	0	0	0	0	0/3 activities outlined in the national Program Description relate to the management of climate-induced locust swarms. The activities undertaken relate to mitigating the negative impacts of pesticide use (particularly on agriculture) and are therefore not relevant to the outlined climate-related vulnerability context and show no intent to address that vulnerability.
SC 2.1	18/2	0.5	0	4.5	0	This subcomponent does not outline activities, yet the aim/motivation of SC 2.1 is to provide livelihoods

						<p>support to vulnerable populations impacted by locust swarms. Therefore, the subcomponent will contribute to enhancing socioeconomic resilience in the face of a climate-induced disaster, and therefore relates to the provided vulnerability context and (implicitly) shows an intent to address that vulnerability.</p> <p>Due to the restorative nature of the provisions (to allow them to restart agricultural practices) this finance could be considered as humanitarian aid, rather than finance building permanent resilience to climate change. Under the principle of conservativeness and a lack of incremental costs of adaptation, a coefficient of 0.5 has been applied.</p>
SC 2.2	18/2	0.5	0.5	4.5	4.5	<p>The sub-component will finance climate smart pasture rehabilitation to enhance resilience to climate-induced pests and climate change, mitigate emissions, and provide livelihood support. The sub-component strongly relates to the provided vulnerability context and shows intent to address that vulnerability through the outlined activities.</p> <p>The sub-component will finance two activities: "This will include: i) rehabilitating pastureland through the procurement and distribution of climate-resilient fodder seed (depending on the local grass/forage varieties) in different agro-ecological conditions; and ii) bailing support for pastoralist to improve forage availability from pastures."</p> <p>Resultingly, both activities are adaptation and mitigation relevant. The project is seen to be cross-cutting in nature, with the eligible activity</p>

						within the Common Principles for Climate Change Mitigation Finance Tracking being: "Agriculture: carbon sequestration" as evidenced by the GHG accounting with the project documentation.
SC 3.1	1.3/2	1	0	0.65	0	The sub-component seeks to enhance readiness in relation to climate-induced locust swarms and therefore to build resilience to them. The finance therefore closely relates to the provided vulnerability context and explicitly seeks to address it. Coefficient of 1 applied.
SC 3.2	1.3/2	1	0	0.65	0	The sub-component seeks to enhance readiness in relation to climate-induced locust swarms and therefore to build resilience to them. The finance therefore closely relates to the provided vulnerability context and explicitly seeks to address it. Coefficient of 1 applied.
C 4	0.6	0	0	0	0	No evidence of climate-relevance.

Kenya						
Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.1	7/2	0.75	0	3.375	0	Activities will cover the following broad areas: "(i) monitoring the presence of and movements of adult swarms, breeding and egg-laying areas and the movement of developing nymphs and hopper bands, all to support improved forecasting of breeding and migration and decision making on areas to be treated and appropriate and optimal control methods to break the cycle of the next generation; (ii) evaluating the effectiveness of locust control operations; (iii) aerial and ground assessments of damage caused by the locust upsurge to crop and pasturelands to guide targeting of livelihood protection and restoration activities to be supported under Component 2; and (iv) continuous

						<p>monitoring and assessment of environmental and human health risks associated with locust control.”</p> <p>¾ (i, ii, iii) are deemed to be adaptation relevant, relating closely to the provided climate vulnerability context and showing (implicit) intent to address that vulnerability through the surveillance of climate-induced locust swarms.</p>
SC 1.2	7/2	1	0	4.5	0	<p>The sub-component outlined in the Program Description relates to the management of climate-induced locust swarms. The activities undertaken therefore entirely relate to the outlined climate-related vulnerability context/intent to address that vulnerability.</p>
C 2	20	0.5	0.5	10	10	<p>The component aims to “help protect the poor and vulnerable in locust affected areas from human capital and asset loss, enhance their access to food, and restore livelihoods that have been damaged or destroyed by swarms.” The component will therefore “promote the adoption of climate-smart crop and livestock practices for reduced GHG emissions, enhanced resilience, and the implementation of livelihood support/diversification initiatives.”</p> <p>Outlined interventions include: “(i) Providing grants for input support through the existing mechanism of micro projects (as implemented under the ongoing KCSAP and NARIGP projects) to get crop and livestock production restored as soon as possible after the impact. The input support would typically include: (i) provision of climate-smart crop seeds/seedlings, fodder seeds/seedlings; (ii) provision of crop nutrition and protection inputs, animal health inputs, and in some cases, climate-smart animal breeds</p>



						<p>for restocking; (iii) providing grants for strengthening of farmer producer organizations (as implemented under the ongoing KCSAP and NARIGP projects) to facilitate access to inputs, services and output markets for sustainable restoration of their livelihoods; and (iv) community and multi-community investments through the existing mechanism of sub projects (as implemented under the ongoing KCSAP and National Agriculture and Rural Inclusive Growth Project (NARIGP – P153349) projects for restoration of degraded pasturelands and water sources.”</p> <p>The component will finance climate smart crop and pasture rehabilitation to enhance resilience to climate-induced pests and climate change, mitigate emissions, and provide livelihood support. The component strongly relates to the provided vulnerability context and shows intent to address that vulnerability through the outlined activities while also being supported by GHG accounting and qualifying under the “Agriculture: carbon sequestration” eligible activity.</p> <p>Component considered to be cross-cutting and assigned a coefficient of 0.5 for both adaptation and mitigation.</p>
C 3	12	1	0	12	0	<p>The sub-component seeks to enhance readiness in relation to climate-induced locust swarms and therefore to build resilience to them. The finance therefore closely relates to the provided vulnerability context and explicitly seeks to address it. Coefficient of 1 applied.</p>
C 4	4	0	0	0	0	No evidence of climate-relevance.

**Uganda**

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.1	20/4	1	0	5	0	<p>Activities will focus on surveillance of climate-induced locust swarms and the role of climate change and weather variability on the distribution, incidence and intensity of locusts to enable informed and climate-responsive locust management decision-making. They therefore strongly relate to the provided vulnerability context and show intent to address it.</p> <p>2/2 activities outlined in the international Program Description relate to the outlined climate-related vulnerability context/intent to address that vulnerability.</p>
SC 1.2	20/4	1	0	5	0	<p>The sub-component outlined in the Program Description relates to the management of climate-induced locust swarms. 3/3 activities undertaken therefore entirely relate to the outlined climate-related vulnerability context/intent to address that vulnerability.</p>
SC 1.3	20/4	1	0	5	0	<p>The sub-component seeks to enhance readiness in relation to climate-induced locust swarms and therefore to build resilience to them. The finance therefore closely relates to the provided vulnerability context and explicitly seeks to address it. Coefficient of 1 applied.</p>
SC 1.4	20/4	0	0	0	0	<p>0/3 activities outlined in the national Program Description relate to the management of climate-induced locust swarms. The activities undertaken relate to mitigating the negative impacts of pesticide use (particularly on agriculture) and are therefore not relevant to the outlined climate-related vulnerability context and show no intent to address that vulnerability.</p>

SC 2.1	19/2	0.5	0	4.75	0	<p>Subcomponent does not outline activities, yet the aim of SC 2.1 is to provide seasonal income transfers to vulnerable populations impacted by climate-induced locust swarms. Therefore the subcomponent will contribute to enhancing socioeconomic resilience in the face of a climate-induced disaster, and therefore relates to the provided vulnerability context and shows intent to address that vulnerability.</p> <p>Due to the temporary enhancement of resilience through seasonal income transfers “to avail cash and smoothen their consumption during the lean period”, elements of this finance could be considered as humanitarian aid rather than finance building permanent resilience to climate change. This is because the subcomponent aims to provide income while mainstreaming climate smart practices. Under the principle of conservativeness, and due to a lack of incremental costs of adaptation, a coefficient of 0.5 has been applied.</p>
SC 2.2	19/2	0.5	0	4.75	0	<p>Subcomponent can be broken down into 2 activities: support to the VRF and HISP. ½ are adaptation relevant. VRF aims to restore the livelihoods of vulnerable populations impacted by climate-induced locust swarms by providing cash grants while integrating and promoting the adoption of climate smart agricultural practices. 100% adaptation relevant. The subcomponent will contribute to enhancing socioeconomic resilience in the face of a climate-induced disaster, and therefore relates to the provided vulnerability context and shows intent to address that vulnerability.</p> <p>HISP will aim at “boosting commercial production such as in crops, livestock, beekeeping and fisheries” and</p>

						support “market driven exercises”. There is no explicit reference to the stated vulnerability context, and therefore no intent to address is. Due to the temporary enhancement of resilience through cash transfers, elements of this finance could be considered as humanitarian aid.
SC 3.1	2.9/3	1	0	0.97	0	The objective of this sub-component is to strengthen national capacities for surveillance, response mechanisms, and ongoing preparedness for preventing future locust infestations by supporting improved coordination strategies for effective surveillance, and prevention. Therefore, this sub-component will finance activities related to the provided vulnerability context and states intent to address that vulnerability by countering the recurrence of locust crises.
SC 3.2	2.9/3	1	0	0.97	0	The objective of this sub-component is to strengthen national capacities for surveillance, response mechanisms, and ongoing preparedness for preventing future locust infestations by supporting improved coordination strategies for effective surveillance, and prevention. Therefore, this sub-component will finance activities related to the provided vulnerability context and states intent to address that vulnerability by countering the recurrence of locust crises.
SC 3.3	2.9/3	1	0	0.97	0	The objective of this sub-component is to strengthen national capacities for surveillance, response mechanisms, and ongoing preparedness for preventing future locust infestations by supporting improved coordination strategies for effective surveillance, and prevention. Therefore, this sub-component will finance activities related to the provided vulnerability context and states intent to address that vulnerability by countering the recurrence of locust crises.

SC 4.1	5.5/2	0.5	0	1.375	0	<p>Activities included: "(i) facilitating the operations of the inter-ministerial technical committee and the national taskforce; (ii) support to field operations by the coordination unit; (iii) technical training and support from DLCO-EA (regional organization responsible for Desert Locust control); (iv) facilitate data collection, information sharing and early warning systems and hiring of Desert Locust control experts to support national efforts; (v) procurement of transport equipment to support national coordination; and (vi) facilitate district political and technical teams to create continuous awareness and information dissemination. The component will meet the operational costs of the PCU."</p> <p>3/6 activities adaptation relevant ((iii), (iv) and (vi)), and will strengthen national capacities to respond to future locust swarms. Therefore, this sub-component will partially finance activities related to the provided vulnerability context and states intent to address that vulnerability by countering the recurrence of locust crises.</p>
SC 4.2	5.5/2	0	0	0	0	Not climate relevant.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
127	101.34	20.2%	16.7	14.58	12.7%

Reported climate finance	Assessed climate finance	Error
143.7	115.92	19.3%

Project Number: P172761

<b>Project Name</b>
Enhancing Resilience in Kyrgyzstan Additional Financing
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/784881592618982750/kyrgyz-republic-enhancing-resilience-in-kyrgyzstan-project-additional-financing">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/784881592618982750/kyrgyz-republic-enhancing-resilience-in-kyrgyzstan-project-additional-financing</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Credit
<b>Lowest level of granularity</b>
Component/Activity

<b>Climate Change Vulnerability Context</b>
Provided in Country and Sector Context section, pages 8-9.
<b>Intent to Address Vulnerability</b>
Provided in the Project Design and Progress section, pages 10-12.
<b>Link to Project Activities</b>
Provided in the Project Design and Progress section, pages 10-12, at the component level as required for IPF.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 1: Strengthening Disaster Preparedness and Response Systems	US\$5.5 million	<p>This component aims to strengthen the disaster preparedness and response systems of the Kyrgyz Republic to reduce the negative impacts from disasters the country is exposed to, primarily by expanding the crisis management systems to cover the whole country and by increasing the capacity to monitor hazards so that decision makers can prepare for possible hazard impacts. In February 2019, the Ministry of Emergency Situations (MoES) already purchased and installed some specialized equipment and gears to strengthen its search and rescue capacity. Key information and communication technology (ICT) equipment and software have been purchased and are being installed to increase the coverage of emergency warning and notification to the population. In addition, key equipment and software for conducting operational surveys of landslides and other mass movement hazards are being procured. The key remaining subcomponents on improving disaster awareness of the public are also planned to be completed by the current project closing date.</p> <p>Component 1 of the ERIK Project needs to add new activities to address the issue of escalating risk and harm caused by fires. The Fire and Rescue Department (FRD) of the MoES is mandated to respond to all types of emergencies to save people from both natural and man-made disasters by extinguishing fires and conducting rescue operations. The 'Concept of Comprehensive Protection of the Population and the Territory of the</p>

		<p>Kyrgyz Republic from Emergency Situations for 2018–2030’ indicates the need to reduce the response radius of fire and rescue services and equip fire and rescue units in the field. The MoES has been expanding its FRD at the regional level and increasing its branches to enhance disaster preparedness and response capacities; however, they lack basic equipment to properly respond to emergencies.</p> <p>Addition of new activities under Component 1 (Strengthening Disaster Preparedness and Response Systems) 31. The AF will add new activities to scale up Component 1 to address the lack of capacity of firefighting service in the country. With US\$5.5 million from the AF, the following new activities will be implemented: (a) Preparation of firefighting service development program for strategic, managerial, and operational levels. The program will include policies, priority actions, institutional requirements, and investment needs for the effective functioning of the firefighting service. It will also consider a fleet maintenance plan to ensure that the fleet is maintained in a high status of readiness and recommendations on fire department locations to maximize efficiency of the use of the fleet and reduce emergency response times. (b) Provision of required firefighting vehicles, fleet maintenance vehicles, and other equipment to improve fleet capacity and condition to reduce emergency response times. (c) Preparation and implementation of firefighting training program to train the firefighting staff to improve their skills and capacity.</p>
<p>Component 2: Improving Safety and Functionality of School Infrastructure</p>	<p>US\$48.1 million</p>	<p>The objective of this component is to improve the safety and functionality of existing state school infrastructure by supporting the Government in the implementation of the State Program on Safer Schools and Preschools. Specifically, Component 2 aims to (a) maximize the number of school children protected from earthquakes by implementing cost-effective interventions which are primarily intended to protect life safety; (b) reduce economic losses and minimize disruptions in the normal operation of schools and the education service caused by earthquakes; (c) improve functional conditions and learning environment of schools, including water and sanitation and energy efficiency; and (d) develop capacity in the education sector to take implementation of the State Program on Safer Schools and Preschools to scale. Priority schools to be financed under Component 2 have been selected through a transparent risk-informed decision-making process established by the recipient through close consultation among relevant stakeholders. Procurement of consultancy for the feasibility study, detailed design, and design supervision has been launched. The civil works currently envisaged under this component are planned to be completed by the current project closing date.</p> <p>Component 2 of the ERIK Project requires replenishment of funds that have been reallocated to the CERC for the COVID-19 response as well as additional funds to scale up the activities to intervene more schools for greater development impact. Component 2 was strategically designed to enable scalability of safer school interventions for nationwide implementation of the State Program on Safer Schools and Preschools.</p>

	<p>With the activation of the CERC due to the COVID-19 emergency and reallocation of US\$9 million from Component 2 to Component 5 (CERC) to enable financing of CERC activities, the project now lacks the funds to finance the planned civil works for the retrofitting and replacement of around 10 schools originally envisaged under the parent project. The AF will replenish the funds that were reallocated from Component 2 for CERC purpose as well as scale up the component to intervene more schools for enhanced development impact.</p> <p>The AF will allow replenishment of US\$9 million reallocated from Component 2 (Improving Safety and Functionality of School Infrastructure) to Component 5 (CERC) as well as significant scaling up of the activities under Component 2 with an additional US\$39.10 million. Thus, the amount of project funds allocated for Component 2 will be increased to US\$51.10 million. With the additional US\$39.10 million allocated to this component from the AF, approximately additional 30 school buildings will be retrofitted or replaced for improving safety against earthquakes accompanied by functional improvements and climate-resilient design. The school buildings to be retrofitted or replaced will be selected according to the defined prioritization criteria, which consider safety benefits and cost efficiency and have already been approved by relevant ministries and applied in the parent project. Specifically, the activities that will be covered include the following: (a) Feasibility studies, including cost-benefit analysis on typical retrofitting and replacement designs (such as climate-resilient design and associated costs) and detailed designs for the school interventions. (b) Retrofitting works of school buildings to improve the seismic performance of the buildings. (c) Construction of new school buildings. Schools with buildings to be replaced will benefit from new buildings with improved seismic performance and climate-resilient and energy efficient design to reduce the carbon footprint of schools and to allow for cost efficiency and savings in terms of electricity consumption and improved functionality. Interventions in these schools will also consider other aspects, including the demand for additional classrooms in overcrowded schools, accessibility for disabled kids and parents, and gender-oriented provisions. (d) Functional improvements of school buildings. The interventions of school buildings (whether retrofitting or replacement) will include functional improvements, including energy efficiency upgrades that will in turn result in savings of electricity consumption thereby reducing the carbon footprint of schools; improved water supply systems, sanitation, and hygiene, including promoting the use of indoor toilets in schools; recreational areas; improved fire safety; enhanced accessibility to children with disabilities; and gender-oriented provisions, among others. In case of schools that use coal boilers, the project will promote the use of electricity-based systems. The design of energy efficiency improvements will be informed by an understanding of the operating costs at each selected school site due to conversion from coal to electricity. As part of conversion from a coal to electricity-based</p>
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		<p>system, upgrades to transformers may be required, in case of lack of capacity of the existing ones. (e) Furniture and equipment. Provision of minimum required furniture and equipment ensures full operation of the schools intervened under the project after the execution of the retrofitting or replacement works. (f) Special Design Criteria. The feasibility studies and designs will comply with national building regulations as well as Special Design Criteria established under the project. These criteria aim to facilitate the execution of the current Kyrgyz provisions for seismic resistance of buildings on the seismic assessment and retrofitting of school buildings and to ensure that the engineering solutions designed under the project are cost-efficient. The Special Design Criteria will potentially complement existing design provisions for new school buildings to ensure that the new designs comply with the safety and functionality improvement objectives of the project. (g) Educational service continuity and construction of temporary classrooms. To mitigate any potential disruption to the educational services provided in the selected schools during the execution of the civil works, mitigation measures will be implemented to ensure continuity of these services. The type of measures depends on, among others, the proximity and availability of classrooms in other schools in the neighborhood, possibility of moving students to other buildings on the same school site while building works are executed in a specific building, and existence of sufficient outdoor space to build temporary classrooms. Consequently, these measures may include relocation of students to other school facilities or construction of temporary classrooms at the original school site. The temporary classrooms will only be used during the execution and until completion of the civil works. (h) Updating long-term national intervention and investment plan. As required, the AF will update and improve the long-term national intervention and investment plan to improve the safety and functionality of school infrastructure countrywide. (i) Strengthening the existing education management information system. The AF will continue improving the existing information system to strengthen monitoring and evaluation mechanisms to track the overall implementation of the State Program on Safer Schools and Preschools. The activity will continue supporting the design and production of a web-based school infrastructure module and its integration into the existing information system. (j) Communication and outreach. The AF will also include various communication and outreach activities to support the implementation of Component 2.</p>
<p>Component 3: Enhancing Financial Protection</p>	<p>US\$0 million</p>	<p>The objective of this component is to turn the State Insurance Organization (SIO) into a professional, modern insurance organization capable of effectively implementing and managing the mandatory disaster insurance program for private residential property at a national scale. The assessment of existing SIO business processes was completed and optimization solutions were reviewed by the SIO and other government counterparts. The server equipment for the SIO has been purchased and installed. An in-depth review of the current system of the SIO has been conducted, and optimization of SIO insurance operations and the</p>

		development of personalized insurance software with a web interface are ongoing. Key remaining activities to provide assistance to the insurance regulator to supervise the national catastrophe insurance scheme and to purchase necessary equipment are also planned to be completed by the current project closing date.
Component 4: Project Management and Monitoring & Evaluation	US\$1.4 million	The PIU at the MoES has been adequately staffed to meet the current needs of day-to-day management and monitoring and evaluation of all the project components. The AF will help strengthen project management and monitoring and evaluation under Component 4 to implement the expanded scope under Component 2, with amount of funds allocated for Component 4 increased from US\$1 million to US\$2.40 million. With the significant increase in the number of school buildings to be retrofitted or replaced, the PIU will be strengthened by hiring additional consultants for the following functions: engineer(s)/coordinator(s) for Component 2, and environmental and social safeguards specialist(s). Additional funds for increased operating costs will also be provided for project management and monitoring and evaluation. The AF will add US\$1.40 million under Component 4 to finance these activities.
Component 5: Contingent Emergency Response	US\$0 million	With the Government's declaration of a national emergency situation on March 22, 2020, which was in line with the situation of the country and third-party declaration such as the one by the WHO, the COVID-19 emergency met the criteria of eligible emergency to trigger the CERC as per the provisions of the Financing Agreement and the CERC Annex to the Project Operations Manual (POM) of the ERIK Project. The World Bank received the CERC activation request from the Government of the Kyrgyz Republic on March 27, 2020, supported by (a) an official declaration of emergency; (b) the Country Contingency Plan of the Kyrgyz Republic for COVID-19, prepared with the support of the WHO and other development partners and approved by the Government of the Kyrgyz Republic on March 18, 2020; and (c) an Action Plan <sup>11</sup> with a tentative list of activities to be covered under the CERC. The World Bank confirmed the activation of CERC of the ERIK project in the amount of US\$9 million on April 1, 2020. Consequently, the funds in a total amount of US\$9 million were reallocated from Category (1) "Goods, Works, Non-Consulting Services, and Consulting Services, Incremental Operating Costs and Training under the Project" to Category (2) "Eligible Emergency Expenditures under Part E of the Project" to finance the implementation of CERC. These US\$9 million include US\$4.5 million from the Credit portion and US\$4.5 million from the Grant portion of the original financing. The activities under CERC included procurement of essential goods for case investigation and rapid response, infection prevention and control, case management, and medical waste management for the COVID-19 emergency in the Kyrgyz Republic. The World Bank also approved the Government's request for Hands-on Expanded Implementation Support (HEIS) under the World Bank's procurement framework to support the implementation of the CERC activities. Furthermore, at the request of the Government of the Kyrgyz Republic, the World Bank also offered to provide proactive

	<p>assistance in accessing existing supply chains through World Bank Facilitated Procurement under HEIS.</p> <p>At the end of April 2020, the CERC activities were able to provide quick funds to procure the following essential goods in immediate need: (a) laboratory reagents; (b) medical drugs (17 items, total quantity 330,600 pieces); (c) consumables for breathing support equipment; (d) respiratory support equipment (6 items, total quantity 161 pieces); (e) medical equipment for diagnosis (including equipment for monitoring and diagnostics of vital functions, equipment for the preparation and administration of drugs and blood components, resuscitation equipment, inhalation equipment, and X-ray diagnostic equipment); and (f) ambulances (13: 3 for Bishkek and 10 for regions). Procurement processes are also ongoing for purchasing personal protective equipment and medical waste management devices.</p>
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<p><b>Climate Change Co-benefits Section</b></p> <p>Provided:</p> <p>The AF will also contribute to climate change mitigation and adaptation by (a) promoting energy savings and reducing greenhouse gas emissions because of energy efficiency improvements for both retrofitting and replacement of school buildings (climate change mitigation) and (b) increasing climate resilience of school buildings against climate-related events through the school interventions (climate change adaptation). Initial estimates suggest that 44 percent of investment costs for school retrofitting and 38 percent for school replacement will contribute to energy efficiency improvements and energy savings.</p>
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<p><b>Greenhouse Gas Accounting</b></p> <p>None provided.</p>
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Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C1	5.5	0	0	0	0	Additional Financing towards Component 1 supports responses to fires, noted in the project context as a “man made hazard”, removing the climate-relevance of this financial support.
C2	48.1	(1+0.25)/10	*	6.0125	$((39.1*0.5)*0.44)$ $+$ $((39.1*0.5)*0.38)$ $=$ 16.03	Adaptation assessment: Where finance in support of an activity under Component 2 increases the

					<p>resilience of buildings with regards to both earthquakes and climate impacts, a maximum of 50% of the activity's finance can qualify as adaptation finance, as stipulated in the Bank's Reference Guide on Adaptation Co-benefits.</p> <p>At the component level, the finance aims to increase the resilience of school buildings to multiple shocks, including climate change impacts. The finance therefore related to the vulnerability context and has an intent to address that vulnerability. In addition, the activities state some focus on energy efficiency in construction methods and design, evidencing a mitigation relevance.</p> <p>Of the 10 outlined activities: (a) focuses on the climate-resilience of school design (1 coefficient for adaptation); (c) is climate and earthquake-relevant (max 50% can be found to be climate finance) and shows cross-cutting objectives to both adaptation and mitigation (0.25 coefficient for adaptation); (d) is partially mitigation relevant, with a partial focus on energy efficiency measures. Adaptation coefficient = (1.25/10).</p> <p>Mitigation assessment:</p>
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						<p>*Mitigation finance estimates are based on two statements: (1) "With the additional US\$39.10 million allocated to this component from the AF, approximately additional 30 school buildings will be retrofitted or replaced for improving safety against earthquakes accompanied by functional improvements and climate-resilient design."</p> <p>(2) "Initial estimates suggest that 44 percent of investment costs for school retrofitting and 38 percent for school replacement will contribute to energy efficiency improvements and energy savings."</p> <p>Eligible activities:  "Measures that reduce net energy consumption, resource consumption or CO2e emissions, or increase plant-based carbon sinks in greenfield and brownfield buildings and associated grounds" &amp; "Measures that reduce net energy consumption, resource consumption or CO2e emissions, or measures that increase plant-based carbon sinks in new or retrofitted buildings and associated grounds, enabling certification standards to be met"</p>
C4	1.4	0	0	0	0	Additional finance for Component 4 shows no explicit evidence of relevance towards adaptation or mitigation.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
4.9	6.01	22.7%	19.3	16.03	16.9%

Reported climate finance	Assessed climate finance	Error
24.2	22.04	18.1%

Project Number: P172732

<b>Project Name</b>
First Tamil Nadu Housing Sector Strengthening Program Development Policy Loan
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/757141590112906076/india-tamil-nadu-housing-sector-strengthening-program-development-policy-loan">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/757141590112906076/india-tamil-nadu-housing-sector-strengthening-program-development-policy-loan</a>
<b>Financing Instrument</b>
Development Policy Financing
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Prior Action

<b>Climate Change Vulnerability Context</b>
Provided in the Government Programme section, page 18, paragraph 41. The basis of the climate vulnerability context is that increases in climate change impacts will impact the housing sector in Tamil Nadu. Furthermore, that housing shortages mean more people move to slums, which constitute some of the most climate-vulnerable housing.
<b>Intent to Address Vulnerability</b>
Provided in the Actions, Results and Analytical Underpinnings section at the Prior Action level.
<b>Link to Project Activities</b>
Provided in the Actions, Results and Analytical Underpinnings section at the Prior Action level.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
PILLAR 1: STRENGTHENING POLICIES AND INSTITUTIONS TO SUPPORT INCLUSIVE AND EFFICIENT HOUSING SECTOR DEVELOPMENT		<p>45. The first pillar of strengthening policies and institutions supports the GoTN's efforts to transform the housing sector from its current state-led model to a market model that enables the development of solutions for multiple needs and one that leverages private sector and beneficiary contributions towards increased access to housing. This requires a new vision and objectives for the sector policies and institutions (from provision to enabling) that will guide sector priorities and programs. A key first step is the articulation of a medium-term State-level Affordable Urban Housing and Habitat Policy that presents a clear diagnostic of the sector issues and options and that sets out the principles and objectives that will guide the sector moving forward.</p> <p>46. The implementation of the new Affordable Urban Housing and Habitat Policy will require creating a mechanism at the state level that can enable coordination of the main stakeholders. Currently, the Housing and Urban Development Department (HUDD) of the Government of Tamil Nadu has no formal platform that allows formal engagement of key stakeholders on the state of the housing sector and delivery of housing programs. This includes coordination with stakeholders responsible for</p>

	<p>service delivery, housing programs, land, metropolitan area planning, let alone federal and local governments.</p> <p>47. Consistent with the new policy, it is imperative to address gaps in the social, environmental and urban design sustainability of the affordable housing schemes. The nodal agency for providing EWS housing in Tamil Nadu, TNSCB, does not have a standardized environmental or social framework applicable to all its projects. Instead, it implements adhoc guidelines based on the type of project. To assess the socio-economic characteristics and demand needs of its beneficiaries, TNSCB uses a survey questionnaire that does not include enough information for adequate targeting. This leads to a one-size-fits-all urban design solution across all their sites. The lack of proper demand assessments limits their ability to provide tailored housing solutions at different sites and for different population groups. For instance, genderinclusive design should ensure safety for women in public housing complexes, improve ventilation in kitchen areas, and improve women’s voice and participation in block associations.</p> <p>48. Female headed households in Tamil Nadu have less income than male headed households and are more likely to be renters and slum dwellers.<sup>40</sup> In Tamil Nadu, there is a higher share of households headed by female in both, urban and rural sector, compared to the national average, with 17 percent and 12 percent, respectively (see Table 2). However, in Tamil Nadu fewer female headed households own their dwellings compared to male headed households, with female headed household’s propensity to be renters higher than males by seven percentage points. Females who head households have lower levels of literacy and education than their male household head counterparts in urban Tamil Nadu. Interestingly, female headed household have higher incidence of housing loans than male headed households. Poverty, rental share of income, tenure of dwelling, soundness of structure and the size of housing loans are not statistically different for male and female headed households. Female headed households also have statistically significantly worse water, sanitation and electricity outcomes. Literature also highlights the additional vulnerabilities that female-headed households are subject to, including social prejudice and gender discrimination, lack of access to basic service (i.e. fetching drinking water) due to the lack of time available for non-income generating activities, among others. Finally, high housing cost results in compromising other expenditures such as in food, health or commuting<sup>41</sup>, further undermining economic and employment opportunities for female headed households<sup>42</sup>.</p>
PA 1	<p>200/8</p> <p>Prior action #1: The GoTN has issued the first State-level Affordable Urban Housing and Habitat Policy. Indicative Triggers for second DPF: Trigger # 1. GoTN causes the enactment of amendment Acts for the Tamil Nadu Slum Clearance Act and Tamil Nadu Housing Board Act to align the institutions with the new policy objectives articulated in the Urban Housing and Habitat Policy. Trigger #2. GoTN establishes new housing</p>



	<p>programs with clear and transparent targeting and eligibility criteria that take into account household affordability. Trigger #3. GoTN introduces regulation to mandate adequate service connection (water supply, wastewater, solid waste management) for all new housing projects. Trigger #4: GoTN issues a regulation to require publication of annual monitoring and performance of housing sector using an integrated information system.</p> <p>49. As a prior action, GoTN will issue and adopt its first State-level Affordable Urban Housing and Habitat Policy (TNAUHHP), which sets the objective to increase access to affordable housing solutions and creates a framework for the development of an affordable housing market. The new Policy sets three guiding principles: (i) inclusion, (ii) sustainability, and (iii) transparency and participation, and articulates the sector main focus areas on shifts in policy and institutions, regulations, and programs. The principle of inclusion focuses on the shift of the role of state from a ‘provider’ to an ‘enabler’, bringing in the spirit of partnership with private sector and civil society. This partnership will prioritize housing solutions to the poorer segments of the population, where the design of progressive programs considers targeting and social equity, adopting gender-sensitive and inclusive approach to address the special needs of different stakeholders (e.g. women, construction workers, disabled, aged population). In particular, the TNAUHHP recognizes a gap in access to housing by female headed households and emphasizes prioritizing the improved access to home ownership by female headed household in the government’s programs.</p> <p>50. One of the key aspects of the principle of sustainability is to guide housing programs to address climate vulnerability of housing solutions, such as reducing households living in high-risk areas and incentivizing ecological and environmentally sustainable designs, incorporating sustainability principles that promote green, energy-efficient, disaster resilient and eco-friendly developments. This principle deals with energy efficiency in construction and design, the choice of building material that does not put strain on natural resources, integration of housing design that can withstand the impacts of climate change and an obligatory greening of the housing sector. Additionally, this principle aims to improve quality of housing units by integrating sustainable land use planning, so that urban areas are compact, easily serviced, with efficient infrastructure, that can reduce flooding, environmental degradation, urban heat, and congestion. The principle of transparency and participation is key to create the market conditions that will incentivize other players to participate in the provision of affordable housing.</p> <p>51. In parallel, HUDD has established the Tamil Nadu Housing Advisory Committee (TNHAC), with representation from relevant stakeholders in the housing sector, including the private sector in order to institutionalize a permanent coordination mechanism to bring different stakeholders into</p>
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	<p>the decision-making process to enhance accountability and transparency of the housing sector. TNHAC includes representation from HUDD, other GoTN relevant line departments both at state and local levels, civil society, private sector, think-tanks and academia working in this sector. The participation of different state agencies will also ensure that housing programs consider the key principles of TNAUHHP, which include climate change resilience and gender considerations by taking into account the needs of women and female-headed households. The TNHAC will play a role in monitoring implementation of housing policy and programs and undertaking outreach activities that provide advice and suggestions to the government on urban regulation and policy to promote affordable housing.</p> <p>52. The indicative triggers for the second DPF aim at deepening the transformation in the sector and strengthening the GoTN's capacity to implement the Urban Housing and Habitat Policy by: 1) harmonizing and updating the legislative framework of housing institutions to align them with the new Policy objectives; 2) introducing differentiated programs with clear and transparent eligibility criteria that take into account household affordability, 3) ensuring and improving habitability and access to services for all new housing units, and 4) enhancing the availability of housing sector information, and monitoring and performance of housing sector. The roles and functions of TNSCB and TNHB are guided by the Tamil Nadu Slum Areas (Improvement and Clearance) Act, 1971 and the Tamil Nadu Housing Board Act, 1961, respectively. The adoption of a new Urban Housing and Habitat Policy requires an update of the legislative framework for key housing institutions to better align with new policy directives. The new policy directive also highlights the importance of developing and adopting a beneficiary targeting methodology that will be used across the state, by all government housing agencies, and that will optimize the targeting and resource allocation of housing solution. Particularly focus will be made to female headed households to encourage their home ownership by identifying female households among the eligible beneficiaries and prioritizing them in the government programs. The guideline of national program, PMAY-U, requires joint-ownership for all houses supported under the program and the same requirement will be extended to statelevel housing programs. Moreover, to ensure that adequate quality of life is part of the "housing for all" vision, GoTN requires that all housing solutions delivered to its citizens, especially those delivered by the private sector in the EWS and LIG segments, are habitable with access to basic services and urban amenities by introducing regulations that will mandate adequate service provision for all housing projects. Lastly, HUDD will establish an integrated information system for the housing sector to consolidate all key data and information available in the public domain related to housing sector performance<sup>43</sup>. The system will offer a platform for citizens to register demand for housing (rental and ownership), which will help GoTN and key stakeholder develop improved programs/products responding to actual</p>
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	<p>demand. Tamil Nadu HUDD will publish an annual monitoring report on the status of the housing sector, including the implementation of housing policy and its programs. Its findings will feed into GoTN's efforts to identify regulatory and institutional changes required to achieve its policy objectives.</p> <p>53. Prior action #1 and its triggers are expected to redirect the policies and programs towards a market-based system where a growing housing demand, especially for EWS/LIG segments of the population, is effectively addressed by both public and private sectors in Tamil Nadu. As such, this prior action and triggers aim to (i) increase the available housing solutions for EWS/LIG segments, (ii) increase the proportion of EWS/LIG beneficiaries receiving government support that are Female Headed Households, (iii) ensure annual review of affordable urban housing and habitat policy implementation and progress is disclosed by the TN HUDD, (iv) publish annual sector monitoring and performance using housing indicators, and iv) include explicit support and provisions for female headed households in the targeting and the eligibility criteria established by GoTN for the new housing programs.</p>
PA 2	<p>200/8</p> <p>Prior action #2: TNSCB's Board has adopted environment, resilient urban design, social sustainability frameworks and grievance management redress systems, whose application is mandatory for all TNSCB EWS/LIG housing units. Indicative Triggers for second DPF: Trigger #5: GoTN issues a Government Order establishing operations and maintenance standards of mandatory application to new government supported EWS/LIG housing units. Trigger #6. GoTN adopts State-level environmental and design criteria regulation mandatory for government supported EWS/LIG housing units.</p> <p>54. As a prior action, TNSCB is improving sustainability in the housing sector by adopting an environmental, social, and sustainability framework applicable to government supported EWS housing in the State. TNSCB is developing a sustainability framework that will be applicable to government supported EWS housing in the State irrespective of the sources of financing. The framework will include three sub-frameworks: (i) an environmental management framework; (ii) a social sustainability and grievance management framework; and (iii) a resilient urban design framework. The environmental framework is expected to lead to effective project development and implementation, including upfront climate resilience and disaster risk considerations in design and siting that also address construction-related environmental impacts and ensures proper O&amp;M. The social framework will allow TNSCB to enhance social inclusion, safety and security for men and women, and livelihood opportunities to access affordable housing by improving demand management based on detailed social assessments; enhancing dissemination of information and engagement with target communities during project design, implementation and maintenance, in accordance with guidelines for communication and consultation; and ensuring effective grievance</p>

	<p>redress mechanisms. The resilient urban design framework will lay out sound urban design, architecture and built form approaches that TNSCB can adopt across all its projects, regardless of size and location, introducing different design options considering quality of life, safety and security, particularly for women and children, without necessarily increasing the cost of housing delivery. The framework will look at undertaking a climate and disaster screening for site selection, use of energy efficient products, implementation of Energy Conservation Building Code (ECBC) norms, use of resilient and construction material including manufactured-sand and fly ash, plantation of trees to reduce heat island effect, rainwater harvesting, green certification of housing units, among others, ensuring strengthened resilience of affordable housing provided by the public sector. The sustainability framework will be supported by the Stakeholder Consultative Platform set-up by TNSCB that will support continuous and meaningful consultations with stakeholders during the entire housing project cycle. The Platform will provide a forum for dissemination of information, and to facilitate a regular dialogue with stakeholders, such as supporting consultations related to environmental sustainability concerns (particularly climate change-related) in the housing sector. The Platform will also engage stakeholders on environment sustainability practices such as plastic waste management, pollution control, municipal solid waste management practices, energy efficiency, creating green spaces. Members of the platform will include TNSCB, relevant civil society organizations and resident welfare associations, urban local bodies, other relevant GoTN agencies, leading academia, and think tanks working in this space in Tamil Nadu.</p> <p>55. The indicative triggers for the second DPF aim at improving sustainability through the design and maintenance of housing solutions and mandating application of environmental and design criteria in government supported EWS/LIG. In particular, the lack of adequate maintenance of public housing solutions is one of the key challenges facing housing sector. Maintenance fees are not sufficient to cover the expense and its collection is not enforced. The costs of operation and maintenance of existing public housing assets are currently assumed by the government, further straining public resources and limiting opportunities to support new households in need. As a result of inadequate maintenance, public housing typically suffers from dilapidation, posing risks to the quality of life, public health and safety of those occupying public housing schemes. The GoTN is committed to developing and implementing a proper housing asset maintenance framework, looking at both financial and institutional options to increase the sustainability of assets owned by public sector. Improved maintenance will also increase climate adaptability of EWS/LIG segments. The efforts will be complemented by requiring state-level application for environment and design guidelines for all EWS/LIG housing.</p>
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	<p>56. The expected result of this prior action and triggers is to improve the sustainability (incl. environmental, social, governance, physical condition of units) of the housing solutions in the state. As such, this action and triggers are aiming to achieve the following results: (i) reduced number of EWS households in at risk areas; (ii) GRS system effectively resolves complaints in less than 60 days; and (iii) increased proportion of households in TNSCB tenements contributing to O&amp;M mechanisms.</p>
<p>PILLAR 2: DEVELOPING AN ENABLING ENVIRONMENT TO INCREASE THE SUPPLY OF AFFORDABLE HOUSING</p>	<p>57. The second pillar of enabling environment focuses on unlocking regulatory barriers that will effectively increase the supply of affordable housing. As a way to bring greater market discipline and transparency into real estate sector, the GoI put in place in 2016 regulation to strengthen the real estate industry and protect home-buyers. The main objective of the regulation was to protect consumers - which typically invest in properties prior to their construction - from fraudulent and unprofessional behaviors from developers. Developers in India often finance themselves through pre-sales from buyers and, to a lesser extent, credit lines from banks (non-project finance). This effectively transfers construction risk to households, which have no effective way to mitigate risks related to delays, fraud, or poor quality. The Real Estate Regulation and Development Act in 2016, which establishes a Real Estate Regulatory Authority (RERA) in each State, introduced a set of requirements for developers, with the objective of reducing risks to households. These requirements include: (i) mandatory establishment of independent project accounts for each development, where at least 70% of payments received from buyers must be maintained, (ii) mandatory registration with RERA of all development projects, and (iii) standardization of unit prices per square feet to facilitate comparisons by home-buyers. As per the provisions of the 2016 Act, each State is expected to create the regulatory framework to implement RERA.</p> <p>58. Supply of formal urban housing in cities is constrained by the lack of a conducive enabling environment. The regulatory framework that directly affects the supply of urban housing - planning, zoning, land use regulation, intensities of uses allowed (densities, floor area ratio or FSI) and permitting requirements, is decades old in Tamil Nadu and was not set up to foster a housing market. Instead, the existing framework responds to efforts to exercise control over land, construction and urban growth. The rigid regulations – particularly those limiting intensities of the use of land – make urban land, and thus the supply of affordable housing, expensive. In similar contexts, when the cost of serviced land is high, higher densities allow developers to split the expensive land price amongst more units, thereby allowing more affordable prices. This is particularly relevant for the development of rental housing given that demand for rental units is particularly sensitive to location and access to amenities.</p> <p>59. The supply of formal rental housing is further constrained by decades of regulatory rigidities. Rent control, and unbalanced roles and</p>

		<p>responsibilities biased towards tenant protection, have discouraged investment in new rental units and maintenance of the existing stock. The Rent Control Act was introduced in 1960s to overcome challenges of limited supply of rental properties. This Act gave powers to GoTN to regulate rents, forcing owners to rent out properties at fair prices. The Act was intended to favor tenants but resulted in limited formal supply which has in turn affected affordability. The lack of a balanced legal framework, coupled with a lengthy process of dispute resolution, became deterrents to owners to rent out their properties. This in turn has led to an increase in the number of vacant properties or underinvestment in maintenance. As a result, overcrowding is more common for renters than for homeowners, with major part of the rental stock informally rented.</p> <p>60. Even when flexible regulation unlocks urban land markets, inclusionary zoning and other planning measures to maintain a healthy mix of incomes and uses is likely to be needed to make affordable housing economical for investors and to prevent gentrification. In large cities, even with flexible urban regulation such as higher densities, prices are likely to remain high and supply of affordable housing in well-located, central areas, will prove difficult. Under these conditions, an increase in supply can trigger a process of gentrification in well-served urban areas, while the urban poor are forced to live further and further away from jobs and markets. This segmentation makes cities less inclusive, undermining the ability of the poor to harness the benefits from agglomeration.</p>
PA 3	200/8	<p>Prior Action #3: The GoTN has established the permanent Tamil Nadu Real Estate Regulatory Authority with full time staff and the Tamil Nadu Real Estate Appellate Tribunal (as published in the Government Gazette). Indicative Trigger for second DPF: Trigger #7: GoTN causes the enactment of amendments to update the Tamil Nadu Apartment Ownership Act.</p> <p>61. As a prior action, GoTN has improved governance and transparency of real estate projects by adopting RERA regulations. In order to overcome issues related to the lack of market discipline among developers and to ensure adequate safety and protection for home buyers, especially for the poor, the GoTN established the permanent Tamil Nadu Real Estate Regulatory Authority with full time staff and the Tamil Nadu Real Estate Appellate Tribunal Regulations in 2019. RERA provides for (i) increasing transparency in financial transactions in a real estate project through mandating the set-up of dedicated bank accounts by developers, earmarking at least 70 percent of funds collected for project use, requiring the developer to undertake an annual internal audit and presenting its report to RERA; (ii) ensuring safety of structures by mandating a project’s architect and structural engineer to submit their qualified opinion on structural safety, especially against weather events; (iii) ensuring on-time project completion by introducing penalties for the developers for unjustified delays; and (iv) setting up a dispute resolution consisting of a three-tier grievance redress and appeal system, independent from civil courts, intended to allow for speedy dispute</p>

		<p>resolution. Timely completion of housing development in Tamil Nadu is expected to increase affordability of housing units in the medium- to long term.</p> <p>62. The indicative trigger for the second DPF entails the GoTN's adoption of the new Tamil Nadu Apartment Ownership Act, which will clarify roles and responsibilities among homeowners and owners' associations, and improve operation and maintenance in multistoried apartments. The Tamil Nadu Apartment Ownership Act was introduced in 1994 by the GoTN to regulate promotion, construction and transfer of ownership of residential apartments. It has the objective to clarify roles and responsibilities among home owners and owners' associations and to improve operation and maintenance in multistoried apartments. More than two decades later, many provisions of this legislation are yet to be implemented, while numerous challenges in benefiting from the provisions of the Act have emerged. For instance, the old legislation does not cover which party is expected to represent the interest and protect the rights of property owners, including maintenance of common areas, enforcement of society regulations on common services, mechanism to represent the interest of the owners in legal cases. The updated new Act will address key deficiencies identified in the 1994 Act.</p> <p>63. Prior action #3 and its trigger are expected to increase transparency in the real estate sector in Tamil Nadu, thereby contributing to the development of well-functioning housing market and improved affordability of housing. As such, this prior action is aiming to increase the proportion of affordable housing projects that are registered in RERA and to increase the number of apartments that register under the updated Apartment Ownership Act</p>
PA 4	200/8	<p>Prior Action #4: The GoTN has published in the Government Gazette the General Statutory Rules for the application of the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, which creates an expedited dispute resolution system between landlords and tenants. Indicative Trigger for second DPF: Trigger #8: GoTN incentivizes long term rental by reducing stamp duty and registration charges for all rental agreements of more than 12 months</p> <p>64. As a prior action, GoTN adopted the Tamil Nadu Regulation of Rights and Responsibility of Landlords and Tenants Act in February 2019 replacing the Tamil Nadu Building (Lease and Rent) Control Act, 1960 (Rent Control Act) to promote the development of rental housing. The New Tenancy Act requires registration of all rental contracts (residential, commercial, education) with the Rent Authority within 90 days through HUDD's portal (<a href="http://www.tenancy.tn.gov.in">www.tenancy.tn.gov.in</a>). Registration of the contract allows for the use of an alternative and executive adjudication system aimed to reduce the role of civil courts thereby allowing quick adjudication in majority of the cases. The New Tenancy Act also casts responsibilities of maintenance of a property for the landlord and the</p>

	<p>tenant through a specific Schedule, aiming to increase safety and sustainability of buildings. By making buildings more sustainable, buildings become better equipped (i.e. better drainage and/or water services) to adapt to climate change related risks, such as flooding. The shift to the new rental regulatory regime is a first important step to not only unlock the potential of rental housing in Tamil Nadu, acting as a further stimulus to the real estate sector, but also make rental housing more affordable in the state.</p> <p>65. The indicative trigger for the second DPF aim at incentivizing long-term rental by reducing stamp duty and registration charges. The affordability analysis shows that rental – more so than purchase- is a feasible housing solution for EWS/LIG/MIG households, including female-headed households. Most rental properties for these income segments are of low quality, unsafe with poor services. This affects disproportionately the younger population – particularly women – who migrate from rural areas to urban centers to access jobs. For rental properties to be put into the market, there is a need to create a standardized market infrastructure that can provide predictability for landlords and tenants and reduce the barriers to entry (i.e. cost of stamp duties and registration).</p> <p>66. This prior action and trigger are expected to positively impact the rental market, increasing the supply of rental housing, in particular, for the EWS/LIG/MIG groups. This action and trigger are expected to increase in the number of rental housing units registered in Rent Portal of Tamil Nadu.</p>
PA 5	<p>Prior action #5: The GoTN has: (a) amended urban regulations through the Tamil Nadu Combined Development and Building Rules, to increase the floor space index (FSI) to allow higher densities in urban areas; and b) has issued a government order to reduce processing time of building and planning permits.</p> <p>67. As a prior action, GoTN has amended urban regulation to enable higher density in urban areas and to reduce the time for building and planning permits. The GoTN aimed to make housing more affordable in the state, where welllocated land is increasingly scarce, by increasing the floor space index (FSI)<sup>44</sup> from 1.5 to 2. Further, GoTN has ushered in a streamlined planning permission approval process for buildings with units of up to 120 square meters<sup>45</sup>. This will result in a time saving of approximately three months in permitting times, relative to current practices. <sup>46</sup> In addition, planning permission is also exempted<sup>47</sup> for unit size up to 30 square meters <sup>48</sup>. These regulatory changes will contribute to increasing the supply of housing by first, allowing higher densities and second, by reducing the cost and time of doing business for developers. Allowing higher densities will reduce environmental degradation by reducing the removal of green cover derived from increased urban sprawling due to scarce land in the city-center. Higher density will also</p>



		<p>enable more efficient transit, which helps reduce emissions in high density areas by (i) discouraging vehicle dependence and congestion (ii) reducing transportation time. Improving doing business is particularly important, since profitability margins for developers engaged in affordable housing is particularly susceptible to time lag between development and sale.</p> <p>68. This prior action is expected to increase the supply of housing sector by addressing regulatory constraints. This prior action is aiming to: (i) reduce the average time to obtain building and development permits, and (ii) increase the number of housing units provided with the increased FSI.</p>
PA 6	200/8	<p>Prior action #6: The GoTN has mandated, through a notification in the Government Gazette: (a) for all housing developments exceeding 3,000 square meters, to either designate 10% of their FSI area as EWS/LIG housing or pay the shelter charge whose proceeds are allocated to the financing of affordable housing projects; b) to optimize the plot area to allow for higher densities of EWS housing developments; and c) to waive the payment of FSI premia for EWS/LIG.</p> <p>69. As a prior action, GoTN introduced measures to increase the supply of affordable housing, primarily for EWS/LIG segments. While Prior Action 5 focuses on urban regulations to allow higher density development and reduce the cost of doing business for all housing development, this prior action supports measures that would increase the supply of affordable housing. Under the new regulation<sup>49</sup>, developers are required to allocate 10 percent of layout area for EWS plots in residential layouts exceeding 1 hectare. In the case of developments where the FSI area exceeds 4,000 square meters, developers can either provide housing for lower income groups<sup>50</sup> for an extent of 10 percent of FSI area or pay a shelter charges, which is 1 percent of the Guideline Value<sup>51</sup>. The shelter charge is routed into Shelter Fund Tier-I <sup>52</sup> set-up for subsidizing EWS and LIG housing to be built by the public sector, or to housing projects to be built under public-private partnerships (PPP). In addition, the new regulation allowed optimization of the plot area for higher densities of EWS housing developments<sup>53</sup> and provided a waiver of premium FSI charges proportional to areas used for affordable housing units. The Prior Action promotes ultimately mixed income development and removes regulations that are not conducive for supporting EWS/LIG house developments.</p> <p>70. The expected result of this prior action is to promote mixed income development and provide incentives for market to supply affordable housing. As such, this prior action is aiming to increase the amount of Shelter Charge mobilized for supply of EWS housing and the number of new EWS/LIG housing units supported under the mixed income development.</p>
PILLAR 3: CROWDING PRIVATE SECTOR		<p>71. The third pillar of crowding private sector participation supports the creation of a new institutional set-up to incentivize private sector participation in affordable housing. Prior Action 8 and trigger support</p>

<p>PARTICIPATION IN AFFORDABLE HOUSING</p>	<p>adopting the regulatory framework for the newly created Shelter Fund, which aims to increase private financing into the affordable housing sector.</p> <p>72. The GoTN is seeking to encourage a new “asset class” of mixed-income and mixed-use developments that allow for cross-subsidization in which higher returns from commercial uses and high-income developments compensate for lower returns from EWS housing. It is unlikely that regulatory changes under Pillar 2 alone will result in significant increase in supply for the EWS and LIG segments, unless there are accompanying incentives to the private sector to mitigate the perceived risks (i.e. for rental projects) and the lower returns (i.e. for acquisition). Moreover, it is neither economically feasible nor desirable to encourage new developments comprised exclusively of EWS housing. 54 When adequately structured, however, mixed-income and mixed-use developments can obtain attractive returns, while at the same time increasing gradually the supply of affordable housing. In the short-term, these developments are likely to focus on rental housing which provides a secure asset with a steady cash flow.</p> <p>73. The GoTN created the Tamil Nadu Shelter Fund (TNSF) to attract investment for the afore-mentioned new asset class of affordable housing<sup>55</sup>. The TNSF is a new Alternate Investment Fund (AIF) regulated by the Securities and Exchange Board of India (SEBI) <sup>56</sup> and was created to address a market gap by serving as a market maker to increase access to affordable housing through the financing of mixed-income and mix-use developments where middle-income units crosssubsidize low-income units, thereby creating a new asset class that does not exist yet as a market in Tamil Nadu (See Project Appraisal Document of P168590 for details). TNSF is managed by the Tamil Nadu Infrastructure Fund Management Corporation (TNIFMC), an existing and operating asset management company with a track record in managing the Tamil Nadu Infrastructure Fund (TNIF)<sup>57</sup>. The parallel IPF (TNHHDP, P168590) is directly supporting the TNIFMC through an equity contribution to TNSF, as well as through technical assistance. <sup>58</sup> The TNHHDP will also assist the TNIFMC in developing a new operational model for TNSF, inter alia, the new mixed-use, mixed income and rental asset classes, advisory on environmental and social best practices and project evaluation.</p>
<p>PA 7</p>	<p>200/8</p> <p>Prior action #7: Securities and Exchange Board of India (SEBI) has approved TNSF’s Private Placement Memorandum (PPM). Indicative Triggers for second DPF: Trigger #9: TNIFMC adopts a risk mitigation product to increase the participation of private sector in affordable housing segment.</p> <p>74. This prior action supports a private placement memorandum (PPM) to be approved by the Securities and Exchange Board of India (SEBI), which is required to allow the TNSF to initiate operations. The PPM describes key objectives and principles, governance structure and legal</p>

	<p>responsibilities of the TNSF. Although legally created in 2018<sup>59</sup>, TNSF is required, as all AIFs, to issue a private placement memorandum (PPM) to raise funds in the market. The PPM includes critical aspects of the interest of investors, such as (i) policies and regulatory framework applicable to the fund and the projects to be financed, (ii) eligibility and prioritization criteria for selection of projects, including expected returns on investments, (iii) standards, responsibilities and minimum qualifications of the fund manager, (vi) risk mitigation measures, and (iii) governance and transparency responsibilities. No resources can be received by the fund until the PPM is approved by SEBI.</p> <p>75. The proposed trigger seeks to mitigate high risks that constrain private investment in affordable housing. It will support developing the effective demand management systems, which can pre-screen candidates and link them to alternative sources of finance such as demand-side subsidies available through the national government program (PMAYU), in order to reduce the turnover time and the uncertainty of the buyer's ability to pay. It will also support developing a guarantee facility to reduce commercial risk in rental housing which is often associated with default, evictions, vacancies, and vandalization of properties.</p> <p>76. Prior action #7 and its trigger are expected to create a market for affordable housing solutions, particularly benefitting the EWS/LIG households. The expected outcomes from the proposed prior action and trigger are: increased amount of private sector investment mobilized for affordable housing projects and increased number of investors participating in TNSF.</p>
PA 8	<p>200/8</p> <p>Prior action #8. TNIFMC's Board has adopted the environmental, climate-resilience, social and governance frameworks of mandatory application for all projects co-financed by TNSF</p> <p>77. As a prior action, the TNIFMC will adopt the Environmental, Social, and Governance Management Systems (ESMS) framework applicable to all projects co-financed by the TNSF. The ESMS introduces clear environmental and social standards for investors to comply with and allow the TNSF to attract investors interested in sustainability targets, giving additional value to the equity contribution. The ESMS framework provides policies, procedures, tools, monitoring, reporting arrangements, and grievance redress mechanisms which will govern project selection, approval and implementation from the environmental, social and governance perspectives. It complies with national laws and regulations on environment, social and governance aspects, and meet international standards.<sup>60</sup> The ESMS will be applied to all projects co-financed by TNSF, regardless of sources of funding and will contribute to introducing sustainable environmental and social standards which can later be extended to the entire sector.</p>

	78. The main expected result of Prior action #8 is to standardize sustainability of the housing solutions provided by private-public co-financing, thereby increasing the confidence of investors and promoting greater private sector participation. The expected outcome from the prior action is the increase the proportion of housing projects supported under TNSF that receive green housing certification.
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<b>Climate Change Co-benefits section</b>
None provided.

<b>Greenhouse Gas Accounting</b>
None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA 1	200/8	(1/3)/2	(1/3)/2	4.17	4.17	<p>Evidence regarding adaptation assessment:</p> <p>The outcome of PA 1 is that “The GoTN has issued the first State-level Affordable Urban Housing and Habitat Policy”. The PA is driven by three “guiding principles” here equated to “motivations”, they are: “(i) inclusion, (ii) sustainability, and (iii) transparency and participation”.</p> <p>Regarding the “sustainability” motivation, project documentation states: “One of the key aspects of the principle of sustainability is to guide housing programs to address climate vulnerability of housing solutions, such as reducing households living in high-risk areas and incentivizing ecological and environmentally sustainable designs, incorporating sustainability principles that promote green, energy-efficient, disaster resilient and eco-friendly developments. This principle deals with energy efficiency in construction and design, the choice of building material that does not put strain on natural resources, integration of housing design that can withstand the impacts of climate change and an obligatory greening of the housing sector.”</p>

						<p>Therefore 1/3 motivations are deemed to be climate-relevant (cross-cutting between adaptation and mitigation). The activities to address the climate vulnerability of housing solutions related to the provided vulnerability context, and states an intent to address it.</p> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking: "Measures that reduce net energy consumption, resource consumption or CO2e emissions, or increase plant-based carbon sinks in greenfield and brownfield buildings and associated grounds."</p>
PA 2	200/8	(1/3)/2	(1/3)/2	4.17	4.17	<p>The outcome of PA 2 is that "TNSCB's Board has adopted environment, resilient urban design, social sustainability frameworks and grievance management redress systems, whose application is mandatory for all TNSCB EWS/LIG housing units". It is stated that the Prior Action includes "three sub-frameworks: (i) an environmental management framework; (ii) a social sustainability and grievance management framework; and (iii) a resilient urban design framework."</p> <p>Documentation evidences that both sub-framework (i) and (iii) are partially climate-relevant, ensuring that resilience and energy efficiency are integrated into housing policy, while also having other objectives.</p> <p>Therefore a climate coefficient of: <math>2 \times (0.5/3) = 1</math> has been applied (and is deemed to be cross-cutting between adaptation and mitigation). The activities to address the climate vulnerability of housing solutions related to the provided vulnerability context, and states an intent to address it.</p> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking: "Measures that reduce net energy consumption, resource consumption or CO2e emissions, or increase plant-based carbon sinks in</p>

						greenfield and brownfield buildings and associated grounds.”
PA 3	200/8	0	0	0	0	<p>The outcome of PA 3 is that “The GoTN has established the permanent Tamil Nadu Real Estate Regulatory Authority with full time staff and the Tamil Nadu Real Estate Appellate Tribunal (as published in the Government Gazette)”. Therefore overcoming issues related to the lack of market discipline among developers and to ensure adequate safety and protection for home buyers is the aim here.</p> <p>There is no evidence of climate-relevance.</p>
PA 4	200/8	0	0	0	0	<p>The outcome of PA 4 is that “The GoTN has published in the Government Gazette the General Statutory Rules for the application of the Tamil Nadu Regulation of Rights and Responsibilities of Landlords and Tenants Act, which creates an expedited dispute resolution system between landlords and tenants”. Therefore the creation of a disputes resolution system is the aim here.</p> <p>There is no evidence of climate-relevance.</p>
PA 5	200/8	0	0.25	0	6.25	<p>The outcome of PA 5 is two-fold: “The GoTN has: (a) amended urban regulations through the Tamil Nadu Combined Development and Building Rules, to increase the floor space index (FSI) to allow higher densities in urban areas; and b) has issued a government order to reduce processing time of building and planning permits.”</p> <p>Higher density housing is said to: “reduce environmental degradation by reducing the removal of green cover derived from increased urban sprawling due to scarce land in the city-center. Higher density will also enable more efficient transit, which helps reduce emissions in high density areas by (i) discouraging vehicle dependence and congestion (ii) reducing transportation time.”</p> <p>As a result, outcome (a) of the PA is mitigation-relevant under the eligible activity: “Policy actions, programs, or technical assistance for reducing</p>

						<p>unplanned low-density urban development or promoting densification, leading to avoidance of a long-term lock-in of a higher-carbon built environment” of the Common Principles for Climate Change Mitigation Finance Tracking.</p> <p>Under the screening criteria and guidance for this eligible activity it is stated: “The entity applying the Common Principles shall demonstrate that the activity will reduce energy needs or increase carbon pools through more efficient urban systems, limit the expansion of urban land compared to the baseline, or do both.”</p> <p>As one of the two outcomes is mitigation relevant a maximum mitigation coefficient of 0.5 is justified. Furthermore, no little evidence of emissions reductions has been provided (no GHG accounting provided in documentation). Under the principle of conservativeness, paired with the lack of granular information regarding mitigation co-benefits such as expected emissions reductions/net emissions figures, a mitigation coefficient of 0.25 has been applied.</p>
PA 6	200/8	0	0	0	0	<p>The outcome of PA 8 is that “The GoTN has mandated, through a notification in the Government Gazette: (a) for all housing developments exceeding 3,000 square meters, to either designate 10% of their FSI area as EWS/LIG housing or pay the shelter charge whose proceeds are allocated to the financing of affordable housing projects; b) to optimize the plot area to allow for higher densities of EWS housing developments; and c) to waive the payment of FSI premia for EWS/LIG.”</p> <p>No evidence of climate-relevance.</p>
PA 7	200/8	0	0	0	0	<p>The overall objective of pillar 3, of which PA 7 and PA 8 are part of, is: “crowding private sector participation supports the creation of a new institutional set-up to incentivize private sector participation in affordable housing.”</p> <p>The outcome of PA 7 is: “Securities and Exchange Board of India (SEBI) has</p>

						approved TNSF's Private Placement Memorandum (PPM)." No evidence of climate-relevance.
PA 8	200/8	1/3	0	8.33	0	The outcome of PA 8 is: "TNIFMC's Board has adopted the environmental, climate-resilience, social and governance frameworks of mandatory application for all projects co-financed by TNSF."  Of the three frameworks required to be adopted one is adaptation-relevant, and while the environmental framework could be mitigation relevant (if it ensures energy efficiency etc.) there is no explicit mention of this.  Therefore, an adaptation coefficient of: 1/3 has been applied. The activities to address the climate resiliency of housing relates to the provided vulnerability context, and (implicitly) states an intent to address it.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
26.5	16.67	37.1%	24	14.58	39.3%

Reported climate finance	Assessed climate finance	Error
50.5	31.25	38.2%



## Project Number: P174075

<b>Project Name</b>
FSM Maritime Investment Project Additional Financing
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/423191591668229321/federated-states-of-micronesia-maritime-investment-project-additional-financing">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/423191591668229321/federated-states-of-micronesia-maritime-investment-project-additional-financing</a> for additional finance; <a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/164231557713145805/micronesia-maritime-investment-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/164231557713145805/micronesia-maritime-investment-project</a> for original finance.
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Grant
<b>Lowest level of granularity</b>
Activity

<b>Climate Change Vulnerability Context</b>
A detailed vulnerability context is provided throughout the Strategic Context section.
<b>Intent to Address Vulnerability</b>
A detailed vulnerability context is provided in the Strategic Context section, page 10, paragraph 10/.
<b>Link to Project Activities</b>
Provided in Annex 2, within the Detailed Project Description section.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 1: Maritime Infrastructure	US\$2.5	<p>Component 1: Maritime Infrastructure (US\$20.50 million). Component 1 will improve the safety and efficiency of port operations, as well as enhance the resilience of maritime structures to natural disasters and climate change impacts through the integration of planning, design, construction, rehabilitation and operation of facilities. Activities to be financed will be selected and prioritized by the PSC in accordance with the POM, in accordance with the recommendations from the Strategic Planning activity to be undertaken under Sub-component 3.4 and the maritime infrastructure needs assessment to be undertaken under Sub-component 3.1. The following investments for Kosrae, Pohnpei, Chuuk and Yap Ports would be eligible for funding under FSMIP:</p> <ul style="list-style-type: none"> <li>1.1 Surfacing and Drainage at Kosrae, Pohnpei, Chuuk and Yap Ports. <ul style="list-style-type: none"> <li>(a) Sections of container yards at Okat (Kosrae), Pohnpei Port, Weno (Chuuk), and Tomil (Yap) Ports are unpaved and undrained, which makes the container loading, offloading and storage operations less efficient, slower and more vulnerable to increasingly frequent flooding, breakdowns, including damage to vehicles, containers and their contents. The unpaved surfaces also increase sediment load in port surface water that discharges into the surrounding environment.</li> </ul> </li> </ul>

	<p>FSMIP will provide operational areas with paved/concreted surfaces to improve operations.</p> <p>(b) The specific improvements at each yard will be subject to detailed design to meet different requirements and to optimize their cost effectiveness, but generally the work will include new hard surfacing in either (i) bitumen/asphalt; (ii) reinforced concrete; or, (iii) segmental concrete blocks. Given the weight of containers and the equipment used to move them, the use of reinforced concrete or segmental concrete blocks should be considered, since they carry several technical and cost advantages. Well-designed drainage of the paved area will be critical, since the new surface will be impervious and run-off volumes will increase significantly, hence improving structural resilience against increasing extreme rainfall and flooding. Drain entry points will need to withstand high point loads and out falls will include sediment and pollution traps that will require regular maintenance.</p> <p>(c) Some ports have significant volume of scrap lying in the yards, in the form of old containers, tires, vehicles, boats and equipment, all of which will need to be moved, or preferably removed, prior to the surfacing works commencing. It should be investigated how best to deal with this problem. A possible option would be to include the cutting up, safe removal and export of the scrap as a separate contract under the Project.</p> <p>(d) Since the container yards are operated by private stevedoring companies, surfacing and drainage works will need to be carried out in phases to ensure that container operations can continue unobstructed throughout the works, and construction activities closely coordinated with the firm to avoid conflicts between the operations and the works.</p> <p>1.2 Rehabilitate Utilities. This will include the rehabilitation of utilities related to water supply, sewerage and power supply in container storage areas. The maritime infrastructure needs assessment (Sub-component 3.1) to be undertaken early in project implementation will prioritize interventions under this Sub-component.</p> <p>1.3 Upgrade Terminal Superstructure. Upgrades may include buildings and facilities in the primary cargo handling area, warehousing, and refrigerator container connection points (where responsibility is with the Government authority), but potential activities have yet to be defined.</p>
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<b>Climate Change Co-benefits section</b>
Non provided.

Greenhouse Gas Accounting
None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C1	2.5	0.5	0	1.25	0	<p>In general, support to enhance maritime infrastructure through construction and development, are prime activities benefitting from incremental adaptation costs. For example the costs within the project to integrate climate resilient design and materials. No incremental costs have been provided.</p> <p>Support in Component 1 mentions three potential investments: (1) Surfacing and Drainage at Kosrae, Pohnpei, Chuuk and Yap Ports; (2) Rehabilitate Utilities; and (3) Upgrade Terminal Superstructure.</p> <p>There is no granular information detailing the distribution of finance between these investments and it is not clear if these are examples of potential investments or activities to be undertaken.</p> <p>The assessment has therefore been conducted with regards to the aims of the component, which are deemed to be two-fold: (1) improve the safety and efficiency of port operations; and (2) enhance the resilience of maritime structures to natural disasters and climate change impacts through the integration of planning, design, construction, rehabilitation and operation of facilities.</p> <p>½ aims are adaptation relevant, and link the planned activities to the vulnerability context by showing an intent to address it.</p> <p>No evidence of mitigation relevance. There is no statement that the activities under Component 1 aim to address climate change mitigation, and there is no GHG accounting provided for the original project or additional finance.</p>

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
1.7	1.25	26.5%	2.5	0	100%

Reported climate finance	Assessed climate finance	Error
4.2	1.25	70.2%

**Project Number: P164545**

<b>Project Name</b>
Gambia First Fiscal Management, Energy and Telecom Reform Development Policy Financing
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/359191589767308757/the-gambia-first-fiscal-management-energy-and-telecom-reform-development-policy-financing-program">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/359191589767308757/the-gambia-first-fiscal-management-energy-and-telecom-reform-development-policy-financing-program</a> (Program Document)
<b>Financing Instrument</b>
Development Policy Financing
<b>Financial product</b>
Grant
<b>Lowest level of granularity</b>
Prior Action

<b>Climate Change Vulnerability Context</b>
Potentially acceptable vulnerability context provided on page 38, paragraph 108.
<b>Intent to Address Vulnerability</b>
Potentially acceptable vulnerability context provided on page 38, paragraph 108.
<b>Link to Project Activities</b>
Provided in the Prior Actions section.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Pillar 1		Pillar 1 on debt and public investment management supports: (i) strengthening fiscal risks and debt management by improving the recording and reporting of debt operations and through linking the debt strategy with medium-term fiscal planning informed by development priorities; (ii) strengthening public investment management through the creation of a centralized review body; and (iii) enhancing the procurement act to ensure consistent use of competitive bidding and proper oversight of the procurement process.
PA 1		<p>Prior Action 1. To strengthen debt management, the Recipient has, through its Ministry of Finance and Economic Affairs (MOFEA): (a) published a Mediumterm Debt Strategy consistent with the Medium-term Fiscal Framework; and the National Development Plan; and (b) published quarterly reports on external debt commitments, agreements and disbursements for 2019 on its website.</p> <p>Indicative Trigger 1. To strengthen fiscal risk and debt management, the Recipient has, through MOFEA: (i) developed a Risk Management Framework (RMF) integrated with the MTDS; (ii) prepared an annual borrowing plan for 2021; and (iii) extended the public debt coverage to include municipalities' debt.</p>
PA 2		Prior Action 2. To enhance the efficiency of public investment management, the Recipient has, through MOFEA, established and operationalized the Gambia Aid Strategic Review Board and adopted its terms of reference including project screening for climate resilience.

		Indicative Trigger 2. To enhance the efficiency of public investment management, the Recipient has, through SRB, endorsed project appraisal guidelines including the criteria for project selection developed by MOFEA.
PA 3		<p>Prior Action 3. To enhance the efficiency of public procurement, the Recipient has, through its Cabinet, approved the draft Gambia Public Procurement Bill designed to separate procurement functions (control and regulation), eliminate exceptions and executive waivers (including existing ones), and include agencies that procure using public funds.</p> <p>Indicative Trigger 3. To enhance the efficiency of public procurement, the Recipient has, through GPPA, updated the Regulations and Standard Procurement Documents as per the provisions of the GPPA Act 2020.</p>
Pillar 2		Pillar 2 on financial viability and service delivery in the energy and telecom sectors supports: strengthening the financial position and governance framework of NAWEC through debt restructuring, enhanced payment discipline, a new tariff methodology, new Board charter and management for the company, and introduction of a performance contract. In the telecom sector, this pillar supports further liberalization of the sector, protection and increased use of the wholesale fiber backbone assets and restructuring of the state-owned telecom companies: Gambia Telecommunications Company (GAMTEL) and Gambia Cellular Company (GAMCEL). These reforms will encourage greater privatesector participation in the sector, enhanced competition, and improved service delivery for both businesses and consumers.
PA 4		<p>Prior Action 4. To improve financial performance in the energy sector, the Recipient has: (a) through MOFEA, restructured 75 percent of NAWEC's debt in accordance with the terms of the Memorandum of Understanding; (b) through MOFEA, issued a circular to all Ministries, Departments, and Agencies (MDAs) requiring full and timely payment of NAWEC utility bills using the cash appropriations for said utility bills and to remain current on the same; and through NAWEC, authorised the transition of non-critical MDAs from post paid meters to prepayment meters; and (c) through the Public Utilities Regulatory Authority (PURA), adopted and published the Tariff Methodology Guidelines.</p> <p>Indicative Trigger 4. To improve financial performance in the energy sector, the Recipient has: (i) through PURA, conducted a tariff assessment based on the Tariff Methodology Guidelines, (ii) through MOFEA, introduced a mechanism for compensating NAWEC for any shortfall between the approved tariff and required revenues starting in 2021; and (iii) through NAWEC, published the results of 2019 financial accounts audited by an independent accounting firm.</p>
PA 5		Prior Action 5. To strengthen the governance framework and improve technical performance in the energy sector, the Recipient has: (a) through the NAWEC Board, approved the Strategic Development Plan for the company (including renewable energy goals) and appointed five directors to NAWEC and issued offers of appointment for the group finance director and chief operations officer (water and sanitation) positions consistent with the new organogram; (b) through its Cabinet, approved NAWEC's Board Charter; and (c) through MOFEA, signed a full performance contract with NAWEC for 2020.

		Indicative Trigger 5. To strengthen the governance framework in the energy sector, the Recipient has, through NAWEC, organized NAWEC's operating activities (electricity, water, and sewerage) as separate Business Units with fully identifiable financial statements.
PA 6		<p>Prior Action 6. To prepare for private sector participation in the management and operation of the essential fiber optic assets, the Recipient has: (a) through its Cabinet, endorsed a new special purpose vehicle (SPV) to be operated under a public private partnership arrangement; and (b) through MOFEA, launched the procurement process for a transaction advisor consultancy for valuation, market testing, and transaction of said SPV, GAMTEL and GAMCEL.</p> <p>Indicative Trigger 6. To improve performance and protection of essential fiber optic assets, the Recipient has: (i) established the SPV and transferred the essential fiber optic assets to this company; (ii) adopted a Social Plan, established a grievance mechanism, and retrenched eligible staff, in form and substance satisfactory to the World Bank, pursuant to the Social Plan; and (iii) adopted a decision to divest or liquidate GAMTEL and GAMCEL.</p>
PA 7		<p>Prior Action 7. To enhance competition in the telecom sector, the Recipient has, through PURA, issued international voice and data gateway licenses to operators in accordance with the provisions of the Information and Communications Act of 2009.</p> <p>Indicative Trigger 7. To enhance competition and service delivery in the telecom sector, the Recipient has, through PURA: (i) reassessed and reissued RIO (wholesale pricing) for the essential fiber optic assets; (ii) conducted a Significant Market Power (SMP) study to determine dominant operator behavior in all segments of the telecom market; and (iii) completed license harmonization for all segments of the telecom market.</p>
Pillar 3		Pillar 3 on transparency and governance framework of SOEs supports: establishing financial positions of key SOEs and addressing cross-arrears as well as strengthening the fiscal management and executive oversight of SOEs including the development of performance accountability mechanisms. This pillar supports the establishment of reliable financial statements of SOEs and improved corporate governance, with an adequate internal control environment and streamlined reporting and disclosure arrangements including public dissemination. It also supports the introduction of a modernized legal and institutional framework for SOEs in line with international best practices.
PA 8		<p>Prior Action 8. To enhance the fiscal transparency of and reduce fiscal risks from State-Owned Enterprises (SOEs), the Recipient has, through MOFEA: (a) adopted the report on special purpose audits of NAWEC, GAMTEL, GAMCEL, GNPC, SSHFC, GPA, and GCAA and action plans for said SOEs based on the findings of the audits (including establishment of financial positions for end-December 2017); and (b) initiated special purpose audits of NFSPMC, AMRC, GIA, GAMPOSTS, GPPC and GRTS.</p> <p>Indicative Trigger 8. To enhance fiscal transparency, reduce fiscal risks, and improve the governance framework for SOEs, the Recipient has: (i) through</p>

		MOFEA, completed special purpose audits of the six remaining SOEs (including establishment of financial positions for end-December 2018); (ii) through MOFEA, signed performance contracts with at least four SOEs for 2021 (including Key Performance Indicator (KPI) on prevention of cross-arrears accumulation); and (iii) through its Cabinet, approved a revised SOE bill in line with the revised Constitution.
PA 9		<p>Prior Action 9. To enhance the fiscal transparency of and reduce fiscal risks from SOEs, the Recipient has, through MOFEA: (a) adopted the Final Report on the Verification of Cross-Arrears Between the SOEs and Government and Between SOEs and the Gambia Revenue Authority; and (b) approved a strategy and timeline for clearing verified arrears starting with NAWEC in 2019.</p> <p>Indicative Trigger 8. To enhance fiscal transparency, reduce fiscal risks, and improve the governance framework for SOEs, the Recipient has: (i) through MOFEA, completed special purpose audits of the six remaining SOEs (including establishment of financial positions for end-December 2018); (ii) through MOFEA, signed performance contracts with at least four SOEs for 2021 (including Key Performance Indicator (KPI) on prevention of cross-arrears accumulation); and (iii) through its Cabinet, approved a revised SOE bill in line with the revised Constitution.</p>

<b>Climate Change Co-benefits section</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA 1	30/9	0	0	0	0	No evidence of climate relevance.
PA 2	30/9	0.25	0	0.8	0	<p>The prerequisite of PA 2 seeks to enhance the efficiency of public investment management, the Recipient has, through MOFEA, established and operationalized the Gambia Aid Strategic Review Board and adopted its terms of reference including project screening for climate resilience.</p> <p>The required activities under the PA are therefore linked to the vulnerability context, and state an intent to address it.</p>



						<p>In the absence of granular information to calculate proportionality, the adaptation coefficient results from the following:</p> <ul style="list-style-type: none"> <li>a) Adaptation is noted as one of multiple motivations, therefore an initial coefficient of 0.5 can be applied.</li> <li>b) Because no granular information regarding proportionality or expected co-benefits or incremental costs, significant uncertainty surrounding estimations of co-benefits exist. To adhere to the principle of conservativeness a second coefficient of 0.5 is applied.</li> <li>c) Final adaptation coefficient of 0.25.</li> </ul> <p>No evidence of mitigation relevance.</p>
PA 3	30/9	0	0	0	0	No evidence of climate relevance.
PA 4	30/9	0	0	0	0	<p>The prerequisite of PA 4 seeks to improve financial performance in the energy sector. To do so PA 4 requires:</p> <ul style="list-style-type: none"> <li>d) recipient has restructured 75 percent of NAWEC's debt in accordance with the terms of the Memorandum of Understanding;</li> <li>e) recipient has issued a circular to all Ministries, Departments, and Agencies (MDAs) requiring full and timely payment of NAWEC utility bills using the cash appropriations for said utility bills and to remain current on the same; and through NAWEC, authorised the transition of non-critical MDAs from post paid meters to prepayment meters; and</li> <li>f) recipient has, through the Public Utilities Regulatory Authority (PURA), adopted</li> </ul>

						and published the Tariff Methodology Guidelines.
						No evidence of climate relevance.
PA 5	30/9	0	0.5	0	1.7	<p>The prerequisite of PA 5 seeks to strengthen the governance framework and improve technical performance in the energy sector.</p> <p>To do so PA 4 requires that the recipient has:</p> <ul style="list-style-type: none"> <li>g) through the National Water and Electricity Company (NAWEC) Board, approved the Strategic Development Plan for the company (including renewable energy goals) and appointed five directors to NAWEC and issued offers of appointment for the group finance director and chief operations officer (water and sanitation) positions consistent with the new organogram;</li> <li>h) through its Cabinet, approved NAWEC's Board Charter; and</li> <li>i) through MOFEA, signed a full performance contract with NAWEC for 2020.</li> </ul> <p>The motivation for the project is the realisation that NAWEC is financially unviable and must be restructured. And furthermore that the turnaround of NAWEC into an efficient, credit-worthy, financially viable utility is critical to achieving the vision of expanding generation through renewables and private sector investment.</p> <p>Mitigation co-benefits are stated to originate from:</p> <ul style="list-style-type: none"> <li>j) initiatives to strengthen the governance framework and performance of NAWEC. This includes preparation of a</li> </ul>

						<p>Strategic Development Plan (SDP) for the company (including renewable energy goals).</p> <p>k) a performance contract has been established for 2020-23 between the MOFEA and the NAWEC Board of Directors that defines clear targets for indicators such as plant availability, technical losses, bill-collection rates, and fuel efficiency of generation, with appropriate incentives to meet targets.</p> <p>The PA therefore qualifies under the Common Principles for Climate Change Mitigation Finance Tracking, under the eligible activity: "Policy actions, programs, or technical assistance that target carbon prices or other payments that have the equivalent effects".</p> <p>In the absence of granular information to calculate proportionality, the mitigation coefficient results from the following:</p> <ul style="list-style-type: none"> <li>l) Mitigation is noted as one of multiple motivations, includign enhancing the financial stability of NAWEC.</li> <li>m) Despite this, multiple motivations/outcomes are stated to be mitigation-relevance.</li> <li>n) In the absence of granular information regarding proportionality or expected co-benefits, uncertainty surrounding the estimations of co-benefits exist. To adhere to the principle of conservativeness a coefficient of 0.5 is applied.</li> </ul>
PA 6	30/9	0	0	0	0	No evidence of climate relevance.
PA 7	30/9	0	0	0	0	No evidence of climate relevance.

PA 8	30/9	0	0	0	0	No evidence of climate relevance.
PA 9	30/9	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
0.8	0.8	0%	1.9	1.7	10.5%

Reported climate finance	Assessed climate finance	Error
2.7	2.5	8%

Project Number: P169677

<b>Project Name</b>
Growing up Healthy Together: Comprehensive Early Childhood Development in El Salvador
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/136621583358514932/el-salvador-growing-up-healthy-together-comprehensive-early-childhood-development-in-el-salvador-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/136621583358514932/el-salvador-growing-up-healthy-together-comprehensive-early-childhood-development-in-el-salvador-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Component/Sub-component/Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Sectoral and Institutional Context section, page 10, paragraph 9.
<b>Intent to Address Vulnerability</b>
Provided in the Sectoral and Institutional Context section, page 10, paragraph 10.
<b>Link to Project Activities</b>
Provided in the Project Components section at the sub-component level.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 1. Promoting Human Capital Accumulation in Children 0 to 7 years and Their Mothers During Preconception and Gestation	US\$195 million	This component seeks to promote interventions to strengthen human capital accumulation in children (boys and girls) from the moment of conception to 7 years of age. It is organized into three subcomponents, which share health tracers that include nutrition, health promotion, violence prevention, and provision of mental health care. In addition, climate change adaptation and mitigation measures are incorporated throughout the subcomponents, as applicable.
Subcomponent 1.1. Promoting Human Capital Accumulation during Preconception, Pregnancy, and Safe and Dignified Delivery		This subcomponent will target women of reproductive age and aim to strengthen the national network of maternal and child (MCH) services. The strategic lines are to: (i) design and implement national green accreditation guidelines <sup>25</sup> to improve the quality of MCH care in both primary health care (PHC) facilities and hospitals across the country; (ii) strengthen and climate proof the infrastructure, equipment, and technological solutions of the health-care network, including through an application of a green checklist and measures such as energy efficiency improvements in buildings, lighting, appliances and equipment, rehabilitation of cooling systems with lower greenhouse gas emissions, and the use of renewable energy; (iii) include early pregnancy

	<p>identification in the first level of care and community and include ECD education and the early detection of delays and risks in the provision of MCH; (iv) ensure the quality of care in all levels, including in maternity houses; (v) provide safe adolescent motherhood health-care services addressing adolescent pregnancies and active fatherhood; and (vi) develop tools for preventing gender-based violence and negligence, obstetric violence, and adolescent pregnancy in the context of the National Mental Health Plan.</p> <p>21. This subcomponent will finance the following activities to improve the provision of prenatal and childbirth care: (i) rehabilitation of health facilities, laboratories, and maternity homes, including climate-smart measures as they relate to the infrastructure and facilities' rehabilitation and retrofit; (ii) the development of clubs of knowledge for expectant mothers<sup>26</sup> to provide them with information on ECD and on the proper care of the newborn, in addition to corners of knowledge for children<sup>27</sup>; (iii) purchase and maintenance of medical and nonmedical equipment, including software; (iv) purchase of the supplies to provide prenatal and childbirth care; and (v) provision of specialized and general training for health-care professionals and support staff to develop skills for effective, high-quality service delivery, including better client orientation, improved knowledge of health-care professionals on the use of climate-change mitigation measures and practices, and how to execute effective postdisaster strategies and responses.</p>
<p>Subcomponent 1.2. Promotion of Human Capital Accumulation from birth to 3 years of age</p>	<p>This subcomponent will focus on promoting ECD for younger children and will involve (i) accreditation<sup>28</sup> to improve the quality of health services; (ii) development of a communication strategy for the promotion of MCH and prevention of disease, including those actions aimed at increasing awareness of climate-sensitive diseases and ways of reducing them; (iii) provision of ECD kits to improve early detection of developmental delays and appropriate stimulation; (iv) harmonization of the quality and standards of care among providers for the early detection of risks and developmental delays, including alerts in children's growth check-up protocols to ensure proper referral and care as needed; (v) promotion of breastfeeding and adequate complimentary feeding; (vi) strengthened provision of pediatric and nursery services at all levels of care; (vii) tracking efforts to ensure that children's developmental check-ups include the early identification of developmental risks and delays to be tracked through the integrated electronic system; (viii) revision of existing inter- and intra-institutional referral protocols based on interactive protocols that ensure proper response and follow-up to children; (ix) establishment of developmental stimulation areas in the Salvadoran Integral Rehabilitation Institute for children with disabilities in all regions; and (x) refurbishment of prenatal stimulation areas in the maternal waiting homes.</p> <p>23. This subcomponent will finance activities in support of pediatric services, including (i) rehabilitating health facilities and procuring and</p>

		<p>maintaining medical and non-medical equipment, which, as is the case for other rehabilitation activities supported by the Project, will include low-carbon and climate-resilient considerations and standards; (ii) supplies needed to provide neonatal and specialized services to newborn children (hormonal testing, cochlear implants, or other needs related to congenital diseases); (iii) specialized and general pediatric training at all levels of care; (iv) promotion of multisectoral coordination with other institutions to harmonize quality and standards of care among providers; (v) developing information technology (IT) solutions to facilitate the early detection of delays in development, including implementing alerts in children’s growth check-ups to ensure that they are given the appropriate referrals and care as needed; (vi) promoting proper nutrition and a smooth transition from breastfeeding to the family diet; and (vii) strengthening the provision of pediatric services at all levels of care, as well as the provision of services from nutrition centers.</p>
<p>Subcomponent 1.3. Promotion of Human Capital Accumulation from 4 to 7 Years of Age</p>		<p>This subcomponent will focus on multisectoral efforts to improve the health of children from 4 to 7 years of age. Lines of action in this subcomponent include the identification and provision of essential, differential, and specialized health and social services to children in this age group, monitoring of learning environments to ensure that they are healthy; and monitoring the provision of nutritional foods and the content of supplementary feeding. Most activities will take place in close coordination with the Ministry of Education (MINED) and the National System for the Protection of Children and Adolescents.</p> <p>25. This subcomponent will finance activities in support to school age children, including: (i) accreditation to improve the quality of primary care and hospital care; (ii) provision of health services for preschoolers and first graders, including essential, differentiated, and specialized services, in-school and in other ECD centers to ensure that the children are in optimal health conditions to learn;<sup>30</sup> (iii) identification of early risk factors and delays, and follow up with neurodevelopment care (or specialized services); (iv) review the nutritional content of school feeding programs; (v) monitoring the quality of water and sanitation in school facilities; and (vi) promotion of development of training, campaigns, and outreach activities to foster prevention of violence and negligence against children and girls, and to raise awareness on climate-change impacts and ways of mitigating and adapting to them. Among these activities, the Project will build community and family awareness of domestic and community violence, with an emphasis on the perinatal period, through campaigns and outreach activities. These activities will be carefully monitored and evaluated across the life of the Project to help improve its implementation.</p>
<p>Component 2. Modernization, Streamlining, and Strengthening</p>	<p>US\$ 44 million</p>	<p>This component will strengthen the governance and regulatory capacity of MINSAL as well as the management and technical efficiency of the health-care network by (i) developing a unified IT system to improve data records, databases, and the management of the information system in order to increase efficiency and conduct better monitoring and planning;</p>

of MINSAL for the Public Provision of Maternal and Child Health		(ii) establishing certification processes for the provision of health care, including development of clinical guidelines; (iii) designing and implementing a National Medical Simulation Center for the provision of training for clinical and non-clinical staff; (iv) developing MINSAL's capacity in health-care provision, including for the implementation of the telemedicine program; (v) strengthening the logistics and distribution of medicine; (vi) supporting MINSAL's surveillance capacity of the quality of water for human consumption in school environments and health facilities; (vii) improving the healthcare network's management and technical efficiency through the provision of training; (viii) strengthening the stewardship and monitoring capacity for the quality of health-care provision of MINSAL, including implementing rehabilitation works to improve water quality in health facilities; (ix) purchasing medical and laboratory equipment and supplies; and (x) supporting data collection and analysis through national surveys or other monitoring and evaluation (M&E) instruments to assess the national ECD policy (Crecer Juntos) and mental health. Concurrently, component activities will include efforts to mitigate adverse climate-change impacts and the occurrence of natural disasters and disease outbreaks, with the goal of preserving human capital gains in health and reducing climate vulnerability. Given the attribution of extreme weather events to climate change and the direct health effects of these events through death, increased transmission of diseases, and problems with water and food security caused by heat waves, droughts, flooding rains, and hurricanes, the Project will respond with an adequate set of governance actions, including: assessing the magnitude and cost of climatechange impacts on the health system; assessing health impacts of climate change on vulnerable and other targeted populations; building strong monitoring systems; and promoting cross-sectoral engagement, with a view of scaling up early warning systems in health.
Component 3. Contingency Emergency Response Component (CERC)	US\$ 0.0	Reflecting the strategic approach taken in El Salvador across the Bank's portfolio, this component can be activated to facilitate the use of critical resources in the event of a national emergency (as defined in the Contingency Emergency Response Operational Manual to be prepared and adopted by the Government) associated with a natural or man-made crisis or disaster, including a sanitary alert or an epidemiological emergency in the public health sector. The activation involves (i) a government request submitted by the Ministry of Finance to the Bank for support of an eligible event through the CERC; and (ii) the preparation of an acceptable Emergency Action Plan for the use of CERC funds that must be approved by the Bank.
Component 4. Project Management and Monitoring	US\$ 11 million	This component seeks to support the strengthening of MINSAL's capacity to administer, implement, supervise, and evaluate Project activities. In addition, this component will include the hiring of an auditing firm to conduct the annual financial audits.



**Climate Change Co-benefits section**

None provided.

Additional information on climate relevance from documentation:

Para 13: "By incorporating climate change considerations throughout project design, and particularly as they relate to the rehabilitation of hospitals and municipal centers and provision of training and services, the Project seeks to reduce observed vulnerabilities of El Salvador's population and enable the health system to adapt to climate induced changes."

Para 31: "Prioritized multisectoral interventions are included to address challenges that arise prior to birth and during childhood. Concurrently, the Project is designed to strengthen the monitoring and stewardship capacity of MINSAL and conduct activities to mitigate climate-change impacts and the occurrence of natural disasters and disease outbreaks, with the goal of preserving human capital gains in health and reducing climate vulnerability."

Page 44: "The certification and verification of the quality of Maternal and Child Health (MCH) services will involve establishing a set of environmentally friendly, low carbon, and climate-resilient criteria with climate-smart technologies"

**Greenhouse Gas Accounting**

None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.1	195/3	(1/5)/2	(1/5)/2	6.5	6.5	<p>Climate coefficient of 1/5: 2 of 5 activities are partially climate relevant (cross-cutting adaptation and mitigation).</p> <p>Principal object of Sub-component 1.1 is "to strengthen the national network of maternal and child (MCH) service". Activities (i) and (v) create a link between the undertaken activities and the climate vulnerability context, showing an intent to address it.</p> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking: "Measures that reduce net energy consumption, resource consumption or CO2e emissions, or increase plant-based carbon sinks in greenfield and</p>

						<p>brownfield buildings and associated grounds”.</p> <p>In the absence of more granular information regarding climate co-benefits, or incremental adaptation costs, resulting from the sub-component a final coefficient of 1/5 has been applied to reflect that climate change objectives are one of many within the activity.</p>
SC 1.2	195/3	0	1/14	0	4.64	<p>Climate coefficient of 1/14: 1 of 7 activities are partially mitigation relevant.</p> <p>Principal object of Sub-component 1.2 is “promoting ECD for younger children”. No activities evidence adaptation relevance, and therefore no link is created between the undertaken activities and the climate vulnerability context.</p> <p>Activity (i) focuses on “rehabilitating health facilities and procuring and maintaining medical and non-medical equipment” yet will “l include low-carbon and climate-resilient considerations and standards”. In the absence of more granular information regarding the costs of mitigation/mitigation co-benefits resulting from the sub-component a final coefficient of (1/7*0.5) has been applied.</p> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking: “Measures that reduce net energy consumption, resource consumption or CO2e emissions, or increase plant-based carbon sinks in greenfield and brownfield buildings and associated grounds”.</p>
SC 1.3	195/3	(1/12)/2	(1/12)/2	2.71	2.71	Climate coefficient of 1/12: 1 of 6 activities are partially climate relevant

						<p>(cross-cutting adaptation and mitigation).</p> <p>Principal object of Sub-component 1.2 is “to improve the health of children from 4 to 7 years of age”. Activity (vi) focuses on “promotion of development of training, campaigns, and outreach activities to foster prevention of violence and negligence against children and girls, and to raise awareness on climate-change impacts and ways of mitigating and adapting to them”.</p> <p>Activities (vi) creates a link between the undertaken activities and the climate vulnerability context, showing an intent to address it.</p> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking: “Education, training, capacity building or awareness-raising focused on climate change mitigation”.</p> <p>In the absence of more granular information regarding climate co-benefits resulting from the sub-component a final coefficient of (1/6*0.5) has been applied to reflect that climate change objectives are one of many within the activity.</p>
C 2	44	0	0	0	0	<p>The objective of Component 3 is to “strengthen the governance and regulatory capacity of MINSAL as well as the management and technical efficiency of the health-care network”.</p> <p>0/10 activities show climate relevance.</p> <p>Text surrounding Component 3 adds: “Concurrently, component activities will include efforts to mitigate adverse climate-change impacts and</p>

						<p>the occurrence of natural disasters and disease outbreaks, with the goal of preserving human capital gains in health and reducing climate vulnerability.”</p> <p>In the absence of more granular information regarding climate co-benefits resulting from Component 3’s activities, such as GHG accounting information or incremental adaptation costs, no climate co-benefits have been counted. This is in line with the principle of conservativeness in the face of uncertainty.</p>
C 3	0	0	0	0	0	No evidence of climate relevance.
C 4	11	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
18.2	9.21	49.3%	25.3	13.85	45.3%

Reported climate finance	Assessed climate finance	Error
43.5	23.06	47.0%

**Project Number: P173811**

<b>Project Name</b>
Haiti COVID-19 Response
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/788631585950911531/haiti-covid-19-strategic-preparedness-and-response-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/788631585950911531/haiti-covid-19-strategic-preparedness-and-response-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Grant
<b>Lowest level of granularity</b>
Component/Su-component/Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Context and Relevance section, page 11, paragraph 10.
<b>Intent to Address Vulnerability</b>
Provided in the Relevance to Higher Level Objectives section, page 14, paragraph 18.
<b>Link to Project Activities</b>
Provided at the project component level.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Component 1	US\$16 million	Component 1: Emergency COVID-19 Response (US\$ 9.7 million from FCTF; US\$ 6.3 million from IDA) 23. This component will provide immediate support to minimize imported cases of COVID-19, to limit local transmission through containment strategies and to strengthen clinical care capacity and critical core functions of the health system to provide the best care possible for people who become ill despite a surge in demand. It will support MSPP’s COVID-19 Preparedness and Response Plan in close coordination and with strong support from UN agencies and other partners. It will also support enhancement of disease detection capacities through provision of technical expertise, laboratory equipment and systems to ensure prompt case finding and contact tracing, consistent with WHO guidelines in the WHO Strategic Response Plan.
		Sub-Component 1.1: Containment interventions: Supported activities will include: (i) the activation and operationalization of coordination mechanisms at the central and local level (including the establishment of crisis cells at the Departmental level); (ii) strengthening surveillance systems at local and national levels and scaling up testing capacity to ensure early detection through provision of technical expertise, training, goods and supplies, energy-efficient equipment and systems (including for laboratories and surveillance at Points of Entry); (iii) rapid response teams to investigate cases, perform contact tracing and implement community-based interventions for

		fast local outbreak containment; (iv) information systems to provide data as needed to guide decision-making; (v) update, dissemination, operationalization and training regarding national protocols and guidelines on case management and Infection prevention and control; and (vi) other measures supporting the detection and containment of COVID-1918 and other potential infectious pathogens.
		Sub-Component 1.2: Communications activities supporting preparedness. The project will support the national communications strategy for COVID-19. A national risk-communications and community engagement plan will be developed and implemented, including details of anticipated public health measures and timely reproduction and dissemination of messages and materials in Haitian Creole. This plan will include activities focusing on behavior change to adopt adequate hygiene practices and communication concerning social distancing and other measures necessary in the event of a pandemic or EID outbreak. It will also include activities to counter misinformation and unfounded rumors. Communications will include outreach activities involving various ministries and sectors, and trusted community groups <sup>19</sup> and local networks <sup>20</sup> . Communication activities will support cost effective and sustainable methods such as marketing of “handwashing” through mass media, counseling, schools and work places. <sup>21</sup> Other communications activities to enhance preparedness against contagious diseases will also be supported, as needed.
		Sub-Component 1.3: Reinforcement of healthcare services provision capacity. As COVID-19 would place a substantial burden on inpatient and outpatient health care services, support will be provided to ensure as safe, uninterrupted and comprehensive care as possible. This sub-component will support the procurement, stock management and distribution of medicines, medication supplies, equipment (including personal protective equipment and diagnostic reagents), as well as operational support and logistics to ensure availability of these items where and when needed. The sub-component will also reinforce infrastructure requirements as needed. <sup>22</sup> Support will be provided for the strengthening of medical waste management and disposal systems, as well as intra-hospital infection control measures and infection risk mitigation interventions for HF staff and patients. Finally, the sub-component will finance the mobilization of additional health and other personnel, training of personnel, technical assistance and operational expenses <sup>23</sup> as needed to strengthen the health system’s capacity to provide services and to mobilize surge response capacity as needed.
Component 2	US\$3 million	<p>Component 2: Health System Strengthening (US\$ 3 Million from IDA)</p> <p>27. This component will support the strengthening of public health systems for pandemic preparedness, focusing on the key areas identified in the last JEE of country IHR core capacities for Haiti.</p> <p>28. Support will be provided to strengthen national public health preparedness, including: (i) support for surveillance systems for EID<sup>24</sup>; (ii) technical support for strengthening governance and updating the regulatory framework for pandemic preparedness and response; (iii) support for</p>

		institutional and organizational restructuring and training of staff, particularly concerning surveillance and response systems; (iv) disease reporting systems for the priority infectious diseases; (v) laboratory investigation of priority pathogens <sup>25</sup> ; (vi) active case finding and event-based surveillance; (vii) rumor surveillance and verification; and (viii) joint learning with other countries and within Haiti.
Component 3	US\$1 million	Component 3: Implementation Management and Monitoring and Evaluation (US\$ 1 million from IDA) 29. This component will finance activities to support the capacity of the central MSPP units and Departmental health authorities in the coordination, implementation management and supervision of the Project (including fiduciary aspects and monitoring and evaluation, safeguards and reporting of Project activities and results), and the carrying out of Project audits. This component will also support monitoring and evaluation of prevention and preparedness activities; reinforcement of capacity for clinical and public health research and research on how to address climate-related health risks; and joint-learning across and within countries. Support will also be provided for training in participatory monitoring and evaluation (M&E) activities at all administrative levels, evaluation workshops, and development of an action plan for M&E and replication of successful models.

**Climate Change Co-benefits section/Additional information on climate relevance from documentation**

Provided:

Climate change co-benefits: The operation will entail limited construction activities, for the most part focusing on healthcare facility upgrading and rehabilitation to help ensure effective epidemiological responses to confront the spread of COVID-19. Where possible, physical rehabilitation or upgrading will incorporate climate and disaster resilient building practices given the high vulnerability to climate and geo-physical related risks. Where electrical or energy infrastructure is procured or installed, energy efficient and renewable energy infrastructure will be prioritized to the extent it is technically and economically feasible. This approach has been implemented under the current Health Project (P123706), especially with the use of solar-based systems to provide electricity to HFs and water-pumping equipment. It will be continued under the proposed Project.

**Greenhouse Gas Accounting**

None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.1	16/3	0	0	0	0	No evidence of climate relevance.
SC 1.2	16/3	0	0	0	0	No evidence of climate relevance.
SC 1.3	16/3	0	0	0	0	Sub-component 1.3 aims to reinforce healthcare services provision capacity. Stating: "This sub-component will support the procurement, stock management and distribution of medicines, medication supplies,

						<p>equipment (including personal protective equipment and diagnostic reagents), as well as operational support and logistics to ensure availability of these items where and when needed”.</p> <p>It is additionally stated that “The sub-component will also reinforce infrastructure requirements as needed” and that “close attention will be paid to aspects related to climate change and resilience”.</p> <p>No granular information has been provided regarding mitigation co-benefits, and no incremental costs of adaptation. The sub-component is principally focused on non-climate relevance activities.</p> <p>No climate co-benefits have been counted.</p>
C 2	3.0	0	0	0	0	No evidence of climate relevance.
C 3	1.0	0.25	0	0.25	0	<p>Component 3 will “finance activities to support the capacity of the central MSPP units and Departmental health authorities in the coordination, implementation management and supervision of the Project” which is fundamentally concerned with the COVID 19 response.</p> <p>It is further stated that the “component will also support monitoring and evaluation of prevention and preparedness activities; reinforcement of capacity for clinical and public health research and research on how to address climate-related health risks; and joint-learning across and within countries”.</p> <p>The Component therefore weakly links to the provided vulnerability context, and states an intent to address it.</p>



					<p>Adaptation co-benefits assessment results from the following steps:</p> <ul style="list-style-type: none"> <li>• Acknowledgement that adaptation is only a minor portion of the component's activities and finance, an initial coefficient of 0.5 can be applied.</li> <li>• In the absence of incremental adaptation costs or more granular financial reporting at the activity level, a further coefficient of 0.5 can be applied to adhere to the principle of conservativeness.</li> </ul> <p>No evidence of mitigation relevance.</p>
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Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
0.4	0.25	37.5%	0.3	0.0	100%

Reported climate finance	Assessed climate finance	Error
0.7	0.25	64.3%

Project Number: P169265

<b>Project Name</b>
Harmonizing and Improving Statistics in West Africa
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/795411585533776818/burkina-faso-cabo-verde-cote-divoire-ghana-liberia-togo-african-union-and-economic-community-of-west-african-states-harmonizing-and-improving-statistics-in-west-africa-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/795411585533776818/burkina-faso-cabo-verde-cote-divoire-ghana-liberia-togo-african-union-and-economic-community-of-west-african-states-harmonizing-and-improving-statistics-in-west-africa-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Grant, Credit
<b>Lowest level of granularity</b>
Component/Sub-component/Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Regional and Country Context section, page 12, paragraph 2.
<b>Intent to Address Vulnerability</b>
Provided in the Regional and Country Context section, page 14.
<b>Link to Project Activities</b>
Provided in the Project Components section at the sub-component level as requested for IPF.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Subcomponent 1.1. Support implementation of the SHaSA2 initiative by the African Union, support production of harmonized methodologies by the ECOWAS Commission, and improve data access at the regional level	US\$8 million	35. The African Union introduced the overall SHaSA2 initiative to underpin a regional, harmonized approach to strengthening African NSSs and thus has the responsibility for monitoring it. This component will support the African Union in supervising activities at the sub-regional level and monitoring progress of the project. More specifically, the African Union will advocate for implementation of SHaSA2, work with the regional economic communities to have the standards adopted, organize training on new features of NSDS strategic planning in collaboration with other partners such as PARIS 21, monitor compliance of member countries, and work with development partners to mobilize financing and technical assistance. The African Union will prepare an annual report on implementation of SHaSA2 for the beneficiary countries during implementation of the project. Overall regional support, including coordination of activities in Component 3, is US\$10.0 million; the African Union will receive US\$2.5 million (US\$2.0 million for technical activities in this subcomponent and US\$0.5 million for project management and coordination at the regional level in Component 3), and ECOWAS will receive US\$7.5 million (US\$6.0 million for technical activities described in this subcomponent and US\$1.5 million for

	<p>administrative coordination of the project described in Component 3).</p> <p>36. The project will produce or support adoption of a harmonized methodology (international standards) on multitopic living standards household surveys, national accounts, and some of the basic statistics used to construct them, such as the CPI. There are particular challenges to harmonizing household surveys because countries already have their practices and are often reluctant to change the design of surveys, questionnaires, and methods of calculation of poverty and other indicators. Three countries (Burkina Faso, Côte d'Ivoire, Togo) are among eight WAEMU members that have worked together to harmonize their surveys; their experience will help the other countries. The African Union can convene a forum that supports countries in discussing and exploring the feasibility of applying a common set of minimum standards that other institutions have developed or applied successfully. The project provides additional support during this transition period to study how adopting harmonized standards affects comparability. For agriculture statistics, the project will rely on the 50 by 2030 Initiative. ECOWAS can lead in convening forums and workshops to inform the countries in the project about this initiative and the materials and guidelines that have been produced and explore with them the feasibility of the adoption or adaptation of those guidelines. Liberia, Sierra Leone, and Togo must align with the 2008 SNA to produce annual economic indicators that are fully internationally comparable and to produce quarterly national accounts. Burkina Faso and Ghana have already moved to the 2008 SNA, and Côte d'Ivoire has started the process; the three countries need to plan their next rebasing exercises to be in line with international recommendations (new base year every five years). International standards will also be set for the CPI (e.g., use of international classification, extending geographic coverage, minimum requirement in term of sample markets).</p> <p>37. Producing a harmonized methodology in each of the areas referred will also require conducting missions to the seven African countries involved in the project and possibly other ECOWAS member countries (a WAEMU country and a non-WAEMU country) and at least one non-ECOWAS country to assess the quality of the statistics produced, including coverage, timeliness, and alignment with international standards. For each area, the report produced will be used to build a harmonized methodology or apply existing ones to each country. As mentioned before, the harmonized methodology and standards will be submitted for adoption through a workshop that all 15 ECOWAS member states and other partners attend (African Development Bank, Pan-African Institute for Statistics (STATAFRIC), WAEMU, Economic and Statistical Observatory of Sub-Saharan Africa (AFRISTAT)). The harmonized methodology and standards will be</p>
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	<p>applied first to the seven countries benefiting from the project. In each thematic area, some countries are more advanced and may have already met minimum requirements. For lagging countries, the harmonized methodology and standards will become a recommendation, and these countries might require support from further projects. The ultimate objective is to support the 15 ECOWAS member states and other countries in applying the methodology and producing harmonized statistics. The ECOWAS Commission will lead the work in most instances and the African Union in others, always in close coordination with one another. 38. Another set of activities will increase ECOWAS's capacity to archive and disseminate data; it will also leverage a regional approach to sharing the core package of data collected through a regional platform. ECOWAS has designed a database in ACCESS known as ECOBASE to collect macroeconomic and finance statistics, including national accounts, CPI, public finance, and balance of payments. The database uses harmonized classification to make data easily comparable, but it is not online, some of the classifications used are already outdated, and there is a need for capacity-building activities to produce the relevant skills to populate the database. The project will support these activities. The project will also support ECOWAS in continuing an initiative that started (STATBASE) with the Economic Commission of Africa to create a web portal providing development and policy indicators. The project will also build on experiences from other regional projects on statistics, such as WAEMU in West Africa and the Programa para el Mejoramiento de las Encuestas de Hogares y la Medicion de Condiciones de Vida in Latin America and the Caribbean, to make core data collected under the regional project accessible on a regional platform. The project will engage other regional actors that maintain regional platforms, for instance the African Information Highway, which the African Development Bank maintains to disseminate agricultural statistics, avoid duplication, and consolidate efforts.</p> <p>39. This component will also support NSSs in using big data to inform public policies. With the penetration of cellphones, the internet, and other electronic devices (e.g., automated teller machines) and social media in Africa, big data will become more available at low cost. In some situations (e.g., conflict, epidemics), these data can complement traditional data and be used to inform policy faster than organizing surveys. The project will support investment in research and development of regional public goods such as new technologies and use of satellite data and innovations in the collection, management, and dissemination of data. The final objective is to produce a handbook on use of big data, build a team at the regional level, and partner with other institutions able to support NSOs in the use of big data to inform policy.</p>
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<p>Subcomponent 1.2. Support of Household-Based Surveys at the National Level Using Harmonized Methodologies</p>	<p>US\$160.34 million</p>	<p>42. This subcomponent will support implementation of one household survey in each country (US\$34.05 million). The project will fund the Cabo Verde Household Income and Expenditure Survey and the Ghana Living Standard Survey in 2021, the Liberia Household Income and Expenditure Survey and Sierra Leone Integrated Household Survey in 2022, and the Enquête Harmonisée des Conditions de Vie des Ménages in Burkina Faso, Côte d'Ivoire, and Togo in 2024 (Annex 5). Togo will also conduct a survey at the commune level to monitor SDGs. An attempt will be made to design any new surveys that take place in the last year of the project using the standards that ECOWAS member states adopted under Subcomponent 1.1 (see paragraph 36). In particular, the questionnaires and survey methods will be reviewed and modified to address gender data gaps and disability in relevant areas such as employment, assets, and income. Moreover, the survey will include a section on shock and coping mechanism to deepen our understanding of households' vulnerability to shock, particularly,</p>

	<p><b>climate</b> changes and natural hazards, and to identify adaptive interventions to support households' resilience. The inclusion of this section aligns with the Paris Accord's goals on enhancing adaptive capacity, increasing resilience, and limiting vulnerability that five out of seven countries in the project signed in 2016 (Burkina Faso, Cabo Verde, Côte d'Ivoire, Ghana, and Liberia). The household surveys also support the planning of the Comprehensive Africa Agriculture Development Programme (CAADP) framework as well as the African Forest Landscape Restoration Initiative by providing data evidence on the interlink between agricultural production and climate shocks. Methodological changes to survey design and the transition from paper and pencil interviewing to computer-assisted personal interviewing (CAPI) will make it challenging to compare the new poverty estimates with past poverty numbers. An experiment will be necessary to adjust the former poverty numbers for robust comparability. In Côte d'Ivoire, the household survey will have an expanded focus on migration. The sampling will also be adapted to allow deep analysis of urban poverty. (Detailed cost allocations according to country are provided in Annex 6.)</p> <p>43. The subcomponent will also support Burkina Faso, Cabo Verde, Côte d'Ivoire, Ghana, Liberia, and Togo in building a system of labor statistics by financing labor force surveys (US\$18.95 million). A good labor statistics system must address labor demand (data from enterprises) and labor supply (data from labor force surveys). On the demand side, enterprise surveys will be supported (Subcomponent 1.3). On the supply side, the system of labor statistics will comprise a comprehensive labor force survey and where possible light surveys conducted each year in two interviews (a face-to-face interview and a telephone interview 6 months later). The main products will be a regular labor market bulletin and data information for dynamic labor market analysis.</p> <p>44. The subcomponent will also support population censuses in six of the seven countries and other sociodemographic surveys (US\$107.34 million). As many countries do not have reliable nationwide vital registration system and civil registry administration, population censuses are critical for developing data-driven development strategies and monitoring progress. They provide a sampling frame for household surveys and data for poverty mapping that are useful for targeting social programs; and supply population data for many administrative and national accounts indicators. In six of the seven countries, population censuses are planned in 2020, and in Sierra Leone, a midterm census is planned for 2020. Population censuses are costly, and it usually takes many international organizations to finance them. The project will support a population census, mainly for cartography, data collection, and analytical activities (depending on the specific situation and timeline of each country) in all countries</p>
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		<p>except Cabo Verde, where no IDA funding is required. The 2020 Ghana Population and Housing Census will benefit from the highest level of IDA support at the request of the Government, and much has already been invested toward that goal, including extensive support from other development partners through technical assistance. 13 Censuses in Ghana and Côte d'Ivoire are expected to take place in electoral years and will aim to follow good practices to limit risks of confusion between census and political activities; the Statistical Offices are to exercise technical independence in conducting census enumerations no less than 6 months prior to elections and in delivering findings. The Housing and Population Census in Ghana is set for March 2020. In Burkina Faso, Cabo Verde, Ghana, and Togo, a DHS or MICS will also be supported as part of this subcomponent. The sequencing of these activities with the censuses is critical to ensure successful implementation of each of them.</p>
<p>Subcomponent 1.3. Support to the Core Set of Economic Statistics at the National Level Using Harmonized Methodologies</p>	<p>US\$ 85.76 million</p>	<p>45. The goal of this subcomponent of the project is to improve the quality of enterprise statistics and agricultural statistics to improve national accounts and allow for adoption of the SNA 2008 standard in all countries.</p> <p>46. The first set of activities of this subcomponent is the design and implementation of a coherent system of enterprise statistics, including surveys and administrative data (US\$51.33 million equivalent). Improving national accounts will require a comprehensive system of enterprise surveys in the formal and informal sectors and a good system of agricultural statistics. To make sure that all enterprises will be covered, the first step will be to clarify, using international concepts, the difference between formal and informal enterprises. A comprehensive system of enterprise surveys in the formal sector requires a complete, correct establishment register. Enterprise statistics will also serve to understand constraints on investment and labor demand. Burkina Faso and Liberia conducted enterprise and establishment censuses in 2016-17 and Cabo Verde in 2018; Ghana and Sierra Leone completed enterprise surveys in the last couple of years. Burkina Faso, Côte d'Ivoire and Togo also collect enterprise data from an administrative source, the Statistical and Tax Declarations (STD) known in French as (Déclaration Statistique et Fiscale, DSF), a financial statement that formal enterprises complete annually. The DSF system is a good source of data for enterprise statistics but has many weaknesses, including incomplete coverage, absence of labor demand variables, and an inadequate data processing system. Administrative data are also important to complete the census (because the geographic approach of a census cannot cover all activities well) and to maintain the business register.</p> <p>47. The project will support implementation of a system of enterprise surveys, based on a census followed by a survey every year or two,</p>

	<p>depending on country capacity. The system will build on existing economic surveys and improve them to align them with the international standards that the ECOWAS Commission has adopted, including on the use of the most recent international classifications. Burkina Faso, Côte d'Ivoire, and Togo will conduct an enterprise survey in the modern sector every year or two that will build on the DSF in a way that, for large enterprises that completed it, the information available on the DSF is downloaded before enumerators go into the field. For enterprises (small enterprises) that do not complete the DSF, the whole questionnaire is administered in the field. The informal sector requires a different approach, which can be undertaken by coupling an informal sector survey with a labor force survey or conducting a standalone informal sector survey periodically. 14 In all cases, the informal sector will be covered every three or four years. The project will also support the three French-speaking countries and their general directorates of taxation to advance the use of online instruments including the development of electronic platforms to allow enterprises to complete their DSF application online. Technical assistance that the World Bank Development Economics Vice Presidency secures through a trust fund for statistical capacity building window (economic surveys and firm-level data) will complement these activities in Côte d'Ivoire, Ghana, Sierra Leone, and Liberia.</p> <p>48. The second set of activities is the design and implementation of a comprehensive system of agricultural statistics (US\$22.09 million equivalent). The project will support collection of comprehensive agricultural data, including censuses and surveys, depending on the situation and demand in each country. The same approach used for enterprise statistics will be developed (a census followed by an annual survey) and, in parallel, reinforce the system of administrative agricultural data. For surveys, the project will explore the potential for relying on the 50 by 2030 Initiative coordinated by the World Bank (Development Economics Data Group), FAO, and International Fund for Agricultural Development developed, which includes the farm-based AGRISurvey, to close the agricultural data gap in low- and low-middle-income countries. Ghana, chosen to pilot the AGRISurvey methodology in 2017-18, will conduct a survey every year. Burkina Faso and Liberia will conduct an agricultural census. In Liberia, a survey will be conducted two years after the census. Sierra Leone will integrate a complete enumeration of agricultural households and businesses into the midterm census and enterprise census and will incorporate a revised agricultural model into the Integrated Household Survey, followed by two annual agricultural surveys. Burkina Faso and Togo have well-established annual agricultural surveys; the project will improve them in line with the AGRISurvey approach (more details provided in Annex 5). The Cabo Verde survey will focus on agriculture and fisheries. It is expected that these data</p>
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		<p>production activities can be complemented with technical assistance supported through trust fund resources from the 50 by 2030 Initiative. The agricultural statistics, such as land quality and land usage, agricultural inputs (fertilizers and equipment), and crops harvest will provide useful insight about farmers' adaptability to <b>climate</b> changes and serve as inputs to the West African Initiative for Climate Smart Agriculture (WAICSA) which support smallholder farming households to not only improve food security but also mitigate CO2 emissions.</p> <p>49. The third set of activities is modernization of national accounts in coordination with the International Monetary Fund (IMF), AFRISTAT, and WAEMU (US\$12.34 million equivalent). The project will support Cabo Verde, Côte d'Ivoire, Liberia, Sierra Leone, and Togo in moving to the 2008 SNA with a more recent base year. For Burkina Faso and Ghana, the project will support the next rebasing exercise. (National accounts need to be rebased every five years to take into account changes in the structure of the economy.) This exercise will use the methodology that ECOWAS has adopted. Appropriate software for compiling national accounts will be provided. In Cabo Verde, the project will support the change of the base year and construction of satellite accounts in different areas (e.g., tourism, agriculture, culture). The funds will be used to collect some additional administrative data and, in the case of Cabo Verde, Ghana, and Togo, construct different indices, including the Industrial Producer Price Index, Industrial Production Index, and Turnover Index.</p>
Subcomponent 1.4. Support the Modernization of the CPI at the National Level Using Harmonized Methodologies	US\$5.24 million	<p>50. The goal of this subcomponent of the project is to improve the quality and timeliness of the CPI in coordination with IMF, WAEMU, and AFRISTAT. Burkina Faso, Côte d'Ivoire, and Togo are involved in a regional initiative under the supervision of the WAEMU Commission and have a harmonized consumption price index, but coverage is limited to urban areas, particularly the biggest cities. In Ghana, Liberia and Sierra Leone, the CPI will be updated following the model that the WAEMU Commission uses. Improving the CPI entails adopting a common methodology based on international standards that ECOWAS developed under Subcomponent 1.1; adopting a more recent base year, for Sierra Leone; extending geographic coverage for Liberia, 15 Sierra Leone, Burkina Faso, Côte d'Ivoire, and Togo;16 and financing price data collection, including implementation through CAPI. The methodology must be adapted to the context of each country, price data must be collected and processed. ECOWAS will explore appropriate software to be used, by engaging international price experts and price experts from NSOs in the region. The expected outcome is an integrated national CPI series to be produced monthly and made available on NSO websites.</p>
Subcomponent 1.5. Support the Improvement of	US\$33.09 million	<p>51. The project will support a variety of improvements in data from administrative sources, depending on initial conditions and capacities in each country. Three types of activities will be conducted:</p>

Administrative Data Sources	<p>introduction of international standards; building a system of administrative statistics, especially for education and health; and extending administrative statistics to other priority sectors of the economy in the country.</p> <p>52. The project will support use of international standards and training on processing administrative data. In some countries, the quality of statistics from administrative sources is poor, for many reasons: international standards are not used; the tools used for data capture are not adapted for statistical purposes; paper rather than electronic devices is used to collect data; and data processing, analysis, and archiving skills are weak in line ministries. The project will support these activities in the seven countries. In Cabo Verde, various tools for improving the quality of administrative data have been tested and can be shared with others. The project will also support dissemination of statistics from administrative data sources, particularly the General Data Dissemination System of the IMF, and expanded relationships with users, universities and research institutions, media, nongovernmental organizations, international organizations (as users), and the public to better integrate them with NSSs to promote a culture of data-sharing in NSSs.</p> <p>53. The project will improve administrative data for health and education. Support on health and education statistics through the project is based on country-specific demands. For example, the project is supporting Sierra Leone on health statistics at the request of Statistics Sierra Leone. The project will support Burkina Faso, Liberia, and Ghana in gathering data on education. In Burkina Faso, the project will help modernize data collection and data entry processes at the Ministry of Education by equipping the 488 basic education constituencies, provinces, and regions with computers, data entry software, and internet access; providing primary schools and possibly secondary schools with tablets or smartphones; and internet access for the General Directorate of Sectoral Studies and Statistics (Direction Générale des Etudes et des Statistiques Sectorielles (DGESS)) of the Ministry of Education at the central level. In Burkina Faso and Ghana, the project will provide support for the ministry to conduct school censuses and reporting, and in Liberia, the project will provide capacity-building activities, including training on how to improve the quality of administrative data at the Ministry of Education. In the health sector, Ghana and Sierra Leone will be targeted. In Sierra Leone, three research sites will be established as part of a Comprehensive Health and Epidemiological Surveillance System. Researchers will comprehensively track all individuals at these sites to capture data on population demographic characteristics, nutritional status of children and women, causes of mortality, prevalent morbidity, and health system use and barriers to use and monitor new health threats. Establishment of such sites will</p>
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	<p>complement the activities of the Regional Disease Surveillance Systems Enhancement (REDISSE; a regional program focusing on human and animal health surveillance). Although not nationally representative, the data produced from intensive community studies of the Comprehensive Health and Epidemiological Surveillance System can deepen understanding of health and population dynamic, and thus inform development of components for the REDISSE system, as well as for household surveys such as MICS and DHS. In Burkina Faso, the government has started to modernize data collection with a pilot project in two of the country's 70 health districts. Modernization involves replacing paper with tablets for data collection, providing equipment such as computers and software, and providing training activities. The subcomponent will support extension of this modernization.</p> <p>54. The project will support administrative statistics in other sectors than education and health, particularly in Burkina Faso, Côte d'Ivoire, Cabo Verde, Ghana, Liberia, and Sierra Leone. In Ghana, the project will prioritize administrative data collection, compilation, and reporting, focusing on twelve selected implementing ministries, departments, and agencies (MDAs), and provide technical training support to the other seven, particularly those producing administrative data relevant for the national accounts. 17 The focus of this subcomponent in Liberia includes production of consistent administrative data by ministries, agencies, and commissions (MACs) and collaboration with MACs on a strategy for use of administrative reports and records as part of production of statistics for Liberia (e.g., Liberia Revenue Authority records, Liberia Business Registry). The livestock sector is crucial to the livelihood of the Burkinabe population, but statistics are weak. Another goal of this subcomponent is to build a subsystem of livestock statistics to address these problems by providing technical assistance to help the DGESS of the Ministry of Livestock to develop a methodology and design technical tools (e.g., questionnaire, sample) to collect livestock statistics and equipping DGESS with computers, data entry software, internet access, and tablets to support data collection, processing, and dissemination. The Ministry of Agriculture conducts an annual survey and has started to move from paper to electronic data collection. Ten of the 13 regions of the country use tablets for data collection; the project will help finalize this transition by providing tablets to the three remaining regions. In Côte d'Ivoire and Cabo Verde, the project will introduce quality control procedures for administrative data systems to monitor indicators that reflect national development priorities. Quality control mechanisms for administrative data are weak, making it difficult to integrate their statistics into the national framework. Various tools for improving the quality of indicators and administrative data have been tested and adopted under the World Bank–United Nations Development</p>
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		Program assistance program to strengthen Cabo Verde's national monitoring system. The project will support further development and introduction of these tools.
Subcomponent 1.6. Enhancing the Use of Big Data	US\$7.23 million	55. Disruptive technologies in data collection and fieldwork monitoring are rapidly becoming more available and cost-effective. The project will work in three areas. First, in all countries except Liberia and Sierra Leone who did not request for this type of support, the project will support the collection of weather data (e.g., rainfall, temperature) at the community level. These data will be combined with household survey data to improve poverty analytical work, for example deepening understanding of vulnerability, shocks, and the interlink between agricultural production and <b>climate</b> . As climate change is expected to increase variability and incidence of extreme weather events (floods, droughts, etc.), it is particularly important to collect data to monitor the level and the changes of rainfall and temperature in the region. In addition, it will shed light on the correlation between such changes in climate and changes in households' agricultural production, from inputs used (land, fertilizers, etc.) to crop harvest, thereby informing countries about possible approaches to supporting agricultural production in the face of increasing climate change. Second, the project will experiment with the use of high-resolution day-time satellite data and machinelearning approaches in tracking poverty between two household surveys and possibly at an administrative level lower than regional (the level at which results are usually available on household surveys). This experiment will be conducted in Burkina Faso, Côte d'Ivoire, Ghana, and Togo. Third, the Ghana Statistical Service (GSS) has signed an agreement with the mobile phone companies to gain access to and use call record data to supplement official statistics. These data can also be combined with household surveys or other administrative data for analytical work. The project will also support other sources of data, including geospatial data.
Subcomponent 1.7. Enhanced Data Accessibility and Dissemination	US\$4.25 million	56. This subcomponent will support data accessibility and dissemination through a variety of mechanisms, including redesigning NSO websites, creating national databases, and developing applications that enable the general public to download statistics in user-friendly formats in all countries. This component will make dissemination of statistics faster, equally accessible to all users, and compatible with user needs. It will address existing constraints in the IT infrastructure, including introduction of innovative tools to widen the reach and effect of NSO products. Three distinct groups of users will be targeted: the general public; officials in the various MDAs of the governments of countries and important donor partners; and researchers, academia, and students. To meet the demand for data from these groups, the project will support NSOs in building different types of products, including indicators and reports

		<p>and their comprehensive metadata; sharing data widely on external data dissemination platforms, such as the World Bank Microdata Catalogue, UNData, and the Integrated Public Use Microdata Series; building an online interface to allow users to calculate their own summary statistics; and making available online anonymized microdata sets. A revised, consistent policy will be put in place regarding sharing and disseminating microdata sets. The human resources needed to support such users of NSO data will also be considered. This subcomponent will also support countries in establishing a calendar for publishing their statistics.</p>
<p>Subcomponent 1.8. Support Institutional Reforms and Enhance Human Capital</p>	<p>US\$30.3 million</p>	<p>57. The institutional environment of NSSs largely determines their effectiveness. This environment, which is framed in the statistical law, determines the relationship of each NSO with the political authority, its financial autonomy, its autonomy in management of human resources, and its relationships with data users, particularly the sharing of data. In some countries (e.g., Burkina Faso<sup>18</sup> and Togo), the statistical law would benefit from being updated to take into account recent features, including the ratification in 2013 of the African Charter on Statistics, the recurrent demand of researchers for access to anonymized individual data, and the rapid development of information and communication technologies that allows rapid processing of big data. In some countries (e.g., Côte d'Ivoire), the status of the National Institute of Statistics (Institut National de la Statistique (INS)) requires it to generate its own resources to finance statistical production; as a result, it does not have adequate resources to fulfill its mission. Moreover, while Western African statistical schools train excellent graduates, many NSS cannot compete with career opportunities offered by other organizations and suffer from insufficient human resources in terms of quantity and skills. This component will support institutional reforms in Burkina Faso, Côte d'Ivoire, and Togo. This work complements the work to be done at the regional level by ECOWAS (evaluating the institutional environment of the other countries). The subcomponent will also enhance human capital resources through formal academic programs and on-the-job training on statistics and advanced analytics.</p> <p>58. As for the institutional reforms, the following activities will be implemented in Burkina Faso, Côte D'Ivoire, Liberia and Togo (US\$3.8 million). In Burkina Faso: finalization and adoption of the new statistical law to take into account changes in the NSS; establishment of a mechanism for financing statistics through the Statistical Development Fund (define the status of the fund, the funding model, and mode of operation); revision of the statute of the National Institute of Statistics and Demography (Institut National de la Statistique et de la Démographie (INSD)) to enable better pay conditions, better management of the professional statisticians of the NSS, and better financial management (FM) procedures; review</p>

	<p>and design of a new organizational chart of INSD; evaluation of the 2016-2020 NSDS; and design of the 2021-2025 NSDS. In Côte d'Ivoire: adoption of the National Statistical Strategy 2017-2021 and the decrees associated with operationalization of the 2013 Statistics Act (CNStat; institutional relations between INS and sector statistics departments; data dissemination), creation of a statistics fund, and agreeing on provision of adequate public resources for official statistics (possibly in combination with a performance contract) and donor coordination. Other institutional reform activities designed to improve the performance of the statistics office include setting up an annual performance contract between the statistics office and the Ministry of Planning, hiring a director general of the statistics office through a competitive process by the National Council of Statistics, and hiring young statisticians as consultants to support the INS in increasing the number of technical staff in the statistics office. In Togo: review of the 2011 Statistics Act and its alignment with current needs; design of a five-year strategic business plan for the National Institute for Statistics, Economic and Demographic Studies (Institut National de la Statistique et des Etudes Economiques et Démographiques (INSEED)) focused on sustainable financing and results; implementation of a performance-based approach between INSEED and the Ministry of Development, Planning and Cooperation: assessment of human resources policies and design and implementation of new policies covering the entire employment lifecycle in line with INSEED's strategic objectives; and review of organizational charts (job descriptions and related competency-based, performance-based career framework). In Liberia: review of the progress in implementation of NSDS and preparation of annual plans for LISGIS. The cost is US\$0.7 million for Burkina Faso, US\$2 million for Côte d'Ivoire each, US\$1 million for Togo, and US\$0.1 million for Liberia.</p> <p>59. Enhancement of human capital resources through formal academic programs (US\$10 million). This subcomponent will increase the skills of staff by creating associate's, bachelor's, or master's degrees or continuing education programs in statistics in Burkina Faso, Côte d'Ivoire, Liberia, and Togo. In Burkina Faso, the subcomponent will support creation of a bachelor's or master's degree program and a continuing education program (e.g., curriculum, teaching materials, computer, software, internet connection) in statistics with the support of the Ecole Nationale Supérieure de Statistique et d'Economie Appliquée (National School of Applied Economics and Statistics) of Abidjan or Dakar. In Côte d'Ivoire, the subcomponent will support scholarship to train students at the associate degree program for the NSS. In Liberia, the project will support the University of Liberia in establishing an undergraduate training program and certificate courses in statistics. In addition, the Liberia Institute of Statistics and Geo-Information</p>
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	<p>Sciences (LISGIS) will collaborate with regional statistics schools (e.g., ENSEA of Abidjan, the new African Union statistics school in Tunisia) to provide training. Staff who have the necessary background and a high school certificate can undergo two years of training, receive an associate's degree in statistics, and be qualified for a job in any public agency. ENSEA has been designated a center of excellence and has experience supporting this type of training in countries such as Niger. In Togo, the main activity will be creation of an associate's degree program (e.g., curriculum, teaching materials, computer, software, internet connection) in statistics with the support of ENSEA of Abidjan or Dakar (building on a training program developed with the support of the European Union). The cost of these activities is US\$5 million for Burkina Faso, US\$0.6 million for Côte d'Ivoire, US\$3.4 million for Liberia, and US\$1 million for Togo.</p> <p>60. Building capacity through on-the-job training and workshops in data production (US\$8.2 million). Weak human resources limit the ability not only of NSOs to produce good-quality statistics, but also of researchers to generate relevant analyses that meet policy makers' needs. The goal of this subcomponent is to support capacity building in statistics and analytics in NSOs and line ministries in Burkina Faso, Côte d'Ivoire, Ghana and Liberia. In Burkina Faso and Côte d'Ivoire, training will be provided on basic techniques of data collection and data analysis using modern technologies such as tablets for non-statisticians of line ministries, and data management designed for data processing specialists of the line ministries. In Ghana, the project will provide capacity-building training to facilitate data production, management, dissemination, and use, including strengthening the skills of staff at GSS and statistical units at MDAs and the metropolitan, municipal, and district assemblies. Data analysis training will focus on standardized statistical software such as SPSS and STATA; geographic information systems and high-resolution imagery; and depending on need, emerging topics such as use of big data. To meet the needs of staff, the training program will be built upon a thorough assessment of the statistical units of MDAs. Staff skills in office collaborating tools such as email and Microsoft Lync would also be enhanced to facilitate communication among staff. Succession planning has been identified as a critical factor in successful knowledge and leadership transfer. In Liberia, the project will support short-term, on-the-job training for LISGIS staff. After a need assessment, short-term training modules will be prepared to meet specific needs of LISGIS. The cost of this activity will be US\$2 million for Burkina Faso, US\$0.5 million for Côte d'Ivoire, US\$4.7 million for Ghana, and US\$1 million for Liberia.</p> <p>61. Building capacity through on-the-job training and workshops in the use of data and analytics (US\$8.3 million). When data are not used, demand for data is low, and governments are not encouraged</p>
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		<p>to finance statistics. The subcomponent will increase the capacity of ministries of finance to conduct macroeconomic analysis to increase the reliability of budget planning. It will also inform policies by providing simulations of the effects of proposed policies on public revenue, poverty, and inequality and will support microeconomic analyses. In Burkina Faso and Côte d'Ivoire, the activities envisaged under this subcomponent include training and technical assistance to the ministries of economics and finance and the ministries of planning on systems for macroeconomic modelling and fiscal simulation (e.g., introduction of customized BOOST modules<sup>19</sup> for forecasting (baseline and various scenarios)), technical assistance to support elaboration of two sectoral midterm expenditure frameworks (health and agriculture) and preparation of annual sectoral budgets, construction of a social accounting matrix, and microeconomic analytical work using existing data (annual agricultural survey, employment and informal sector surveys, population censuses, household surveys) and distributional analysis of public policies for statisticians and economists. INSD and INS will collaborate with the economics departments and statistics departments of line ministries and universities to undertake any analytical work relevant for public policies. In Cabo Verde, the project will build the basic econometric skills of researchers and NSO and NSS staff for innovative policy analysis, as well as data interpretation. The goal is to better use survey and other D4P-making purposes, building on the release of anonymized micro-data through the NSO website. In Togo, the project will support increasing the capacity of the Ministry of Planning in macroeconomic forecasting and implementation of program budgeting (required under WAEMU guidelines) in the ministries of finance and planning. In Ghana and Liberia, analytical work will also be conducted. The total cost is US\$2 million for Burkina Faso, US\$1.7 million for Cabo Verde, US\$2.5 million for Côte d'Ivoire, US\$1 million for Ghana, US\$0.6 million for Liberia, and US\$0.5 million for Togo.</p>
<p>Subcomponent 2.1. Burkina Faso: Modernize Technological and Statistical Infrastructure</p>	<p>US\$6.5 million</p>	<p>63. This subcomponent will support modernization of technological and statistical infrastructure in INSD at headquarters and its decentralized directorates, as well as the DGESSES of two line-ministries.</p> <p>64. Modernization of physical, technological, and statistical infrastructure in INSD, including its regional directorates (US\$6.5 million). This subcomponent aims to address the deficient technological infrastructure (e.g., internet connectivity, computers, statistical software and packages, data archiving, generators) at INSD and its regional directorates. INSD headquarters needs equipment such as powerful database software and servers to manage and archive multiple databases. In addition, because INSD plans to expand its headquarters, more modern equipment will be needed. The regional INSD directorates are responsible for collecting</p>



		administrative data at the regional level, but they lack basic equipment and internet access. The subcomponent will finance modernization of equipment (e.g., computers, servers, internet connectivity, statistical software) in the existing headquarters, in the new headquarters, and in the regional directorates. Tablets will also be acquired for regional directorates for collection of routine data. For INSD, the project will also support acquisition of vehicles for data collection activities to replace old vehicles.
Subcomponent 2.2: Cabo Verde: Improving Information and Communications Technology (ICT) Infrastructure	(US\$2 million)	65. The goal of this subcomponent is to upgrade ICT infrastructure for data exchange platforms and data access.  66. Building the ICT infrastructure and expansion of a new electronic data platform for budget and results information with a focus on administrative data. The platform is being developed under the existing technical assistance program (which ends in June 2020) to promote interoperability of data systems linking budget, result indicators, and administrative data. Data will be stored and shared with the NSO through webservices and undergo quality control procedures before the NSO releases them as official statistics. The project will support introduction of these data platforms at the national and local level. Implementation will include acquisition of equipment, including infrastructure (e.g., server, laptops), software licenses and programming data platforms, and capacity building and functioning of the NSS network.
Subcomponent 2.3. Côte d'Ivoire : Modernize Technological Infrastructure	US\$1.2 million	67. The goal of this subcomponent is to support institutional reforms and core statistics through physical infrastructure and equipment.  68. IT infrastructure and equipment (US\$1.2 million). INS's material resources are insufficient. The project will provide IT equipment (computers and servers), software, and internet access to establish an enabling work environment and to allow innovations such as data storage in the cloud.
Subcomponent 2.4: Ghana: Modernize Physical and Statistical Infrastructure	US\$11.09 million	69. Under this subcomponent, the project will modernize physical and statistical infrastructure and strengthen statistical coordination and quality assurance. 70. Support modernization of physical and statistical infrastructure (US\$9.09 million equivalent): The goal of the physical infrastructure subcomponent is to provide modest furnishings and refurbishment of GSS offices and implementing MDA statistical units. It will support provision of ICT infrastructure (e.g., tablets, computers, scanners, photocopiers) and reliable internet connectivity to facilitate interoperability of NSS databases and electronic data transfer between different levels and parts of the government. It will include building an indicator tracking platform to serve as a repository for SDG indicators and other country-specific indicators. It will also help provide vehicles for data collection activities. Appropriate statistical software such as SPSS and STATA will also be procured and training provided to the staff of GSS and MDA statistics units to increase their analytical capacity to produce

		<p>varied statistics to satisfy increasing demand for data for research, decision making, and monitoring and evaluation of development programs.</p> <p>71. Strengthen statistical coordination and quality assurance (US\$2 million equivalent): Although there is a framework in NSDS II that establishes mechanisms for effective coordination, management, and quality assurance of data production, with GSS as the focal point, the framework has not been implemented. The proposed operation will support a set of activities that will strengthen GSS's ability to play its coordination role effectively, as well as its ability to provide quality assurance and professional service functions to MDAs to harmonize statistical programs, processes, and systems according to national and international guidelines. Sensitization campaigns and workshops will be organized to increase effective generation, coordination, and management of statistics at MDAs. In particular, the project will support development and implementation of a country-specific quality assessment framework for statistical products, reestablish the National Committee of Producers and Users of Statistics and its technical subcommittees, strengthen the NSS's ability to oversee all statistical activities in the country, strengthen and maintain the GSS Resource and Data Centre, enhance use in MDAs of the geographic information system housed at GSS, strengthen the management information system of NSS by building a cloud- or web based solution for NSS, familiarize noninstitutional data suppliers with the importance of their role in producing quality statistics, and enhance monitoring and evaluation of NSS statistical activities. The project will also support coordination with NSS, including support to MDAs and metropolitan, municipal, and district assemblies.</p>
Subcomponent 2.5: Liberia: Improving Physical and Statistical Infrastructure	US\$3.0 million	<p>72. The goal of this subcomponent is to improve the physical and statistical infrastructure within LISGIS and across the regional county offices. The project will improve the deficient technological infrastructure at LISGIS (e.g., computers, statistical software, internet connectivity, storage and archiving data system) and address the weak logistical arrangements. It will also provide office furnishings and minor refurbishment of the office space, particularly given that there is planned relocation of LISGIS to another office building by early 2020, and improve physical and statistical infrastructure at the regional county offices (This does not include major construction or physical renovation of office buildings.)</p>
Subcomponent 2.6: Sierra Leone: Rehabilitation of Statistics Sierra Leone's Physical Infrastructure	US\$3 million	<p>73. Improve physical and statistical infrastructure (US\$2 million). The Statistics Sierra Leone office was damaged during the war and never fully repaired; additional damage to the facility was sustained from flooding in August 2017. The new administration has addressed some of the most pressing infrastructure needs, but decades of insufficient maintenance due to funding constraints means that the building is in need of comprehensive rehabilitation. The project will support comprehensive renovation of the facilities, including replacing all the</p>

		<p>electrical wiring and providing systems for a smooth transition from the main powersupply to back-up generators and installing a modern local area network. Combined with better internet connectivity, this will support more efficient management of data internally and better public dissemination of data. Essential repairs to the roof and windows will also be made to provide a comfortable work environment and ensure safe storage of IT equipment and statistical records. The project will also support expansion of the facilities within the existing footprint, in particular to provide space for planned internal and regional training and workshops. A dedicated classroom space will be constructed and equipped for ongoing training. The project will provide well-equipped conference facilities to host international workshops and conferences, especially for NSOs in the Mano River Union states of West Africa for which Statistics Sierra Leone will coordinate capacity-building activities. All physical projects will incorporate disability designs and accessible features.</p> <p>74. The proposed rehabilitation and expansion of Stats Sierra Leone Headquarters will be done to ensure <b>climate</b> resilience so that it has the capacity for a socio-ecological system that will absorb stresses and maintain function in the face of external stresses imposed upon it by climate change and adapt, reorganize, and evolve into more desirable configurations that improve the sustainability of the system, leaving it better prepared for future climate change impacts. The everyday effects of climate change, such as rising temperatures, longer heat waves, and increased flooding, will have direct impacts on the building and staff. The rehabilitation will therefore ensure the refurbished building will be made more resilient to extreme weather and better prepared for the consequences of climate change.</p> <p>75. The project will improve the deficient technological infrastructure (US\$1 million). The project will also equip Statistics Sierra Leone with computers, statistical software, internet connectivity, and a data storage and archiving system to address the weak logistical arrangements.</p>
<p>Subcomponent 2.7. Togo: Building Capacity and Modernizing Technological, Statistical, and Physical Infrastructure</p>	<p>US\$1 million</p>	<p>76. The goal of this subcomponent is to improve the performance of the NSS by providing physical infrastructure and equipment and strengthening the demand side of statistics. 77. Activity 1: Physical infrastructure and equipment (US\$0.75 million). The project will support acquisition of office equipment, upgrading of the digital infrastructure (e.g., computers, servers, software, internet access), and design of an archiving system to increase the visibility of the statistics office. These activities will benefit INSEED headquarters in Lomé and offices in the regions. 78. Activity 2: Demand side strengthening (US\$0.25 million). Samples for phone interviews will be set up under the data production component, which INSEED, civil society, or the media can use to conduct opinion polls. These types of polls will provide feedback to the government, provide interesting</p>

		and engaging statistics to the public, and expose media houses to the use of data in their reporting. All of these initiatives will increase interest in and use of statistics and data by the public, the media, and civil society.
Component 3: Project Management and Monitoring and Evaluation (M&E)	US\$17 million	<p>79. The goal of this component is to strengthen and develop NSOs' institutional capacity in project management, coordination, and monitoring and evaluation, including preparation of project documentation (US\$15 million). NSOs will be the main implementing agencies of the project in each country and will be responsible for its technical management and coordination. The project management team in each country will coordinate project activities, manage reporting and auditing activities, and ensure compliance with fiduciary policies and procedures. This component would cover the cost of staff related to the project and costs related to project coordination (steering committee), operating costs, and other expenses needed to make the project successful. Outputs of this component include the operations manual, annual work plans, bi-annual updates on the results framework, audits, procurement plans, and interim financial reports (IFRs).</p> <p>80. The statistics unit at ECOWAS will be involved in sub-regional coordination (US\$1.5 million), and the African Union will be involved at the regional level (US\$0.5 million). ECOWAS will support institutional strengthening activities of NSOs, including preparation of baseline assessments of the capacity of each NSO at the start of the project; building strategic knowledge partnerships with regional statistical schools that cover ECOWAS countries, such as those in Côte d'Ivoire, Senegal, Benin, and Cameroon, but also extend those partnerships to other regional schools such as those in Rwanda and Tanzania; and providing technical input to capacity-building and other activities under country-specific subprojects. The Project Management Team at the African Union Commission (AUC) will coordinate project activities in relation to implementation of SHaSA2 at the regional level, manage reporting and auditing activities for project resources allocated to the African Union, and ensure compliance with fiduciary policies and procedures. The outputs will be annual work plans, bi-annual updates on project results, audits, procurement plans, and IFRs.</p> <p>81. The goal of this component is to strengthen overall management and leadership skills at NSOs. A technical committee composed of members of the NSOs of each of the seven countries and the coordinating unit at ECOWAS will be formed three months after project effectiveness. Coordinators for each of the NSOs will also be part of the committee, which will meet at least twice a year at the ECOWAS Commission or on a rotating basis in each country.</p>

<b>Climate Change Co-benefits section</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.1	8.0	0	0	0	0	No evidence of climate relevance.
SC 1.2	160.34	0	0	0	0	<p>The primary objective of Sub-component 1.2 is support implementation of a core set of social statistics through household-based surveys. The sub-component includes 3 costed activities, one of which is loosely adaptation related.</p> <p>One activity, “implementation of one household survey in each country (US\$34.05 million)” states an intent to collect data related to poverty and socioeconomics. The surveys will “include a section on shock and coping mechanism to deepen our understanding of households’ vulnerability to shock, particularly, climate changes and natural hazards, and to identify adaptive interventions to support households’ resilience”. The sub-component therefore creates a weak link between the activity, regarding vulnerability and resilience, and the stated vulnerability context.</p> <p>There is no evidence showing that an entire activity, aim, or motivation is climate relevant. Therefore, because: the principal objectives, aim and motivations of the activity are not clearly outlined or climate focused; because incremental costs of adaptation have not been provided; and because survey results will only indirectly lead towards adaptation, the principle of conservativeness results in no adaptation finance being reported here.</p>

						No evidence of mitigation relevance.
SC 1.3	85.76	0	0	(22.09*0.5) =11.045	0	<p>The primary objective of Sub-component 1.2 is “to improve the quality of enterprise statistics and agricultural statistics to improve national accounts and allow for adoption of the SNA 2008 standard in all countries”. The sub-component includes 3 sets of costed activities, one of which states adaptation relevance.</p> <p>The second set of activities involves “the design and implementation of a comprehensive system of agricultural statistics (<b>US\$22.09 million</b> equivalent)”. The activities state an intent to collect agricultural statistics which will, among other things, “provide useful insight about farmers’ adaptability to climate changes and serve as inputs to the West African Initiative for Climate Smart Agriculture (WAICSA) which support smallholder farming households to not only improve food security but also mitigate CO2 emissions”. The activities therefore create a link to the vulnerability context and state an intent to address it. The link is stronger than in SC 1.2, due to the vulnerability context’s explicit focus on agricultural vulnerability.</p> <p>Because: the principal objectives, aim and motivations of the activity is not obviously climate focused; incremental costs of adaptation have not been provided; and because survey results will only indirectly lead towards adaptation, the principle of conservativeness results in an adaptation coefficient of 0.5 being reported for this activity.</p> <p>No expected mitigation results have not been provided or evidenced with reference to GHG accounting and no eligible activity form within the Common Principles for Climate Change Mitigation Finance Tracking suits the activity. No mitigation finance has been calculated.</p>

SC 1.4	5.24	0	0	0	0	No evidence of climate relevance.
SC 1.5	33.09	0	0	0	0	No evidence of climate relevance.
SC 1.6	7.23	0.5	0	3.615	0	<p>The primary objective of Sub-component 1.6 is to enhance the use of big data in the region. The sub-component is not broken down into activities, yet the primary motivation behind the collection of weather data is to “improve poverty analytical work”. A large component of that work/motivation is then related to adaptation, where rainfall and temperature data allow for a “deepening understanding of vulnerability, shocks, and the interlink between agricultural production and climate”.</p> <p>The activities state an intent to collect data which create a link between the activities and the vulnerability context, and state an intent to address it.</p> <p>Because the principal objective is not climate adaptation and because it is not suitable to calculate the incremental costs of adaptation; the principle of conservativeness results in an adaptation coefficient of 0.5 being applied.</p> <p>There is no evidence of mitigation relevance.</p>
SC 1.7	4.25	0	0	0	0	No evidence of climate relevance.
SC 1.8	30.3	0	0	0	0	No evidence of climate relevance.
SC 2.1	6.5	0	0	0	0	No evidence of climate relevance.
SC 2.2	2.0	0	0	0	0	No evidence of climate relevance.
SC 2.3	1.2	0	0	0	0	No evidence of climate relevance.
SC 2.4	11.09	0	0	0	0	No evidence of climate relevance.
SC 2.5	3.0	0	0	0	0	No evidence of climate relevance.
SC 2.6	3.0	0	0	0	0	<p>The primary objective of Sub-component 2.6 is split into two activities, to “improve physical and statistical infrastructure (US\$2 million)” and “improve the deficient technological infrastructure (US\$1 million)”.</p> <p>The first activity states that “proposed rehabilitation and expansion of Stats Sierra Leone Headquarters will be done to ensure climate resilience”.</p>

						<p>However, because the provided vulnerability context does not focus on climate-related vulnerability of built infrastructure in the region there is therefore no link between the activity and vulnerability context, meaning no adaptation finance can be calculated.</p> <p>Furthermore, the principal objectives, aim and motivations of the activity are not climate focused and incremental costs of adaptation have not been provided, meaning conservativeness is required.</p>
SC 2.7	1.0	0	0	0	0	No evidence of climate relevance.
C3	17.0	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
10.1	14.66	45.1%	0	0	0%

Reported climate finance	Assessed climate finance	Error
10.1	14.66	45.1%



**Project Number: P163328**

<b>Project Name</b>
Himachal Pradesh State Roads Transformation Project
<b>Project Document URL</b>
<a href="https://documents1.worldbank.org/curated/en/681981585620102617/pdf/India-Himachal-Pradesh-State-Roads-Transformation-Project.pdf">https://documents1.worldbank.org/curated/en/681981585620102617/pdf/India-Himachal-Pradesh-State-Roads-Transformation-Project.pdf</a>
<b>Financing Instrument</b>
Investment Project Financing, Program-for-Results
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Activities / DLIs

<b>Climate Change Vulnerability Context</b>
Covered in the Sectoral and Institutional Context, page 11 + Annex 3: Climate Adaptation and Mitigation Measures.
<b>Intent to Address Vulnerability</b>
Covered in the Relevance to Higher Level Objectives section, page 14 + Annex 3: Climate Adaptation and Mitigation Measures.
<b>Link to Project Activities</b>
Covered in the Project components section, page 15 + Annex 3: Climate Adaptation and Mitigation Measures.
<b>Incremental Cost?</b>
"Therefore, the purpose of investments on road upgradation works and performance-based maintenance (US\$67.5 million, around 60 percent of the total investment) is to make the roads more climate resilient."

Name	Value	Description
Component 1. Building HP's Transport Institutions and Resilience	(32)	
Sub component 1.1: Re-establishing and operationalizing HPRIDC and building resilience	8	Support Himachal Pradesh's initiative to: (a) create a corporate entity responsible for the administration of the strategic core roads network, Major District Roads, and other district roads, as well as maintenance of the National Highways mandated to the State of Himachal Pradesh, and deliver safe, resilient and well performing roads; (b) operationalize the corporate entity (HPRIDC); and (c) make the Himalayan mountain roads in Himachal Pradesh climate risk resilient, through:  Sub component 1.1 (a) reorganizing and inaugurating the new corporate entity by legally reestablishing

		<p>HPRIDC as a public limited company for greater transparency, compliance and accountability. The reorganization study will provide the institutional mandate, governance structure, organigram, and administrative manual showing the executive board composition, oversight responsibility, fiduciary authority and code of conduct, as well as chief executive officer's and management team's recruitment, performance assessment and code of conduct;</p> <p>24. Sub component 1.1 (b) operationalizing HPRIDC, including: (i) based on the organigram to be prepared by the institutional reform study, assigning the managerial, technical, finance and procurement staff and increasing the engagement of women; (ii) rolling out systems and integrating the standalone IT software; and (iii) engaging consultants to address the implementation capacity gaps, including contract management and corporate governance norms;</p> <p>25. Sub component 1.1 (c) establishing the funds flow mechanism and asset transfer, by: (i) earmarking the annual operating budget for HPRIDC in the budget book (budget published by the Finance Department of HP) as a separate budget head or a budget line in HPPWD's budget; (ii) upgrading the Road Asset Management System ("RAMS"); (ii) preparing Road Asset Management Plan, with three years rolling budgetary requirement; (iii) support to the creation of dedicated road financing mechanism and broadening the financing base; and (v) transferring all roads under the jurisdiction of HPPWD to HPRIDC balance sheet; and</p> <p>26. Sub component 1.1 (d) mainstreaming resilience in the Himalayan mountain roads and protecting the natural and social environment by developing and adopting: (i) disaster risk management policy; (ii) emergency warning and response system; (iii) bioengineering solutions manual; and (iv) Borrower's environmental and social framework.</p>
Sub component 1.2: Commercializing road maintenance and the direct labor operations of HPPWD	8	Support Himachal Pradesh's initiative to improve the efficiency of maintenance execution and reduce maintenance cost, by: (a) executing maintenance operation based on commercial principles and achieve value for money by undertaking the maintenance of about 50 percent of the state core roads network under performance based maintenance contracting by private contractors; (b) maintaining part of the state core roads network under

		<p>service level agreement by the separately organized direct labor wing of HPPWD; and (c) undertaking the preservation of bioengineering solution and post construction non-mechanized maintenance by women self-help group, whereby at least 30 percent of the maintenance contracts will be awarded to women-led producer groups/SHG groups, HPRIDC to engage with women-led SHGs along the core network roads to build capacity of these groups in operations and maintenance (“O&amp;M”) of roads under the regular maintenance program, and provision of skills training to adopt a holistic approach to include intensive technical as well as life skills training in digital, financial and legal literacy, such trainings to be offered to women-led groups through collaboration with government industrial training institutes; through:</p> <p>Sub-component 1.2 (a) executing bench mark performance-based maintenance contracts on about 158 km of the state core roads network by private contractors, whilst HPRIDC outsources the maintenance of about 842 km in parallel under the regular maintenance program;</p> <p>Sub-component 1.2 (b) reorganizing and inaugurating the direct labor wing of HPPWD;</p> <p>Sub-component 1.2 (c) operationalizing the direct labor operation, including: (i) reassigning the technical staff; (ii) piloting internal service level agreement; (iii) developing manuals and systems; (iv) establishing cost centers; and (v) enhancing the efficiency of the direct labor, including: deploying the systems and training; and</p> <p>Sub-component 1.2 (d) preserving bio-engineering solutions within the ROW under women-self-help group contracting.</p>
<p>Sub component 1.3: Establishing Himachal Pradesh Motor Vehicle Administration (“HPMVA”), Strengthening the Directorate of Transportation of HPDOT and developing logistics system and strategy.</p>	<p>8</p>	<p>Support for delivery of efficient customer services, as well as competitive, safe and clean transportation in Himachal Pradesh by: (a) enhancing governance and improving the vehicle administration system; (b) enhancing the regulatory/coordination framework for transportation services, including creating a platform for coordination, policy formulation and planning of road infrastructure development and transport services regulation; (c) adopting a strategic plan for multimodal transport; (d) integration of climate change scenarios and climate risk assessments into planning process; and (e) developing logistics system and strategy to stimulate horticultural and economic growth in Himachal Pradesh, through:</p>

		<p>Sub-component 1.3 (a) reorganizing and inaugurating the HPMVA and the Directorate of Transportation of HPDOT;</p> <p>Sub-component 1.3 (b) operationalizing/strengthening HPMVA and the Directorate of Transportation, including: (i) assigning the operational staff and hiring at least 50 percent (50%) women while recruiting new staff in the vehicle registration services and about 30 percent (30%) in the other services; (ii) upgrading/developing and adopting the vehicle registration, vehicle inspection, emission control and drivers licensing systems and procedure manuals; and developing vehicle emission reduction strategy (promoting electric and solar vehicles and tricycles, fleet renewal); (iii) strengthening the main MVA center in Shimla area and the Directorate of Transportation, whilst HPDOT takes up the establishment of branch offices and mobile service provision; (iv) preparing and adopting a strategic plan for the development of multimodal transportation system, and integrating climate change scenarios and climate risk assessments; (v) creating a platform for coordination of policy and planning functions of road infrastructure development and transport services regulation; and (vi) preparing and adopting mobility improvement strategy and action plan for Shimla to relief the seasonal congestion and route rationalization on main corridors; and</p> <p>Sub-component 1.3 (c) developing and adopting logistics system and strategy for horticultural and overall economic growth of Himachal Pradesh.</p>
Sub-component 1.4: Preparatory Activities	8	Conducting feasibility study and ESIA for 2,000km of roads, and preparing Detail Project Report ("DPR") for upgrading 650 km and maintenance of 1,350 of state core roads
<i>Component 2. Improving Select Roads stimulating Himachal Pradesh's horticultural and overall economic growth</i>	(40)	<i>Support to enhance the efficiency of HPRIDC to execute road improvement projects at a planned cost, time and quality, whilst improving connectivity by financing the upgrading of approximately 89.2 km of roads (MDRs) connecting small holding farmers production and primary processing clusters to wholesale markets/SME clusters, 30 percent of the maintenance contracts on the Project roads to be awarded to womenled SHG groups from close habitations, through</i>

Sub-component 2.1. upgrading of priority roads	20	including: Baddi Sai Ramshahar road (34km) and Dadhol Ladrou road (13.5km), as well as financing the supervision of all four roads under this Components
Sub-component 2.2. upgrading of part of the Mandi Rewalsar Kalkhar road and Raghunathpura-MandiHarpura-Bharari (2.7km).	20	
<i>Component 3: Enhancing Road Safety</i>	(10)	
Sub component 3.1: Promoting the 'Safe System':	5	Support in three pilot districts to reduce road accident fatalities by enhancing enforcement through: (a) strengthening the Road Safety Cell under the Directorate of Transportation of HPDOT, mainstreaming the national MVA Act 2019, and enhancing the data management system to establish a system connecting the hospitals providing post-accident care and the State Traffic Police;(b) strengthening the State Traffic Police patrol by providing surveillance equipment (CCTV cameras for speed control, accident recording, etc.), variable messaging system ("VMS"), communication equipment and fiber connection, training the State Traffic Police, and establishing emergency response system supported by ambulances, first aid kits, tools, communication system, cranes, tow trucks, etc.; (c) promote community Road Safety programs in the pilot districts by organizing, training and equipping volunteers in high accident-prone areas to support enforcement and emergency response; and (d) Road Safety Advisory Services for preparing an action plan, advising the State Traffic Police and the Road Safety Cell of HPDOT, and providing training to the State Traffic Police and the volunteers from local communities supporting the enforcement.
Sub component 3.2: Promoting the 'Safe Corridor initiative'	5	Support (to be piloted along one corridor with the highest road accident and fatality rate) the state highway patrol by providing surveillance equipment, VMS, training the police, and establishing emergency response system, establishing communication system connecting accident sites and dedicated hospitals for post-crash care and data collection on survival of victims under trauma management.
DLIs		DLI-1. Outputs under sub-component 1.1 (a), 1.2 (b) and 1.3 (a): reorganizing and inaugurating HPRIDC, the

	<p>direct labor wing of HPPWD, HPMVA and the Directorate of Transportation of HPDOT.</p> <p>DLI-2. Outputs under sub-component 1.1 (b): operationalizing HPRIDC</p> <p>DLI-3. Outputs under sub-component 1.1 (c): establishing the funds flow mechanism to HPRIDC and asset transfer</p> <p>DLI-4. Outputs under sub-component 1.1 (d): mainstreaming resilience in the Himalayan mountain roads and protecting the natural and social environment, by developing and adopting: (i) disaster risk management policy, (ii) emergency warning and response system, (iii) bioengineering solutions manual, and (iv) Borrower's environmental and social framework.</p> <p>DLI-5. Outputs under sub-component 1.2 (c): operationalizing the direct labor wing of HPPWD.</p> <p>DLI-6. Outputs under sub-component 1.3 (b): operationalizing/strengthening HPMVA and the Directorate of Transportation of HPDOT.</p> <p>DLI-7. Outputs under sub-component 1.3 (c): developing and adopting logistics system and strategy for horticultural and overall economic growth of HP.</p> <p>DLI-8: Outputs under component 3: Developing and adopting a Road Safety enforcement action plan, enabling patrol and emergency response to enhance Road Safety enforcement.</p>
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<b>Climate Change Co-benefits section</b>
<p>Provided:</p> <p>Climate Risk Mitigation and Adaptation Benefits</p> <p>71. Mitigation: At the policy level, the Directorate of Transportation and HPMVA will introduce vehicle emission control and encourage the use of vehicles running on clean energy. The Directorate of Transportation will promote the use of electric and solar energy run tricycles pick-ups, taxis and buses, whilst supporting the deployment of trucks with emission reduction technology. In line with this, HPDOT has started to deploy electric buses for the Shimla urban mass transportation system.</p>

72. Carbon emission reduction calculation: Based on current and future traffic forecasts the amount of emission reduction and shadow price of carbon emission by the project are estimated at: (a) widening to intermediate lane configuration comparing to maintaining existing single lane road reduces 314,618.96 tons CO<sub>2</sub> emission; and (b) according to Bank's high/ low price, the project interventions result in saving US\$17.28 million (LOW ESTIMATE), and US\$34.55 million (HIGH ESTIMATE) in 20 years operation. GHG emission reduction and shadow price savings calculations are presented in Annex 3.

73. Resilience is a key feature of the design solutions that will be adopted to address climate vulnerability and resilience associated with severe geo-hazard risk (landslide) and flooding. The measures to be integrated in the designs of bridges, roads and river crossings include bioengineering solutions for landslide and erosion protection, drainage systems, and so on. The resilience mainstreaming applies to the entire road under the upgradation works contract, as the road alignment falls in the midst of the Himalayan mountains. The bioengineering solutions and drainage improvement in slide risk locations apply to the roads under maintenance as well. The project has a subcomponent to strengthen the mainstreaming process. Therefore, the purpose of investments on road upgradation works and performance-based maintenance (US\$67.5 million, around 60 percent of the total investment) is to make the roads more climate resilient.

74. Building climate resilience capacity. This project has a dedicated sub-component (mainstreaming resilience) to build the capacity of the infrastructure management entities in HP. By the end of the project, it is envisaged that HPRIDC will have developed policy for resilience and manual for bioengineering solutions. HPRIDC will also develop the Borrower's Environmental and Social (ES) Framework, based on the 'New World Bank ES framework', with an emphasis on natural environment safeguards. Core staff will be trained on designing more resilient roads and logistics infrastructure. Vulnerability assessment and detailed mitigation and adaptation measures considered by this operation are presented in Annex 3.

#### **Greenhouse Gas Accounting**

72. Carbon emission reduction calculation: Based on current and future traffic forecasts the amount of emission reduction and shadow price of carbon emission by the project are estimated at: (a) widening to

intermediate lane configuration comparing to maintaining existing single lane road reduces 314,618.96 tons CO2 emission; and (b) according to Bank's high/ low price, the project interventions result in saving US\$17.28 million (LOW ESTIMATE), and US\$34.55 million (HIGH ESTIMATE) in 20 years operation. GHG emission reduction and shadow price savings calculations are presented in Annex 3.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
Total IBRD Investment	(82)	0.6	0	49.2	0	Adaptation: Incremental costs for the entire investment have been provided of 60%.
Subcomponent 1.3	8		0.0277		0.22	Mitigation: Annex C provides information about greenhouse gases avoided as a result of road widening. This is not an eligible activity under the joint principles for mitigation.  Subcomponent 1.3b has the following activity: <i>(ii) upgrading/developing and adopting the vehicle registration, vehicle inspection, emission control and drivers licensing systems and procedure manuals; and developing vehicle emission reduction strategy (promoting electric and solar vehicles and tricycles, fleet renewal)</i>  Sub-component 1.3 has 3 individual parts (a, b, c). Of 1.3b, it has a list of 6 activities. Of which, only activity (ii) contains eligible activities.  Within ii), the activity is not only geared towards emissions control and reduction, but also vehicle



					<p>inspection and registration, and developing licensing systems and procedure manuals. Therefore the activity has a coefficient of 0.5 applied.</p> <p>Therefore, sub-component 1.3 of 8 million USD is reduced by a factor of 3 to take into account the a,b,c constituent parts.</p> <p>It is further reduced by a factor of 6 to take into account the activities list.</p> <p>It is further reduced by a coefficient of 0.5 due to only being partially climate adaptation in nature.</p> <p>This results in a coefficient of 0.0277</p>
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Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
57.4	49.2	14%	0.7	0.22	69%

Reported climate finance	Assessed climate finance	Error
58.3	49.42	14.9%

**Project Number: P172567**

<b>Project Name</b>	Honduras DRM Development Policy Credit with a Catastrophe Deferred Drawdown Option (Cat DDO)
<b>Project Document URL</b>	<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/956581586829635150/honduras-disaster-risk-management-development-policy-credit-with-a-catastrophe-deferred-drawdown-option-cat-ddo">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/956581586829635150/honduras-disaster-risk-management-development-policy-credit-with-a-catastrophe-deferred-drawdown-option-cat-ddo</a> (Program Document)
<b>Financing Instrument</b>	Development Policy Financing
<b>Financial product</b>	Credit
<b>Lowest level of granularity</b>	Prior Action

<b>Climate Change Vulnerability Context</b>	Provided in the Introduction and Country Context Section, page 6-7, paragraphs 3-4.
<b>Intent to Address Vulnerability</b>	Provided in the Proposed Operation section, page 18, paragraph 38.
<b>Link to Project Activities</b>	Provided in the Proposed Operation section, at the Prior Action level.
<b>Incremental Cost?</b>	Not provided.

Name	Value	Description
PA 1	119/6	Prior Action 1: The Recipient has strengthened SEFIN’s disaster risk financing capacity by establishing responsibilities and guidelines to improve financial resilience associated with climate and disaster risks; as evidenced by the Recipient’s Ministerial Agreement No. 195-2020, dated February 4, 2020 and published in the Official Gazette on February 25, 2020.
PA 2	119/6	Prior Action 2: The Recipient has strengthened its institutional DRM capacity by establishing the Ministry of Disaster Risk Management and National Contingencies (Secretaría de Estado en los Despachos de Gestión de Riesgos y Contingencias Nacionales) and subjecting COPECO to said institution’s administrative jurisdiction; as evidenced by the Recipient’s Executive Decree No. PCM-057-2019, dated September 11, 2019 and published in the Official Gazette on September 12, 2019.
PA 3	119/6	Prior Action 3: The Recipient has strengthened DRM and CCA at the municipal level by defining responsibilities for the formulation and adoption of local emergency plans that contribute to prevent

		and address climate risks; as evidenced by Art. 210 of the Recipient's Legislative Decree No. 171-2019, dated December 12, 2019 and published in the Official Gazette on December 31, 2019.
PA 4	119/6	Prior Action 4: The Recipient has strengthened its preparedness and response capacities for pandemics, epidemics and health emergencies by approving the National Pandemic, Epidemic and Health Emergency Response Plan; as evidenced by the Recipient's Ministerial Agreement No. 020-2020, dated January 15, 2020 and published in the Official Gazette on February 29, 2020.
PA 5	119/6	Prior Action 5: The Recipient has strengthened its health surveillance system by adopting best international practices on early detection, monitoring and response to epidemics and disease outbreaks; as evidenced by the agreement set forth in paragraph 5 under the fourth point of the Minutes No. 2 of the meeting of the Directive Council of SINAGER, dated February 26, 2020.
PA 6	119/6	Prior Action 6: The Recipient has improved its national and local water management capacities, including DRM and CCA, through the adoption of a Special Regulation on Water Basin Organizations; as evidenced by the Recipient's Ministerial Agreement No. 0840-2019, dated September 27, 2019, and published in the Official Gazette on December 6, 2019

<b>Climate Change Co-benefits section</b>
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Not provided.
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<b>Greenhouse Gas Accounting</b>
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Not provided.
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Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA 1	119/6	0.5	0	9.92	0	PA 1 will ensure "The Recipient has strengthened [the Ministry of Finance's] disaster risk financing capacity by establishing responsibilities and guidelines to improve financial resilience associated with climate and disaster risks".  The project's vulnerability context states the country is highly exposed

						<p>“to two main types of natural hazards—extreme climate events and disease outbreaks—threatens its economic stability and the safety and well-being of its population”. The prevalence of disease outbreaks in Honduras is stated to be a result of global goods and people movements, and not climate change.</p> <p>Documentation also states that while Honduras is affected by earthquakes: “Natural hazards also include geological events. Although Honduras has remained largely unaffected by the frequent earthquakes and volcanic activity that characterize other Central American countries, in 2009, a magnitude 7.1 earthquake killed 7 people and caused estimated losses of US\$100 million, including US\$35 million in damage to infrastructure. (World Bank 2010).”</p> <p>The stated activities therefore link to the provided vulnerability context.</p> <p>The adaptation coefficient results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Resilience building which result from a strengthened the Ministry of Finance are not focused solely on climate risk, but also on disease outbreaks and geological events.</li> <li>• To adhere to the principle of conservativeness a coefficient of 0.5 has been applied in the absence of more granular information to disaggregate adaptation from non-adaptation related finance.</li> </ul> <p>No evidence of mitigation relevance.</p>
PA 2	119/6	0.5	0.0	9.92	0	PA 2 will ensure “The Recipient has strengthened its institutional

					<p>[Disaster Risk Management] capacity by establishing the Ministry of Disaster Risk Management and National Contingencies”.</p> <p>The project’s vulnerability context states the country is highly exposed “to two main types of natural hazards—extreme climate events and disease outbreaks—threatens its economic stability and the safety and well-being of its population”. The prevalence of disease outbreaks in Honduras is stated to be a result of global goods and people movements, and not climate change.</p> <p>Documentation also states that while Honduras is affected by earthquakes: “Natural hazards also include geological events. Although Honduras has remained largely unaffected by the frequent earthquakes and volcanic activity that characterize other Central American countries, in 2009, a magnitude 7.1 earthquake killed 7 people and caused estimated losses of US\$100 million, including US\$35 million in damage to infrastructure. (World Bank 2010).”</p> <p>The stated activities to enhance DRM therefore link to the provided vulnerability context.</p> <p>The adaptation coefficient results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Resilience building which result from a strengthened the Ministry of Finance are not focused solely on climate risk, but also on disease outbreaks and geological events.</li> <li>• To adhere to the principle of conservativeness a coefficient of 0.5 has been applied in the</li> </ul>
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						<p>absence of more granular information to disaggregate adaptation from non-adaptation related finance.</p> <p>No evidence of mitigation relevance.</p>
PA 3	119/6	1	0	19.83	0	<p>PA 3 will ensure “The Recipient has strengthened [Disaster Risk Management] and [Climate Change Adaptation] at the municipal level by defining responsibilities for the formulation and adoption of local emergency plans that contribute to prevent and address climate risks”.</p> <p>The purpose of the guidelines is that “all municipalities are required to elaborate local emergency plans to reduce and respond to climate risk”.</p> <p>The Prior Action is deemed to be entirely adaptation relevant.</p>
PA 4	119/6	0.5	0	9.92	0	<p>PA 4 will ensure “The Recipient has strengthened its preparedness and response capacities for pandemics, epidemics and health emergencies by approving the National Pandemic, Epidemic and Health Emergency Response Plan”.</p> <p>The project’s vulnerability context states the country is highly exposed “to two main types of natural hazards—extreme climate events and disease outbreaks—threatens its economic stability and the safety and well-being of its population”. The prevalence of disease outbreaks in Honduras is stated to be a result of global goods and people movements, and not climate change.</p> <p>The stated activities therefore link to the provided vulnerability context.</p> <p>The adaptation coefficient results from the following considerations:</p>

						<ul style="list-style-type: none"> <li>• Pandemic and epidemic response capacities are not linked within documentation to the climate vulnerability context, while health emergencies are linked.</li> <li>• To adhere to the principle of conservativeness a coefficient of 0.5 has been applied in the absence of more granular information to disaggregate adaptation from non-adaptation related finance.</li> </ul> <p>No evidence of mitigation relevance.</p>
PA 5	119/6	0.5	0	0	0	<p>PA 5 will ensure “The Recipient has strengthened its health surveillance system by adopting best international practices on early detection, monitoring and response to epidemics and disease outbreaks”.</p> <p>The adaptation coefficient results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Pandemic and epidemic response capacities are not linked within documentation to the climate vulnerability context, meaning no adaptation co-benefits can be counted.</li> </ul> <p>No evidence of mitigation relevance.</p>
PA 6	119/6	1	0	19.83	0	<p>PA 6 will ensure “The Recipient has improved its national and local water management capacities, including [Disaster Risk Management] and [Climate Change Adaptation], through the adoption of a Special Regulation on Water Basin Organizations”.</p> <p>Expected results of the PA are: “Enhancing the management of Water Basin Organizations will strengthen local capacities and help to prevent environmental</p>

					<p>degradation, deforestation and occupation of disaster-prone areas within the water basins. It will help to quickly respond to hydro-climatic shocks that threaten livelihoods and production systems”.</p> <p>The Prior Action is deemed to be entirely adaptation relevant, due to the exposure and vulnerability of water resources in Honduras to climate change impacts.</p> <p>The prevention of deforestation will lead to mitigation co-benefits, however the eligible activity: “Forestry or agroforestry projects that sequester carbon through sustainable forest management, avoided deforestation or avoided land degradation”, states that net emissions reductions must be demonstrated, and no such information has been provided. Due to a lack of granular information, no mitigation co-benefits have been calculated.</p>
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Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
98.2	69.42	29.3%	1.0	0.0	100%

Reported climate finance	Assessed climate finance	Error
99.2	69.42	30.0%



Project Number: P157245

<b>Project Name</b>
Improvement of Solid Waste Management to Support Regional and Metropolitan Cities
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/608321575860426737/indonesia-improvement-of-solid-waste-management-to-support-regional-and-metropolitan-cities-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/608321575860426737/indonesia-improvement-of-solid-waste-management-to-support-regional-and-metropolitan-cities-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Sub-component

<b>Climate Change Vulnerability Context</b>
A potentially acceptable vulnerability context is provided in Annex 5 “Climate Change Analysis”, pages 88-89.
<b>Intent to Address Vulnerability</b>
A potentially acceptable vulnerability context is provided in Annex 5 “Climate Change Analysis”, pages 88-89.
<b>Link to Project Activities</b>
Activities are linked to vulnerability context in the Project Components section, through generalised statements such as: “Climate change planning considerations, both mitigation (institutional strengthening to acquire carbon finance) and adaptation (climate vulnerability analysis) will also be supported through this component”.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 1	US\$0.7 million	<p>Component 1: Institutional and Policy Development (US\$2.7 million Total Budget; US\$0.7 million IBRD). This component will support institutional strengthening and capacity building of central government agencies responsible for various technical and administrative aspects of solid waste management services. Ministry of Home Affairs (MoHA) will implement activities under this component using the Loan while MoEF will use government budget (APBN,Rupiah Murni) to fund its activities. This component focuses work around three strategic priorities: (a) strengthening the regulatory framework, sector monitoring, and regulatory oversight; (b) policy development related to waste reduction and marine litter management; and (c) institutional capacity building.</p> <p>34. Strategic studies will focus on key impediments to enhancing the solid waste sector’s overall performance. Identified studies for program implementation: (a) household waste reduction support (including 3Rs (reduce, reuse, recycle) and “Waste Bank”21; (b) mechanisms for</p>

		<p>incorporating the informal waste workers and wider communities in formal waste collection and recycling systems, including addressing gender gaps in formal employment; (c) a roadmap for transitioning Dinas Kebersihan to BLUD22 institutions and regional institutional cooperation mechanisms; (d) policy and legal frameworks for promoting waste-to-energy investments; (e) strategies for leveraging additional private and public financing for solid waste management; and (f) development of policy measures to reduce land-based marine pollution. It is expected that these studies will lead to significant regulatory development and reform during the project's lifespan.</p> <p>35. It is expected that the strategic study (b) on incorporating informal waste workers in the formal sector will identify potential gender gaps such as limited access to formal employment, technical training and financial assets, unequal payment, among other, providing the analytical basis for improving the regulatory framework and municipal waste management plans.</p>
Component 2	US\$18.2 million	<p>Component 2: Integrated Planning Support and Capacity Building for Local Government and Communities (US\$18.2 million Total Budget; US\$18.2 million IBRD). Local governments in the Citarum River Watershed and 4-6 additional local governments that meet certain readiness criteria and demonstrate commitment to improve waste management operations (see Annex 1 for details) are eligible for technical support under Component 2. This component will finance the costs of experts and community facilitators throughout the program cycle to support capacity building (including longer-term management support, training, workshops, and knowledge exchange events between cities as well as urban sub-districts) of local governments and communities to design and manage solid waste service improvements. This component addresses one of the primary constraints to improving sector performance: the technical and organizational capacity of local governments to efficiently operate complex and costly solid waste operations. Advisory services for designing local government regulations and tariffs will also be provided to local governments. In addition, funds in this component can also be used for public awareness campaigns for waste minimization and proper disposal of their waste, which is also a high government priority. It will be especially important to target women in this, as they tend to have initial control over the generation and reuse of wastes at the household level. This component will be implemented by MPWH (US\$16.25 million) and MoHA (US\$1.95 million), all from the Loan.</p> <p>37. From the very beginning, there was strong consensus amongst government leaders that the project should be structured to focus resources on cities that possess the most promise to implement waste management systems that can be a role model for all other Indonesian cities. Accordingly, project preparation has completed a comprehensive evaluation of all cities and urban districts with populations over 100,000 people to identify the top performers where national resources would be more focused. These cities were then divided into three tiers depending on their current performance and commitment to solid waste management (see Annex 1 for further</p>

	<p>details). It is expected that the additional 4-6 cities will be selected from the highest tiers of performance (Tier 1 and Tier 2).</p> <p>38. Currently, almost all cities have prepared City Sanitation Strategies (SSKs) that outline a five-year strategy for citywide solid waste management service improvements, required investments, and potential financing sources. For the participating cities under the project, this component will provide support for improving the design of these strategies and prepare masterplans that include practical and achievable roadmaps with financing schemes and institutional strengthening to support their implementation. Special attention will be paid to community-based improvements in waste collection and gender issues within the waste value chain. A mandatory requirement for the preparation of the masterplans supported under the project is to survey formal and informal waste workers, to prepare a baseline and monitor changes. This social part of the solid waste management masterplans of participating cities will be required to specifically analyze gender aspects (including employment rates, pay rates, access to safety gear and other equipment, access to technical training and childcare services, etc.), risks to females in the sector and vulnerable groups, and include measures to reduce gender gaps identified in the baseline surveys. The masterplans will include specific indicators to measure improvements in narrowing the gender gaps identified within their corresponding geographical area (see section VI.E). This ensures that all subnational governments receiving funds under the project will be actively support the closing of gender gaps during project implementation.</p> <p>39. In Indonesia, the most common approach is that city communities (neighborhoods) organize primary waste collection. The city government organizes waste transport from a limited number of collection points (TPSs) to disposal sites or (in some cases) intermediate recycling stations. On the one hand, a lot of waste is already 'leaking' at the community level, never entering the formal waste management system. On the other hand, the community level has a lot of untapped potential to improve waste recycling through waste separation. Some locations in Indonesia manage to achieve recycling percentages of 50% and more. Models will be developed, tested and implemented to improve waste collection rates and waste recycling at the community level and integrate community level collection into the waste management chain, both institutionally and functionally.</p> <p>These models will also aim to find a good balance between incentives to support communities and improvements in regulatory oversight moving to universal waste collection coverage. 40. Gender-informed interventions under this project will also improve labor practices and OHS standards for waste-pickers. This labor pool can add value to waste infrastructure by supporting streamlined operations from the source to the end. Waste-pickers can be potentially empowered through hiring as employees as well as by supporting NGOs, alliance and networks that advocate for their rights<sup>24</sup>. Practical and strategic needs can be met by providing fair wages,</p>
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		<p>work breaks, protection from discrimination harassment and violence, and safety equipment such as appropriate gloves, boots, respiratory masks, health and safety training and evacuation preparedness. By offering opportunities for female waste-pickers to move into safer and more regulated roles in the informal sector the program will contribute to reduce their exposure to hazardous and unsanitary environments without adequate protection and safety.</p> <p>41. This component will also provide technical assistance to cities for developing feasibility studies and detailed engineering designs for priority investments. Technical assistance provided in this component will complement, but not be limited to all cities selected for physical infrastructure investments provided in Component 3.</p> <p>42. This component will support cities to engage the private sector in waste management operations and investments at two levels. Firstly, the capacity building activities should develop adequate competencies in strategic planning, operational finance, regulatory oversight and contract management. These are all essential prerequisites for private sector engagement. In parallel with developing these competencies, under the masterplanning supported by Component 2, specific attention will be paid to private sector engagement in waste management services. Secondly, transactions advisory services for waste incineration (waste-to-energy) investments will also be made available to a select group of cities to assist in the structuring of sub-project documents, including procurement and contract documents, and environmental standards to ensure public benefits from these private sector investments are maximized. This would directly support the implementation of Presidential Regulation No.35/2018 on the "Acceleration of Development of Waste-to-Energy in an Environmentally Sustainable Manner".</p> <p>43. Climate change planning considerations, both mitigation (institutional strengthening to acquire carbon finance) and adaptation (climate vulnerability analysis) will also be supported through this component.</p>
Component 3	US\$77.0 million	<p>Component 3: Solid Waste Infrastructure in Selected Cities (US\$297 million Total Budget; US\$77 million IBRD). The immense challenges and shortages of financing necessitate a process to prioritize resources to the most urgent and impactful interventions. Every city or urban district receiving investment financing through Component 3, will also be supported with the required technical assistance package through Component 2. This is a key aspect of increasingly the quality and sustainability of investments made through the project and has been proven effective in other large Indonesian infrastructure projects assisted by the World Bank. Considering the national priority of the Citarum Harum and the marine plastic pollution targets, all of this project's IBRD investment funds will be channeled to the Citarum River Watershed.</p>

Sub-component 3.1	US\$77.0 million	<p>Sub-Component 3.1: Support for Integrated Solid Waste Management Systems for Citarum Watershed Cities (US\$77 million Total Budget; US\$77 million IBRD). This component will provide investment financing for the cities and districts of Metro Bandung (City of Bandung, City of Cimahi, District of Bandung, and District of West Bandung) and Non-Metro Bandung (District of Cianjur, District of Purwakarta, District of Karawang and District of Bekasi) that have urgent solid waste management infrastructure needs. Under this sub-component it is expected to finance a selection of collection infrastructure and transport, transfer stations, mechanical-biological treatment facilities mostly based on composting, recycling centers, sanitary landfills (new and/or expanding and remediating existing sites), and potentially a refuse-derived fuel plant. Investments will need to be planned and designed during implementation. Cities and districts in this region have not demonstrated the considerable capacity and performance expected by "Tier 1" cities. However, the urgent and high priority placed on this region by the national government warrants these investments and it is expected that this sub-component will provide the financing required to achieve the solid waste management targets encapsulated under the Citarum Harum. There will be priority placed on the Metro Bandung local governments with approximately 80% of the investments in this sub-component allocated there, with the remaining 20% of investment funds allocated to the Non-Metro Bandung districts (focused in neighborhoods along the Citarum River).</p>
Sub-component 3.2	US\$0 million	<p>Sub-Component 3.2: Supporting integrated solid waste management systems in Selected Cities, other than Citarum Watershed Cities (US\$220 million Total Budget; US\$0 million IBRD). This component will include all of investment financing through the Borrower's own resources (e.g. ABPN, APBD or other sources) in cities and districts included in Component 2 (4-6 cities and districts). These cities have demonstrated sufficient capacity, operational budgets and commitment in solid waste management to justify technical assistance to assist in these local governments in investing in complex systems and advanced treatment technologies. Cities/districts selected under this component will receive support for investing from the national government (e.g. APBN) or will invest their local budgetary funds (e.g. APBD) or other resources<sup>25</sup>. All needed infrastructure aspects of solid waste management not currently in place, including collection, transfer, treatment, disposal, and waste recycling/composting, could be considered under this sub-component. This sub-component could also include financing for advanced treatment technologies, such as mechanical-biological treatment of mixed waste and refuse-derived fuel production. This sub-component is envisioned to facilitate the creation of model cities for solid waste management cities that can act as both inspirations and performance benchmarks for all other cities and districts in Indonesia.</p> <p>47. Throughout all investments and solid waste sector planning, targeted gender-segregated consultation will be established to ensure sector planning is adequately consider female perspectives. In addition, the project will support activities tailored to close the gender gaps identified by the masterplans of each participating city. Formal jobs in the rehabilitated</p>

		landfills and in other (non-waste related) activities will be designed to be responsive to women's issues (e.g., flexible hours, location, and provision of child care services) and training/reskilling for formal work will establish a quota of 50% women. For both formal and informal sector, these activities may include training in vocational, financial, business and leadership skills; provision of equipment/vehicles, financial assistance to women-led business such junk shops and waste banks; information campaigns on proper waste disposal, among other interventions. Thus, in addition to promoting formal job opportunities for women, the project will also improve working conditions of those women who will remain in the informal sector. When women have been provided an opportunity, they have performed well in solid waste sector jobs, so it is expected that acquiring the adequate skills with improved work conditions will improve formal employment gender gaps (also valid for formal jobs created under Component 2).
Component 4	US\$4.1 million	<p>Component 4: Implementation Support and Technical Assistance (US\$ 8.1 million; US\$ 4.1 million IBRD). This component will finance the program management during the implementation, construction supervision consultants, monitoring and evaluation, and specific technical assistance for cities/district governments receiving the investment of Component 3. For management of the program, the DG Human Settlement (MPWH) will serve as executing agency, in which it will form Central Project Management Unit (CPMU). Besides managing the program, the CPMU will also provide technical assistance support, advisory services and training of four Central Project Implementation Units (CPIUs) at the national level (MPWH, MOEF, Bappenas and MOHA), and for Project Implementation Units (PIUs) at the provincial, city and district levels.</p> <p>49. Considering the technical complexity of solid waste management systems and the broad geographic scope expected (approximately 12-14 local governments), a series of strong management and monitoring and evaluation personnel will be essential for the program's success. To ensure this can be achieved, Bappenas has been tasked to implement these activities. The estimated budget needed for these activities will be around \$4 million over six years of implementation and will be made available through APBN murni parallel financing. In addition to monitoring implementation progress of participating cities in Component 2 and 3 of the project, this component will also create a platform and hold regular events that will reach out to many cities and districts (beyond those 12-14 included in this project), and create opportunities for policy dialogue, discussions on system improvement models, peer-to-peer exchange of experiences, and dissemination of results from the project. These outreach activities will require specialized staff in the CPIUs of the program.</p> <p>50. As mentioned earlier, specific technical assistance will be provided by SUPD II (MOHA) to help ensure the sustainability of the investment received by the eight cities/district governments receiving the investment of Component 3. Specifically, the activities of SUPD II will aim to strengthen the regulatory framework and institution capacity of local government identified</p>

		to receive the hardware investments, provide support for strengthening implementation and management capacity by funding monitoring (including improvement of cost recovery, setting tariffs, and retribution), enhancing stakeholder’s collaboration at all levels, and training to make substantial use of participatory and inclusive techniques for community engagement.
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**Climate Change Co-benefits section/Annex 5: Climate Change Analysis**

Provided:

Climate Change Co-Benefits: All components of this project have been designed to contribute to climate change adaptation objectives. Infrastructure financed through Component 3 will incorporate improved design and construction of facilities in areas prone to flooding, adapting to the climate change vulnerability risks. All components also contribute to addressing increased leachate treatment needs and waste collection around waterways with flooding risks, preventing waste from blocking drains and causing flooding. For climate change mitigation, capacity building measures are also aimed at actions to reduce GHG and other emissions. Investments have also been designed to reduce emissions related to the transportation and disposal of waste, including landfill gas capture.

Climate Concern	Project Design Feature to Address Concern
<i>Mitigation</i>	
Emissions from transporting waste	Optimizing transportation The Project will expand waste collection services in Indonesia and will look at improving route efficiencies and where feasible introduction of transfer station to reduce transportation and associated emissions. Where incorporated into the collection and transport system, transfer stations will allow for productive use of some waste and limited transport of other waste.
Emissions from disposal of waste	<p>Diversion of waste for productive use: By requiring segregation of waste at the household level and diverting recyclables and organic waste, the Project to some extent will reduce overall emissions as well as the overall quantity of waste that needs to be transported to landfill sites. Awareness raising efforts and capacity building incorporated into the Project will allow for some source segregation of waste at the household level and improvements in management of waste facilities.</p> <p>Composting: Composting is a form of solid waste management disposal that generates fewer emissions than dumpsites and landfills because of the manner in which organic waste is managed. It is expected that composting can be introduced in a number of the participating cities in Indonesia.</p> <p>Landfill gas collection: The main impact in terms of GHG reduction will come from large scale introduction of sanitary landfilling and thus collection of landfill gas. The gas generated from decomposing organic waste will be captured and depending on scale used for power generation or to be flared rather than released into the air as occurs with dumping.</p>

<b>Adaptation</b>	
Flooding, storm surges, sea level rise, cyclones, and tsunamis	Infrastructure design Large parts of Indonesia are prone to flooding and risk are increasing with rising sea levels. New facilities and existing facilities to be extended or upgrading will be designed to withstand rising levels of flooding when they occur. This is already applied for the Makassar landfill development, one of the first investments prepared for the program. Expanding waste collection The waste collection services are being expanded over the Project area and this will serve to prevent waste from blocking drains and causing flooding

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Page 12, paragraph 21: “21. The proposed program supports the Government’s climate policy objectives as articulated in the Nationally Determined Contributions (NDCs).<sup>19</sup> For climate change adaptation, the country’s medium-term strategy is to reduce risks from climate change on all development sectors, including public services, infrastructure and urban system by 2030. The program supports this objective by reducing the vulnerability of solid waste facilities to climate risks through climate-resilient designs. Improved waste collection resulting from program activities will also enhance urban flood drainage capacity in program locations. For climate change mitigation, the Government has set an unconditional emission reduction target of 29% and a conditional reduction target up to 41% of the business as usual scenario by 2030. Activities financed by this program contribute directly to reducing greenhouse gas (GHG) emission from the solid waste sector.”

<b>Greenhouse Gas Accounting</b>
Provided. Pages 89-91.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C 1	0.7	0	0	0	0	Component 1 will “support institutional strengthening and capacity building of central government agencies responsible for various technical and administrative aspects of solid waste management services”. The primary focus is therefore not climate adaptation or mitigation. Incremental costs of climate co-benefits have not been provided.  No explicit evidence of mitigation-relevance has been provided. No mitigation co-benefits are counted.



C 2	18.2	0	0	0	0	<p>Component 2 concerns the “Integrated Planning Support and Capacity Building for Local Government and Communities”. The component will finance experts and community facilitators engaged with the improvement of waste management operations.</p> <p>Project Components section states: “Climate change planning considerations, both mitigation (institutional strengthening to acquire carbon finance) and adaptation (climate vulnerability analysis) will also be supported through this component”.</p> <p>Adaptation:</p> <p>Aside from the above statement, neither adaptation, vulnerability or resilience or mentioned in the context of Component 2. Furthermore, granularity of reporting stops at the component level, therefore the proportionality of adaptation co-benefits cannot be calculated through considering activities, aims, objectives or motivations.</p> <p>Because the link between the project’s activities and the vulnerability assessment is so weak, to adhere to the principle of conservativeness in the face of uncertainty no adaptation co-benefits have been calculated. This prevents the over-reporting of benefits.</p> <p>Mitigation:</p> <p>Documentation states: “Models will be developed, tested and implemented to improve waste collection rates and waste recycling at the community level and integrate community level collection into the</p>
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						<p>waste management chain, both institutionally and functionally”.</p> <p>Documentation states the component “will provide support for improving the design of these strategies and prepare [solid waste management] masterplans”. However, there is no mention of: the source segregation of waste, repair or reconditioning of waste, material recovery, anaerobic digestion of waste, composting of waste, recovery and valorisation of waste, mechanical or biological treatment of waste, waste-to-energy – which all qualify under the Common Principles for Climate Change Mitigation Finance Tracking.</p> <p>The component does support “transactions advisory services for waste incineration (waste-to-energy) investments will also be made available to a select group of cities to assist in the structuring of sub-project documents”. This is potentially relevant under the Common Principles methodology under the eligible activity: “Waste incineration with energy recovery (waste-to-energy) from mixed residual waste, RDF or SRF”. However, criteria for the eligible activity states net GHG emissions reductions must be evidenced. Waste-to-energy emissions are not mentioned in the documentation, including within the GHG accounting analysis.</p> <p>The component cannot be linked with an eligible activity under the Common Principles, and no mitigation co-benefits have been counted.</p>
SC 3.1	77.0	0.25	0.75	19.25	57.75	<p>Sub-component 3.1 will “provide investment financing for the cities and districts of Metro Bandung (City of Bandung, City of Cimahi, District of Bandung, and District of West</p>

					<p>Bandung) and Non-Metro Bandung (District of Cianjur, District of Purwakarta, District of Karawang and District of Bekasi) that have urgent solid waste management infrastructure needs”.</p> <p>Adaptation:</p> <p>The Climate Change Analysis Section states: “Infrastructure design Large parts of Indonesia are prone to flooding and risk are increasing with rising sea levels. New facilities and existing facilities to be extended or upgrading will be designed to withstand rising levels of flooding when they occur.” I.e. that infrastructure will be designed and constructed to be climate resilient.</p> <p>Furthermore, that “The waste collection services are being expanded over the Project area and this will serve to prevent waste from blocking drains and causing flooding” thereby reducing the risk of flooding when hydrological climate impacts occur.</p> <p>The assessment of an adaptation co-benefits coefficient results from the following justifications:</p> <ol style="list-style-type: none"> <li>(1) Adaptation is no the primary objective of the Sub-component, resulting in an initial coefficient of 0.5 being applied.</li> <li>(2) In the absence of the incremental costs of climate resilient infrastructure, and the absence of more granular information regarding finance in support of adaptation-related activities, a further coefficient of 0.5 is applied to adhere to the principle of conservativeness.</li> </ol>
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					<p>This results in a final adaptation coefficient of 0.25.</p> <p>Mitigation:</p> <p>The sub-component will finance “a selection of collection infrastructure and transport, transfer stations, mechanical-biological treatment facilities mostly based on composting, recycling centers, sanitary landfills (new and/or expanding and remediating existing sites), and potentially a refuse-derived fuel plant”.</p> <p>The Sub-component is therefore eligible under multiple criteria of the Common Principles for Climate Change Mitigation Finance Tracking, such as:</p> <ul style="list-style-type: none"> <li>(3) “Separate collection and transport of source-segregated waste fractions”</li> <li>(4) “Temporary storage, bulking, or transfer of separately collected, source-segregated waste fractions”</li> <li>(5) “Composting of separately collected bio-waste”</li> <li>(6) “Material recovery from separately collected waste involving mechanical processes”</li> <li>(7) “Landfill gas capture, abatement or utilisation as part of closure of old landfills, landfill cells or dumpsites”</li> </ul> <p>To adhere to the principle of conservativeness in the context of projects with both adaptation and mitigation co-benefits, a mitigation coefficient of 0.75 has been applied to prevent finance being double counted as a climate co-benefit. This also recognises that mitigation is a more</p>
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						significant motivation of the sub-component than adaptation.
SC 3.2	0	-	-	-	-	Not funded by the Bank.
C 4	4.1	0	0	0	0	<p>Component 4 will “finance the program management during the implementation, construction supervision consultants, monitoring and evaluation, and specific technical assistance for cities/district governments receiving the investment of Component 3”.</p> <p>Although climate co-benefits could arise from the technical assistance regarding Component 3, there are no explicit activities which evidence an intent to address the vulnerability context or which qualify under the Common Principles for Climate Change Mitigation Finance Tracking. To assign climate co-benefits would integrate significant uncertainty due to a lack of granularity regarding specific activities undertaken.</p>

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
16.0	19.127	19.5%	63.8	57.75	9.5%

Reported climate finance	Assessed climate finance	Error
79.8	76.877	11.5%

Project Number: P166239

<b>Project Name</b>
Innovation Development and Effectiveness in the Acquisition of Skills (IDEAS) Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/375491582340524932/nigeria-innovation-development-and-effectiveness-in-the-acquisition-of-skills-ideas-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/375491582340524932/nigeria-innovation-development-and-effectiveness-in-the-acquisition-of-skills-ideas-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Credit
<b>Lowest level of granularity</b>
Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Project Components section, page 22, paragraph 47.
<b>Intent to Address Vulnerability</b>
Provided in the Project Components section, page 22, paragraph 47.
<b>Link to Project Activities</b>
Provided in the Project Components section, at the component level.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Component 1	US\$88 million	<p>Component 1: Incentivizing Partnerships with Industry for Enhanced Quality and Labor-Market Orientation of Public Technical Colleges (US\$88 million equivalent)</p> <p>30. Under this component, the project will provide grant funding for the rehabilitation and upgrading of Federal and State TCs with the aim of transforming their operational models into publicprivate partnerships, in which industry partners assume a prominent role in institutional governance, management and planning, training and service delivery. Support to TCs will be implemented in two phases. During the first phase, 10 Federal TCs and 12 State TCs (two in each participating state)<sup>31</sup> will be provided with grant funding. The ten Federal TCs to benefit from the project's first phase have been selected by the FME based on a set of criteria. <sup>32</sup> The State TCs to benefit under the first phase have already been nominated, based on a similar set of defined criteria.</p> <p>31. Partnership models, including the contribution of the private sector, may vary depending on specific regional and labor market contexts building on successful practices to date in Nigeria (e.g., Lagos Eko Secondary Education Project, SEPIP) and internationally. The private sector partners are expected to provide their expertise in needs assessment, planning, institutional</p>

	<p>management and curriculum development, and offer improved internship opportunities to students. Additional contributions such as donation of equipment, internship opportunities for technical teachers, and secondment of technical experts for teaching may emerge on a case-to-case basis.</p> <p>32. As a pre-condition of being awarded a grant, TCs must have signed a Memorandum of Understanding (MoU) with relevant companies or business institutions and agreed with the private sector partners on an Institutional Development Plan (IDP) that sets out goals and strategies for the development of the TC in line with labor market needs. An IDP will identify priority occupational groups for which training will be upgraded, priority training programs to be delivered, as well as an investment plan to upgrade the TC to the expected standards, which includes climate and gender appropriate structures, including safe transportation options, sanitation facilities, power sources and disabilityinclusive design. The IDPs, to be evaluated and approved by the TSED (Federal TCs), and evaluated and approved by the state governments and endorsed by the NBTE (State TCs), will be the basis for the grant agreements to be signed between the College Implementation Unit (CIU) of the TC and the FME (in the case of Federal TCs) and the state government (in the case of State TCs), respectively.</p> <p>33. The identification of priority sectors/occupational groups for upgrading of each TC and of partnering private sector companies or business associations is currently ongoing, informed by labor market assessments and subsequent stakeholder consultative meetings. Supported TCs are expected to improve their capacities for long-term formal technical education as well as short-term skills development programs, focusing on current and future skills needs in existing occupations and emerging job markets, notably in the digital and green economy. This includes upgrading and/or further training of TTIs, as well as management staff in the TCs.</p> <p>34 By engaging in short-term skilling programs, TCs will broaden their mandate to also cater to the skills needs of unemployed persons and workers in industry, using capacities more efficiently and at the same time filling supply gaps in the broader training market. Grants will also incentivize TCs' efforts to increase female enrolment and inclusion of people with disabilities, and to invest in strategies to promote labor market transition of its graduates.</p> <p>34. Funding will also be instrumental to introduce innovation in the way skills are delivered. This will entail the delivery of new NSQF-based curricula, or dual vocational training programs, 35 where applicable, building on the pilot projects in Lagos, Abuja and Abeokuta. Modern e-learning technologies will be piloted and the introduction of green skills incentivized. While supported TCs will have sharpened their focus on needs-based training, they will also be in a position to cooperate with other World Bank-funded projects that support youth employment and special sector development.</p> <p><i>Page 22, paragraph 47: "Mainstreaming green skills and sustainability concepts in skills development can influence people's understanding and</i></p>
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		<p><i>awareness of climate and environmental challenges and increase the capacity of the economy to adapt environmentally compatible technologies. The project will facilitate the mainstreaming of sustainability knowledge in occupational standards and curricula, including in the technical teachers and instructors training space. Especially TCs will be incentivized to introduce green skills training programs in line with labor market needs related, for example, to renewable energy, wastewater treatment, solid waste management and green construction. When rehabilitating TCs, measures to increase energy efficiency will be implemented, and renewable energy sources (e.g., solar power) will be used to power the institutions as far as possible.”</i></p> <p>35. For the management of the IDP, a CIU in each TC with a majority of members from the private sector will be formed. The CIU will be charged with the responsibility of preparing the IDP, managing the IDP budget, and overseeing the appropriate implementation of the reforms at the college level. Details of the CIU’s composition, and its roles and responsibilities, are defined in the Project Implementation Manual (PIM). The project will provide the TCs with comprehensive technical assistance (TA) to conceptualize and implement the intended reform projects.</p>
Component 2	US\$26 million	<p>Component 2: Improving Skills Formation in the Informal Sector (US\$26 million equivalent) 36. In close cooperation with local trade associations, under this component, the project will deliver a comprehensive capacity development intervention package for the improvement and modernization of informal apprenticeships to selected informal sector clusters<sup>36</sup>. The package may include: (i) organizational development support to trade and cluster organizations; (ii) supporting to set-up digital platforms and business networks; (iii) skills upgrading training, digital literacy training, pedagogical and business management training and environmental awareness creation for MCPs; (iv) supplementary basic skills, theory, soft and digital skills and entrepreneurship training for apprentices, as well as foundational skills training as needed; (v) access to NSQF-based assessment and certification for formal recognition of skills for both MCPs and apprenticeship completers; and (vi) business development support through mentoring; (vii) limited provision of tools and shared modern equipment; and (viii) facilitation of access to other needed business development services.</p> <p>37. While the component targets mainly existing apprentices in the informal sector, stipends to cover transport and other training costs will be provided to incentivize especially vulnerable youth to participate in apprenticeships, including female youth and young people with disabilities. Through a stakeholder consultative process, facilitated by NBTE and informed by the ongoing state-level analyses of trade activities and economic opportunities, trades and intervention locations within the states will be selected and approved by the State Project Steering Committees (SPSCs). The specific intervention package varies among clusters depending on trades, markets and specific challenges and constraints.</p>



		<p>38. A rigorous impact evaluation (IE) will be conducted to assess whether the enhancement of informal apprenticeships is associated with improved labor market outcomes. The evaluation will aim to assess the effectiveness of individual interventions for improving training quality and of targeted foundational and soft skills training, especially for female youth. A detailed IE plan will be designed at the beginning of project implementation. The IE is expected to contribute to increased knowledge and public dialogue about a sustainable long-term approach to strengthen and enhance skills development in Nigeria’s informal economy.</p>
Component 3	US\$30 million	<p>Component 3: Increasing the Availability of Competent and Motivated Technical Teachers and Instructors (US\$30 million equivalent)</p> <p>39. Under this component, the proposed IDEAS Project aims to improve the availability of appropriately skilled and competent TTI in the skills development space throughout the country, including teaching staff of private skills development institutions, and starting with technical teaching staff in TCs. As outlined before, human resources for skills development, especially teaching staff, are scarce in Nigeria, and those already in the system often lack methodological skills, updated technical skills, as well as knowledge and skills to pro-actively extract the advantages from the digital learning space. The project will address this using a two-pronged approach, by: (i) supporting immediate remedial solutions to capacity shortcomings; and (ii) initiating systemic change in the way teaching resources for skills development are built and strengthened<sup>37</sup>.</p> <p>40. To address immediate shortcomings, the project will support the Government to launch an inservice training scheme for existing TTIs in TCs focusing on technical skills upgrading, modern pedagogical skills and ICT skills using appropriate education institutions as well as industrial attachment arrangements. In addition, a scheme to upskill MCPs and to recruit them as contract teachers for TCs will be introduced on a pilot basis in selected states. To systemically approach the challenge of building a sufficient corps of qualified and competent technical teachers/instructors, the project will support the Government in formulating a comprehensive Human Resource Strategy for Skills Development in Nigeria.<sup>38</sup> Based on agreed policy directions, it will fund activities to improve teaching capacities for technical teachers’ pre-employment training programs (curriculum development, further training of faculty staff, equipment upgrading where appropriate), as well as conceptualizing and piloting a continuous professional development (CPD) system in selected trade areas. In line with emerging international and national best practice, technology-enabled solutions (distance and e-learning; multi-media - including interactive teaching and learning aids and materials) will be introduced for enhanced quality and efficiency. To strengthen the focus on performance, the project will support the development and implementation of a technical teachers’ performance measurement tool applicable in the Nigerian context.</p>

Component 4	US\$46 million	<p>Component 4: Strengthening the Regulatory Environment and Public Management Capacities for Market-Oriented Skills Development (US\$46 million equivalent)</p> <p>41. To accelerate the implementation of outcome-based skills development, the project will support further rolling-out of the NSQF reform, which involves capacitating SSCs, curriculum development and revision based on NOS, training and certification of assessors and trainers. Curriculum development will incorporate climate change awareness and environmentally friendly technologies, where applicable, and digital skills requirements across occupational areas. The project will support federal and state-level agencies involved in skills development - including the project implementing units at FME, NBTE and state governments - to strengthen their capacities and management systems through staff training, study tours, peer-to-peer learning and strengthening modern management systems.</p> <p>42. To overcome the severe knowledge gaps in the current skills development eco-system, the project will support building systems and capacity for research, monitoring and evaluation (M&amp;E). It will be instrumental to strengthen the management information system (MIS) for skills development and to improve the availability of timely labor market information essential for skills development planning. It will conduct impact assessments of innovative skills programs and initiatives and policy studies upon need. Innovative methods to facilitate continuous regular tracer studies will be explored and tested. A study to explore options for increasing the inclusion of people with disabilities in TVET programs/institutions is planned at the beginning of project implementation.</p> <p>43. To support the implementing agencies promoting innovation in digital skills development, each of the six initially participating states as well as the FME and the NBTE will award innovation grants with the aim to assist innovative training approaches to digital skills and related entrepreneurship development to emerge and be tested. Based on a competitive selection process, the grants will be available to private innovative initiatives (e.g., hubs) to train in the fields of digital skills, e-lancing, and e-market start-up promotion.</p> <p>44. Under the component, the project will also develop and implement a comprehensive communication strategy with the aim of: (i) informing stakeholders, decision-makers and the wider public about the project, its interventions and results; and (ii) informing and sensitizing the public, especially young Nigerians, about options and career opportunities arising from skills development. Cutting across components, the strategy is expected to support the Government's efforts to increase the reputation of and interest in TVET and skills development programs among the population.</p>
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<b>Climate Change Co-benefits section</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C 1a	79	0	0	0	0	<p>Component 1 will incentivise partnerships with Industry for Enhanced Quality and Labor-Market Orientation of Public Technical Colleges. Finance in support of project components is broken down into separate activities in Table 3, page 29.</p> <p>Activity (a) will “provide grant funding for the rehabilitation and upgrading of Federal and State Technical Colleges (TCs) with the aim of transforming their operational models into public private partnerships, in which industry partners assume a prominent role in institutional governance, management and planning, training and service delivery”.</p> <p>No evidence of climate relevance.</p>
C 1b	4					No evidence of climate relevance.
C 1c	5	0.125	0.125	0.625	0.625	<p>Activity (c) will ensure “Development of new programs and related teaching and learning material (TLM)”. While “Modern e-learning technologies will be piloted and the introduction of green skills incentivized.”</p> <p>Documentation adds: “Mainstreaming green skills and sustainability concepts in skills</p>

					<p>development can influence people's understanding and awareness of climate and environmental challenges and increase the capacity of the economy to adapt environmentally compatible technologies. The project will facilitate the mainstreaming of sustainability knowledge in occupational standards and curricula, including in the technical teachers and instructors training space. Especially TCs will be incentivized to introduce green skills training programs in line with labor market needs related, for example, to renewable energy, wastewater treatment, solid waste management and green construction."</p> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking: "Education, training, capacity building or awareness-raising focused on climate change mitigation".</p> <p>By mainstreaming sustainability knowledge awareness of climate change the activity also links to the vulnerability context and shows an intent to address it.</p> <p>The activity is therefore assessed to be partially climate-relevant. The climate co-benefits assessment results from the following steps:</p> <ul style="list-style-type: none"> <li>• Due to "green" skills being one of multiple motivations alongside e-learning approaches being piloted, an initial coefficient of 0.5 is</li> </ul>
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						<p>applied. Documentation provided very limited information regarding the activity and the climate proportionality within it.</p> <ul style="list-style-type: none"> <li>• A second coefficient of 0.5 has been applied in recognition that “green skills and sustainability concepts” are themselves only partially climate relevant. This coefficient also acknowledges the significant uncertainty within this co-benefits assessment due to a lack of information, and adheres to the principle of conservativeness.</li> <li>• The final coefficient of 0.25 is considered to be cross-cutting.</li> </ul>
C 2	26	0	0	0	0	No evidence of climate relevance.
C 3	30	0	0	0	0	No evidence of climate relevance.
C 4a	12.5	0.125	0.125	1.5625	1.5625	<p>Component 4 will Strengthening the Regulatory Environment and Public Management Capacities for Market-Oriented Skills Development. Finance in support of project components is broken down into separate activities in Table 3, page 29.</p> <p>Activity (a) will aid the roll out of the Nigerian Skills Qualifications Framework.</p> <p>Documentation states: “To accelerate the implementation of outcome-based skills development, the project will support further rolling-out of the NSQF reform, which involves</p>

					<p>capacitating SSCs, curriculum development and revision based on NOS, training and certification of assessors and trainers. Curriculum development will incorporate climate change awareness and environmentally friendly technologies, where applicable, and digital skills requirements across occupational areas.”</p> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking: “Education, training, capacity building or awareness-raising focused on climate change mitigation”.</p> <p>By mainstreaming sustainability knowledge awareness of climate change the activity also links to the vulnerability context and shows an intent to address it.</p> <p>The activity is therefore assessed to be partially climate-relevant. The climate co-benefits assessment results from the following steps:</p> <ul style="list-style-type: none"> <li>• Due to “green” skills being one of multiple motivations alongside e-learning approaches being piloted, an initial coefficient of 0.5 is applied. Documentation provided very limited information regarding the activity and the climate proportionality within it.</li> <li>• A second coefficient of 0.5 has been applied in recognition that “green skills and sustainability concepts” are</li> </ul>
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						<p>themselves only partially climate relevant. This coefficient also acknowledges the significant uncertainty within this co-benefits assessment due to a lack of information, and adheres to the principle of conservativeness.</p> <p>The final coefficient of 0.25 is considered to be cross-cutting.</p>
C 4b	6.3	0	0	0	0	No evidence of climate relevance.
C 4c	6.5	0	0	0	0	No evidence of climate relevance.
C 4d	8.7	0	0	0	0	No evidence of climate relevance.
C 4e	1	0	0	0	0	No evidence of climate relevance.
C 4f	11	0	0	0	0	No evidence of climate relevance.
Unallocated	10	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
2	2.19	9.5%	3.5	2.19	37.4%

Reported climate finance	Assessed climate finance	Error
5.5	4.38	22.2%

Project Number: P169641

<b>Project Name</b>
Institutional Foundations to Improve Services For Health
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/748681588692183436/iberia-institutional-foundations-to-improve-services-for-health-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/748681588692183436/iberia-institutional-foundations-to-improve-services-for-health-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Credit
<b>Lowest level of granularity</b>
Sub-component

<b>Climate Change Vulnerability Context</b>
Provided in the Project Appraisal Summary section, pages 42-43.
<b>Intent to Address Vulnerability</b>
Provided in the Project Appraisal Summary section, pages 43, paragraphs 88-89.
<b>Link to Project Activities</b>
Provided in the Project Appraisal Summary section, pages 43, paragraphs 88-89 and in the Project Components section at the sub-component level. Link between activities and the vulnerability context is quite weak. Where general investment in health care is equated as adaptation finance.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Subcomponent 1.1. Operationalizing new Redemption Hospital Phases 1 and 2	US\$35 million	35. This subcomponent will finance the design, construction and supervision of Phase 2, and the procurement and installation of equipment for both Phases 1 and 2 of the new Redemption Hospital. The procurement of equipment will be conducted in stages, based on the respective construction completion timelines for Phases 1 and 2. Construction of Phase 1 is ongoing, financed by the ongoing Ebola Emergency Response Project (P152359). While construction is scheduled to be completed by March 2021, construction progress to date indicates that there may be a delay of a few months. The Government will inform the WBG by mid2020 at the latest if an extension is required. Preliminary design and cost estimates were done for Phase 2 at the conceptualization stage, and a design and supervision consultant firm will need to be contracted to detail and finalize these elements.
Subcomponent 1.2. Enhancing human resource skills	US\$1 million	36. To ensure the delivery of quality health services at all levels, qualified and skilled personnel are required. Since 2013, the WBG – through several HNP operations – has directed an estimated US\$13.5 million towards the training of Liberian health personnel. This included support to the undergraduate medical education at A.M.Dogliotti. Medical College and initiate post-graduate training at the Liberia College of



		Physicians and Surgeons (LCPS). Forty-five medical doctors have graduated, with specialties in internal medicine (11), general surgery (12), pediatrics (9), and Obstetrics & Gynecology (13). Under this sub-component, the project will cover costs related to the training of undergraduate and post-graduate health personnel at the A.M.D Medical College and LCPS, and will finance training of nurses and midwives <sup>33</sup> .
Subcomponent 1.3. Scaling-up the successes of PBF	US\$3 million	Under this subcomponent, the proposed project will support costs related to the provision of maternal, adolescent, and child services through PBF to select primary health care centers and hospitals. While the WBG and USAID both currently support PBF in Liberia <sup>34</sup> , each institution implements its own model of PBF. The GOL has requested that USAID and the WBG design an integrated model, which will be scale-up to the rest of the country. To inform the design of the new PBF model, the GFF is financing implementation research on Liberia’s experience with PBF and an impact evaluation of the current PBF models, financed by the Health Results Innovation Trust Fund, is being conducted (end line study to commence in June 2020). Once the new PBF model is developed, the proposed project will support costs related to the implementation of the model, including (i) PBF subsidies to primary health care facilities, hospitals and counties; (ii) verification of results by independent verification agencies/modalities; (iii) technical assistance to support the design and implementation of the new model, and (iv) training, monitoring and evaluation (M&E), and other operational costs.
Subcomponent 1.4. Support to the national Community Health Assistant (CHA) Program	US\$2 million	38. This subcomponent will finance costs related to the CHA program, with the aim to improve the quality of preventative, promotional and curative RMNCAH services, including ANC, PNC, and follow-up in the community, and serve as a link between the community and health facilities. This subcomponent aligns with the country’s priority to invest in community health, particularly those related to RMNCAH priorities <sup>35</sup> . The CHA program uses an innovative service delivery model to expand the coverage of essential services to populations living in remote areas in Liberia where communities lack access to health facilities. In these settings, CHAs are the best, and sometimes, the only option for primary health care. A recent assessment of the CHA program in rural Konobo district showed that, between 2012-2015, the program was associated with a significant increase in the coverage of maternal and child health services, including facility-based deliveries (28.2 percent increase between 2012-2015) and treatment of diarrhea in children (60.1 percent increase between 2012-2015) <sup>36</sup> .
Subcomponent 1.5. Support for community and school health interventions to improve access to adolescent health care	US\$2 million	39. This subcomponent will finance a basic package of evidence-based interventions at schools and in the community that supports the longer-term objective of contributing to the reduction of teenage pregnancies and maternal mortality. In addition, the project will support costs related to the contracting of an experienced non-governmental organization (NGO), to implement activities that enhance community engagement and behavior change <sup>37</sup> towards teenage pregnancy and appropriate health care. At the school level, this subcomponent will finance inputs related to

		joint activities by the Ministry of Health (MOH) and the Ministry of Education (MOE) to improve sexual and reproductive health.
Subcomponent 1.6. Improve availability of essential medicines and RMNCAH products	US\$4 million	40. Access to quality pharmaceuticals is a significant constraint to improving RMNCAH outcomes in Liberia. This subcomponent will cover costs related to the procurement of selected essential medicines and supplies, required to save lives of mothers and neonates (oxytocin, misoprostol, magnesium sulfate, intravenous antibiotics for mothers and newborn, intravenous fluids, oxygen, blood, anesthetic drugs for caesarean sections, etc.).
Subcomponent 2.1. Enhanced and reliable data availability and evidence-based decision making	US\$1 million	41. In Liberia, the availability of reliable and timely data, and its use for evidence-based decision making is unsystematic and weak, contributing to ineffective service delivery. Moreover, there is limited accountability in data reporting and where data exists, it is often partial or outdated. This DLI-financed subcomponent will support the development of standards and procedures that ensure the availability of reliable and timely data at all levels and across all functions of the health system. It aims to incentivize: (i) effective planning and management; (ii) the use of facility-level data for implementation, and decisionmaking at a more senior level, and (iii) mechanisms for data sharing with communities. Improved systems will allow for regular data capture and monitoring of disaggregated data, which can be consolidated and used for planning and decision making, including equitable resource allocations.
Subcomponent 2.2. Effective supply chain management	US\$0.5 million	42. The MOH does not have a robust logistics and supply chain management system, which makes it difficult to assess, manage, and monitor drug availability at counties and facilities. This subcomponent will support activities that enhance coordination between DPs to strengthen medical supply management, including family planning and reproductive health commodities. Specifically, this subcomponent will finance activities that strengthen procurement management and forecasting, improves inventory management and logistics, warehousing - accessibility, security, stock management, and information systems. Enabling proper planning, budgeting, execution of procurement and quality assurance, and improved efficiency in the distribution and reporting will lead to reductions in drug stock-outs and enable the timely availability of drugs at health facilities, and to all populations. The major bottleneck, however, of an overall limited annual drug budget made available to MOH, will be addressed through continuous policy discussions and maximizing efficiencies.
Subcomponent 2.3. Improved human resource management	US\$2 million	43. Effective strategies are needed to encourage and incentivize the availability of appropriate staffing, especially in remote areas, to ensure quality of care at the point of service delivery. This subcomponent will support costs related to the MOH's development and implementation of an effective human resource strategy and performance management system. This would include addressing critical inefficiencies in the current system that impacts on the effectiveness of service delivery and the motivation and accountability of staff – e.g. lack of clear job descriptions, non-existent career paths, no transparency in selection, postings and transfers, urban-rural disparities, untimely payment of salaries,

		disparities in salaries, and incentives and motivation. Enabling the creation and implementation of effective strategies for human resource management will encourage equitable distribution and retention of motivated personnel and health support staff at different levels of the organization – MOH, counties, hospitals, and primary level – support better service delivery across the health system in Liberia.
Subcomponent 2.4. Support for school-based interventions to improve adolescent health (with a focus on girls)	US\$2 million	44. This subcomponent will support activities that address institutional barriers to the joint implementation of the school-based adolescent program by the MOH and MOE. It will support costs related to the coordination between the MOH and MOE, to jointly develop, implement and monitor school-based activities under subcomponent 1.5, as well as an adolescent sexual and reproductive health and rights training (ASRHR) module by female health counselors in high schools, recruited through the WBG’s Education project (Improving Results for Secondary Education Project; IRISE; P164932). These female health counselors aim to enhance the sexual and reproductive health knowledge and behavior of adolescents in schools, and support girls who drop-out because of pregnancy. This subcomponent is complementary to sub-component 1.5.
Subcomponent 2.5. Strengthened citizen engagement	US\$0.5 million	45. This subcomponent will support activities to strengthen community and citizen engagement by improving their access to information, and capturing their voice and feedback, which will enhance the responsiveness of the Government in addressing constraints to access. Improved accountability will encourage service providers to “supply” the services for which they are responsible.
Subcomponent 3.1: Project coordination	US\$0.5 million	46. This subcomponent will provide administrative support to the Project Implementation Unit (PIU), including contractual specialists, administrative supplies, and capacity building.
Subcomponent 3.2: Monitoring & Evaluation (monitoring, supervision, and support)	US\$0.5 million	47. The general underlying principle is to ensure alignment of the M&E process developed for the project with the national M&E system. This subcomponent will support costs related to the M&E of project activities, capacity building, technical assistance to formulate an M&E plan for the project and hiring of the independent verification agency/organization for DLI verification.
Component 4. Contingency Emergency Response Component (CERC)	US\$0	48. This component is included in accordance with paragraphs 12 and 13 of the World Bank IPF Policy, contingent emergency response through the provision of immediate response to an Eligible Crisis or Emergency, as needed. There is a moderate to high probability that during the life of the project, the country could experience another epidemic or outbreak of public health importance or another health emergency with the potential to cause significant adverse economic and/or social impact on the health sector. This would result in a request to the World Bank to support mitigation, response, and recovery activities in the county(s) affected by such an emergency. The CERC will allow the Government to request from the World Bank rapid reallocation of project funds to respond promptly and effectively to an emergency or crisis. An operation manual for this component will be developed if/when needed.

**Climate Change Co-benefits section**

Provided:

Adaptation:

88. Specific project activities which will support climate change adaptation include under Component 1: Improved service delivery (total US\$ 68 million), the sub-component Operationalizing Redemption Hospital Phases 1 and 2 (US\$35 million). The hospital is being built in two phases. US\$35 million will finance (i) construction of Phase 2 estimated to be US\$20 million; and (ii) equipment for both Phases 1 and 2. The 'new' Redemption Hospital will provide access and resilience to the population of Montserrat county and surrounding, where more than a third of the country's total population of 4.2 million resides; and serve as a referral facility for the remaining counties. Phase 1 will only fund equipment and not the construction itself through this project. Phase 2 will be staffed with appropriate skills and equipment to diagnose and manage the water and vectorborne diseases, including complications such as dehydration, that the entire population is vulnerable to and moderate to severe malnutrition in children. Nevertheless, Phase 1 will contribute to enhancing the climate adaptation of the population since climate-vulnerable groups (women and children) will have improved access to obstetric, gynecological and pediatric services as a result of the new facilities being properly equipped. In Phase 2, both the building work and equipment will be expanding coverage to all climate-vulnerable population groups. Additionally, Component 2: Institutional strengthening to address key binding constraints (US\$ 11 million), will support financial incentives to support a more efficient supply chain management of drugs and supplies, enhancing availability of routine data for evidence-based decision making, and citizen engagement. The regular and efficient data reporting systems will enable the Ministry of Health to launch an improved response to water and vector borne diseases, and management of malnourished children; including the ability for a timely response to 'red flags' for impending disease outbreaks amongst the climate-vulnerable population of the country. This will enable the system to respond more quickly to emerging climate-related diseases thereby enhancing climate adaptation.

Mitigation:

89. Specific project activities which will support climate change mitigation include under Component 1: Improved service delivery (US\$68 million), the Operationalizing Redemption Hospital Phases 1 and 2 (US\$35 million). For the construction of Phase 2 (US\$20 million), energy efficiency and mitigation measures will be built into both the design and actual construction stages. This is also likely to include an energy efficiency audit early on, the recommendations from which will be included in the design and construction of phase 2, including factors such as selection and procurement of energy-efficient construction materials. The equipment procurement for Phases 1 and 2 (US\$ 15 million) will include the development of normative guidelines for procuring energy-efficient equipment to ensure that net greenhouse gas emissions from these are reduced compared to the current situation in the facilities being replaced. Component 2: Institutional strengthening to address key binding constraints (US\$8 million) supporting improved data collection and reporting, supply chain citizen engagement will ensure disaggregated routine data for the climate-vulnerable groups, and including them in the citizen engagement and feedback mechanisms. The data systems, including incentivizing the use and reporting of electronic, human resource systems, logistics management systems, and health services utilization data, will contribute towards energy efficiency and mitigation by reducing the need for carbon-intensive travel between currently geographically dispersed facilities.

Greenhouse Gas Accounting
None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.1	35	0.125	0.125	4.375	4.375	<p>Sub-component 1.1 concerns the building and equipping of hospital infrastructure. Adaptation is therefore not the fundamental objective of the support.</p> <p>Paragraph 88 states that equipping Phase 1 construction will “contribute to enhancing the climate adaptation of the population since climate-vulnerable groups (women and children) will have improved access to obstetric, gynecological and pediatric services as a result of the new facilities being properly equipped”. Adaptation co-benefits are therefore indirect, and no incremental costs have been provided to differentiate this adaptation-relevant portion of the project from the majority of funds.</p> <p>In addition, paragraph 88 states that the building of the Phase 2 hospital “will be expanding [health care] coverage to all climate-vulnerable population groups” and thus contributes towards adaptation. And that “energy efficiency and mitigation measures will be built into both the design and actual construction stages”.</p> <p>Climate coefficient results from the following considerations:</p> <ul style="list-style-type: none"> <li>Neither adaptation nor mitigation are not the principal objective of the sub—component, resulting in an initial coefficient of 0.5 being applied.</li> </ul>

						<ul style="list-style-type: none"> <li>Incremental costs of adaptation, or granular information to disaggregate climate finance from non-climate-related finance, has not been provided. To adhere to the principle of conservativeness in the face of uncertainty, a second coefficient of 0.5 has been applied.</li> <li>Final coefficient of 0.25 deemed to be cross cutting.</li> </ul> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking: “Brownfield energy-efficiency improvement in energy production to supply electricity, heat, mechanical energy or cooling”</p>
SC 1.2	1	0	0	0	0	No evidence of climate relevance.
SC 1.3	3	0	0	0	0	No evidence of climate relevance.
SC 1.4	2	0	0	0	0	No evidence of climate relevance.
SC 1.5	2	0	0	0	0	No evidence of climate relevance.
SC 1.6	4	0	0	0	0	No evidence of climate relevance.
SC 2.1	1	0.125	0	0.125	0	In general, paragraph 88 states Sub-components 2.1, 2.2 and 2.5 are adaptation relevant, and “will support financial incentives to support a more efficient supply chain management of drugs and supplies, enhancing availability of routine data for evidence-based decision making, and citizen engagement.” Adding that “regular and efficient data reporting systems will enable the Ministry of Health to launch an improved response to water and vector borne diseases, and management of malnourished children; including the ability for a timely response to ‘red flags’ for impending disease outbreaks
SC 2.2	0.5	0.125	0	0.625	0	
SC 2.3	2	0	0	0	0	

SC 2.4	2	0	0	0	0	amongst the climate-vulnerable population of the country. This will enable the system to respond more quickly to emerging climate-related diseases thereby enhancing climate adaptation.”
SC 2.5	0.5	0.125	0	0.0625	0	<p>No evidence that sub-components 2.3 and 2.4 are climate relevant.</p> <p>Adaptation co-benefits are therefore indirect, and no incremental costs have been provided to differentiate the adaptation-relevant portion of the component from the majority of funds.</p> <p>Improved institutional capacity regarding healthcare in the Liberian context will increase climate resilience, and activities do indirectly link to the provided vulnerability context.</p> <p>Adaptation coefficient results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Adaptation is not the principal objective of the sub— component, resulting in an initial coefficient of 0.5 being applied.</li> <li>• A second coefficient of 0.5 recognises that adaptation co-benefits are indirect.</li> <li>• Incremental costs of adaptation, or granular information to disaggregate climate finance from non-climate-related finance, has not been provided. To adhere to the principle of conservativeness in the face of uncertainty, a second coefficient of 0.5 has been applied.</li> <li>• Final coefficient of 0.125.</li> </ul>

						Insufficient evidence of mitigation relevance.
SC 3.1	0.5	0	0	0	0	No evidence of climate relevance.
SC 3.2	0.5	0	0	0	0	No evidence of climate relevance.
C 4	0	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
4.7	4.625	1.6%	4.5	4.375	2.8%

Reported climate finance	Assessed climate finance	Error
9.2	9	2.2%



Project Number: P165129

<b>Project Name</b>
Integrated Project for Source Sustainability and Climate Resilient Rain-fed Agriculture in Himachal Pradesh
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/772461582340501704/india-integrated-project-for-source-sustainability-and-climate-resilient-rain-fed-agriculture-in-himachal-pradesh">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/772461582340501704/india-integrated-project-for-source-sustainability-and-climate-resilient-rain-fed-agriculture-in-himachal-pradesh</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Activity

<b>Climate Change Vulnerability Context</b>
Provided in Annex 4: Climate Co-benefits, pages 63-68.
<b>Intent to Address Vulnerability</b>
Provided in Annex 4: Climate Co-benefits, pages 63-68.
<b>Link to Project Activities</b>
Provided in Annex 4: Climate Co-benefits, pages 63-68.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Component 1	US\$44.04 million	This component promotes participatory and sustainable land and water management (SLWM) through financing the planning and implementation of upstream investments in selected micro-catchments. GP-level resource management plans (GP-RMPs) will be prepared to ensure that local investments are properly targeted and appropriate to the local geographic and socio-economic context. Hydrological monitoring stations will be established in the watersheds to continuously monitor water quality and quantity to assess the potential impact of project interventions. These stations will also lay the foundation for future water budgeting (to facilitate climate change adaptation by planning land use and agricultural investments based on the available water) and hydrological modelling at the watershed level that will enable the preparation of more holistic catchment area treatment (CAT) plans that identify the highest priority sites for future investments to ensure the greatest impact for source sustainability, carbon sequestration, and water quality. The main implementers and beneficiaries will be HPFD staff and communities, including user groups set up (or strengthened, where appropriate) under the project. The component will include a combination of technical assistance (TA), investments, and partnerships with other agencies. This support will lead to improved ecosystem management, improved forest

	<p>cover (carbon sequestration), increased water quality and quantity and sediment regulation (climate resilience), reduced erosion (and thus reduced disaster risk from landslides), and improved community participation (including women, youth, and disadvantaged groups) in and benefits from SLWM that are expected to serve as a model for other states through the Lighthouse India approach.</p>
	<p>Subcomponent 1A: Improved planning for participatory and sustainable land and water management</p> <p>14. Subcomponent 1A will strengthen landscape planning. Specifically: (a) consultants will design and the Project Management Unit (PMU) will procure and install a network of hydrological monitoring stations at key locations (to be determined by consultant expert analysis), to be maintained by the HPFD; (b) the PMU will prepare GP-RMPs; (c) consultants will be hired to support additional diagnostic studies, designs, and assessments; and (d) the PMU will develop GP-RMPs through a participatory process led jointly by the HPFD, GPs and community user groups that will ensure the active inclusion of women and disadvantaged groups. Agriculture extension officers and social extension officers will undergo training to effectively understand and adapt the specific needs of women cultivators in the GP-RMPs. As a part of the participatory rural appraisal (PRA) exercise, the preparation of GP-RMPs will take active steps to include interventions suggested by women’s federations and communitybased organizations with active participation from women. This subcomponent will also include the design and implementation of a catchment monitoring and evaluation (M&amp;E) system. These activities will increase climate mitigation and, by identifying the locations where SLWM investments will have the greatest impact on siltation and water capture, this planning exercise will also increase climate resilience at both the community and the landscape level by supporting increased water quality and quantity and reduced risk of landslides and flooding.</p> <p>15. Approval of the GP-RMPs will necessitate spot checks and verification on site. The preparation of the GP-RMPs will be achieved through: (i) a technical consultant to design the GP-RMP structure and mapping requirements; (ii) an Information Technology (IT) consultant to design the database and Geographic Information System (GIS), including data input technology to store, collate, monitor progress and report on GP-RMP preparation, approval, and implementation; (iii) the project team of social, agricultural, and forest extension officers to undertake community mobilization and facilitate their participation in plan preparation; (iv) PMU field teams in cooperation with the beneficiaries to prepare the GP-RMPs; and finally (v) the plan will be reviewed by the District Project Officer (DPO) and approved by the PMU and the GP following on-site verification. Implementation of the GP-RMP will be monitored by the PMU/ HPFD, including: (i) updating the project database to collate, report, and monitor implementation progress; (ii) verification on site of activity completion</p>

	<p>reports; and (iii) ongoing site inspections to verify required survival rates and proper maintenance.</p>
	<p>Subcomponent 1B: Implementation of participatory and SLWM investments as identified by the GP-RMPs</p> <p>16. This subcomponent will finance the implementation and maintenance of investments identified in the GP-RMPs, including the preparation of the technical specifications for works and equipment supply and terms of reference for consultancy services. These investments will be implemented by GPs with technical supervision from the PMU and may include, but are not limited to, the following: • Soil and water conservation measures, including vegetative measures, such as af/re-forestation, grass seeding, grass turfs, brushwood, live hedges, and spurs, as well as mechanical measures, such as check dams, drop structures, wire-crate spur structures, bunds and water harvesting, and drainage line treatments; • Forest management, including tree planting and management in open and medium density forests and slopes vulnerable to soil erosion and protection of plantations; and • Pasture management, including the introduction of rotational grazing, delineation of forest areas for the supply of fodder, and the introduction of voluntary systems to prevent livestock from grazing in young forest.</p> <p>17. Other investments at the project level rather than GP- or micro-catchment level would include: • Development of high-quality seed stands by HPFD, including establishment of a geo-referenced seed production system to select the best phenotypic seeds for given environmental and future climate conditions, which will allow adaption to changing climatic and vegetative zones; construction of a centralized seed center to process, treat, store, and test seed; and construction of a climate-controlled seed bank; • Nursery development. Procurement of works, machinery, and equipment to produce the additional seedlings of the correct quality in the right location; • Forest fire prevention and suppression. Organization of community fire protection groups; provision of locally appropriate firefighting equipment to the HPFD offices and participating communities; and training of communities on controlled burning, and the collection and use of pine needles; and • Innovative approaches to silviculture will be trialed by HPFD as simple replicated plots to determine the most appropriate and most cost-effective treatments – potential topics for research will include size and types of seedlings, plantation spacings, and the treatment of invasive species.</p> <p>18. The subcomponent will also support the establishment and financing of an operation, maintenance and investment fund (OMIF) in each of the participating GPs. The OMIF will be established under existing GP financial management procedures to meet the operations and maintenance (O&amp;M) responsibilities of community infrastructure related to SLWM constructed under this project and that already existed. Initial funding to the OMIF will</p>

		<p>come from community contributions with the project providing top-up funds through matching grants (MGs) to GPs. The underlying principle of the OMIF is to incentivize local revenue generation for, and investment in, O&amp;M of GP-managed SLWM-related infrastructure through this 'matching' financing. Top-up grants will be provided once the OMIF have reached defined thresholds in terms of revenues raised and legitimate expenditures on O&amp;M activities. Details will be provided in the Grants Manual.</p>
Component 2	US\$25.1 million	<p>Component 2: Improved Agricultural Productivity and Value Addition (US\$31.38 million; US\$25.10 million IBRD)</p> <p>19. This component will support interventions in downstream areas where the primary (existing or potential) water use is for irrigation in agriculture. It will seek to augment the use of irrigation as a principle strategy for shifting from low-value cereal production to climate-resilient crop varieties and higher-value fruit and vegetable production but would do so with a focus on increasing climate resilience and water productivity to maximize the financial returns for water use. The project will leverage additional support from (i.e. seek convergence with) other government programs particularly those of the agriculture, horticulture, and animal husbandry departments. Key interventions include farm-level infrastructure to increase high-productivity water utilization (drip and sprinkler irrigation) – essential elements of CSA – plus the necessary community-level primary and secondary distribution systems and training and input/ equipment supply for CSA. The project will only work in downstream areas where upland interventions are also being implemented. Convergence with the relevant line departments and relevant World Bank-financed projects (e.g. HP Horticulture Development Project) will be ensured through the project's Executive Committee (EC). By increasing water availability, biomass, and livelihoods on existing farmland, the proposed activities will increase both climate resilience and carbon sequestration, including by reducing forest encroachment (loss) and soil erosion, and are expected to be of interest to other forested states, with outcomes showcased through the Lighthouse India approach under Component 3.</p> <p>20. A value-chain scoping exercise will identify the barriers experienced by small and marginal farmers, predominantly women, in accessing CSA technologies, post-harvest equipment and subsidies and to identify potentially viable clusters of producers based on economic geography. The interventions will focus on: (a) improving the service delivery mechanism of on- and off-farm activities through training and capacity building of agriculture extension officers and social extension officers; (b) undertaking demonstrations of agricultural technology and conducting farmer field schools to cater to the needs of small and marginal farmers, including women; and (c) generating awareness through interactive communication campaigns. The list of sub-project investments will include a subset of activities predominantly carried out by women. These include diversification of crops to high-value vegetables, livestock-based activities for small and large ruminants, livestock mangers, and post-harvest</p>

	<p>interventions, such as maize chaffing. To incentivize uptake of technologies/ innovations, the project will calibrate the beneficiary contribution for individual women cultivators and women’s groups. User groups formed to manage resources under agriculture extension services will have active participation from women, including appointing women in decision-making roles.</p> <p>21. This component will also use a MG instrument to partially finance productive assets for individual and group beneficiaries. The exact share of beneficiary contribution will be calibrated according to the specific items (those with higher positive environmental externalities securing a lower beneficiary contribution) and for different beneficiary groups depending on their relative level of need/ access to finance. A key principle is that private goods for individual beneficiaries will, on average, require a greater beneficiary contribution. To ensure women participate in extension training and access additional technical support to develop grant proposals, female facilitators will also be hired and trained to provide extra training and support to women-only groups. It will also ensure equal access for defined disadvantaged groups within the project areas. Details will be set out in the Grants Manual.</p>
	<p>Subcomponent 2A: Improved water productivity</p> <p>22. Subcomponent 2A will support investments in the provision of water by investing in primary and secondary distribution infrastructure at the community level and farm-level irrigation equipment. The project will finance through a MG scheme decentralized water infrastructure assets within GPs based on robust GP-RMPs (developed under Component 1) and subordinate village-level agriculture and water management plans. This will include water harvesting, storage, and distribution infrastructure, such as (small) pond excavation, community tank renovation, roof rain-water tank installation, strengthening of traditional irrigation channels, and gravity and lift intake and distribution structures. To ensure these investments lead to increases in water productivity rather than only water availability, the project will only invest in increasing water utilization in GPs where: (i) upstream investments in source sustainability are being implemented under Component 1; and (ii) investments under Subcomponent 2B will support increased adoption of climate smart technologies and high value crop production to ensure the productivity of subsequent water use will be maximized, thereby achieving ‘per drop, more crop.’</p>
	<p>Subcomponent 2B: Adoption of Climate Smart Technologies and Diversification into High-Value Crops</p> <p>23. This component supports the adoption of CSA practices in conjunction with increased access to irrigation for existing cropping patterns and/or diversification into high-value, climate-resilient crops. The adoption of climate-resilient crops and CSA practices that address changing rainfall patterns and temperatures, reduce CO2 and methane emissions, and increase carbon sequestration (such as agroforestry, reduced tillage, and</p>

		<p>the system for rice intensification) will improve both climate mitigation and adaptation. The project will utilize HP's agricultural research and extension system and existing Government-backed interventions, enter into technical agreements to finance the incremental operational costs of existing delivery agencies, and hire consultancy services where complementary non-state services are required. Where knowledge of appropriate CSA practices is limited, the project will partner with the research institutions (to cover their operational costs) to strengthen the evidence base. Interventions to support high value crops, including medicinal and aromatic plants, will take a value chain perspective and will be based on the analysis of market potential. Such interventions will include consultancy services covering inter alia market analysis and strategies for value addition. This component will also fund essential modest "last-mile" market access investments (e.g. works contracts for the provision of footbridges and ropeways but not roads or investments requiring land acquisition). This subcomponent will utilize the MG scheme (under a second 'window') to subsidize essential productive assets to individual farmers, specifically active women farmers and women-headed households, and farmer groups.</p> <p>24. Based on the outcomes of the value chain analysis, the project will adopt a cluster-based approach where relevant. This is to avoid fragmentation and an unsustainable scattering of project investments and to increase benefits from the economies of scale in production, processing, and marketing essential in competitive agriculture. HP benefits from extensive analytical work on potential clusters in a range of commodities and has considerable experience in such approaches (including through other World Bank-financed operations). The project will include TA support for business incubation if an appropriate cluster emerges where this potential can be realized. Prospective clusters in specific value chains can only be determined once GP-RMPs have been concluded; requisite analysis will be undertaken alongside the GP-RMPs accordingly.</p>
Component 3	US\$ 2.94	<p>Component 3: Institutional capacity building for integrated watershed management (US\$3.67 million; US\$2.94 million IBRD)</p> <p>25. The long-term objectives of this component are two-fold: firstly, to support a more comprehensive and holistic approach to managing the state's water resources while recognizing competing uses within HP and in other states; and, secondly, to facilitate better alignment of institutional mandates for integrated watershed management (IWM) and strengthen the HPFD's institutional structure and capacity for improved service delivery. In the short term, this component will focus on building the capacity of the HPFD as the key government institution responsible for managing two-thirds of the state's land area and identifying future reforms through institutional assessments. It will also produce and share knowledge on these topics through a Lighthouse India approach.</p>
		Subcomponent 3A: Improving the governance structure for integrated watershed management

	<p>26. Through the convening power of the HPFD and its role in managing watersheds, this subcomponent will provide TA to support IWM. The subcomponent will support an institutional assessment to: (a) identify the institutions that affect water supply, quality, use, and management and their roles, responsibilities, and mandates; (b) conduct a strengths, weaknesses, opportunities and threats analysis of the current institutional framework and highlight any overlaps and/or gaps that undermine IWM; (c) identify opportunities for institutional coordination and synergy; and (d) build consensus on the need for reform and develop the goals and vision for institutional collaboration, a time-bound action plan, and an implementation road map. The results of this assessment are expected to inform the GoHP and other state governments on the necessary reforms to relevant institutions that will result in effective interagency cooperation and, ultimately, IWM. Stronger institutions will lead to improved planning and responsiveness to climate change impacts. This subcomponent will be implemented by a consultancy company specializing in change management.</p>
	<p>Subcomponent 3B: Institutional reform and strengthening of the Himachal Pradesh Forest Department</p> <p>27. This subcomponent building on subcomponent 3A will support the further institutional development of HPFD. It will provide TA to conduct a functional review of forest institutions (FRFI) that will produce a vision, goal, and time-bound action plan for change that is expected to inform institutional reform in HP and other states. This subcomponent will also help develop an initial set of prioritized institutional governance reforms. These reforms may include inter alia: (a) the development and implementation of a comprehensive HPFD IT and knowledge strategy that integrates all relevant applications on a common geospatial platform and allows for watershed-level planning; (b) the development and implementation of a comprehensive HPFD M&amp;E system; (c) the establishment of a centralized staff performance monitoring system; and (d) the development of regulatory and management standards for pastures. The IT and knowledge strategy and M&amp;E system will incorporate relevant climate-related data and research, for example to track forest quality (since forest degradation is linked to increased flood risk) and to identify the most appropriate tree species and forest management practices in light of changing rainfall patterns and temperatures. Similarly, the pasture regulatory and management standards will account for the impact of changing rainfall patterns and temperatures on pasture management, for example by promoting climate-adapted species and practices, which will lead to increased carbon pools by reducing pasture degradation and increasing above- and below-ground (soil) biomass. Finally, this subcomponent will finance training and capacity-building activities based on a comprehensive training plan. The trainings will cover diverse subjects and will be designed with a climate change lens to build resilience and mitigation; for example, trainings on GP-RMP development will include guidance on how to ensure that climate change is adequately addressed in</p>

		these plans, and the extension trainings will emphasize CSA practices and technologies to increase the adaptive capacity of farmers, reduce GHG emissions and enhance carbon sequestration, and improve the resilience and resource use efficiency agricultural production systems in HP. Training modules will be made available online to enable stakeholders in other states to benefit from this knowledge. The consultancy contracts required would include: (i) FRFI; (ii) development and implementation of an IT Strategy including monitoring and evaluation; and (iii) development and delivery of new training modules. The IT Strategy will incorporate the hydrological monitoring system developed under subcomponent 1A.
Component 4	US\$7.92 million	<p>Component 4: Project Management (US\$9.90 million; US\$7.92 million IBRD)</p> <p>28. This component will support project management, including key staff and operational costs. The project management entity will be in the form of a PMU under the auspices of the HPFD, although, at least in the mediumterm, financing will be required for staff on secondment from other Departments and externally recruited staff in areas with skillsets outside the current bureaucratic capacity, such as agribusiness. It would also support the project M&amp;E functions, as well as grievance redress apparatus, and project communications and outreach, including the contribution to Lighthouse India through which project lessons can be shared with other states. This component will also include retroactive financing for project preparation.</p>

<b>Climate Change Co-benefits section</b>	
Provided:	
Background/Climate Vulnerability Context	
<p>1. As a mountainous state, HP is particularly vulnerable to climate change and associated risks. Many of the lowland areas available for agricultural production lack access to irrigation water and depend on decreasing amounts of rainfall during the critical monsoon season and annually. Agricultural production and snowlines have already shifted to higher altitudes, significantly impacting the production of fruits, including HP's iconic apples. Climate change is also expected to increase average temperatures and decrease rainfall in the lowlands, while both temperatures and rainfall are expected to increase in the highlands, which could lead to more extreme flooding events downstream, particularly in the context of continued forest degradation.</p> <p>2. The changing weather patterns in HP highlight that while the monsoon season in HP is expanding, overall rainfall is on a decline. Most weather stations are reporting an increasing trend in temperatures in HP and Jammu &amp; Kashmir in the past 30 years. Snowfall days in Shimla are showing a decreasing trend during the same period. The snowfall season in the state is shrinking with decreasing seasonal snowfall and snowfall days.</p> <p>3. Given changing weather patterns already observed in HP (annual and monsoon rains declining by 2.26 mm and 2.85 mm per year, respectively; mean annual temperature increasing on 0.02 degrees Celsius per year), progress could be easily reversed unless the state invests in adaptation strategies to</p>	



increase resilience. The project location has experienced climate and geophysical hazards in the past and is expected to experience these in the future with moderate intensity, frequency, or duration.

**Component-wise Adaptation and Mitigation Climate Co-Benefits**

4. The main design of the project is to build both adaptation and mitigation measures for source sustainability of selected watersheds in HP. The project will also initiate institution reforms to better anchor these measures. Component 1 on Sustainable Land and Water Resource Management relates to enhancing the sustainability of water sources in the upper catchment (primarily in forest areas) as indicated in respective Gram Panchayat Resource Management Plan, with water-security for selected village as one of the important elements. Component 2 on Improved Agricultural Productivity and Value Addition will support interventions for enhancing the climate resilience of agriculture and allied activities, with efficient use of water as its focal point. The objective of this component is to ensure climate resilience through providing water security, income security, food/ nutritional security, and social security for poor, marginalized, and women’s groups engaged in farming activities. Component 3 will address gaps in the institutional capacity of the implementing agencies, viz. HPFD, Gram Panchayats, and the project management units, through institutional assessments, reform, training and capacity building, with a view to support a more comprehensive and holistic approach to managing the state’s water resources and strengthen the HPFD’s institutional structure and capacity for improved service delivery.

**Greenhouse Gas Accounting**

Provided:

The ex-ante estimation of the GHG balance using Tier 1 for the project is shown to be negative, leading to no net emissions and actually net sequestration. The sources of GHG are the application of fertilizer, pesticide, and compost. The results indicate a negative GHG balance of -1,745,884 tCO<sub>2</sub>eq over 20 years. The annual negative GHG balance is estimated to be -87,294 tCO<sub>2</sub>eq/year. The net GHG benefit on a per hectare basis for the project area is estimated to be 0.6 tCO<sub>2</sub>/ha/year. The negative GHG balance estimated using EX-ACT shows that the project will lead to net CO<sub>2</sub> sequestration.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1A	44.04/2	1	0	22.02	0	Component 1 promotes participatory and sustainable land and water management (SLWM) through financing the planning and implementation of upstream investments in selected micro-catchments.  Sub-component 1A will strengthen landscape planning through 4 activities. The 2 activities outlined in Annex 4 will enhance the

						<p>sustainability of water sources in the implementation area. While the vulnerability context evidences that the area’s water resources are exposed and vulnerable to climate change.</p> <p>There is a clear link between all undertaken activities and the vulnerability context.</p> <p>There is no evidence of mitigation relevance.</p>
SC 1B	44.04/2	0.5	0.5	11.01	11.01	<p>Sub-component 1B will ensure adequate and sustainable water supply to dependent communities. The 3 stated activities outlined in Annex 4 are all climate relevant.</p> <p>Regarding adaptation, documentation states “The project activities listed here will build the resilience of targeted areas in the State of Himanchal Pradesh through increased forest cover, better forest management system, reduced soil erosion, reduced flooding downstream, improved soil health and soil fertility with enhanced CO2 sequestration capacity and increased water holding capacity. These activities will further improve the productive capacity of both the forests and the downstream climate smart agriculture activities.”</p> <p>Regarding mitigation co-benefits, documentation notes that afforestation, reforestation, improved forest management and improved existing carbon pools through reduced soil erosion and improved soil health are all undertaken through the sub-component and are eligible activities.</p>

						Regarding proportionality: each activity is deemed to provide both adaptation and mitigation co-benefits. In the absence of statements surrounding proportionality, finance is split equally between adaptation and mitigation.
SC 2A	25.1/2	0.5	0.5	6.275	6.275	<p>Component 2 will support interventions in downstream areas where the primary (existing or potential) water use is for irrigation in agriculture.</p> <p>Sub-component 2A will support investments in the provision of water by investing in primary and secondary distribution infrastructure at the community level and farm-level irrigation equipment.</p> <p>The 2 activities outlined in Annex 4 are both climate relevant.</p> <p>Regarding adaptation: "These activities will help cope with the changing rainfall pattern through the management of harvested rain water and its efficient use for irrigation through sprinkler and drip system, and adoption of good agricultural practices. The mentioned activities will build the capacity of the beneficiary and targeted GPs by introducing a climate change lens for all agricultural investment in the GPRMP and all processes at the GP, District and state levels that will help integrate and address climate vulnerabilities. Crop advisory services will focus on adopting climate resilient crops such as millets which might be more suitable for changing climatic patterns and provides food security to the farmers"</p>

						<p>Regarding mitigation: “These activities will help manage the risks associated with increasing water stress through investment in technologies that promote the efficient use of water, such as efficient greenhouses, sprinkler and drip-irrigation systems and water-recycling systems.” Eligible activity = “Lower-carbon greenfield and brownfield water supply projects that replace tanker use or local coping mechanisms with a piped utility water supply system”</p> <p>Regarding proportionality: each activity is deemed to provide both adaptation and mitigation co-benefits. In the absence of statements surrounding proportionality, finance is split equally between adaptation and mitigation.</p>
SC 2B	25.1/2	0.5	0.5	6.275	6.275	<p>Sub-component 2B supports the adoption of CSA practices in conjunction with increased access to irrigation for existing cropping patterns and/or diversification into high-value, climate-resilient crops.</p> <p>The 2 activities outlined in Annex 4 are both climate-relevant.</p> <p>Regarding adaptation: “The activities under this component will increase the resilience and the capacity of businesses and selected value chains and beneficiary farmers through adaption to climate change. The infrastructure supported will be such that they help farmers to adapt to the changing climate and sustain their market linkages.”</p> <p>Regarding mitigation: “Matching grants criteria to include climate lens for lowering GHGs”; “All financing leveraged by the project will also</p>

						<p>have lower climate footprint”; “Resource efficiency in agricultural processes and supply chains”</p> <p>Regarding proportionality: each activity is deemed to provide both adaptation and mitigation co-benefits. In the absence of statements surrounding proportionality, finance is split equally between adaptation and mitigation.</p>
SC 3A	2.94/2	0.5	0.5	0.735	0.735	<p>Component 3 will build institutional capacity for integrated watershed management. Sub-component 3A will support improving integrated management of water resources.</p> <p>Regarding adaptation: “The TA will carry out an institutional assessment to: (a) identify the institutions that affect water supply, quality, use, and management and their roles, responsibilities, and mandates; (b) conduct a SWOT analysis of the current institutional framework and highlight any overlaps and/or gaps that undermine IWM; (c) identify opportunities for institutional coordination and synergy; and (d) build consensus on the need for reform and develop the goals and vision for institutional collaboration, a timebound action plan, and an implementation road map. The results of this assessment will inform the GoHP and other state governments on the necessary institutional reforms that will result in effective interagency cooperation and IWM. Stronger institutions will lead to improved planning and responsiveness to climate change impacts.”</p> <p>Regarding mitigation: “The listed activities will lead to water resource use efficiency in HP. The listed</p>

						<p>activities will form part of training, capacity building and awareness raising on climate change mitigation and sustainable, and efficient water resource use in HP.”</p> <p>Regarding proportionality: each activity is deemed to provide both adaptation and mitigation co-benefits. In the absence of statements surrounding proportionality, finance is split equally between adaptation and mitigation.</p>
SC 3B	2.94/2	0.5	0.5	0.735	0.735	<p>Sub-component 3B will support institutional reform and strengthening of the Himachal Pradesh Forest Department.</p> <p>Regarding adaptation: watershed-level planning, pasture regulatory and management standards, can capacity building support are stated to contribute to adaptation.</p> <p>Regarding mitigation: “Better management of pastures will result in reduced grazing areas and lower GHG emissions.”; “trainings will lead to reductions of non-CO2 GHG emissions from agricultural practices and technologies and increase resource use efficiency by reducing unnecessary nitrogen-based fertilizers use due to improved soil health resulting from CSA adoption.”</p> <p>Regarding proportionality: each activity is deemed to provide both adaptation and mitigation co-benefits. In the absence of statements surrounding proportionality, finance is split equally between adaptation and mitigation.</p>
C 4	7.92	0	0	0	0	Insufficient evidence of climate co-benefits.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
38.9	47.05	21.0%	25.9	25.03	3.4%

Reported climate finance	Assessed climate finance	Error
64.8	72.08	11.2%

## Project Number: P163836

<b>Project Name</b>	Irrigation for Climate Resilience Project (ICRP)
<b>Project Document URL</b>	<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/860371591125380263/uganda-irrigation-for-climate-resilience-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/860371591125380263/uganda-irrigation-for-climate-resilience-project</a>
<b>Financing Instrument</b>	Investment Project Financing
<b>Financial product</b>	Credit
<b>Lowest level of granularity</b>	Activity

<b>Climate Change Vulnerability Context</b>	Provided in Strategic Context section.
<b>Intent to Address Vulnerability</b>	Provided in the Relevance to Higher Level Objectives section.
<b>Link to Project Activities</b>	Provided due to the adaptation-relevance of components and subcomponents, as requested for IPF.
<b>Incremental Costs?</b>	Not provided.

Name	Value	Description
Component 1. Irrigation Services	US\$127.4 million	Irrigation Services  By investing in irrigation and drainage infrastructures, the project will avert the significant decrease in crop yield projected as a consequence of climate change, thereby raising farmers' resilience to water shortages and floods. Irrigation can mitigate the effects of climate change and increase yields by two to five times for most crops. <sup>29</sup> New irrigation schemes will be pressurized, for higher transportation efficiency and flexibility, allowing for higher distribution efficiency on farm. At the same time, the schemes will be gravity-based, taking advantage of natural pressure without introducing pumps, thus producing zero emissions. The design of the Kabuyanda scheme initially envisaged inclusion of pumping stations, and the optimization of the design was focused on eliminating the pumping stations in favor of using natural pressure. In addition, by financing the planting of trees as part of the catchment management plan under the Environmental and Social Impact Assessment (ESIA), the project will contribute to net emission reduction. Under the farmer-led irrigation model, solar pumps will be used, and thus produce zero emissions.
<i>Sub-component 1.1 Large and Medium-scale Irrigation</i>	122.5	Large (>1,000 ha) and medium (100 to 1,000 ha) scale irrigation schemes are established when an important water source is available in conjunction with a sizable irrigable area, offering the chance of developing economies of scale for marketing and value addition. As



		water might be not directly accessible across the whole irrigable area, and/or as the water source might be at a certain distance from the irrigable area and/or variable over the year, off-farm infrastructures (i.e. dams, diversions weirs, transmission pipes or canals, distribution networks) are required. The project will construct new irrigation schemes (Kabuyanda and Matanda); support the development and strengthening of management model of new (Kabuyanda and Matanda) and existing (Olweny and Agoro) irrigation schemes; and develop studies for future irrigation schemes (Nyimur, Enengo and Amagoro). Activities will include: (i) dam construction and associated head works; (ii) construction of irrigation networks (pipes, canals, hydro-mechanical equipment) up to the farm gate; (iii) construction of drainage networks; (iv) construction of access and scheme roads, scheme offices, sanitation facilities, and storage facilities; (v) construction of weather stations; (vi) development of feasibility studies, detailed designs and safeguard instruments for said schemes; (vii) monitoring and supervision of civil works; (viii) support of management of said schemes; (ix) environmental assessments and audits and implementation of the Environmental and Social Management Plan (ESMP); (x) roll out of Certificates of Customary Ownership; and (xi) start-up fund for O&M.
<i>Sub-component 1.2 Small and Micro-scale Irrigation</i>	2.0	Small (5 to 100 ha) and micro (< 5 ha) scale irrigation schemes are smaller in size, relying on a nearby water source mobilized with simpler and lower-cost infrastructure, making it easier for farmers (individually or collectively) to take charge of irrigation development and management. The project will pilot public support for the construction of farmer-led small and micro scale irrigation schemes around the two new irrigation schemes (Isingiro and Kanungu Districts), future irrigation schemes (Rukungiri and Tororo Districts), and in areas close to Kampala characterized by high marketing potential (Mukono, Wakiso and Mpigi Districts), <sup>27</sup> adopting a value chain approach. Activities will include: (i) construction of small water retention facilities and associated head works; (ii) drilling of wells and boreholes; (iii) construction of small irrigation networks (pipes, canals, hydro-mechanical equipment); (vi) support for preparation of designs and monitoring and control of works; and (v) Matching Grants to facilitate access to irrigation equipment.
<i>Sub-component 1.3 Integrated Catchment Management</i>	2.9	It will develop and implement integrated catchment management interventions upstream from the two new irrigation schemes (Kabuyanda and Matanda), to improve the sustainability of the schemes, including the restoration/reforestation activity in Rwoho Central Forest Reserve (CFR) in Kabuyanda. Activities will include: (i) preparation of integrated micro-catchment management plans; (ii) implementation of identified watershed management measures from the micro-catchment management plans; and (iii) restoration and reforestation activities.
Component 2. Support	US\$31.5 million	Component 2 aims to support farmers carrying out on-farm irrigation, accessing production and value addition knowledge and skills, and

Services for Agricultural Production and Value-Chain Development		<p>developing sustainable market access. The project will support farmers in increasing their knowledge using a farmer field school (FFS) approach, increasing access to inputs (improved seeds, fertilizers), on-farm irrigation technologies, machineries and postharvest and agro-processing infrastructures through the use of smart subsidies and consultancy services.</p> <p>By investing in activities which increase farmers access to and adoption of inputs (seeds, fertilizers, agro-chemicals), good agricultural practices, sustainable land management practices, and integrated pest management, the project will avert the significant decrease in crop yields projected as a consequence of climate change. Benefits will be multiplied by the introduction of irrigation. By supporting improved soil and water conservation measures, the project will contribute to net emission reduction by allowing for some stock of CO<sub>2</sub> in the soil.</p>
<i>Sub-component 2.1 On-farm Production and Productivity</i>	25.8	<p>This sub-component will provide support to farmers and farmers' groups for production and productivity improvement at the farm level in the new irrigation schemes (Kabuyanda in Isingiro District; Matanda in Kanungu District), in existing irrigation schemes (Olweny in Lira District; Agoro in Lamwo District), in small and micro irrigation schemes (Isingiro, Kanungu, Rukungiri, Tororo, Mukono, Wakiso and Mpigi Districts) as well as in the area of the proposed future irrigation scheme (Nyimur). Activities will include: (i) creation and strengthening of farmers' groups, provide extension services, facilitate access to inputs, promote good agricultural practices, sustainable land management practices, and integrated pests and disease management; (ii) Matching Grants to facilitate access to inputs (i.e. seeds, agro-chemicals); (iii) matching grants to facilitate access to onfarm irrigation technology; and (iv) monitor and supervision of project activities.</p>
<i>Sub-component 2.2 Value Addition and Market Linkages</i>	5.7	<p>It will provide support to farmers' groups for value-chain development and strengthening and establishment of market linkages. Activities will include: (i) creation and strengthening linkage with value chain actors in improved post-harvest handling, agro-processing, access to financing services, access to markets and market information; (ii) Matching Grants to facilitate access to equipment; and (iii) purchase of small goods.</p>
Component 3. Institutional Strengthening and Implementation Support	US\$10.3 million	Institutional Strengthening and Implementation Support
<i>Sub-component 3.1 Institutional Strengthening</i>	1.9	<p>Activities will include: (i) short-term studies on management models in irrigation, tariff structures, and prerequisites for financial sustainability; and (ii) capacity building and training for irrigation development and management.</p>

Sub-component 3.2 Implementation Support	8.4	This includes support to the Project Support Team (PST) for project coordination, implementation, supervision and monitoring and evaluation (M&E), including for the management, implementation and supervision of the project's fiduciary and safeguards aspects. Activities will include: (i) hiring of specialists for the PST; (ii) purchase of project implementation goods and services (ICT equipment, software, vehicles); and (iii) operational costs.
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<b>Climate Change Co-Benefits Section</b>
<p>Provided at component level:</p> <p>Component 1: "28.Adaptation and mitigation co-benefits. By investing in irrigation and drainage infrastructures, the project will avert the significant decrease in crop yield projected as a consequence of climate change, thereby raising farmers' resilience to water shortages and floods.28 Irrigation can mitigate the effects of climate change and increase yields by two to five times for most crops.29 New irrigation schemes will be pressurized, for higher transportation efficiency and flexibility, allowing for higher distribution efficiency on farm. At the same time, the schemes will be gravity-based, taking advantage of natural pressure without introducing pumps, thus producing zero emissions. The design of the Kabuyanda scheme initially envisaged inclusion of pumping stations, and the optimization of the design was focused on eliminating the pumping stations in favor of using natural pressure. In addition, by financing the planting of trees as part of the catchment management plan under the Environmental and Social Impact Assessment (ESIA), the project will contribute to net emission reduction. Under the farmer-led irrigation model, solar pumps will be used, and thus produce zero emissions."</p> <p>Component 2: "33.Adaptation and mitigation co-benefits. By investing in activities which increase farmers access to and adoption of inputs (seeds, fertilizers, agro-chemicals), good agricultural practices, sustainable land management practices, and integrated pest management, the project will avert the significant decrease in crop yields projected as a consequence of climate change. Benefits will be multiplied by the introduction of irrigation. By supporting improved soil and water conservation measures, the project will contribute to net emission reduction by allowing for some stock of CO2 in the soil."</p>

<b>Greenhouse Gas Accounting</b>
<p>Page 91:</p> <p>Net carbon balance. The net carbon balance quantifies the GHGs emitted or sequestered as a result of the project compared to the without project scenario. Over the economic life of the project, 35 years (five years of implementation; 30 years of capitalization phase), the project constitutes a carbon sink of -447,373 tCO2eq, representing net emission reduction. This is largely due to the afforestation in the catchment area for the proposed irrigation scheme under Component 1; to the increase in cropping intensity for annual crops as a consequence of the introduction of irrigation services under Component 1 and of improved agricultural practices under Component 2; as well as the catchment management plans interventions under Sub-component 1.2.</p>

Carbon sinks. As per the EX- ANTE tool the main carbon sinks are biomass at -336,597 tCO<sub>2</sub>eq, followed by soil at - 281,309 tCO<sub>2</sub>eq.

These results are in line with other irrigation projects that have achieved a high level of net emissions reductions.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
Sub-component 1.1	122.5	1	0	122.5	0	10/10 activities are deemed to be in support of adaptation, due to the sub-component being grounded in the provision of irrigation in the face of climate vulnerability.  In the absence of granular information and incremental costs regarding mitigation co-benefits, not have been recorded so as to not over-report finance.
Sub-component 1.2	2.0	1	0	2.0	0	4/4 activities are deemed to be in support of adaptation, due to the sub-component being grounded in the provision of irrigation in the face of climate vulnerability.  In the absence of granular information and incremental costs regarding mitigation co-benefits, not have been recorded so as to not over-report finance.
Sub-component 1.3	2.9	-	-	1.9	1	1/3 activities deemed to be in support of mitigation (activity iii). Incremental cost of the activity provided in page 30, at \$1 million USD. 2/3 activities deemed to be in support of adaptation(i, ii). Therefore remaining funds in support of sub-component 1.3 counted as adaptation finance.  In the absence of granular information and incremental costs regarding mitigation co-benefits, not have been recorded so as to not over-report finance.
Sub-component 2.1	25.8	2.5/4	1/8	16.125	3.225	¼ activities (i - sustainable land management practices) is mitigation relevant and qualifies under the eligible activity: "Agricultural projects

						<p>that contribute to increasing the carbon stock in the soil or avoiding loss of soil carbon through erosion control measures". A coefficient of 1/8 recognises that this some undertakings of the activity will result in mitigation co-benefits.</p> <p>Sub-component focuses on both access to irrigation (adptation-relevant) alongside access to inputs to increase productivity. Activities i, ii and iv assessed to be partially relevant to adaptation. Activity iii fully relevant to adaptation. Coefficient of 2.5/4  <math display="block">[\frac{((25.8/4)*0.5)*3}{2.5} + (25.8/4)] = 16.125</math></p>
Sub-component 2.2	5.7	0	0	0	0	0/4 activities relevant to adaptation/mitigation. Activities cannot be directly linked back to the vulnerability analysis or any intent to address that vulnerability.
Sub-component 3.1	1.9	1	0	0	0	2/2 activities relevant to adaptation.
Sub-component 3.2	8.4	0	0	0	0	0/3 activities relevant to adaptation/mitigation.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
155.4 million USD	142.525 million USD	8.3%	7.8 million USD	4.225 million USD	45.8%

Reported climate finance	Assessed climate finance	Error
163.2 million USD	146.75 million USD	10.7%

**Project Number: P170669**

<b>Project Name</b>
Jordan Youth, Technology, and Jobs Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/544751585015347579/jordan-youth-technology-and-jobs-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/544751585015347579/jordan-youth-technology-and-jobs-project</a>
<b>Financing Instrument</b>
Combined Program-for-Results/Investment Project Financing.
<i>The Project is structured as Investment Project Financing, yet where around 85% of funds are linked to DLIs. Because the Climate Change Co-Benefits section suggests that the co-benefits assessment has been done with regards to DLIs, for adaptation co-benefits the same has been done here. Regarding mitigation co-benefits, a mixture of sub-component and DLI analysis has informed the assessment (for example, energy efficiency improvements in new buildings are better suited to an analysis of the sub-component funding the physical construction, rather than a DLI).</i>
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Disbursement Linked Indicator

<b>Climate Change Vulnerability Context</b>
Provided in Annex 8: Climate Change Adaptation and Mitigation Co-Benefits.
<b>Intent to Address Vulnerability</b>
Provided in Annex 8: Climate Change Adaptation and Mitigation Co-Benefits.
<b>Link to Project Activities</b>
Provided in Annex 8: Climate Change Adaptation and Mitigation Co-Benefits.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
DLI 1.1	5	DLI 1.1. NSC- ICT has been established as a separate legal entity, with a majority private sector board membership and representation from key public sector stakeholders, and its Charter has been adopted with the mandate to: (a) conduct demand and supply side assessments; (b) establish national occupational standards to be adopted by VTSDC; (c) qualify training service providers; (d) select and contract training service providers accredited by VTSDC; (e) accredit training curriculum; (f) create and disseminate on-line training materials; (g) conduct national awareness activities; (h) engage in monitoring and evaluation; and (i) establish comprehensive CRM system for the beneficiaries.
DLI 1.2	14	DLI 1.2 On an annual basis, between CY 2 and CY 5, the NSC-ICT to perform the following core functions as specified in the NSC-ICT's Charter: (a) conduct a gap analysis for digital skills; (b) maintain a comprehensive customer relationship management system for the trainees benefitting from the training programs; (c) publish an annual performance report; and (d) publish an annual list of certified training service providers

DLI 1.3	21	DLI 1.3 Number of performance-based contracts signed with training service providers (TSPs)
DLI 2.1	17	DLI 2.1 Number of graduates from the training programs established to provide digital skills development activities
DLI 2.2	7	DLI 2.2 Number of graduates from the training programs established to provide digital skills development activities who obtained full-time employment \$7m
DLI 3.1	5	DLI 3.1 Ministry of Education carries out readiness assessment for grades 7-12 to assess classrooms' readiness for a new digital skills curriculum
DLI 3.2	4	DLI 3.2 Ministry of Education develops and adopts, through a ministerial decree, an action plan for designing and rolling out digital curriculum for grades 7-12.
DLI 3.3	9	DLI 3.3 Ministry of Education develops and adopts a digital skill learning curriculum content for grades 7-12
DLI 3.4	6	DLI 3.4 Ministry of Education completes teacher training on new digital skills courses for 70% of ICT grade 7-12 teachers
DLI 3.5	6	DLI 3.5 Number of public schools enrolled into digital skills classes for grades 7-12
DLI 3.6	3	DLI 3.6 At least 60% of students enrolled in digital skills classes in public schools pass assessment in CY 5
DLI 4.1	5	DLI 4.1 MoDEE issues a ministerial decree for the adoption of the Government Digital Transformation Strategy and change management action plan
DLI 4.2	50	DLI 4.2 Number of new transactional e-services being made available to citizens and businesses through respective government agencies' e-portals
DLI 4.3	14	DLI 4.3 Responsible government agencies adopt recommendations of the public value assessment for at least 20 transactional e-services
DLI 4.4	1.5	DLI 4.4 MoDEE launches a new citizen feedback system for transactional e-services
DLI 4.5	1.5	DLI 4.5 MoDEE launches e-service performance dashboard for e-services
SC 1.3	5.0	<p>Sub-component 1.3 - Providing working spaces in underserved communities through Tech Hubs (US\$5 million): This sub-component is designed to support upgrading, equipping, and managing three to five technology hubs (Tech Hubs) as "for fee" venues for skilling programs, co-working spaces, ITO/BPO spaces, and networking spaces for trainers, entrepreneurs, freelancers, CSOs, and ITO businesses in nearby communities. The Tech Hubs will be established at the sites of existing Vocational Training Institutes (VTIs) or other appropriate locations, and private operator(s) will be contracted or partnered with to manage them. The project will finance the upgrading, equipping, and managing of selected Tech Hubs for three years. The project will select the locations of the Tech Hubs using a "hub and spoke" approach - building on existing agglomeration "hubs" while creating venues for digital ecosystems and opportunities for inclusion in nearby "spokes" of underserved communities with a concentration of unemployed youth and women capable of working in the tech sector. Locations of Tech Hubs will be selected following an agglomeration index to ensure the viability of selected locations.</p> <p>The selection criteria and technical proposals for the Tech Hubs will factor in necessary design and delivery considerations to minimize constraints to women's participation, such as program timings, percentage of female staff, layout of the physical space, proximity to or availability of safe transport, and childcare. Targeted, gendersensitive outreach activities will also be implemented to attract women entrepreneurs and freelancers to leverage these spaces, and specific</p>

Commented [2]:

		<p>activities will be developed such as women’s mentorship programs and networks, whereby women would be matched with successful Jordan women entrepreneurs who would serve as role models, advisors and mentors. While no new construction activities will be undertaken in this project, as it relates to facility refurbishment or upgrading activities, this sub-component also provides an opportunity to mainstream climate change mitigation and adaptation into its development. The PMU will include energy efficient improvements, including using building techniques and materials that enable the reduction of energy consumption, in the terms of reference for potential contactors who will refurbish the Tech Hubs. For example, more efficient insulation will contribute to increased efficiency in air conditioning and heating. When available, improvements will also include energy efficient lighting, appliances and equipment. Additionally, where applicable, the designs will incorporate the use of revised codes that consider increased frequency of storms and/or flooding for enhanced resilience of built infrastructure.</p>
SC 2.1	15.0	<p>Access to markets for digital firms: This sub-component will provide incentive packages to support the growth plans of digital firms (focusing on ITO/BPO businesses) in underserved communities, help build and scale up their activities, and generate local job opportunities. The project will provide employment subsidies following a resultsbased model against overall jobs created. This sub-component is designed to spur the development of the digital sector in proximate cities and areas with minimum levels of agglomeration, which may not otherwise benefit from this sector’s growth, once again building on the “hub and spoke” approach used in the establishment of the Tech Hubs. Today, training providers outside Amman rent spaces in restaurants and hotels, which are not equipped for training, to offer skills development activities. The project will increase training traffic in areas outside Amman, where the Tech Hubs will be located. This will create higher demand for fee-based services offered by Tech Hubs. The model will specifically seek to incentivize female employment through, for example, the provision of incentives for employers attracting and retaining women or favoring the selection of digital firms could favor those that include having internal policies that would be attractive to women (e.g., flexible working arrangements). This subcomponent will also support expansion of digital firms into new markets by providing matching-grants for business development and outreach activities to building linkages between Jordanian digital firms (including ITO-BPO firms and digital entrepreneurs) and potential buyers and investors in regional and global markets. This sub-component will also finance outreach and linkages with domestic digital firms, particularly small and women-owned and managed firms, to support their ability to access procurement opportunities emerging from the development of e-government services under sub-component 2.2.</p> <p>Growth and adoption of the gig economy. This sub-component aims to provide access to income opportunities in various tech and non-tech economic activities for individuals in the gig economy. The project will seek to increase the adoption of platforms by supporting Civil Society Organizations (CSOs) in training individuals to access and offer their services on digital platforms and by conducting market outreach and awareness building, with a focus on underserved communities, the inclusion of women of those coming from poor households (NAF beneficiaries), and refugees. The sectors served by these platforms would also be selected with</p>



		<p>the intention of ensuring that they prioritize sectors in which women and Syrian refugees are active and may include digital platforms for care, maintenance and home improvement, personal tech support, and other personal services. Outreach activities will be designed and implemented to ensure women are aware, trained and connected to these platforms. The content of the trainings could reflect the specific issues that require further exploration as identified by women beneficiaries. The sub-component will provide matching-grants against CSOs activities to adopt technology, including online freelancing, ITO-BPO services, marketplace platform adoption, and job matching and networking to support vulnerable youth and poor areas where the CSOs have comparative advantage due to the limited presence of private / public service providers. The project will cover up to 80 percent of the costs associated with providing services to individuals by CSOs. The project will provide matching-grants following an output / performance-based model that validates the number of beneficiaries engaged and the proportion of female beneficiaries. CSOs may leverage the digital skills supply component and the shared spaces provided through the Tech Hubs.</p>
SC 2.3	6.0	<p>Digitization of government payments<sup>30</sup> (US\$6 million): During the First Digital Mashreq Forum in Amman, June 2019, and as presented in the “Amman Communique”, the GoJ committed to increasing the percentage of the population making or receiving digital payments from 33 to 50 percent by 2020 and digitizing 80 percent of G2P payments by 2021. This sub-component supports the government commitment to advance penetration of digital payments in Jordan supporting e-payments for all applicable government services. Jordan has a well-developed payments system infrastructure with wide reaching GSM coverage and smartphone penetration of 85 percent. <sup>31</sup> Moreover, Central Bank of Jordan (CBJ) has created an enabling regulatory and policy environment to overcome challenges faced in the sector. However, there is a need to expand agent networks and strengthen the business case to increase take-up and usage of Digital Financial Services (DFS) and expanding digitization of government payments would contribute to this.</p> <p>The key activities under this sub-component will support implementing digitization of government payments. Specifically, the front-end solution that provides citizens with diverse options/tools to make their payments digitally. This would supplement the current government initiative to implement the back-end solution linking the request to pay (RTP) with governmental entities core system. For example, the project will support the Ministry of Health (MoH), Ministry of Transport, Ministry of Finance (MoF), and Income and Sales Tax Department (ISTD) in enhancing their internal payment systems and processes as part of their introduction of e-services. Key activities will include technical assistance in: (i) developing an overarching government payments architecture and roadmap; (ii) supporting and growing capacity of an intergovernmental task force for the digitization of government payments and revenues that was formed on November 19, 2019 with membership of MoDEE, CBJ and MoF. The objectives of this task force are to provide a dedicated project management structure responsible for overseeing, aligning, prioritizing, implementing different digitization initiatives of government payments projects, and sequencing their execution. CBJ acts as an advisory arm, reviewing the business process (payments) and operations to this</p>

		<p>proposed structure that will drive the change in coordination with private sector and other stakeholders. This will build on the work of current digital transformation team at MoDEE along with representatives from different relative ministries, and CBJ ; (iii) developing a set of rules, policies, and procedures that ensure satisfactory completion of digitization projects; (iv) establishing and implementing a comprehensive change management program for digital payment system; 32 (v) developing and implementing required digital G2P payment enablers, (both software and hard ware) (e-KYC, IBan verification, etc). This will be complemented by technical assistance around necessary regulatory changes to support e-KYC and KYC registry and regulatory and policy aspects of digital G2P payments and financial inclusion under the forthcoming MENA MSME Facility 2.0; and (vi) implementing IT enhancements in the ID systems to meet the needs of the financial sector. This includes using the ID system for eKYC; developing hosted digital signature services for use by individuals for their interactions with financial institutions (e.g., authorizing sharing of data, signing new loan applications, etc.); and enabling linkages with other identification and information providers (e.g., a bank providing information on address records, tax authority on annual income, etc. in the form of a federated architecture). More details are provided in Annex 2.</p>
C 3	5.0	<p>Component 3 will support provision of technical advisory services and goods to manage, coordinate, monitor and evaluate the project, including operating costs, independent verification of the achievement of DLIs and independent verification of completion of employment objectives for employment subsidies and relevant results milestones for matching grants. A PMU will be set up in the MoDEE and will include focal points for MoL and MoE. The PMU (within MoDEE) will have the overall fiduciary responsibility for project implementation and ensure activities are executed in accordance with the Project Operational Manual (POM).<sup>33</sup> It will have the overall responsibility for the monitoring and evaluation of project activities, as well as designing and implementing outreach activities specifically targeting women. This component will finance: (a) PMU staff (non-civil servants) salaries; (b) PMU equipment and operating costs related to the daily management of the project (office space, utilities and supplies, bank charges, communications, translation, transportation, maintenance and insurance, building and equipment maintenance costs, and travel and supervision costs); (c) regular internal audits and annual external audits according to the World Bank’s legal requirements); (d) building the capacity of the VTSDC, and (e) consultancy services.</p>

<p><b>Climate Change Co-benefits section</b></p> <p>Provided:</p> <p>Adaptation Co-Benefits:</p> <p>Jordan climate change vulnerability context:</p> <p>1. Jordan has population of 10.5 million (2018 estimate), and population density of approximately 110 individuals per km<sup>2</sup> . Of those, nearly 2 million have resettled from abroad, and 755,050 have registered under refugee status prior to May 2019.<sup>62</sup> The refugees represent 57 nationalities, major share is comprised by the refugees from Syria (664,226). Refugees are vulnerable to climate change</p>
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effects because of their living conditions and lack of financial resources. Also, it has been historically observed in several other countries, that psychological shock from forced resettlement is too taxing for individuals, and “weakens” their abilities to withstand any other/additional environmental risks and hazards.

2. Median age of population in Jordan is 22.863 years, compared to 24.3 (Egypt), 30.5 (Lebanon), and 30.2 (Israel) – Jordan’s neighboring countries. 34.14% of country residents are between 0 and 14 years old. Children in this group are the most vulnerable to flashfloods, and to a lesser degree – to heat waves. As shown by statistics of floods and flashfloods around the world, children, disabled and elderly are the most likely victims because they lack either physical ability or skills to escape the disaster. Adult women also fall into the vulnerable category because they often are de facto responsible for evacuation of children and disabled or elderly relatives, or lack physical strength for strenuous activities. 19.98% of Jordan population are in the age group 14-24 years old. Although they are physically better equipped to withstand environmental hazards, they lack financial resources for adaptation and post-disaster recovery and would find it difficult to secure a job given high rates of youth unemployment in the country. Even more so, this is the age group of reproductive age, and it is safe to assume that many/majority of them will have 1 or 2 children in the nearest 5-10 years. In turn, those infants will become the most vulnerable group. Moreover, recent research has shown that heat waves may have negative effect on pregnant women and their unborn babies and increase the risk of maternal hospitalization<sup>64</sup>. Moreover, pregnant women are not known to be strong of fast runners, which will make them more vulnerable during flash floods. Unemployment rate among young females is higher than among young males, therefore young females (about 60% of all young females in Jordan) are not financially independent and need to rely on others for access to financial resources. This makes them more vulnerable to environmental, social and economic risks.

3. GDP contribution by sectors is as follows: agriculture (4.5%), industry (28.8%), services (66.6%, including transport sector about 15.7%). “The primary obstacle to further agricultural development in Jordan is the Kingdom’s shortage of water. Over 91% of the country’s land mass is classified as desert or arid desert, and irrigation agriculture currently accounts for about 72% of Jordan’s entire water usage.<sup>65</sup>” Agricultural products grown in Jordan fall are in two categories: “perennial” (citrus, olives, bananas, grapes, stone fruits, sheep, poultry, dairy), and “annual and water intensive” (tomatoes, cucumbers, melons, strawberries). From plant biology standpoint, annual crops are usually more water intensive than perennial, and grow in a very narrow range of “acceptable” temperature-precipitation/irrigation conditions. Perennial crops can tolerate climatic shocks better but offer almost no flexibility to farmers in terms of changing the crops in dry years. This is because perennial crops (or products) occupy the land and require “maintenance” regardless of whether they produce any yield in a given year. This means that farmers growing both “annual” and “perennial” types of products are equally vulnerable to climaterelated risks. Farmers’ climate adaptation schemes would likely require strategic change of activity type from farming to “services” or “industry”.

Current and anticipated impacts of climate change:

4. Scientists in Jordan already express concern that increase in frequency and severity of flash floods in Jordan is happening sooner than has been predicted. GCM models from the World Bank Climate Knowledge Portal<sup>66</sup> indicate that monthly temperatures in Jordan will increase in the next decades. Mean annual temperature is predicted to increase by 2% by 2050. The risk of heatwaves will increase by up to 13% by 2090. Ensemble model shows even trend of temperature increase through the year,

whereas several individual models predict substantial seasonal variation in temperatures, with sharp peaks in some months.

5. In Jordan climate change is predicted to result in the following outcomes: lower water availability for citizens and residents, negative impact on agriculture, heat waves, higher occurrence and intensity of flash floods. The most vulnerable to climate change will be the following population groups: children and teenagers, young adults and especially young females, refugees, elderly and disabled, and farmers. Each group for their own reasons, outlined above. This project intends to facilitate adaptation to climate change of those vulnerable population groups. Specifically: (a) the 54.12% of Jordan population in the age group 0-24 years old, including infants, young females, and pregnant women; (b) refugees.

6. To be prepared for the potential environmental hazards, the National Center for Security and Crises Management (NCSCM) with support from UNDP prepared national natural disaster risk reduction strategy<sup>67</sup>. The Higher Council of Civil Defense (HCCD) is tasked with authority to deal with disasters. To manage the inflow of refugees, the Jordan Response Platform for the Syria Crisis (JRPSC), led by the Ministry of Planning and International Cooperation, constitutes the strategic partnership mechanism for the development of a comprehensive refugee, resilience-strengthening and development response to the impact of the Syria crisis on Jordan.

7. The impact of activities undertaken in project components/DLIs/Pas on climate change adaptation of vulnerable population groups: The reality of modern-day sciences, both natural and social, as well as almost all fields of engineering, is that all of them heavily rely on the use of specialized software for data analysis and forecasts. All drawings for new resilient buildings or infrastructure projects are done digitally, using specialized software. All calculations for achieving desired resilience level are done using digital technology. The best climatic weather forecasts models will be useless if there are no professionals in Jordan who have skills to operate/apply those models, calibrate them as needed, know how to handle data. Knowledge for programming languages in IT sector, economics, banking-finance, climate science, meteorology and climatology, geodesy, biology and many other fields. This project will help the youth in Jordan to acquire those crucial skills.

8. DLI 1 Digital skill developed through private sector collaboration will help vulnerable population of Jordan adapting to climate change: vulnerable population would get training and improve their financial stability; vulnerable population would benefit from forecasting and early warning system operated by individuals who acquired digital skills.

9. DLI 2 Number of graduates trained and hired through digital skills activities: higher capacity of the training program will ensure that more interested individuals, from different fields/backgrounds, get access to the knowledge and will acquire essential digital skills. The graduates will be able to: - Operate and improve early warning system for climate induced disasters like floods and dust storm or any other disaster identified in the vulnerability context. - Via electronic means design outreach plans and increase public awareness in Jordan of how to adapt to climate change induced disasters. - When choosing career in public, private or non-profit sector, other than IT per se, contribute to planning and implementing climate change adaptation policies and measures, from the government or business side. For example: identify vulnerable populations like poor households, women headed households, households located within vulnerable areas prone to flooding, drought and famine, where interventions to assist with predicting and adapting to climate change induced disasters would be implemented. For example, assisting households in drought prone areas to predict famine or low

agricultural yields to allow the household some lead time to adapt before all their resources are spent in agricultural initiatives and recommending a livelihood change for a season.

10. DLI 3 Enhancing digital skills competencies for public school students: teaching middle- and high school students will produce greater positive outcome, because it will prepare teenagers for career that requires digital skills. This approach saves a lot of time and resources. Information about applications of digital technology to various fields of science and business, including the use of digital technology for climate and weather forecasting could be added to curriculum, appealing to young impressionable students, and motivating them to consider career in this field.

Mitigation Co-Benefits:

11. DLI 1 Digital skill developed through private sector collaboration: facilities and tech hubs as examples of “sustainable facilities” – would be used for tours or trainings. In addition to students trained in IT skills, much larger number of children, teenagers, and adults of all ages could be brought to those facilities on tours to educate them about sustainability.

12. Qualifies as climate change mitigation Co-Benefits under categories: 3.2 Energy efficiency improvements in existing commercial, public and residential buildings; 3.5 Energy efficiency in new commercial, public and residential buildings; 9.1 Cross-cutting issues: Support for national, regional or local policy through technical assistance or policy lending. Education, training, capacity-building and awareness-raising on climate change mitigation or sustainable energy or sustainable transport, mitigation research. And may qualify under the category 1.1 electricity generation, solar power – if solar panels will be installed on any of the facilities.

13. DLI 2 Number of graduates trained and hired through digital skills development activities: Attach climate relevant information to training material including sustainable campuses.

14. Qualifies as climate change mitigation Co-Benefits under categories: 8.1 Low carbon technologies: products or equipment, projects producing components, equipment, or infrastructure dedicated to the renewable and energy efficiency sectors, or low carbon technologies. 9.1 Cross-cutting issues: Support for national, regional or local policy through technical assistance or policy lending. Education, training, capacity-building and awareness-raising on climate change mitigation or sustainable energy or sustainable transport, mitigation research.

15. DLI 3 Enhancing digital skills competencies for public school student: Include climate-relevant and sustainability modules to the educational program. Provide information about best practices of using IT for attaining sustainability in all sectors of economy, for climate change adaptation, and for reducing GHG emissions.

16. Qualifies as climate change mitigation Co-Benefits under categories: 8.1 Low carbon technologies: products or equipment, projects producing components, equipment, or infrastructure dedicated to the renewable and energy efficiency sectors, or low carbon technologies. 9.1 Cross-cutting issues: Support for national, regional or local policy through technical assistance or policy lending. Education, training, capacity-building and awareness-raising on climate change mitigation or sustainable energy or sustainable transport, mitigation research.

17. DLI 4 Support Digital Transformation of Service Delivery to Citizens and Businesses: When system of requests and applications from citizens will be digitalized, government employees will no longer need to be processing the applications manually or spending time looking for paper documents in the physical archives. It could take a government employee from few hours to few days to "process" a request or an application from citizens. Employees work in the offices, offices require some "interior climate control": an A/C or a room fan, both options use electricity and are operated for the whole duration of the work day (8 hours). Some employees use artificial light in their offices during the day as well.

18. Thus, we conclude that every workday of a government employee is supported by large electricity use: for climate control, some sort of computer (is switched on even when employee is reading hard copy request), and possibly artificial light too. When amount of work worth of thousands of workdays of government employees is replaced by instantaneous digital transactions, this saves electricity, and in turn abates GHG emissions.

19. Qualifies as climate change mitigation Co-Benefits under categories: 9.1 Cross-cutting issues: Support for national, regional or local policy through technical assistance or policy lending. Other policy and regulatory activities, including those in non-energy sectors, leading to climate change mitigation.

**Greenhouse Gas Accounting**

Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
DLI 1.1	5	0.125	0.125	0.625	0.625	DLI 1 will finance the development of digital skills. DLI 1.1 will ensure NSC-ICT has been established with the mandate to: "(a) conduct demand and supply side assessments; (b) establish national occupational standards to be adopted by VTSDC; (c) qualify training service providers; (d) select and contract training service providers accredited by VTSDC; (e) accredit training curriculum; (f) create and disseminate on-line training materials; (g) conduct national awareness activities; (h) engage in monitoring and evaluation; and (i) establish comprehensive CRM system for the beneficiaries."  Adaptation:

					<p>The climate change co-benefits section states DLI 1 will: “will help vulnerable population of Jordan adapting to climate change: vulnerable population would get training and improve their financial stability; vulnerable population would benefit from forecasting and early warning system operated by individuals who acquired digital skills”.</p> <p>Despite their being a link between the DLI and the vulnerability context, adaptation co-benefits are therefore very indirect.</p> <p>The adaptation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Adaptation is not the primary objective of the DLI, resulting in an initial coefficient of 0.5 being applied.</li> <li>• No granular information has been provided to disaggregate adaptation from non adaptation relevant finance. In the absence of such information a second coefficient of 0.5 is applied.</li> <li>• Due to the indirect nature of any adaptation co-benefits arising from the project, and due to the lack of incremental cost estimates, to adhere to the principle of conservativeness a third coefficient of 0.5 is applied so as to not over-report adaptation co-benefits.</li> <li>• Final coefficient of 0.125</li> </ul> <p>Mitigation:</p> <p>The climate change co-benefits section states DLI 1 will: “facilities and tech hubs as examples of “sustainable facilities” – would be used for tours or</p>
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						<p>trainings. In addition to students trained in IT skills, much larger number of children, teenagers, and adults of all ages could be brought to those facilities on tours to educate them about sustainability”.</p> <p>Adding that the DLI “Qualifies as climate change mitigation Co-Benefits under categories: 3.2 Energy efficiency improvements in existing commercial, public and residential buildings; 3.5 Energy efficiency in new commercial, public and residential buildings; 9.1 Cross-cutting issues: Support for national, regional or local policy through technical assistance or policy lending. Education, training, capacity-building and awareness-raising on climate change mitigation or sustainable energy or sustainable transport, mitigation research. And may qualify under the category 1.1 electricity generation, solar power – if solar panels will be installed on any of the facilities.”</p> <p>The mitigation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Mitigation is not the primary objective of the DLI, resulting in an initial coefficient of 0.5 being applied.</li> <li>• No granular information has been provided to disaggregate mitigation from non mitigation relevant finance. In the absence of such information a second coefficient of 0.5 is applied.</li> <li>• Due to the lack of incremental mitigation cost information, such as those relating to the cost of energy efficient materials or solar panels, and to adhere to the principle of conservativeness a third</li> </ul>
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						<p>coefficient of 0.5 is applied so as to not over-report mitigation co-benefits.</p> <ul style="list-style-type: none"> <li>Final coefficient of 0.125</li> </ul>
DLI 1.2	14	0.125	0.125	1.75	1.75	<p>DLI 1 will finance the development of digital skills. DLI 1.2 will ensure NSC-ICT performs the following core functions: "(a) conduct a gap analysis for digital skills; (b) maintain a comprehensive customer relationship management system for the trainees benefitting from the training programs; (c) publish an annual performance report; and (d) publish an annual list of certified training service providers."</p> <p>The climate change co-benefits section states DLI 1 will: "will help vulnerable population of Jordan adapting to climate change: vulnerable population would get training and improve their financial stability; vulnerable population would benefit from forecasting and early warning system operated by individuals who acquired digital skills".</p> <p>Despite their being a link between the DLI and the vulnerability context, adaptation co-benefits are therefore very indirect.</p> <p>The adaptation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>Adaptation is not the primary objective of the DLI, resulting in an initial coefficient of 0.5 being applied.</li> <li>No granular information has been provided to disaggregate adaptation from non adaptation relevant finance. In the absence of such information a second coefficient of 0.5 is applied.</li> </ul>

						<ul style="list-style-type: none"> <li>• Due to the indirect nature of any adaptation co-benefits arising from the project, and due to the lack of incremental cost estimates, to adhere to the principle of conservativeness a third coefficient of 0.5 is applied so as to not over-report adaptation co-benefits.</li> <li>• Final coefficient of 0.125</li> </ul> <p>Mitigation:</p> <p>The climate change co-benefits section states DLI 1 will: “facilities and tech hubs as examples of “sustainable facilities” – would be used for tours or trainings. In addition to students trained in IT skills, much larger number of children, teenagers, and adults of all ages could be brought to those facilities on tours to educate them about sustainability”.</p> <p>Adding that the DLI “Qualifies as climate change mitigation Co-Benefits under categories: 3.2 Energy efficiency improvements in existing commercial, public and residential buildings; 3.5 Energy efficiency in new commercial, public and residential buildings; 9.1 Cross-cutting issues: Support for national, regional or local policy through technical assistance or policy lending. Education, training, capacity-building and awareness-raising on climate change mitigation or sustainable energy or sustainable transport, mitigation research. And may qualify under the category 1.1 electricity generation, solar power – if solar panels will be installed on any of the facilities.”</p> <p>The mitigation coefficient assessment results from the following considerations:</p>
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						<ul style="list-style-type: none"> <li>• Mitigation is not the primary objective of the DLI, resulting in an initial coefficient of 0.5 being applied.</li> <li>• No granular information has been provided to disaggregate mitigation from non mitigation relevant finance. In the absence of such information a second coefficient of 0.5 is applied.</li> <li>• Due to the lack of incremental mitigation cost information, such as those relating to the cost of energy efficient materials or solar panels, and to adhere to the principle of conservativeness a third coefficient of 0.5 is applied so as to not over-report mitigation co-benefits.</li> <li>• Final coefficient of 0.125</li> </ul>
DLI 1.3	21	0.125	0.125	2.625	2.625	<p>DLI 1 will finance the development of digital skills. DLI 1.3 will ensure an increase in the “Number of performance-based contracts signed with training service providers (TSPs).”</p> <p>The climate change co-benefits section states DLI 1 will: “will help vulnerable population of Jordan adapting to climate change: vulnerable population would get training and improve their financial stability; vulnerable population would benefit from forecasting and early warning system operated by individuals who acquired digital skills”.</p> <p>Despite their being a link between the DLI and the vulnerability context, adaptation co-benefits are therefore very indirect.</p>

					<p>The adaptation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Adaptation is not the primary objective of the DLI, resulting in an initial coefficient of 0.5 being applied.</li> <li>• No granular information has been provided to disaggregate adaptation from non adaptation relevant finance. In the absence of such information a second coefficient of 0.5 is applied.</li> <li>• Due to the indirect nature of any adaptation co-benefits arising from the project, and due to the lack of incremental cost estimates, to adhere to the principle of conservativeness a third coefficient of 0.5 is applied so as to not over-report adaptation co-benefits.</li> <li>• Final coefficient of 0.125</li> </ul> <p>Mitigation:</p> <p>The climate change co-benefits section states DLI 1 will: “facilities and tech hubs as examples of “sustainable facilities” – would be used for tours or trainings. In addition to students trained in IT skills, much larger number of children, teenagers, and adults of all ages could be brought to those facilities on tours to educate them about sustainability”.</p> <p>Adding that the DLI “Qualifies as climate change mitigation Co-Benefits under categories: 3.2 Energy efficiency improvements in existing commercial, public and residential buildings; 3.5 Energy efficiency in new commercial, public and residential buildings; 9.1 Cross-cutting issues: Support for national, regional or local policy</p>
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						<p>through technical assistance or policy lending. Education, training, capacity-building and awareness-raising on climate change mitigation or sustainable energy or sustainable transport, mitigation research. And may qualify under the category 1.1 electricity generation, solar power – if solar panels will be installed on any of the facilities.”</p> <p>The mitigation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Mitigation is not the primary objective of the DLI, resulting in an initial coefficient of 0.5 being applied.</li> <li>• No granular information has been provided to disaggregate mitigation from non mitigation relevant finance. In the absence of such information a second coefficient of 0.5 is applied.</li> <li>• Due to the lack of incremental mitigation cost information, such as those relating to the cost of energy efficient materials or solar panels, and to adhere to the principle of conservativeness a third coefficient of 0.5 is applied so as to not over-report mitigation co-benefits.</li> <li>• Final coefficient of 0.125</li> </ul>
DLI 2.1	17	0.25	0	4.25	0	<p>DLI 2 will improve the number of graduates trained and hired through digital skills activities digital skills competencies for public school students. DLI 2.1 will improve the number of graduates from the training programs established to provide digital skills development activities.</p>

					<p>The climate change co-benefits section states that through DLI 3: “higher capacity of the training program will ensure that more interested individuals, from different fields/backgrounds, get access to the knowledge and will acquire essential digital skills”. Adding: “The graduates will be able to:</p> <ul style="list-style-type: none"> <li>- Operate and improve early warning system for climate induced disasters like floods and dust storm or any other disaster identified in the vulnerability context.</li> <li>- Via electronic means design outreach plans and increase public awareness in Jordan of how to adapt to climate change induced disasters.</li> <li>- When choosing career in public, private or non-profit sector, other than IT per se, contribute to planning and implementing climate change adaptation policies and measures, from the government or business side. For example: identify vulnerable populations like poor households, women headed households, households located within vulnerable areas prone to flooding, drought and famine, where interventions to assist with predicting and adapting to climate change induced disasters would be implemented. For example, assisting households in drought prone areas to predict famine or low agricultural yields to allow the household some lead time to adapt before all their resources are spent in agricultural initiatives and recommending a livelihood change for a season.”.</li> </ul> <p>Documentation therefore creates a link between the activities and the stated vulnerability context.</p>
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					<p>The adaptation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Adaptation is not the primary objective of the DLI, resulting in an initial coefficient of 0.5 being applied.</li> <li>• No granular information has been provided to disaggregate adaptation from non adaptation relevant finance. In the absence of such information a second coefficient of 0.5 is applied.</li> <li>• Final coefficient of 0.25</li> </ul> <p>Mitigation:</p> <p>The climate change co-benefits section states DLI 2 will: "Attach climate relevant information to training material including sustainable campuses".</p> <p>Adding that the DLI "Qualifies as climate change mitigation Co-Benefits under categories: 8.1 Low carbon technologies: products or equipment, projects producing components, equipment, or infrastructure dedicated to the renewable and energy efficiency sectors, or low carbon technologies. 9.1 Cross-cutting issues: Support for national, regional or local policy through technical assistance or policy lending. Education, training, capacity-building and awareness-raising on climate change mitigation or sustainable energy or sustainable transport, mitigation research."</p> <p>The mitigation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• The cost of "attaching climate-relevant information to</li> </ul>
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						<p>training material” would be very low,</p> <ul style="list-style-type: none"> <li>• There is no information explicitly indicating how emissions reductions would be secured, or even if the information is mitigation specific.</li> <li>• It is not certain that the DLI will result in any mitigation outcomes.</li> <li>• To adhere to the principle of conservativeness no mitigation co-benefits have been counted.</li> </ul>
DLI 2.2	7	0.25	0	1.75	0	<p>DLI 2 will improve the number of graduates trained and hired through digital skills activities digital skills competencies for public school students. DLI 2.2 will improve the number of graduates from the training programs established to provide digital skills development activities who obtained full-time employment.</p> <p>The climate change co-benefits section states that through DLI 3: “higher capacity of the training program will ensure that more interested individuals, from different fields/backgrounds, get access to the knowledge and will acquire essential digital skills”. Adding: “The graduates will be able to:</p> <ul style="list-style-type: none"> <li>- Operate and improve early warning system for climate induced disasters like floods and dust storm or any other disaster identified in the vulnerability context.</li> <li>- Via electronic means design outreach plans and increase public awareness in Jordan of how to adapt to climate change induced disasters.</li> <li>- When choosing career in public, private or non-profit sector, other than IT per se, contribute to planning and implementing climate change</li> </ul>



					<p>adaptation policies and measures, from the government or business side. For example: identify vulnerable populations like poor households, women headed households, households located within vulnerable areas prone to flooding, drought and famine, where interventions to assist with predicting and adapting to climate change induced disasters would be implemented. For example, assisting households in drought prone areas to predict famine or low agricultural yields to allow the household some lead time to adapt before all their resources are spent in agricultural initiatives and recommending a livelihood change for a season.”.</p> <p>Documentation therefore creates a link between the activities and the stated vulnerability context.</p> <p>The adaptation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Adaptation is not the primary objective of the DLI, resulting in an initial coefficient of 0.5 being applied.</li> <li>• No granular information has been provided to disaggregate adaptation from non adaptation relevant finance. In the absence of such information a second coefficient of 0.5 is applied.</li> <li>• Final coefficient of 0.25</li> </ul> <p>Mitigation:</p> <p>The climate change co-benefits section states DLI 2 will: “Attach climate relevant information to training material including sustainable campuses”.</p>
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						<p>Adding that the DLI “Qualifies as climate change mitigation Co-Benefits under categories: 8.1 Low carbon technologies: products or equipment, projects producing components, equipment, or infrastructure dedicated to the renewable and energy efficiency sectors, or low carbon technologies. 9.1 Cross-cutting issues: Support for national, regional or local policy through technical assistance or policy lending. Education, training, capacity-building and awareness-raising on climate change mitigation or sustainable energy or sustainable transport, mitigation research.”</p> <p>The mitigation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• The cost of “attaching climate-relevant information to training material” would be very low,</li> <li>• There is no information explicitly indicating how emissions reductions would be secured, or even if the information is mitigation specific.</li> <li>• It is not certain that the DLI will result in any mitigation outcomes.</li> <li>• To adhere to the principle of conservativeness no mitigation co-benefits have been counted.</li> </ul>
DLI 3.1	5	0.125	0	0.625	0	DLI 3 will enhance digital skills competencies for public school students. DLI 3.1 will ensure the Ministry of Education carries out readiness assessment for grades 7-12 to assess classrooms’ readiness for a new digital skills curriculum.

						<p>The climate change co-benefits section states that through DLI 3: “teaching middle- and high school students will produce greater positive outcome, because it will prepare teenagers for career that requires digital skills. This approach saves a lot of time and resources. Information about applications of digital technology to various fields of science and business, including the use of digital technology for climate and weather forecasting could be added to curriculum, appealing to young impressionable students, and motivating them to consider career in this field”.</p> <p>Despite their being a link between the DLI and the vulnerability context, adaptation co-benefits are therefore very indirect.</p> <p>The adaptation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Adaptation is not the primary objective of the DLI, resulting in an initial coefficient of 0.5 being applied.</li> <li>• No granular information has been provided to disaggregate adaptation from non adaptation relevant finance. In the absence of such information a second coefficient of 0.5 is applied.</li> <li>• Due to the indirect nature of any adaptation co-benefits arising from the project, and due to the lack of incremental cost estimates, to adhere to the principle of conservativeness a third coefficient of 0.5 is applied so as to not over-report adaptation co-benefits.</li> <li>• Final coefficient of 0.125</li> </ul>
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						<p>Mitigation:</p> <p>The mitigation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• The cost of “attaching climate-relevant information to training material” would be very low,</li> <li>• There is no information explicitly indicating how emissions reductions would be secured, or even if the information is mitigation specific.</li> <li>• It is not certain that the DLI will result in any mitigation outcomes.</li> <li>• To adhere to the principle of conservativeness no mitigation co-benefits have been counted.</li> </ul>
DLI 3.2	4	0.125	0	0.5	0	<p>DLI 3 will enhance digital skills competencies for public school students. DLI 3.2 will ensure the Ministry of Education “develops and adopts, through a ministerial decree, an action plan for designing and rolling out digital curriculum for grades 7-12”.</p> <p>The climate change co-benefits section states that through DLI 3: “teaching middle- and high school students will produce greater positive outcome, because it will prepare teenagers for career that requires digital skills. This approach saves a lot of time and resources. Information about applications of digital technology to various fields of science and business, including the use of digital technology for climate and weather forecasting could be added to curriculum, appealing to young impressionable students, and motivating them to consider career in this field”.</p>

					<p>Despite their being a link between the DLI and the vulnerability context, adaptation co-benefits are therefore very indirect.</p> <p>The adaptation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Adaptation is not the primary objective of the DLI, resulting in an initial coefficient of 0.5 being applied.</li> <li>• No granular information has been provided to disaggregate adaptation from non adaptation relevant finance. In the absence of such information a second coefficient of 0.5 is applied.</li> <li>• Due to the indirect nature of any adaptation co-benefits arising from the project, and due to the lack of incremental cost estimates, to adhere to the principle of conservativeness a third coefficient of 0.5 is applied so as to not over-report adaptation co-benefits.</li> <li>• Final coefficient of 0.125.</li> </ul> <p>Mitigation:</p> <p>The climate change co-benefits section states DLI 3 will: "Include climate-relevant and sustainability modules to the educational program. Provide information about best practices of using IT for attaining sustainability in all sectors of economy, for climate change adaptation, and for reducing GHG emissions".</p> <p>Adding that the DLI "Qualifies as climate change mitigation Co-Benefits under categories: 8.1 Low carbon technologies: products or equipment,</p>
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						<p>projects producing components, equipment, or infrastructure dedicated to the renewable and energy efficiency sectors, or low carbon technologies. 9.1 Cross-cutting issues: Support for national, regional or local policy through technical assistance or policy lending. Education, training, capacity-building and awareness-raising on climate change mitigation or sustainable energy or sustainable transport, mitigation research.”</p> <p>The mitigation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• The cost of “attaching climate-relevant information to training material” would be very low,</li> <li>• There is no information explicitly indicating how emissions reductions would be secured, or even if the information is mitigation specific.</li> <li>• It is not certain that the DLI will result in any mitigation outcomes.</li> <li>• To adhere to the principle of conservativeness no mitigation co-benefits have been counted.</li> </ul>
DLI 3.3	9	0.125	0	1.125	0	<p>DLI 3 will enhance digital skills competencies for public school students. DLI 3.3 will ensure the Ministry of Education “develops and adopts a digital skill learning curriculum content for grades 7-12”.</p> <p>The climate change co-benefits section states that through DLI 3: “teaching middle- and high school students will produce greater positive outcome,</p>

					<p>because it will prepare teenagers for career that requires digital skills. This approach saves a lot of time and resources. Information about applications of digital technology to various fields of science and business, including the use of digital technology for climate and weather forecasting could be added to curriculum, appealing to young impressionable students, and motivating them to consider career in this field”.</p> <p>Despite their being a link between the DLI and the vulnerability context, adaptation co-benefits are therefore very indirect.</p> <p>The adaptation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Adaptation is not the primary objective of the DLI, resulting in an initial coefficient of 0.5 being applied.</li> <li>• No granular information has been provided to disaggregate adaptation from non adaptation relevant finance. In the absence of such information a second coefficient of 0.5 is applied.</li> <li>• Due to the indirect nature of any adaptation co-benefits arising from the project, and due to the lack of incremental cost estimates, to adhere to the principle of conservativeness a third coefficient of 0.5 is applied so as to not over-report adaptation co-benefits.</li> <li>• Final coefficient of 0.125</li> </ul> <p>Mitigation:</p>
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						<p>The mitigation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• The cost of “attaching climate-relevant information to training material” would be very low,</li> <li>• There is no information explicitly indicating how emissions reductions would be secured, or even if the information is mitigation specific.</li> <li>• It is not certain that the DLI will result in any mitigation outcomes.</li> <li>• To adhere to the principle of conservativeness no mitigation co-benefits have been counted.</li> </ul>
DLI 3.4	6	0.125	0	0.75	0	<p>DLI 3 will enhance digital skills competencies for public school students. DLI 3.4 will ensure the Ministry of Education completes teacher training on new digital skills courses for 70% of ICT grade 7-12 teachers.</p> <p>The climate change co-benefits section states that through DLI 3: “teaching middle- and high school students will produce greater positive outcome, because it will prepare teenagers for career that requires digital skills. This approach saves a lot of time and resources. Information about applications of digital technology to various fields of science and business, including the use of digital technology for climate and weather forecasting could be added to curriculum, appealing to young impressionable students, and motivating them to consider career in this field”.</p>



						<p>Despite their being a link between the DLI and the vulnerability context, adaptation co-benefits are therefore very indirect.</p> <p>The adaptation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Adaptation is not the primary objective of the DLI, resulting in an initial coefficient of 0.5 being applied.</li> <li>• No granular information has been provided to disaggregate adaptation from non adaptation relevant finance. In the absence of such information a second coefficient of 0.5 is applied.</li> <li>• Due to the indirect nature of any adaptation co-benefits arising from the project, and due to the lack of incremental cost estimates, to adhere to the principle of conservativeness a third coefficient of 0.5 is applied so as to not over-report adaptation co-benefits.</li> <li>• Final coefficient of 0.125</li> </ul> <p>Mitigation:</p> <p>The mitigation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• The cost of “attaching climate-relevant information to training material” would be very low,</li> <li>• There is no information explicitly indicating how emissions reductions would be secured, or even if the information is mitigation specific.</li> </ul>
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						<ul style="list-style-type: none"> <li>It is not certain that the DLI will result in any mitigation outcomes.</li> <li>To adhere to the principle of conservativeness no mitigation co-benefits have been counted.</li> </ul>
DLI 3.5	6	0.125	0	0.75	0	<p>DLI 3 will enhance digital skills competencies for public school students. DLI 3.5 will ensure the Ministry of Education improves the number of public schools enrolled into digital skills classes for grades 7-12. The climate change co-benefits section states that through DLI 3: “teaching middle- and high school students will produce greater positive outcome, because it will prepare teenagers for career that requires digital skills. This approach saves a lot of time and resources. Information about applications of digital technology to various fields of science and business, including the use of digital technology for climate and weather forecasting could be added to curriculum, appealing to young impressionable students, and motivating them to consider career in this field”.</p> <p>Despite their being a link between the DLI and the vulnerability context, adaptation co-benefits are therefore very indirect.</p> <p>The adaptation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>Adaptation is not the primary objective of the DLI, resulting in an initial coefficient of 0.5 being applied.</li> <li>No granular information has been provided to disaggregate adaptation from non adaptation relevant finance. In the absence of such</li> </ul>

						<p>information a second coefficient of 0.5 is applied.</p> <ul style="list-style-type: none"> <li>• Due to the indirect nature of any adaptation co-benefits arising from the project, and due to the lack of incremental cost estimates, to adhere to the principle of conservativeness a third coefficient of 0.5 is applied so as to not over-report adaptation co-benefits.</li> <li>• Final coefficient of 0.125</li> </ul> <p>Mitigation:</p> <p>The mitigation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• The cost of “attaching climate-relevant information to training material” would be very low,</li> <li>• There is no information explicitly indicating how emissions reductions would be secured, or even if the information is mitigation specific.</li> <li>• It is not certain that the DLI will result in any mitigation outcomes.</li> <li>• To adhere to the principle of conservativeness no mitigation co-benefits have been counted.</li> </ul>
DLI 3.6	3	0.125	0	0.375	0	<p>DLI 3 will enhance digital skills competencies for public school students. DLI 3.6 will ensure At least 60% of students enrolled in digital skills classes in public schools pass assessment in CY 5.</p> <p>The climate change co-benefits section states that through DLI 3: “teaching middle- and high school students will produce greater positive outcome,</p>

					<p>because it will prepare teenagers for career that requires digital skills. This approach saves a lot of time and resources. Information about applications of digital technology to various fields of science and business, including the use of digital technology for climate and weather forecasting could be added to curriculum, appealing to young impressionable students, and motivating them to consider career in this field”.</p> <p>Despite their being a link between the DLI and the vulnerability context, adaptation co-benefits are therefore very indirect.</p> <p>The adaptation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Adaptation is not the primary objective of the DLI, resulting in an initial coefficient of 0.5 being applied.</li> <li>• No granular information has been provided to disaggregate adaptation from non adaptation relevant finance. In the absence of such information a second coefficient of 0.5 is applied.</li> <li>• Due to the indirect nature of any adaptation co-benefits arising from the project, and due to the lack of incremental cost estimates, to adhere to the principle of conservativeness a third coefficient of 0.5 is applied so as to not over-report adaptation co-benefits.</li> <li>• Final coefficient of 0.125</li> </ul> <p>Mitigation:</p>
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						<p>The mitigation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• The cost of “attaching climate-relevant information to training material” would be very low,</li> <li>• There is no information explicitly indicating how emissions reductions would be secured, or even if the information is mitigation specific.</li> <li>• It is not certain that the DLI will result in any mitigation outcomes.</li> <li>• To adhere to the principle of conservativeness no mitigation co-benefits have been counted.</li> </ul>
DLI 4.1	5	0	0	0	0	<p>DLI 4 will support digital transformation of service delivery to citizens and businesses.</p>
DLI 4.2	50	0	0	0	0	<p>The climate change co-benefits section states that through DLI 4: “When system of requests and applications from citizens will be digitalized, government employees will no longer need to be processing the applications manually or spending time looking for paper documents in the physical archives. It could take a government employee from few hours to few days to "process" a request or an application from citizens. Employees work in the offices, offices require some "interior climate control": an A/C or a room fan, both options use electricity and are operated for the whole duration of the work day (8 hours). Some employees use artificial light in their offices during the day as well.</p> <p>18. Thus, we conclude that every workday of a government employee is</p>
DLI 4.3	14	0	0	0	0	
DLI 4.4	1.5	0	0	0	0	
DLI 4.5	1.5	0	0	0	0	

						<p>supported by large electricity use: for climate control, some sort of computer (is switched on even when employee is reading hard copy request), and possibly artificial light too. When amount of work worth of thousands of workdays of government employees is replaced by instantaneous digital transactions, this saves electricity, and in turn abates GHG emissions.”.</p> <p>There is insufficient evidence of adaptation or net emissions reductions to award climate co-benefits.</p>
SC 1.3	5.0	0.25	0.25	1.25	1.25	<p>SC 1.3 “is designed to support upgrading, equipping, and managing three to five technology hubs (Tech Hubs) as “for fee” venues for skilling programs, co-working spaces, ITO/BPO spaces, and networking spaces for trainers, entrepreneurs, freelancers, CSOs, and ITO businesses in nearby communities”.</p> <p>Documentation adds: “While no new construction activities will be undertaken in this project, as it relates to facility refurbishment or upgrading activities, this sub-component also provides an opportunity to mainstream climate change mitigation and adaptation into its development. The PMU will include energy efficient improvements, including using building techniques and materials that enable the reduction of energy consumption, in the terms of reference for potential contactors who will refurbish the Tech Hubs. For example, more efficient insulation will contribute to increased efficiency in air conditioning and heating. When available, improvements will also include energy efficient lighting, appliances and equipment. Additionally, where applicable, the designs will incorporate the use of</p>

						<p>revised codes that consider increased frequency of storms and/or flooding for enhanced resilience of built infrastructure”</p> <p>The sub-component description evidences that while neither adaptation nor mitigation is the fundamental objective of the finance, both are considered. The finance creates a link between the funded activities and the provided vulnerability context.</p> <p>The adaptation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Adaptation is not the primary objective of the sub-component, resulting in an initial coefficient of 0.5 being applied.</li> <li>• No granular information has been provided to disaggregate adaptation from non-adaptation relevant finance. In the absence of such information a second coefficient of 0.5 is applied.</li> <li>• Final coefficient of 0.25</li> </ul> <p>The mitigation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Mitigation is not the primary objective of the sub-component, resulting in an initial coefficient of 0.5 being applied.</li> <li>• Due to a lack of granular information to disaggregate the costs of mitigation from non-mitigation-relevant spending, and to adhere to the principle of conservativeness, a second coefficient of 0.5 has been applied.</li> </ul>
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						<ul style="list-style-type: none"> <li>Final coefficient of 0.25.</li> </ul>
SC 2.1	15.0	0	0	0	0	No evidence of climate-relevance.
SC 2.3	6.0	0	0	0	0	No evidence of climate-relevance.
C 3	5.0	0	0	0	0	No evidence of climate-relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
14.6	<del>0.8155*16.375 =</del> <u>13.3538</u> <del>15.125</del>	<del>8.5%</del> <u>3.6%</u>	3.2	<del>0.8155*6.25 =</del> <u>5.0968</u> <del>5.0</del>	<del>59.3%</del> <u>56.3%</u>

Commented [3]:

Reported climate finance	Assessed climate finance	Error
17.8	<u>18.4507</u> <del>20.125</del>	<u>17.7%</u> <del>13.1%</del>



Project Number: P167247

<b>Project Name</b>
Justice for Business Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/724851585965705288/croatia-justice-for-business-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/724851585965705288/croatia-justice-for-business-project</a>
<b>Financing Instrument</b>
Investment Project Financing, Program-for-Results
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Sub-component, Disbursement Linked Indicator

<b>Climate Change Vulnerability Context</b>
Provided in the Country Context section, page 16, paragraph 36.
<b>Intent to Address Vulnerability</b>
Provided in the Country Context section, page 16, paragraph 36, and in the Relevance to Higher Level Objectives section, pages 20-21, paragraph 46.
<b>Link to Project Activities</b>
Provided in the Project Components section.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Component 1 – Reducing the administrative burden for businesses to interact with government	EUR 25M	This component supports improvements in business regulatory services and market functioning in the construction sector. This is a results-based component comprising two subcomponents focused on the following result areas: (a) removing regulatory barriers for market entry and operation, and (b) simplifying construction permitting and improving market functioning in the construction sector. Initiatives to be supported in each of these results areas are aligned with the Government’s 2019 NRP priorities and other ongoing activities.
Subcomponent 1.1. Removing regulatory barriers for market entry and operation		This subcomponent addresses regulatory barriers for market entry and operation. The project will provide financing of payments for Eligible Expenditure Programs (EEPs) to support the simplification and automatization of procedures to start and operate a business in the Borrower’s territory, through the carrying out of the following activities:  (a) Implementing and expanding a single digital window to enable a one-stop-shop online registration of and key changes to Limited Liability Companies (LLCs) established in the Borrower’s territory. (b) Online publishing and consolidating of licensing requirements to start a business activity in the Borrower’s territory and digitalization of selected licenses procedures.

	<p>53. Implementation of a single digital window for LLCs. The single digital window will enable completion of all the formalities required by the five agencies (Commercial Court Registry, Tax Administration, Statistics, Pension and Health Insurance) to start an LLC, through a single application form, either online, or through FINA (Croatia Financial Agency) physical access points. To ensure consolidated information, for the LLCs that are registered through the court channel, information will be automatically made available to the single digital window. This will significantly reduce the time and cost to register an LLC, which is the most frequent company form in Croatia. To further integrate registration procedures, a single digital window will be accessible from different entry points and will be expanded to also enable online registration of key changes to the status of LLCs such as change of name, address, directors, activity, voluntary liquidation etc. This will make registration services more cost effective for government as well. This activity will be led by MoEEC.</p> <p>54. Licensing requirements are published online, and selected licenses are digitalized. An inventory of licensing requirements to start or operate a business activity will be consolidated and published in one source of information that will be available online – an informational licensing platform. In addition, the licensing procedures for a number of business activities will be fully automated. To that end, the E-Government Infrastructure will include a business process management tool. Making procedures and requirements for businesses to formally operate a business transparent and digitalized will increase predictability for investors and reduce rent-seeking opportunities. This activity will be led by MoEEC.</p> <p>This subcomponent will also include citizen engagement activities to encourage female entrepreneurship and to generate evidence for gender-sensitive policy-making. Focus groups will be organized with businesses (primarily Micro, Small and Medium Enterprises) to identify specific constraints in licensing procedures. The focus groups will also provide inputs on the future design of the informational licensing platform as well as on how regulations and service delivery to the private sector can be improved. All these focus groups will focus on women entrepreneurs, in an effort to gain a better understanding on the specific constraints that they may face in dealing with government and to identify potential weaknesses in regulatory delivery that may be gender related. Further outreach activities will be carried out to raise awareness on the single digital window with a focus on women. Finally, the single digital window will be a source of information on registered businesses relevant for policy making – such as data on the number of active LLCs and their sectoral and regional distribution. It will also be possible to disaggregate data by gender (female owned businesses) providing data relevant for promoting female entrepreneurship.</p>
Subcomponent 1.2. Simplifying	This subcomponent seeks to simplify the construction process for investors and contractors and improve availability of construction services. The project will support the provision of financing of payments for EEPs to

<p>construction permitting and improving market functioning in the construction sector</p>		<p>support the simplification of construction permitting and improve availability of construction services, through:</p> <p>(a) The expanded use of E-Dozvola.  (b) Simplification of the requirements for the provision of professional services in the construction sector.</p> <p>58. Simplification of construction permitting and full implementation of the E-Dozvola, an online platform for construction permits. Issuance of construction permits will be automated through the E-Dozvola. Additional simplification of processes in obtaining a construction permit will be implemented. This is expected to lower transaction costs, improve transparency and strengthen predictability in obtaining a construction permit. Full implementation of the E-Dozvola is expected to increase the system's geographic coverage by allowing building professionals in the City of Zagreb – where the bulk of construction activity takes place - to submit applications online. Moreover, it is expected to address the existing implementation challenges such as the lack of awareness of the platform in the private sector, the lack of customer support for users of the online solution, the lack of digital signatures for professionals and the uneven capacity in the building authorities outside of Zagreb. This activity will be led by the MoCPP.</p> <p>59. Simplification of requirements for the provision of professional services in the construction sector. The requirements for professional service providers will be aligned with international best practice. The changes are expected to decrease the cost and complexity of the construction process. This activity will be led by the MoCPP. It is expected that the reforms supported under this component can set a model for further simplification of professional services in other sectors beyond the construction sector.</p>
<p>Component 2 – Improving justice services for businesses and citizens (combined direct investment and resultsbased component)</p>	<p>EUR 73.1M</p>	<p>The objective of this component is to support the improvement of justice services along its service delivery chain, resulting in more effective services and better user experience for businesses and other stakeholders. It has four subcomponents that together will contribute to a systemic approach to improving court performance to provide better and expedited administration of justice by optimizing business processes, speeding up service delivery by taking advantage of existing ICT support systems, unclogging the case management system, and enhancing quality of the services through better and agile physical facilities. To this aim, the component will reimburse relevant government expenditures associated with the achievement of agreed targets in results areas under the first two subcomponents and will provide direct financing to support project management, technical assistance activities, monitoring and evaluation and direct investment for the rehabilitation of court buildings under the latter two subcomponents.</p>
<p>Subcomponent 2.1. Expanding the use of</p>		<p>This subcomponent seeks to increase the level of uptake of electronic online services in the justice sector both internally by justice sector operators (e.g. judges, staff, prosecutors) as well as by external users</p>

<p>electronic services in the justice sector</p>	<p>(citizens, businesses and lawyers representing their clients). The project will provide financing of payments for EEPs to support the expanded use of electronic services in the justice sector by justice sector users and interested stakeholders, including e-communication systems and the use of an integrated court management system (ICMS) by courts. By doing so, it will help decongest the provision of onsite services and accelerate response times of courts and other administrative procedures required by justice sector agencies. This subcomponent aims at increasing the number of courts integrated in ICMS and the number of courts using e-communication system. It focuses on integration of first instance misdemeanor and administrative courts, many of which currently operate either in their own CMS or offline without taking advantage of the integrated e-system adding on processing time and impacting on the overall integrity of the automated system. Expansion of the ICMS to all courts will represent a major step forward in modernizing judicial services for both businesses and all citizens by developing egovernance in courts. These activities will be led by the MoJ and implemented with the expected support from relevant courts.</p>
<p>Subcomponent 2.2. Improving efficiency of dispute resolution in municipal and commercial courts (including second instance courts)</p>	<p>64. This subcomponent focuses on addressing the effectiveness of the judiciary to resolve commercial disputes, as one of the most pressing issues affecting the business environment. The project will provide financing of payments for EEPs to support the reduction of: (a) the judiciary courts' backlog of pending cases older than 10 years; and (b) the Disposition Time for the issuance of judicial decisions in cases before commercial courts, all through the adoption of procedural regulatory reforms, case management improvements, and facilitating access to management tools.</p> <p>65. Reducing the court backlog of cases older than 10 years. This will be focused on resolving longstanding cases that continue to disrupt economic activities. Accelerating the resolution of these cases is expected to significantly reduce the backlog by almost half during the project timespan. It will be a result of the adoption of procedural regulatory reforms, case management improvements, and facilitating access to management tools. In principle, a database of old cases has been created (presiding judge, activities undertaken, reasons for lack of resolution, and planned time limits for case resolution and reasons for the inability to resolve a case within the planned period). Further analysis will be supported by the creation of a database of cases for protection of the right to trial in a reasonable time. This activity will be monitored by the MoJ.</p> <p>66. Reducing the disposition time for the issuance of judicial decisions in cases before the commercial courts. This is a critical precondition to raise the effectiveness level of the justice system to secure legal certainty for economic players and prevent further accumulation of backlog cases in the future. Based on standards set by the European Court of Human Rights case-law and the Council of Europe recommendations, targets for an appropriate level of responsiveness of Croatian courts have been agreed . 36 To achieve these targets, the MoJ in addition to help maximizing the</p>

	<p>utilization of ICT tools, will implement procedural reforms alleviating unnecessary burden on judges, further equalizing workload among judges, and providing instruments to harmonize judicial interpretations and other supporting tools. This activity will be monitored by the MoJ.</p>
<p>Subcomponent 2.3. Rehabilitation and upgrading of selected court facilities</p>	<p>68. This subcomponent will finance the physical rehabilitation of selected courts to meet international standards of service allowing for better court performance and user experience. The project will provide technical assistance, training, goods and works to rehabilitate and upgrade selected judicial court facilities in Zagreb, Vinkovci, Kutina and Varazdin for better court performance and user experience, including, as applicable, aspects related to: (a) standardized spaces for judges and courts; (b) user access and public spaces including separate circulation where feasible, and waiting areas for victims and court personnel; (c) inclusive design focused on gender aspects and people with disabilities; (d) environmentally friendly designs and features, including adoption of energy efficiency standards, waste and recycling management systems; (e) extensive use of information technology support systems for automated operations of the building and judicial services; and (f) security and safety standards and procedures for both internal and exterior areas and the use of safety related equipment as necessary. Improved conditions of the judicial facilities will enhance business experience and confidence in the judiciary and will introduce the concept of agile infrastructure in the justice sector, which complements the modernization efforts aiming at decongesting the provision of justice services and upgrading the service standards. The four courts were selected based on their level of caseload, their focus on business activities, and their geographical location in lagging regions. The subcomponent will support both functional and construction designs and implementation of rehabilitation works and upgrading of standards.</p> <p>69. Rehabilitation designs will be informed by international service standards and good practices. The new architectural designs will benefit from the Unified European Guidelines on "Access to Courts and the Design of Court Buildings" adopted by of Council of Europe in 2016. This will include inter-alia aspects related to: (a) standardized spaces for judges and courts for effective and efficient service performance; (b) user access and public spaces including separate circulation and waiting areas for victims and court personnel among others; (c) inclusive design focused on gender aspects and people with disabilities; for disabled people, this will include accessibility and special communication and signage; for vulnerable groups (mostly women and children), this will include the upgrade of witnesses and victims' rooms (a hearing room already exists in the Zagreb Municipal Court that will be upgraded); (d) environmentally friendly designs and features, including adoption of energy efficiency standards, waste and recycling management systems; (e) extensive use of information technology support systems for automated operations of the building and judicial services with appropriate electrical and wiring systems as well as conditioned spaces for equipment; and (f) security and safety standards and procedures for both internal and exterior areas and the use of security</p>

	<p>equipment. This project subcomponent will also support consultation processes with relevant stakeholders to validate the designs.</p> <p>70. The rehabilitation of court facilities will be accompanied by stakeholder and citizen engagement activities. First, surveys will be conducted with beneficiaries (judges, court personnel, as well as selected categories of court users including lawyers, state attorneys and wider public) in order to assess their perception on the quality of justice service delivery in the four selected courts. These surveys will assess user satisfaction in the first year of the project as well as ahead of project closure. The four selected court facilities will then organize open days, during which issues emerged in the user survey will be discussed with court users. This will serve as opportunities for the users to express their views and bring their ideas to the court management on how to improve the court facilities and justice services. At the end of these citizen collaboration events, participants will report through surveys, whether they find the engagement process effective.</p> <p>71. The rehabilitation of the selected four courts will address relevant energy efficiency improvements and promote climate change adaptation and mitigation. Flooding does not pose any risk for these four buildings, as they are located in the city centers which are not flood-prone areas and have no history of floods. However, the project will address risks emanating from extreme weather and heat waves (see paragraph 46). The energy efficiency gains will be measured through the European energy performance certificates regulated by the EU and monitored as an intermediate indicator throughout project implementation. 37 Finally, higher use of e-services is expected to reduce the frequency of visits to courts on the part of litigants and their lawyers. This could translate into lower travel/fuel costs, and therefore a reduction in the carbon foot print.</p> <p>72. The project will provide comprehensive support for implementation of rehabilitation works and equipment. This will include: (a) competitive hiring of specialized contractors to carry out rehabilitation works; (b) supervision services by specialized consultants; (c) acquisition of furniture and necessary equipment to conform with agreed environmental and security standards for the buildings; and (d) induction and training activities for building operators and users for an effective use of the new facilities.</p> <p>73. Introduction of the new court buildings will be part of the comprehensive modernization of justice sector services. Adoption of the renewed designs and layouts of the rehabilitated court facilities will require prior and concurrent adoption of modern online e-justice services to decongest the onsite services to be provided by the courts. This will require a well synchronized implementation timeline to make sure the new facilities are capable of absorbing the optimized caseload offering the upgraded onsite experience to users following the new service standards.</p>
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<p>Subcomponent 2.4. Strengthening Public Investment Management practices in the judiciary</p>		<p>74. This subcomponent aims at strengthening public investment management practices in the judiciary in order to optimize infrastructure spending and allow for savings to be redirected to service modernization. The project will provide technical assistance to strengthen public investment management practices on the judiciary to optimize infrastructure spending. This will contribute to more effective utilization of the MoJ's capital budget and will allow for stronger engagement of international partners in improving judicial infrastructure. It will also allow the development of standard project designs for the planning, rehabilitation and maintenance of justice courts. This practice will reduce the time and cost in the design, procurement and execution of regional and municipal justice investment projects across the country. Overall, such cost savings will allow redirecting resources towards modernization of services and improving the user experience. Support will be provided to the Strategic Planning Directorate and its Sector for Judicial Infrastructure Department in the MoJ, as well as to Court Presidents, who also play a role in the investment planning system and are responsible for maintenance of judicial infrastructure. This project subcomponent will complement ongoing initiatives supported by the European Social Fund and its Justice Modernization Project (Project One), which provides financing for the development and implementation of an infrastructure and facility management module.</p>
<p>Component 3. Project Management</p>	<p>EUR <del>1.93.9</del> M</p>	<p>75. These activities will support overall project management and provide technical assistance required for the implementation of the above two components. The project will support the provision of: (a) Goods, technical assistance, Training, and Operating Costs to support the PIU in the overall day-to-day implementation of the Project, including procurement, financial management, monitoring and evaluation, carrying out of audits, safeguards and carrying out of engagement surveys. (b) Additional technical assistance to provide advisory services for the implementation of the Project in areas related to: (i) reducing the administrative burden for businesses to interact with government; and (ii) improving justice services for businesses and citizens; as further elaborated in the Project Operations Manual.</p> <p>76. Support to the operations of the Project Implementation Unit (PIU) and Monitoring and Evaluation (M&amp;E) activities. This includes hiring of required specialized personnel to carry out technical supervision of infrastructure rehabilitation activities as well as to ensure compliance with procurement, safeguards and financial reporting requirements. M&amp;E functions will provide effective oversight of the reform process and specifically of the completion of agreed DLIs. The project will provide support to develop required M&amp;E instruments, such as surveys and impact evaluations, as well as the establishment and financing of the verification procedures for the results-based activities that would then be used to trigger associated disbursements. The project will also provide support to carry out the citizen engagement and change management activities.</p>

		<p>77. Additional technical assistance activities to complement ongoing support provided by other development partners and the EC in areas relevant to the two project components. The additional technical assistance resources are expected to be used to cover potential funding gaps towards the achievement of the DLIs and of the PDO, for both Components 1 and 2.</p> <p>78. Total project financing and implementation timeline. Table 2 below provides the consolidated budget for all project components as well as the sources of funding. The project will be implemented in five years.</p>
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<b>Climate Change Co-benefits</b>	
Not provided:	
<p>Additional climate relevant information from documentation: “The rehabilitation of the selected four courts will address relevant climate vulnerabilities and promote climate change adaptation and mitigation. In terms of climate change adaptation, the project will address risks emanating from extreme weather and heat waves. In the context of expanding e-court services, it will be ensured that in all four court facilities, the servers storing e-government/justice related data (either within the court facilities or off-site) will be protected from overheating. Data recovery measures will be put in place in order to avoid potential loss of crucial data as a result of increased temperatures and prolonged heat waves in the future. In respect to climate change mitigation, renovation of all the four court facilities will have environmentally friendly designs and features, including adoption of waste and recycling management systems, use of solar energy, climate smart insulation standards and other features improving energy efficiency, thereby reducing the court’s carbon foot print.”</p>	

<b>Greenhouse Gas Accounting</b>	
Not provided.	

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C1	25	0	0	0	0	No evidence of climate relevance.
SC 2.1	73.1/4	0.125	0.125	2.28	2.28	<p>The objective of Sub-component 2.3 is to: “finance the physical rehabilitation of selected courts to meet international standards of service allowing for better court performance and user experience”.</p> <p>The stated climate relevance of the sub-component: “The rehabilitation of the selected four courts will address relevant climate vulnerabilities and promote climate change adaptation and mitigation... In terms of climate change adaptation, the project will address risks emanating from</p>



					<p>extreme weather and heat waves. In the context of expanding e-court services, it will be ensured that in all four court facilities, the servers storing e-government/justice related data (either within the court facilities or off-site) will be protected from overheating. Data recovery measures will be put in place in order to avoid potential loss of crucial data as a result of increased temperatures and prolonged heat waves in the future.” This text therefore provides some evidence to show that activities involved with the rehabilitation process include an intent to address the vulnerability context outlined for the project. However, within the actual description of sub-component 2.1, there is no reference towards adaptation or climate change impacts.</p> <p>Climate coefficient results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Neither adaptation nor mitigation is the primary objective of the sub-component, resulting in an initial coefficient of 0.5 being applied.</li> <li>• Documentation does not provide a figure outlining the amount of finance in support of sub-component 2.1, or a figure outlining the amount of finance contributing to storage servers. There is no information outlining the incremental cost of adaptation within the cost of storage servers.</li> <li>• Following a principle of conservativeness in the face of a lack of information, so as to not over-report finance, a second coefficient of 0.5 is applied.</li> </ul>
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						<ul style="list-style-type: none"> <li>Finance climate coefficient of 0.25 deemed to be cross-cutting.</li> </ul> <p>The sub-component therefore related to the Common Principles for Climate Change Mitigation Finance Tracking eligibility criteria: "Measures that reduce net energy consumption, resource consumption or CO2e emissions, or increase plant-based carbon sinks in greenfield and brownfield buildings and associated grounds". There is no indication as to the portion of finance dedicated to these activities.</p>
SC 2.2	73.1/4	0	0	0	0	No evidence of climate relevance.
SC 2.3	73.1/4	0.125	0.125	2.28	2.28	<p>The objective of Sub-component 2.3 is to: "finance the physical rehabilitation of selected courts to meet international standards of service allowing for better court performance and user experience".</p> <p>The stated climate relevance of the sub-component: "The rehabilitation of the selected four courts will address relevant climate vulnerabilities and promote climate change adaptation and mitigation... In respect to climate change mitigation, renovation of all the four court facilities will have environmentally friendly designs and features, including adoption of waste and recycling management systems, use of solar energy, climate smart insulation standards and other features improving energy efficiency, thereby reducing the court's carbon foot print."</p> <p>Climate coefficient results from the following considerations:</p> <ul style="list-style-type: none"> <li>Neither adaptation nor mitigation is the primary objective of the sub-component, resulting in an initial coefficient of 0.5 being applied.</li> </ul>

						<ul style="list-style-type: none"> <li>• Documentation does not provide a figure outlining the amount of finance in support of sub-component 2.1, or a figure outlining the amount of finance contributing to storage servers. There is no information outlining the incremental cost of adaptation within the cost of storage servers.</li> <li>• Following a principle of conservativeness in the face of a lack of information, so as to not over-report finance, a second coefficient of 0.5 is applied.</li> <li>• Finance climate coefficient of 0.25 deemed to be cross-cutting.</li> </ul> <p>The sub-component therefore related to the Common Principles for Climate Change Mitigation Finance Tracking eligibility criteria: "Measures that reduce net energy consumption, resource consumption or CO2e emissions, or increase plant-based carbon sinks in greenfield and brownfield buildings and associated grounds". There is no indication as to the portion of finance dedicated to these activities.</p>
SC 2.4	73.1/4	0	0	0	0	No evidence of climate relevance.
C3	<u>1.93-9</u>	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
6.8	4.56	32.9%	6.8	4.56	32.9%

Exchange rate of 1 EUR = 1.103 USD applied.

Reported climate finance	Assessed climate finance	Error
13.6	9.12	32.9%

Exchange rate of 1 EUR = 1.103 USD applied.

**Project Number: P172724**

<b>Project Name</b>
Kandadji Project (WRD-SEM APL2A) Second Additional Financing
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/696861593309642981/niger-kandadji-project-additional-financing">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/696861593309642981/niger-kandadji-project-additional-financing</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Credit, Grant
<b>Lowest level of granularity</b>
Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Background and Rationale for Additional Financing section, page 7-8 and 12.
<b>Intent to Address Vulnerability</b>
Provided in the Rationale for Additional Financing Section, page 22.
<b>Link to Project Activities</b>
Provided at the component, sub-component and activity level, as required for IPF.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 3: Environmental and Social Safeguards Measures and Promotion of Irrigation Development (including rehabilitation) and Local Community Development		Component 3 (Environmental and Social Safeguards Measures and Promotion of Irrigation Development (including rehabilitation) and Local Community Development) has been upgraded to MS in May 2019 due to the proactivity of ABK and its performance in preparing RAP2 documents and carrying out extensive community consultations. This component underwent restructuring in February 2020 to drop the agricultural growth pole, which was found to have much higher costs as per the feasibility study, and repurposed the funds towards (i) detailed agricultural and non-agricultural livelihood restoration studies required for RAP2 implementation; (ii) the financing gaps identified in the RAP1 remediation action plan related to the rehabilitation of irrigated perimeters; and (iii) implementation of a GRM system and GBV action plan. The KLDP supports livelihood activities under the Kandadji Program and is a core part of the Project. In an insecure region, local development activities are key to avoid conflicts and build buy-in beyond resettled beneficiaries and, as such, are a core element of the World Bank's approach to resettlement, especially in fragile contexts. The KLDP has benefited from increased follow-up by ABK with more attention to the quality of micro-projects and of recruitment of Local Development Agents. To date 292,350 people have benefited from the KLDP of which 148,933 women, through activities like integrated health clinics, school classroom equipment and maternity wards in remote villages. The KLDP is crucial to expand Project benefits to local populations beyond the resettled populations in Tillaberi, thereby enabling all

		concerned communities to share in the benefits of the Project. These benefits also represent “early wins” as they can be rapidly disbursed in underserved rural communities without going through extended study and bidding processes.
Sub-component 3.4	US\$150	<p>AF activities will fall under a new Sub-Component 3.4 to address the financing gap linked to the implementation of RAP-2A. Given the water security and sustainability issues linked to climate change risks, optimal design for water conservation, energy efficiency, and source sustainability will be pursued.</p> <p>Sub-Component 3.4 (new Sub-Component, proposed AF US\$150 million equivalent of Program total US\$434.2 million, reallocation of US\$3.4 million under the associated restructuring) is a new subcomponent created to finance the implementation of RAP-2A costs associated with the reservoir resettlement program to benefit 33,000 people. The AF will address the significant financing gap identified as part of the reservoir resettlement program, including specifically: (i) building of industry-standard housing in resettled communities (US\$106 million) using improved local materials reflecting traditional construction methods in the region and resilient under extreme weather events (heat waves, floods, and droughts) related to climate change; (ii) providing drinking water and sanitation to resettlement sites (US\$34 million) aiming to reduce time spent for water collection and point-wise treatment and improve service resilience and efficiency; and (iii) providing transition support to resettled populations with a particular focus on vulnerable people (US\$10 million).</p> <p>The provision of water supply, sanitation and hygiene services is an essential part of the prevention of diseases like COVID-19, while the jobs created could help blunt the otherwise negative economic impact of the pandemic. For its part, the GoN has committed to funding all cash compensation related to losses of commercial assets, of ancillary residential structures, and of productive trees and crops<sup>57</sup> (US\$32.7 million). The housing construction, water supply and sanitation services will improve the quality of life in the rural Project area and the resilience of the communities to disaster risk, specifically to flooding and drought conditions. Better containment for sanitation solutions and improved drainage will also safeguard local water quality. More details are provided in the Technical Appraisal section and in Annex I. To support the construction of critical health infrastructure and equipment and provision of associated services under RAP-2A, US\$3.4 million equivalent are reallocated from Sub-Component 2.2 to 3.4. These activities will strengthen the health infrastructure in the Project area and provide essential health services to the resettled population and host communities going forward, better responding to public health needs, including those related to water-borne diseases and contributing to the development of human capital, while bolstering the future capacity to prevent diseases like COVID-19. A new disbursement category (Category 9) is created for expenses under this new sub-component.</p>

	<p>Re. transition support: This will consist of in-cash and in-kind support to PAPs during the transition period before and after their relocation, with a particular focus on the more vulnerable members of the one town and sixteen villages to be resettled in the reservoir area. The identity and numbers of vulnerable persons remain to be confirmed as part of RAP-2A implementation but should account for about 10 percent of the target population. Specific support would include some forms of cash assistance when needed, packing and transportation assistance when relocating, or food support when needed. The most vulnerable in such circumstances would likely be the elderly, female heads of households and widows and people with physical and mental disabilities, to be confirmed through RAP-2A implementation. The existing Project Implementation Manual will be updated and will clearly define inter alia for the transition support: (i) how beneficiaries are identified or what criteria apply; (ii) methods of payment (via PAPs' bank account or mobile money or cash distribution); (iii) who will proceed with the payments (ABK, the resettlement implementation support firm or another service provider to be contracted by ABK); and (iv) reporting arrangements, including how the final beneficiary will acknowledge receipt of transition assistance.</p>
<p>Restructuring of original Project and its first Additional Financing</p>	<p>The proposed changes will result in restructuring the original Project and its first AF (a combined US\$258 million equivalent,) to amend the project development objective (PDO), reflect the revised activities and indicators, reallocate a portion of the original financing and extend the project closing date by 72 months. 7 The PDO will be amended to better reflect the contribution of the Project activities to the availability of water for agriculture development in Niger and to livelihoods and local development in the Tillaberi region (see paragraphs 53 and 54). Through the proposed restructuring, funds will be allocated towards activities critical to advancing progress towards the development objectives and to the prompt response to COVID-19, namely: (i) reinforcing the ongoing Kandadji Local Development Program (KLDP), which focuses on livelihood support and the provision of critical services (including health and education), and is already supporting direct COVID-19 response; (ii) the health infrastructure and services to be provided under RAP-2A, which will be crucial in the future prevention of diseases like COVID-19; and (iii) the hydro-agricultural developments to be financed under RAP-2A, which will contribute to improving irrigation practices and water use in the Project area. The original and first additional Financing Agreements will be amended to revise the legal name of the Project, add the new activities, reflect these reallocations and extend the period of implementation of the Project by 72 months.</p>

**Climate Change Co-benefits Section**

Not provided.

**Greenhouse Gas Accounting**

Energy produced by the Kandadji hydropower plant will have a direct contribution to the reduction of carbon emissions because equivalent amount of energy would have been produced using fossil fuels in the absence of Kandadji dam. Using the United States Environmental Protection Agency equivalence of 707.03 CO2 metric tons equivalent (tCO2eq) per each GWh, it can be estimated that global carbon emission mitigation by Kandadji hydropower plant is in the order of 388,872 tCO2eq. 16. The dollar value of the tCO2eq mitigation effect of Kandadji’s hydropower plant, estimated using SPC, will be in the range between US\$18.2 and US\$36.4 million per year, beginning in year 2027 when the hydropower plant enters into operations. 17. When the dam is completed by 2030, the CO2 emission mitigation effect of the Kandadji hydropower plant will be 424,224 CO2eq per year. At that point the dollar value of that CO2 mitigation effect will be in the range of US\$21.2 and US\$42.2 million per year. For the purpose of this evaluation, we have only used the carbon emission mitigation effect for the hydropower plant for an FSL 224-masl reservoir.

**GHG accounting provided for hydroelectric installations. Not for the activities financed under this Additional Financing agreement, therefore no evidence to support mitigation co-benefits within additional financing activities.**

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 3.4: Activity i:	106	0.5	0	53	0	Evidence regarding adaptation assessment: The building of industry-standard housing in resettled communities to be resilient under extreme weather events (heat waves, floods, and droughts) related to climate change, links closely to the provided vulnerability context/intent to address that vulnerability. In the absence of figures showing the incremental costs of adaptation, a coefficient of 0.5 has been applied to the activity.  Evidence regarding mitigation assessment: No mitigation relevance observed.
SC 3.4: Activity ii:	34	0.5	0	17	0	Evidence regarding adaptation assessment: The provision of drinking water and sanitation to resettlement sites aiming to reduce time spent for water collection and point-wise treatment and improvement of service resilience and efficiency, links closely to the provided vulnerability context/intent to address that

						<p>vulnerability. In the absence of figures showing the incremental costs of adaptation, a coefficient of 0.5 has been applied to the activity.</p> <p>Evidence regarding mitigation assessment: No mitigation relevance observed.</p>
SC 3.4: Activity ii:	10	0	0	0	0	<p>Evidence regarding adaptation assessment: The provision of transition support to resettled populations with a particular focus on vulnerable people through cash disbursements to fund relocation and food support is not closely linked to the provided vulnerability context/intent to address that vulnerability. In the absence of figures showing the incremental costs of adaptation, a coefficient of 0.5 has been applied to the activity.</p> <p>Evidence regarding mitigation assessment: No mitigation relevance observed.</p>
Restructuring of original Project and first Additional Financing						<p><i>It is noted that through reallocations there is the potential for mitigation finance to arise if more funds were to be allocated to Component 2 and the construction of hydroelectric energy infrastructure. Evidence from documentation indicates that costs associated with this component were less than expected, therefore mitigation finance is likely not sourced from increased investments here. <b>The source of mitigation co-benefits in the Bank's reporting cannot be isolated.</b></i></p>

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
75	75	0%	58	0	100%

Reported climate finance	Assessed climate finance	Error
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133	75	43.6%
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**Project Number: P172342**

<b>Project Name</b>
Kandy Multimodal Transport Terminal Development Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/598201590112944012/sri-lanka-kandy-multimodal-transport-terminal-development-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/598201590112944012/sri-lanka-kandy-multimodal-transport-terminal-development-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Credit
<b>Lowest level of granularity</b>
Component/Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Climate and Disaster Screening and Climate Co-Benefits section, page 27, paragraph 72.
<b>Intent to Address Vulnerability</b>
Provided in the Relevance to Higher Level Objectives section, page 12, paragraph 20.
<b>Link to Project Activities</b>
Provided at the Project Components level.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Component 1	US\$64.32 million	<p>Component 1: Development of Kandy Multimodal Transport Terminal (US\$64.32 million)</p> <p>1. This component will finance the construction of the multimodal terminal at the existing Goods Shed station in Kandy. A preliminary technical design for the terminal has been developed under the SCDP based on the requirements identified in the public transport plan and the traffic plan.<sup>38</sup> A gap analysis of this preliminary design of the terminal will be carried out and any revisions as necessary will be incorporated to ensure that the terminal is accessible, efficient, safe, and user friendly.</p> <p>2. The design of the KMTT consists of the following key structures:</p> <ul style="list-style-type: none"> <li>The preliminary KMTT design consists of two main structures about 100 m apart—the main terminal for boarding-alighting-TnG and a bus parking facility for short overlays—which are connected by an internal road. The terminal will be built using principles of universal design; it will include gender-informed designs, such as women-only waiting areas, breastfeeding rooms, and sanitation facilities that are in safer locations and well lit, to increase safety and comfort for female travelers as well as female workers</li> </ul>

		<p>at the terminal. The terminal design will be guided by the World Bank’s guideline for disability-inclusive station design. 39 Fire safety measures and safe refuge shelters for floods and landslides will be incorporated in the architectural design to adapt to climate risks and other hazards. The detailed engineering design will determine appropriate building materials and resilient features to withstand the impacts of slope failures/landslides, flooding, or fire and to prevent damages. Sustainable construction material will be used to minimize carbon emissions. To the extent possible, supplies will be locally produced and taken from renewable resources such as wood. This terminal is designed to obtain the green building certification from the UDA. Green building guidelines have been considered in the KMTT design to the extent possible, governing areas such as energy efficiency, sustainable site planning management, materials and resource management, quality of the building environment, water efficiency, and green cover enhancement.</p> <ul style="list-style-type: none"> <li>• Terminal design supporting pandemic-resilient bus operations will be considered. This includes crowd forecasting and facility sizing to facilitate adequate social distancing throughout the terminal, providing adequate signage and enforcement to ensure social distancing, and providing adequate sanitation facilities to promote sanitary practices.</li> <li>• The second floor of the terminal connects to a pedestrian overhead walkway (skywalk) that will serve the areas to the east and west and connect to Kandy railway station.</li> <li>• The terminal area will also consist of pedestrian-friendly public space. The design of the public space will be guided by international best practice on gender-inclusive planning. The creation of the public space is expected to lead to increased NMT and user satisfaction.</li> <li>• In addition to these features, this component will finance the diversion of Meda Ela, the urban stormwater drainage canal that runs across the proposed site to facilitate the construction of the terminal.</li> </ul>
Component 2	US\$1.0 million	<p>Component 2: Urban Integration and Road Safety Improvements around KMTT (US\$1.00 million)</p>
		<p>Subcomponent 2.1: Technical assistance to identify safer and better pedestrian circulation and access to the terminal and potential for ToD.</p> <p>Making the city pedestrian friendly and offering easy access to public transport for all will lead to a reduction in the use of private vehicles, thus reducing congestion and air pollution. The KMTT, as a major new transport hub in the heart of the city, will provide the opportunity to reshape the city to make it more pedestrian friendly. This subcomponent will complement the existing studies carried out under the SCDP on walkability improvements and on providing good and equal access to the terminal for all users, based on the latest pedestrian-priority urban design strategies and interventions. This TA will focus on the following aspects:</p>

		<p>(a) Identify improvements for pedestrian circulation around the KMTT (US\$0.30 million). The study will carry out a thorough analysis of possible pedestrian-friendly measures around the KMTT and offer design/planning solutions for easy access to the new KMTT building, easy change of modes, and safe walkways to the city center and surrounding areas. The study will pay particular attention to improving safety for women and children commuters and ensuring adequate space for people with disabilities to move conveniently and safely.</p> <p>(b) Identify potential for ToD (US\$0.20 million). Options will be explored to make the terminal area a compact, mixed-use, pedestrian-friendly development organized around the terminal, embracing the idea that locating amenities, employment, retail shops, and housing around transit hubs promotes transit use and nonmotorized travel. The TA would lay out ways for collaboration and possible intervention to guide decision makers to move forward on this initiative. The subcomponent will also explore potential for private participation/PPPs for identified ToD interventions.</p>
		<p>Subcomponent 2.2: Road safety (US\$0.50 million).</p> <p>Road safety concerns discussed in the Sectoral and Institutional Context section indicate a clear need for improvements, especially for pedestrians at major transport terminals in the city center. As physical improvements alone cannot address these issues, this subcomponent will look into measures within a broader scope of road safety enforcement and traffic policing supported by transport authorities and police departments, emergency medical and rehabilitation services, and community education and awareness programs. The project will address safety comprehensively from three major aspects: (a) engineering design; (b) enforcement, legal, and policy aspects; and (c) public education/campaigns.</p>
Component 3	US\$4.0 million	Component 3: Institutional Strengthening and Capacity Building (US\$4.00 million)
		<p>Subcomponent 3.1: Develop a comprehensive business development plan for overall terminal management and operation (US\$1.00 million). This subcomponent will develop a business plan to identify the best institutional arrangement for the management and operation of the terminal, carry out a financial analysis, and explore potential for private sector participation in the operation and maintenance of the terminal.</p> <p>(a) Ownership of the terminal and its operation and maintenance. As there are a number of stakeholders involved in the KMTT (bus operators, landowners, 40 etc.), the Government has proposed a trust or special purpose vehicle to be set up with the participation of all key stakeholders to transfer the ownership of the terminal. The business development plan will explore the viability of this proposed arrangement as well as alternative arrangements based on local and international experience. The plan will also explore potential for private participation/PPPs for the operation and maintenance of the terminal. An Operations Manual that outlines roles and</p>

	<p>responsibilities of each stakeholder involved in ownership, operations, management, and maintenance of the terminal will also be developed under this subcomponent.</p> <p>(b) Financial analysis of the KMTT. This subcomponent will support a comprehensive financial analysis of the KMTT to identify the short- and long-term costs involved, including operations and maintenance costs. It will also explore funding options, such as private sector participation and use of municipal finance, as well as options to potentially augment its revenues so that the terminal could possibly be financially self-sustaining in the long run. This analysis will create the foundation for the GoSL to initiate a broader discussion among its stakeholders on whether the terminal will be capable of generating sufficient return to recover the initial capital expenditure in the long run. The financial analysis and models developed through this project could also serve as a model for other terminals in the country.</p>
	<p>Subcomponent 3.2: Capacity building for key stakeholders involved in the management, operation, and maintenance of the terminal (US\$1.00 million)</p> <p>(a) Enhance capacity in operations, maintenance, and management of the terminal. The project will provide support to improve the capacity of the KMTT PMU, CPPTSA, SLTB, and other relevant stakeholders in carrying out comprehensive financial analysis and financial planning for transport infrastructure projects as identified in the business plan under Subcomponent 3.1. This will also provide capacity building in the areas of contract structure and management for public transport services.</p> <p>(b) Increase the number of women working in bus transport operations in Kandy. To address the current low number of women working in bus transport operations, including among bus crews, the project will provide (i) female-friendly facilities (such as sanitation facilities), (ii) flexible work schedules, and (iii) safer work areas. In addition, it will have targeted outreach and recruitment to increase the number of women employed and provide them tailored training, once they are recruited.</p> <p>(c) Enhance transport planning capacity of relevant authorities in Kandy. This will provide support to enhance the transport planning capacity of institutions such as CPPTSA, SLTB, and NTC. The areas will include, among others, traffic management, route planning, bus scheduling, integration with other transport modes, bus dwell time analysis, and real-time transport information system.</p> <p>(d) Provide pandemic, emergency response, and climate adaptation-related capacity building for resilience for terminal operation. The project will support the development of a pandemic response operational plan and other emergency planning mechanisms; disaster risk management plans; strengthened communication to users of the terminal/local communities</p>

		<p>around the terminal; and coordination between relevant stakeholders such as transport service providers, terminal operators, police departments, and fire and other emergency services in case of emergency to supply early warning systems.</p> <p>(e) Personal safety-related measures (i) A kiosk will be set up at the terminal for reporting issues around personal security of commuters, particularly of female users; issues of service provision; and suggestions. (ii) The 24-hour hotline will be available either in call or SMS form. A protocol will be developed for the people handling these services both as part of the kiosk and the hotline on how to record the complaints against sexual harassment and the method of referring the person to the requested services (police, health, and civil society organizations). The personnel will also be trained to handle reports of GBV beyond sexual harassment experienced while using public transport and be able to refer them to additional services such as shelters, legal services and organizations working on GBV service provision. Police, health, legal, and women’s organizations working on GBV response will be engaged and consulted when developing protocols. The hotline number and usage will be advertised widely throughout the transport system, terminal, and skywalk. (iii) All stakeholders in the management and operation of the terminal, bus and train drivers, and conductors will be trained on the issue of sexual harassment and a bystander intervention initiative will be carried out to encourage community participation to prevent incidents of sexual harassment in public transport. (iv) Safety audits will be carried out periodically—both during construction and operation of the terminal—to ensure safety measures are in place and functional and to notify the management of areas which require further improvements, with particular attention to female commuters. (v) Messaging around zero tolerance of sexual harassment and processes of reporting incidents will be displayed in and around the terminal, skywalk, and other public spaces around the terminal.</p>
		<p>Subcomponent 3.3: Project management (US\$2.00 million). This subcomponent will support the KMTT PMU in its new setup, including its incremental operating costs, training requirements such as applying the new Environmental and Social Framework and the World Bank’s procurement processes, and capacity building for project management and contract management.</p>
Component 4	US\$0.0	<p>Component 4: Contingent Emergency Response Component (US\$0 million)</p> <p>8. This component will allow for rapid reallocation of uncommitted project funds from other components to support immediate response and recovery needs in the event of a natural or man-made disaster or crisis. To activate this component, the GoSL must declare an emergency or a state of a disaster or provide a statement of fact justifying the request for the activation of emergency funding. No withdrawal will be made under this component until the GoSL has (a) declared that a disaster or emergency has occurred, and the World Bank has agreed with the determination; (b)</p>

	<p>prepared and disclosed all safeguards instruments required for activities under Component 4 of the project, if any, and the GoSL has implemented any actions that are required to be taken under said instruments; (c) established adequate implementation arrangements, including a positive list of goods and/or specific works and services required for emergency recovery, satisfactory to the World Bank, including staff and resources for these activities; and (d) prepared and adopted an Emergency Response Manual acceptable to the World Bank.</p>
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<b>Climate Change Co-benefits section</b>
<p>Provided:</p> <p>Climate and Disaster Screening</p> <p>72. The project is subject to the World Bank’s climate screening, and the overall risk rating of the project is considered Moderate. The risk rating to the development outcome of the project is also considered Moderate. Sri Lanka is highly vulnerable to the adverse effects of climate change. The most frequently reported disaster events in Sri Lanka are floods, droughts, landslides, and storm surges and cyclones. Kandy District is situated within the wet zone and the intermediate zone. The most western parts of the district toward the central highland depict more wet climate conditions than the eastern slopes. Kandy is 488 m above average sea level and the average annual temperature is 24.5°C; precipitation averages 2,083 mm. The most western parts of Kandy District receive major rainfall during the southwestern monsoon that takes place during May and September. Furthermore, the two intermonsoonal periods that extend from October to November and March to April enrich the district with considerable rainfall. Kandy is among the 10 districts prone to landslides in Sri Lanka. A canal (called Midcanal or ‘Meda Ela’) that originates from the overflow sluice of the Kandy Lake runs through Kandy city (the project area), and thereafter drains into the Mahaweli River, is prone to flooding. Climate projections predict that the frequency of floods and landslides is likely to increase in the Central Hills due to climate change. The project location’s risk of exposure to urban flooding and slope failures/landslides is Moderate. The overall risk to the outcome of the project is considered Moderate. However, if mitigation measures are addressed in the design and an emergency system is developed, the risk to the outcome/service delivery can be Low.</p> <p>Climate Co-Benefits</p> <p>73. The project design has incorporated a number of measures to address the impacts of climate change. Component 1, the development of the KMTT, along with the implementation of the proposed traffic management plan, is expected to improve the efficiency of public transportation, thereby reducing the use of private vehicles and paratransit modes within the city. This is expected to ease traffic congestion in Kandy city, which will help reduce GHG emissions. The modal shift from private to public transportation and the reduction in GHG emissions tie in directly with the climate impact mitigation activities identified in the Joint Report on Multilateral Development Banks’ Climate Finance (2018). The technical design of the KMTT will incorporate necessary design features to mitigate the impacts of flooding and landslides, and an emergency system will be developed within the terminal. Slope stabilization measures will be incorporated in the design of the KMTT, as slope failures are caused when mountain slopes are rendered unstable where the natural slopes are disturbed, and land use is altered by road construction activities. In addition, the terminal design has incorporated</p>

features to qualify for green building certification from the UDA. Component 2 explores ways of enhancing the use of NMT and integrating transport and urban development planning through a transit-oriented development (ToD) approach—two important mitigation activities identified in the Joint Report on Multilateral Development Banks’ Climate Finance (2018). Component 3 on institutional strengthening and capacity building incorporates specific and targeted training activities in the hazard risk reduction strategies and emergency planning mechanisms.

**Greenhouse Gas Accounting**

Provided:

GHG Accounting

4. The total gross CO2 emissions over the 24-year evaluation period under the without-project scenario are estimated at 756,461 tons and under the with-project scenario at 729,656 tons, resulting in a net decrease of CO2 emissions of about 26,805 tons or 1,117 tons per year. Thus, the project will reduce CO2 emissions due to the lower congestion.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C 1	64.32	0.125	0.875	8.0	56.3	<p>Component 1 will finance the construction of a functional terminal building and bus parking facilities which are connected by an internal road, alongside a traffic management plan.</p> <p>The Component is expected to improve the efficiency of public transportation, thereby reducing the use of private vehicles and paratransit modes within the city. This is expected to ease traffic congestion in Kandy city, which will help reduce GHG emissions.</p> <p>The technical design of the Kandy Multimodal Transport Terminal will incorporate necessary design features to mitigate the impacts of flooding and landslides. The vulnerability context for the project states: “Sri Lanka is highly vulnerable to the adverse effects of climate change. The most frequently reported disaster events in Sri Lanka are floods, droughts, landslides, and storm surges</p>



					<p>and cyclones. Kandy District is situated within the wet zone and the intermediate zone”.</p> <p>As a result, the project activities can be linked to the vulnerability context and show an intent to address it.</p> <p>The project qualifies under the Common Principles for Climate Change Mitigation Finance Tracking under the eligible activity: “Urban and rural public transport projects”.</p> <p>Regarding the proportionality of adaptation and mitigation co-benefits, while mitigation is the overwhelming focus, no detailed and granular information is provided to outline the amounts of finance targeting adaptation and mitigation.</p> <p>4 activities are presented relating to Component 1:</p> <ul style="list-style-type: none"> <li>a) Construction of a functional terminal building and bus parking facilities which are connected by an internal road</li> <li>b) Construction of 150-meter-long skywalk, allowing pedestrians to move safely between the railway station, hospital, and KMTT</li> <li>c) Development of pedestrian-friendly public space</li> <li>d) Construction of a diversion of Meda Ela, the urban storm water drainage canal, in order to facilitate the construction of the terminal</li> </ul> <p>Adaptation co-benefits are stated to result from a resilient terminal design and construction, and so apply to activity (a). Activity (a) is therefore considered to be cross-cutting in nature and split equally between</p>
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						adaptation and mitigation co-benefits totals.  This results in an adaptation coefficient of 0.125 and a mitigation coefficient of 0.875.
SC 2.1	0.5	0	0.6	0	0.3	<p>Sub-component 2.1 provides technical assistance to identify safer and better pedestrian circulation and access to the terminal and potential for transit-oriented development.</p> <p>Activity (a) (US\$0.3 million) will fund a study to analyse possible pedestrian-friendly measures around the terminal. Where documentation states: "Making the city pedestrian friendly and offering easy access to public transport for all will lead to a reduction in the use of private vehicles, thus reducing congestion and air pollution."</p> <p>Activity (a) therefore qualifies under the Common Principles for Climate Change Mitigation Finance Tracking under the eligible activity: "Urban and rural public transport projects".</p> <p>Activity (b) is not climate relevant.</p>
SC 2.2	0.5	0	0	0	0	No evidence of climate relevance.
SC 3.1	1.0	0	0	0	0	No evidence of climate relevance.
SC 3.2	1.0	0	0	0	0	No evidence of climate relevance.
SC 3.3	2.0	0	0	0	0	No evidence of climate relevance.
C 4	0	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
8.1	8.0	1.2%	60.4	56.6	6.3%

Reported climate finance	Assessed climate finance	Error
68.5	64.6	5.7%

Project Number: P166309

<b>Project Name</b>
Khyber Pakhtunkhwa Human Capital Investment Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/730431593223315167/pakistan-khyber-pakhtunkhwa-human-capital-investment-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/730431593223315167/pakistan-khyber-pakhtunkhwa-human-capital-investment-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Credit, Grant
<b>Lowest level of granularity</b>
Component/Sub-component/Activity

<b>Climate Change Vulnerability Context</b>
A potentially acceptable, but in general sparsely detailed, vulnerability context (as per standards set out in the Bank's "Reference Guide on Adaptation Co-benefits") is provided in the Country Context section, page 6, paragraph 2 and footnote 4.
<b>Intent to Address Vulnerability</b>
A generalised and weak intent to address the vulnerability context is provided in the Relevance to Higher Level Objectives section, page 12, paragraph 22: "On climate change it supports resilience of the targeted population, through adaptation and mitigation especially in the health and education sectors."
<b>Link to Project Activities</b>
Provided in the Project Components section, page 13, paragraph 27 and page 15, paragraph 34.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 1. Improving Delivery of Quality Primary Health Care Services	US\$77.2 million	This component will improve the delivery of primary health care in Selected Districts through by contributing to improved efficiency and resilience of the health system, including supporting those districts dealing with the COVID-19 pandemic. The interventions focus on improving utilization of PHC as a first point of entry in close proximity to where people live and work. COVID-19 pandemic related interventions will be aligned with the GoKP COVID-19 response plan.
Sub-component 1.1: Improving delivery of quality primary health care services	US\$61.2 million	26. The sub-component will support carrying out minor works and provision of technical assistance as well as essential health equipment and supplies to support delivery of primary health services at basic health units and rural health centers, including antenatal care, delivery care, postnatal care, immunization, nutrition and family planning services as well as prevention, screening, management of non-communicable diseases; and establishing make-shift hospitals for mild cases of COVID-19 and upgrading of intensive care units at selected hospitals.

	<p>27. Strengthening of infrastructure, equipment and healthcare commodities at BHUs and RHCs will be carried out according to the KP MHSDP and Infrastructure Standards. This could include efforts to repurpose facilities as designated for COVID-19 related testing and treatment. Infrastructure development will include adoption of <b>climate</b> resilient and environmentally friendly designs, such as solar panel systems to promote energy efficiency. The upgradation will also include access and adaptation for people with disabilities to the extent possible. Further, special attention will be given to gender-related matters, such as including separate toilets for men and women. Standardized signage and branding templates will be used for improved visibility and accountability of the facilities. Opening hours, lists of available services and fee charges together with names of all key staff on duty will be clearly displayed. Throughout the PHC facilities, informational posters for health promotion will be displayed in an appropriate form. At RHCs, television screens will be installed in the waiting areas for patients to learn about how to protect from COVID-19 impacts, including importance of handwashing, shielding, awareness of the risk of increased Gender Based Violence (GBV) and social distancing, the benefits of a healthy lifestyle, including healthy diets, physical activity, and tobacco cessation. Biometrics will be installed for improved tracking of health care workers.</p> <p>28. In order to ensure the continuum of care for Maternal, Newborn and Child Health (MNCH) services, the sub-component will also support (i) establishing a network of health care facilities (“HCF Network”) based on geographic distribution, and strengthening referral systems and transportation arrangements therein, and (ii) upgrading selected secondary health care facilities of the HCF Network to provide comprehensive emergency obstetric and neonatal care twenty-four hours a day, seven days a week (“24/7”). 24/7 Comprehensive Emergency Obstetric and Neonatal Care (CEmONC) will include life-saving health services such as caesarean sections and blood transfusions. In addition, the sub-component will support prevention, screening and management of NCDs through provision of essential examinations, diagnostic and pharmaceutical services for NCDs, and promotion of healthy lifestyles at health facilities. The improved availability of essential diagnostic services will enable early detection of NCDs, while the improved availability of pharmaceutical services will facilitate the management of NCDs at these facilities.</p> <p>29. The sub-component will include capacity building through supporting the Health Department in: (i) contracting the private sector for operating intensive care units and labs to increase capacity to deal with COVID-19; (ii) contracting/outsourcing of health care waste management, diagnostic, laboratory, pharmaceutical, and ambulance services, renovation works and security as well as janitorial services. The project will also support building the capacity of the Department of</p>
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		Health to manage contracts of this nature including the health care waste management (HCWM) system, which will be strengthened through the sub-component to reduce the environmental and health risks and ensure adherence to safety protocols and procedures.
Sub-component 1.2: Human Resources for Health Capacity Building	US\$4.3 million	30. The subcomponent will support improving delivery of primary health care services in Selected Districts by supporting (i) provision of training to and development of a distance learning system as well as online refresher courses for selected primary health care service providers ; and (ii) recruitment of healthcare workers, to fill vacancies of crucial positions as a temporary measure, and temporary staff for COVID-19 emergency response activities. By improving providers' clinical knowledge and competencies, improved quality of health services provided in PHC facilities is expected. Refresher training for relevant health providers will entail on-the-job training through preceptorship and mentorship at PHC facilities to ensure staff has sufficient hands-on experience. The distance learning system will focus on continuous medical education for targeted cadres of health care professionals. Health workers will be trained for effective administration of essential COVID-19 critical care. The project will promote coordinated care by multidisciplinary teams, as well as the delivery of people-centered care. It will support capacity building of facility managers in order to facilitate the transition. In order to facilitate more integrated care and community engagement the training curriculum of Lady Health Workers may be reviewed and updated. Supplementary training of Lady Health Workers is expected to be conducted.
Sub-component 1.3: Strengthening Governance and Management	US\$11.7 million	31. The sub-component includes providing of technical and operational assistance to, and building capacity of, the Health Department to: (i) develop/update guidelines for essential critical care and emergency intensive care unit for COVID-19 patients; (ii) develop/update clinical protocols for delivery of primary health care services, including the management of common non-communicable; (iii) enhance its capacity in financial management, supply chain management, performance management, human resource management, patient record systems, and contract management; and (iv) introduce a standard flowsheet and a cascaded quality strategy, establish quality checklists and a quality improvement team, as well as supportive supervision visits; and (v) manage implementation of Component 1 and Subcomponent 3.1 activities 17; and of the Health Care Commission and Health Foundation.  32. This sub-component will support developing organizational, structural and coordination mechanisms, including disease surveillance system for provincial health security and preparedness for other outbreaks and future pandemics. The KP Health Care Commission will be supported with the development of a website and health management information systems to facilitate on-line registration and information sharing. Exchange of experiences with other health care commissions in the country will also be supported. Finally, the capacity of the KP Health

		Foundation to structure, negotiate, monitor performance and enforce contracts for public-private partnerships/outourcing will also be built.
Component 2: Improving Availability and Quality of Education Services	(US\$109 million)	33. This component aims to contribute to improved availability and quality of educational opportunities to all children, especially refugees and girls, in selected refugee hosting districts of KP. The interventions will benefit both in- and out-of-school children and take into account the need to cater to for the current school disruptions resulting from COVID-19.
Sub- Component 2.1: Improve Access to Elementary and Secondary Education	US\$82.5 million	<p>34. This sub-component will support improving access to elementary and secondary education in Selected Districts through: (i) the addition and equipment of additional classroom to support a reduction of overcrowded schools; (ii) upgrading public primary schools<sup>18</sup> in selected districts to middle schools<sup>19</sup> and middle to secondary schools<sup>20</sup> , including adding and equipping additional classrooms and facilities as necessary; and (iii) providing technical assistance to E&amp;SED for: (a) reviewing and updating school construction standards with guidelines for, inter alia, climate smart solutions and improved school hygiene and safety; and (b) scaling up alternative models of service delivery, including distance education, and developing as well as piloting models for operating double-shift schools.</p> <p>35. Special attention will be given to decreasing the gender gap in access to education by focusing on increasing the number of schools available to girls at short distance and creating a safe environment for girls in schools. Further, the E&amp;SED has committed to allocate the required additional teachers resulting from the increase classrooms and schools, including female teachers for girls’ schools. Activities to motivate girls school attendance are also included in community engagement activities under subcomponent 3.2. The expansion of classrooms in primary schools will be accompanied by an increase in the number of preschool classrooms as well. The schools will be selected based on several criteria including: whether they are boys or girls’ schools (with preference given as far as possible to girls’ schools), level of overcrowding, distance to the next available middle/secondary school, enrollment projections, and quality of existing physical infrastructure, concentration of refugees in the area. A prioritized list of schools in targeted locations is being finalized based on data from the Independent Monitoring Unit (IMU) of E&amp;SED, as well as recently completed mapping exercises conducted by UNHCR.</p> <p>36. Technical assistance will be provided to ensure school infrastructure improvements follow emerging guidelines for improved school hygiene, safety, and accessibility, and hand washing units will be included in various locations within the school facilities. To the best extent possible adoption of <b>climate</b> resilient, environmentally friendly and universal designs, including solar power systems to promote energy efficiency will also be supported. Preferably physical infrastructure related activities will be carried out in existing schools with sufficient land or space for</p>

		<p>expansion. Existing models on double-shift schools such as those developed with the United Kingdom’s Department for International Development (DfID) support will be piloted in selected schools and assessed before a wider roll-out. Other models of low-cost expansion of education services, as well as new innovative models to increase access to elementary education, especially for out-of-school girls, including Girls Community Schools and the Accelerated Learning Pathways (ALP) program for primary and middle schools developed by the United Nations Children’s Fund (UNICEF) will be piloted and expanded if successful. Special attention may also be given to the potential of using distance education through the Teleschool to reach out girls in their homes and refugee children. For this, an assessment of community acceptance of this delivery method will be conducted, and additional activities will be developed according to the results.</p>
<p>Sub-component 2.2: Enhancing the Quality of Teaching and Learning in Elementary and Secondary Education</p>	<p>US\$12.5 million</p>	<p>37. This sub-component will support enhancing the quality of teaching and learning through: (i) carrying out a functional review of student assessment systems and examination policy for primary education; (ii) carrying out a functional review of PITE and developing an action plan to address recommendations thereof; (iii) carrying out of works for improving the infrastructure in PITE and RITE; and (iv) developing school score cards and strengthening E&amp;SED’s capacity in data utilization and management.</p> <p>38. PITE’s functional review will look at how PITE addresses teacher training needs and the relevance and quality of in-service teacher training programs. This review will also assess PITE’s ability to train teachers to deliver distance learning via emergency response teaching in response to COVID-19, as well as during any future schooling disruptions. Based on the findings, the sub-component will support the development of a plan to (i) improve the technical capacity of PITE to develop and deliver effective inservice teacher training; (ii) support the expansion of the in-service training programs to include both face to face and distance modalities; (iii) support and scale-up the training and functions of school leaders; and (iv) provide technical assistance to E&amp;SED to strengthen the relevance and credibility of the current teacher training mechanism. 21 One function that school leaders will be well-placed to perform is to provide additional coaching to students who are at greatest risk of dropping out as a result of the economic and social shocks stemming from the COVID-19 crisis.</p> <p>39. To inform curriculum improvements and quality of teaching, a classroom observation tool (such as TEACH) and a direct assessment tool such as the Service Delivery Indicators will be introduced. Basic improvements in infrastructure required by PITE and RITE will be supported, including but not limited to provision of training materials, equipment necessary to deliver distance education and teacher training and minor rehabilitations of existing training rooms. The review of the student assessments and examination policy for primary education will</p>

		entail looking at alignment with the existing curriculum and learning goals; identifying institutional constraints in designing and using student assessment data; and providing recommendations on strengthening the student assessments system and strengthening E&SED institutional capacity to implement the system. To strengthen accountability, the project will also support the development of school scorecards using data from student assessments. This activity will build on the work of the DfID-funded KP Education Sector Program (KESP) that identifies areas for institutional capacity improvements, especially around the use of assessment data by the Department of Curriculum and Teacher Education (DCTE) and PITE.
Sub-component 2.3: Strengthening Contract Management and Support to Implementation	US\$14 million	This sub-component will support providing technical and operational assistance to, and building capacity of, E&SED to: (i) negotiate, monitor, and enforce contracts for public private partnerships <sup>22</sup> . The subcomponent will also provide support to manage the implementation of Component 2 and Subcomponent 3.2 of the project.
Component 3: Strengthening Community Engagement and Accountability	US\$13.8 million	40. This component supports carrying out a program of activities to strengthen community engagement and grievance redress mechanisms of the health and education sector in Selected Districts and includes activities which will be important to help communities in COVID-19 prevention.
Sub-component 3.1: Enhancing Community Engagement and Accountability in Health	US\$7.8 million	41. This sub-component will support enhancing community engagement and accountability in the health sector in Selected Districts through: (i) development of community engagement and feedback systems and carrying out of a program of community-based advocacy and awareness raising campaigns, including development of a communication strategy for positive healthy behaviors and lifestyle; (ii) implementing a program of innovation and health promotion grants, providing Health Promotion Grants (HPG) to eligible academia and civil society associations (“Eligible HPG Beneficiaries”); and (iii) supporting selected schools in promoting students’ health through, (a) building their institutional and leadership capacity to support students with medical and dental primary health care issues, (b) improving access to promotive and curative school health services via strong referral systems, (c) facilitating delivery of health and life skills educations in such schools; (d) establishing community support and involvement systems  42. The community-based advocacy will include the development of a communication strategy for people in the community to adopt and sustain positive healthy behaviors especially with regards to hygiene practices, healthy lifestyles and disease prevention. Installation of hand washing units within the communities will also be included. This will be particularly important as COVID-19 induced school closures come to an end and schools reopen. These will be implemented by a variety of communication channels including radio, internet, mobile phones, social



		<p>and traditional media, and community-level dissemination of key messages. The component will also support community engagement and feedback systems such as grievance redressal mechanisms (GRM) for increased accountability and transparency through receiving and responding to public feedback/complaints on health services. Existing community groups such as the Benazir Income Support Program (BISP) beneficiary committees, may also be mobilized.</p> <p>43. Health Promoting Schools (HPSs) will include: (i) building institutional capacity through health and educational policies and strategies that support the development and implementation of programs on personal hygiene, physical activity, prevention of NCDs, reduced tobacco and substance abuse, nutrition and healthy eating, and dental care in schools; ii) increasing access to promotive and curative school health services with linkages between school health services and PHC facilities through strong referral systems; (iii) regular visits of PHC health professionals to elementary and secondary schools and schools human resources capacity building for delivering health and life-skills education with a special focus on improving hygiene and health promoting practices when schools reopen after the COVID-19 shutdown; and (iv) supporting community engagement towards sustainable school health initiatives at local level (e.g. through participation in student health clubs and parent-teacher associations); whilst establishing strong links to parents and the broader community.</p> <p>44. The Innovation and Health Promotion Grants will support innovation in areas such as: (i) outreach and empowerment of vulnerable groups particularly with an eye to limit the spread of communicable diseases; (ii) people-friendly service delivery improvements; (iii) community engagement for increased accountability and transparency; and (iv) technological innovations in health service delivery, including telemedicine which is particularly important during the COVID-19 shutdown. Organizations eligible to apply for the grants under this project will include: non-governmental organizations registered with relevant government entities, universities and research institutions, health care providers, and civil society associations. High quality proposals are expected, and a project review committee will be constituted to assess the grant applications and the project management unit will be responsible for program management, financial administration, and monitoring and evaluation. The overall maximum implementation timeframe of the grant should not exceed 24 months. A detailed operations manual will be prepared during the first year of project implementation; this will detail the eligibility criteria, application and selection procedures and types of activities eligible for the Innovation and Health Promotion Grants.</p>
Sub-component 3.2: Enhancing Community	US\$6 million	45. This sub-component will aim to enhance community engagement and accountability in the education sector in Selected Districts through: (i) carrying out a program of activities to strengthen community

<p>Engagement and Accountability in the Education Sector</p>	<p>engagement and grievance redress mechanisms of the education sector, including communitybased advocacy, information dissemination campaigns, and operationalization of parent-teacher councils; (ii) implementing a program of parent-teacher council grants, providing Parent-Teacher Council Grants (“PCGs”) to eligible parent-teacher councils (“Eligible PCG Beneficiaries”); and (iii) carrying out a program of activities designed to enhance E&amp;SED’s capacity in using data for decision making, including carrying out a review of the existing education management and information system, integration of databases, and incentivizing the increased use of data.</p> <p>47. To enhance community engagement with education service delivery, two approaches will be used: This will be done by carrying out a program of activities to strengthen community engagement and grievance redress mechanisms of the education sector, including community-based advocacy, information dissemination campaigns, and operationalization of parent-teacher councils through (i) engagement with local NGOs to run mass awareness campaigns on the importance of education with a special focus on girls, the services being offered under the project, the ways in which communities can hold the education system accountable as well as hygiene promotion sessions in schools to increase awareness around prevention of epidemics by practicing social distancing and improving personal hygiene; ii) implementing a program of parent-teacher council grants, providing Parent-Teacher Council Grants by leveraging PTCs23 through technical and financial assistance to build demand for accountability in education. Support to PTCs will be provided to (i) aid schools in providing the basic facilities needed to ensure good WASH practices; (ii) help poor households defray out-of-pocket costs associated with enrolling children in school (such as the cost of uniforms); (iii) encourage active parent participation in school events, parent teacher meetings and community gatherings; (iv) provide PTCs with discretionary funds for better delivery of education; and (v) support the delivery of awareness raising services, school health services and school health education that will be designed and delivered by the health department. A detailed operations manual will be developed in the first year of the project. In addition, support will also be provided to the design, development and running of an education hotline for parents and communities to enter complaints and also learn about the E&amp;SED’s work. The hotline will be managed through a professional call center and include a management system to ensure complaints are relayed to the relevant managers.</p> <p>48. To enhance the capacity of the E&amp;SED in using data for decision-making, the following program of activities are included (i) carrying out a review of the existing education management and information system (ii) integration of databases to facilitate data analysis required for decision making; (iii) incentivize the increased use of data through introduction of user-friendly and easily accessible dashboards; and (iv)</p>
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		complementing the current system with additional modules, such as the human resources information systems. This activity will initially undertake a rapid review of the existing Education Management and Information System (EMIS) and databases to assess constraints, both technical and technological, and identify and propose solutions to enhance the use and functionality of EMIS.
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Climate Change Co-benefits section
<p>Provided:</p> <p>The project aims to improve the resilience of public service delivery (health and education) in the case of climate extremes while also minimizing the impact of the project activities on climate change. Climate change is expected to exacerbate extreme weather events in Pakistan and KP specifically, thereby increasing the vulnerability of people, assets and infrastructure to climate induced disasters. Upgradation of both education and health facilities will consider climate stressors such as higher temperatures and flooding in the design, including solar panel installation to reduce the emissions and overall carbon footprint and backup generators to minimize the risk of power outages, which significantly affect refrigerators and medicines, among others. Further, the project will consider various educational components to increase awareness and sensitize students, providers and policy makers about the topic.</p>

Greenhouse Gas Accounting
None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.1	61.2	0.083	0.083	5.1	5.1	<p>The sub-component will support (1) carrying out minor works and (2) provision of technical assistance as well as (3) essential health equipment and supplies:</p> <p>Minor works are assumed to be synonymous with infrastructure development, regarding which it is stated that such development "will include adoption of climate resilient and environmentally friendly designs, such as solar panel systems to promote energy efficiency". Therefore only 1 of 3 things being supported through the sub-component can potential be climate relevant: <math>61.2/3=20.4</math>.</p> <p>No information, beyond the mention of solar panels, is provided to add more detail here. The incremental costs of solar</p>

						<p>panels are not provided. Additional information (beyond the mention of resilience) regarding adaptation funding is not provided and incremental adaptation costs are not mentioned.</p> <p>Due to the sparse detail provided regarding the vulnerability context and intent to address that vulnerability, the link between these activities and vulnerability is low. There is also only vaguely outlined relevance towards mitigation.</p> <p>Because of a lack of incremental costs, and to apply a conservative approach so as to not over-report climate finance, a coefficient of 0.5 has been applied (split between adaptation and mitigation). <math>20.5/2=10.2</math></p> <p><math>10.2/2=5.1</math> million for adaptation and mitigation.</p>
SC 1.2	4.3	0	0	0	0	No evidence of climate relevance.
SC 1.3	11.7	0	0	0	0	No evidence of climate relevance.
SC 2.1	82.5	0.042	0.042	3.44	3.44	<p>The provided vulnerability context notes that climate impacts on education are to be expected in Pakistan, alongside an intent to address that vulnerability to enhance resilience. It is potentially adaptation-relevant for these reasons.</p> <p>This sub-component aims to access to elementary and secondary education. The sub-component contains 3 activities, with (iii) being the only activity to be climate relevant. <math>82.5/3=27.5</math></p> <p>Activity (iii) is then only partially climate relevant. The activity seeks to provide technical towards two areas, with area (a) being the only area which is climate relevant. <math>27.5/2=13.75</math></p> <p>Area (a) is then itself only partially climate relevant as it engages with 2 things “reviewing and updating school construction standards with guidelines for, inter alia, climate smart solutions and improved school hygiene and safety”. <math>13.75/2=6.875</math></p>

						Additional information regarding (a) suggests the finance would be cross-cutting and target both adaptation and mitigation: “ <b>climate</b> resilient, environmentally friendly and universal designs, including solar power systems to promote energy efficiency will also be supported”.
SC 2.2	12.5	0	0	0	0	No evidence of climate relevance.
SC 2.3	14	0	0	0	0	No evidence of climate relevance.
SC 3.1	7.8	0	0	0	0	No evidence of climate relevance.
SC 3.2	6	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
7.6	8.54	12.4%	15.1	8.54	43.4%

Reported climate finance	Assessed climate finance	Error
22.7	17.08	33.0%

**Project Number: P165838**

<b>Project Name</b>
Kiribati Outer Islands Transport Infrastructure Investment Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/274641584324050481/Kiribati-Outer-Islands-Transport-Infrastructure-Investment-Project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/274641584324050481/Kiribati-Outer-Islands-Transport-Infrastructure-Investment-Project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Grant
<b>Lowest level of granularity</b>
Component/Sub-component/Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Strategic Context section, pages 9-10.
<b>Intent to Address Vulnerability</b>
Provided in the Project Development Objective and the Relevance to Higher Level Objectives section.
<b>Link to Project Activities</b>
Provided in the Project Components section.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 1	US\$4.07-5 million	<p>Component 1: Safe Inter-Island Navigation (approximately US\$7.5 million equivalent). This component will carry out activities to improve the safety of inter-island navigation. This will include conducting hydrographic surveys (by Airborne Laser Bathymetry [ALB] and vessel-based Multi-Beam Echo Sounder [MBES] surveys) and preparing and publishing maritime charts focusing on the four target islands to significantly improve the safety of navigation. 19 In addition to hydrographic surveying services, the component will finance contractor management services, as well as provide and install seabed-mounted tide gauges and current meters in certain locations on each target outer island. The component is especially important as it is a precursor to, and will directly inform, the design of the maritime works in Sub-Components 2.1 and 2.2.</p> <p>In addition to digital chart production and accessible bathymetric data that can be used across Government, the component will improve the hydrographic institutional capacity. To increase transfer of knowledge, the activities will also aim at exposing MICTTD staff to experiences during the delivery of all outputs that will increase hydrographic capacity and long-term self-sufficiency. The enhanced hydrographic capacity for navigation is essential for ensuring operational safety of</p>

		vessels in the context of changing climate variables such as prevailing harbor winds, precipitation and fog, and approaching waves. It will also lead to more climate resilient spatial planning by having a detailed baseline from which to monitor the impacts of climate change on lagoon marine resources, reefs and coastlines. 20
Component 2	US\$ <del>16.4322</del> 5 million	Component 2: Resilient Outer Island Access Infrastructure (approximately US\$22.5 million equivalent). 21 Activities to be financed under this component include: (a) technical engineering studies, including climate resilience measures, and preparation of bidding documents for project related activities; (b) preparation of environmental and social safeguards instruments; (c) execution of civil works; (d) supervision of civil works; (e) maintenance of project assets; (f) third-party technical audits; and (g) third-party environmental, social, and security audits of the civil works. Activities will include on-the-job training of unskilled labor living in the project area in charge of carrying out project rehabilitation works and GoK routine maintenance, will promote the participation of women, and will include project related gender-based violence (GBV) prevention and mitigation measures (see section IV D (ii) for details).
		Sub-Component 2.1 Improvement of Ship Safety Navigation (approximately US\$2 million equivalent). This sub-component will provide assistance to design22 , to replace existing defective AtoNs, to fabricate and install new AtoNs, as well as technical assistance to establish a system of maintaining these assets, and preparation of environmental and social safeguards instruments. The upgrading of AtoNs is paramount for enhancing the resilience of vessel operations with changes of climatic variables such as precipitation frequency and intensity, fog, wind speeds etc., which often leads to navigation challenges. Activities will involve as much local participation as possible, with a specific goal of transferring skills needed to sustain the Marine Division's AtoNs fabrication and asset management function into the future. The locations of the new AtoNs will be informed by the hydrographic and charting outputs (Component 1).
		Sub-Component 2.2 Rehabilitation of Island Access Infrastructure23 (approximately US\$12.5 million equivalent). Following completion of the hydrographic surveys, this sub-component will finance engineering studies, civil works, and preparation of environmental and social safeguards instruments, for a variety of maritime infrastructure improvements (including associated infrastructure), tailored to the needs of each island, and including climate resilient features, as follows: (a) construction of jetty, passenger terminal and concrete ramp on Abaiang; and small-scale dredging (at Tebikerike in Beru), passenger terminal, and seawall upgrade works on Beru; (b) construction of small multipurpose maritime facilities on Nonouti and Tabiteuea South, including concrete boat ramp, shelter, and AtoN workshop and small equipment; and (c) accompanying consulting services to support delivery of the design, construction and maintenance activities of SubComponent 2.2.(b), including engineering

		studies, capacity development of MISE staff, and quality assurance audits, as well as preparation of environmental and social safeguards instruments. All infrastructure and facilities built by the project will respond to the needs of women, children, the elderly and disabled.
		Sub-Component 2.3 Rehabilitation of Lagoon Crossings (approximately US\$8 million equivalent). 24 The causeways on the outer islands vary from generally good condition requiring only localized maintenance, to poor condition requiring extensive rehabilitation or reconstruction over a significant portion of the causeway. Sub-Component 2.3 will finance: (a) rehabilitation works and upgrading for existing causeways <sup>25</sup> , including enabling works and related investments, to ensure accessibility on prioritized outer islands. To account for impacts of climate change, such as coastal flooding and erosion from tidal surges, the rehabilitation works will include climate resilient features such as the provision of durable wearing course (i.e. interlocking block or concrete geocell), proper drainage, and erosion control. Similarly, the maintenance of the causeways will be secured during the project period, by providing technical assistance and training for developing and implementing causeways maintenance programs, and by promoting the participation of women on the maintenance teams (by piloting an all-female routine maintenance team for causeway/maritime facilities); and (b) accompanying consulting services <sup>26</sup> to support detailed design and delivery of this sub-component, including technical assistance to support site investigations, engineering studies, design, construction, and maintenance of the causeways, supervision of works, quality assurance audits, capacity development of MISE staff, and preparation of environmental and social safeguards instruments.
Component 3	US\$ <del>9.57</del> <sup>12.0</sup> million	Component 3: Strengthening the Enabling Environment (approximately US\$12.0 million equivalent). This component will strengthen MICTTD and MISE's institutional and regulatory functions for transport sector asset management, systematically increasing the sustainability of the climate resilient transport sector investments. The component will also provide project management and operational support to KOITIIP and KFSU, as well as promote the participation of women and will include project related gender-based violence mitigation measures (see section IV D (ii) for details).
		Sub-Component 3.1 Institutional Strengthening (approximately US\$2.0 million equivalent). This subcomponent will provide technical assistance to support the capacity development for the two implementing agencies MICTTD and MISE, as follows: (a) technical assistance activities for the Marine Division of the MICTTD that will include training on the development and management of marine spatial database development to enable climate-informed maritime operations, as well as assessments and studies; (b) institutional strengthening for MISE throughout KOITIIP to have long-lasting positive impacts on the overall infrastructure management. Mentored by experienced international professionals, over the course of the project



		MISE staff will take on increasing responsibility. Proposed technical assistance activities will include a MISE capacity investment plan, associated training, program licenses and software.
		Sub-Component 3.2: Operational Support for the Outer Islands Implementation Unit (OIIU) (approximately US\$5.0 million equivalent). This subcomponent will finance project management and operational costs - consultants or goods - associated with the implementation of the proposed project. Activities to be financed will include: (a) operating costs of the OIIU, including salary of key OIIU staff and consultants; (b) relevant training for project staff; (c) acquisition of small equipment; (d) financial audits; (e) monitoring and evaluation, including the preparation of the Implementation Completion Report; and (e) IDA compliance monitoring of environmental and social safeguards, including training and capacity building to assist the Environmental and Conservation Division (ECD) to monitor safeguards implementation and compliance with national environmental legislation. Moreover, the sub-component will support gender informed activities, including citizen engagement, outreach activities, and developing employment networks designed to increase women's participation <sup>28</sup> and prevent GBV. Beneficiaries' participation and feedback during project preparation and implementation will be facilitated through citizen engagement processes. Technical assistance will be provided to : (a) promote community dialogue and sensitization activities to be carried out with both women and men to contribute to address the gender norms that might impede women's participation; and (b) explore partnership with the Kiribati Institute of Technology (KIT) to promote the employment of female graduates (in construction related courses) on KOITIIP.
		Sub-Component 3.3: Operational Support for the Kiribati Fiduciary Services Unit (KFSU) (approximately US\$ 5.0 million equivalent). This subcomponent will strengthen the capacity of the existing KFSU, to provide implementation support to this Project and other IDA/IBRD financed or co-financed projects. It will finance project management and operational costs associated with the implementation of the proposed project. Activities to be financed will include: (a) operating costs of KFSU, including salary; (b) relevant training; (c) acquisition of small equipment; (d) financial audits; and (e) monitoring and evaluation. In addition to the fiduciary responsibilities, the KFSU will be staffed with international experts (e.g. Procurement, Safeguards and Financial Management Specialists) who will provide advice, as well as capacity building and guidance for the different project implementation units and government ministries implementing other IDA/IBRD financed or co-financed projects.
Component 4	US\$0.0	Component 4: Contingent Emergency Response (US\$0 million equivalent). Following an eligible crisis or emergency, the Recipient may request the Association to re-allocate project funds to support emergency response and reconstruction. This component would draw from the uncommitted resources under the project from other project

		components to cover emergency response. A CERC Project Operations Manual, acceptable to the Association, for the implementation of the Contingency Emergency Response Plan, will be prepared and constitutes a disbursement condition for this component.
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<b>Climate Change Co-benefits section</b>	
Provided:	<p>Adaptation Climate Change Co-Benefits. A screening of the proposed project for short- and long-term climate change and disaster risks was undertaken using the World Bank Climate and Disaster Risk Screening Tool. ADB also commissioned a Climate Risk and Vulnerability Assessment on behalf of the GoK, which includes modelling to predict the specific changes to temperature, rainfall, wind and wave climate, coastal processes and oceanic conditions for the outer islands considered in KOITIIP. The change of climatic variables significantly threatens the infrastructure and operational safety of maritime transport. The report assessed the resulting risks to KOITIIP infrastructure and recommended mitigation measures. Accordingly, the design of all infrastructure installed under Component 2 will be informed by the current projections of how climate change may impact on the sustainability of the assets. Included into this is consideration of the sustainability of the maintenance needs for any solutions implemented by either Island Council, MICTTD or MISE resources. Beyond this, Component 1 (hydrographic surveying) is expected to contribute to adaptation by facilitating more climate resilient spatial planning due to having a detailed baseline from which to monitor the impacts of climate change on lagoon marine resources, reefs and coastlines, and enable effective navigation of vessels during extreme weather conditions. Finally, Sub-Component 3.1, by increasing the institutional capacity of MISE and MICTTD, will contribute to better decision making by managers and technical staff on the appropriate climate adaptation actions to undertake. The key outputs (mentoring, training, engineering software and standards) will lead to the outcome of staff having more knowledge and experience, which leads to better engineering decision making. Since all transport infrastructure in Kiribati involves climate adaptation, better decision making is expected to lead to better climate adaptation actions.</p>

<b>Greenhouse Gas Accounting</b>	
Provided:	<p>Greenhouse gas (GHG) Accounting. For the causeways rehabilitation, the total gross Carbon Dioxide (CO<sub>2</sub>) emissions over the 24-year evaluation period under the without-project scenario are estimated at 2,018 tons and under the with-project scenario at 2,268 tons resulting in a net increase of CO<sub>2</sub> emissions of about 250 tons, or 10.4 tons per year, which is negligible. For the maritime investments, the net CO<sub>2</sub> emissions are also negligible considering the low level of transport demand.</p>

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C 1	<del>4.0</del> 7.5	0.5	0	<del>2.0</del> 3.75	0	Component 1 focuses on the “Safe Inter-Island Navigation” and will include conducting hydrographic surveys (by Airborne Laser

					<p>Bathymetry [ALB] and vessel-based Multi-Beam Echo Sounder [MBES] surveys) and preparing and publishing maritime charts focusing on the four target islands to significantly improve the safety of navigation.</p> <p>Documentation adds: “The enhanced hydrographic capacity for navigation is essential for ensuring operational safety of vessels in the context of changing climate variables such as prevailing harbor winds, precipitation and fog, and approaching waves. It will also lead to more climate resilient spatial planning by having a detailed baseline from which to monitor the impacts of climate change on lagoon marine resources, reefs and coastlines.”</p> <p>No evidence of mitigation relevance.</p> <p>The component creates a link between the activities being undertaken and the climate vulnerability context, showing an intent to address it.</p> <p>The adaptation co-benefits assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>a) The component is strongly linked to the vulnerability context, however no granular information has been provided to determine the proportionality of adaptation co-benefits accurately. In addition, no incremental adaptation costs have been provided.</li> <li>b) Due to the uncertainty this creates, a coefficient of 0.5 has been applied to adhere to the principle of conservativeness, so as to not</li> </ul>
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						over-report adaptation co-benefits.
SC 2.1	<a href="#">1.07</a> <a href="#">2</a>	0.5	0	<a href="#">0.535</a>	0	<p>Component 2 focuses on the “Resilient Outer Island Access Infrastructure”.</p> <p>Sub-component 2.1 will improve ship safety navigation by providing assistance to design, and to replace, existing defective aids to navigation (AtoNs), to fabricate and install new AtoNs, as well as technical assistance to establish a system of maintaining these assets, and preparation of environmental and social safeguards instruments.</p> <p>Documentation adds: “The upgrading of AtoNs is paramount for enhancing the resilience of vessel operations with changes of climatic variables such as precipitation frequency and intensity, fog, wind speeds etc., which often leads to navigation challenges.”</p> <p>No evidence of mitigation relevance.</p> <p>The component creates a link between the activities being undertaken and the climate vulnerability context, showing an intent to address it.</p> <p>The adaptation co-benefits assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>c) The component is strongly linked to the vulnerability context, however no granular information has been provided to determine the proportionality of adaptation co-benefits accurately. In addition, no incremental adaptation costs have been provided.</li> <li>d) Due to the uncertainty this creates, a coefficient of 0.5</li> </ul>

						has been applied to adhere to the principle of conservativeness, so as to not over-report adaptation co-benefits.
SC 2.2	<del>7.83</del> 42.5	0.25	0	<del>1.9575</del> 3.125	0	<p>Sub-component 2.2 will rehabilitate island access infrastructure and will finance engineering studies, civil works, and preparation of environmental and social safeguards instruments, for a variety of maritime infrastructure improvements (including associated infrastructure), tailored to the needs of each island, and including climate resilient features.</p> <p>No evidence of mitigation relevance.</p> <p>The component creates a weak link between the activities being undertaken and the climate vulnerability context, showing an intent to address it.</p> <p>The adaptation co-benefits assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>e) The component is linked to the vulnerability context, however adaptation is not the principal or only objective/motivate/outcome of the component. This results in an initial coefficient of 0.5 being applied.</li> <li>f) Concerning finance for adaptation-relevant activities, not all finance in support of them will result in adaptation co-benefits. Due to investments being in infrastructure, incremental adaptation costs would be needed to accurately assess co-benefits. No granular information has been provided to determine the</li> </ul>

						<p>proportionality of adaptation co-benefits and no incremental adaptation costs have been provided. To adhere to the principle of conservativeness in the face of uncertainty a second coefficient of 0.5 can be applied.</p> <p>g) This results in a final coefficient of 0.25.</p>
SC 2.3	<a href="#">7.53</a> &	0.5	0	<a href="#">3.765</a>	4	<p>0</p> <p>Sub-component 2.3 will rehabilitate lagoon crossings. Tow activities are outlined:</p> <ul style="list-style-type: none"> <li>h) rehabilitation works and upgrading for existing causeways</li> <li>i) accompanying consulting services to support detailed design and delivery of this sub-component</li> </ul> <p>Documentation adds: "To account for impacts of climate change, such as coastal flooding and erosion from tidal surges, the rehabilitation works will include climate resilient features such as the provision of durable wearing course (i.e. interlocking block or concrete geocell), proper drainage, and erosion control."</p> <p>The component creates a weak link between the activities being undertaken and the climate vulnerability context, showing an intent to address it.</p> <p>No evidence of mitigation relevance.</p> <p>The adaptation co-benefits assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>j) The component is linked to the vulnerability context, and adaptation features heavily as an</li> </ul>

						<p>objective/motivate/outcome of the component.</p> <p>k) Concerning finance for adaptation-relevant activities, not all finance in support of them will result in adaptation co-benefits. Due to investments being in infrastructure, incremental adaptation costs would be needed to accurately assess co-benefits. No granular information has been provided to determine the proportionality of adaptation co-benefits and no incremental adaptation costs have been provided. To adhere to the principle of conservativeness in the face of uncertainty a coefficient of 0.5 can be applied.</p>
SC 3.1	<a href="#">1.07</a> <u>2</u>	0.5	0	<a href="#">0.535</a> ±	0	<p>Component 3 will strengthen institutional and regulatory functions for transport sector asset management, systematically increasing the sustainability of the climate resilient transport sector investments.</p> <p>Sub-component 3.1 will “will provide technical assistance to support the capacity development for the two implementing agencies MICTTD and MISE, as follows: (a) technical assistance activities for the Marine Division of the MICTTD that will include training on the development and management of marine spatial database development to enable climate-informed maritime operations, as well as assessments and studies; (b) institutional strengthening for MISE throughout KOITIIP to have long-lasting positive impacts on the overall infrastructure management.”</p>

						<p>No evidence of mitigation relevance.</p> <p>The component is therefore very indirectly linked to the climate vulnerability context.</p> <p>The adaptation co-benefits assessment results from the following considerations:</p> <p>l) Of the two activities, only activity (a) evidences relevance towards mitigation resulting in a coefficient of 0.5 being applied.</p>
SC 3.2	<a href="#">3.5</a>	0	0	0	0	<p>Sub-component 3.2 will “finance project management and operational costs - consultants or goods - associated with the implementation of the proposed project.”</p> <p>No evidence of mitigation relevance.</p> <p>0/5 activities were assessed to be adaptation relevant.</p>
SC 3.3	5	0	0	0	0	<p>Sub-component 3.3 will “strengthen the capacity of the existing KFSU, to provide implementation support to this Project and other IDA/IBRD financed or co-financed projects.”</p> <p>No evidence of mitigation relevance.</p> <p>0/5 activities were assessed to be adaptation relevant.</p>
C 4	0	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
12.3	<a href="#">8.7925</a> <del>12.875</del>	<a href="#">28.5%</a> <del>4.7%</del>	0.2	0.0	100%

Reported climate finance	Assessed climate finance	Error
12.5	<a href="#">8.7925</a> <del>12.875</del>	<a href="#">29.7%</a> <del>3%</del>



## Project Number: P161706

<b>Project Name</b>
Lake Chad Region Recovery and Development Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/997491590804160101/cameroon-chad-niger-lake-chad-basin-commission-lake-chad-region-recovery-and-development-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/997491590804160101/cameroon-chad-niger-lake-chad-basin-commission-lake-chad-region-recovery-and-development-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Credit, Grant
<b>Lowest level of granularity</b>
Component/Sub-component/Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Institutional and Sectoral Context section, page 13, paragraph 16.
<b>Intent to Address Vulnerability</b>
Provided in the Relevance to Higher Level Objectives section, page 15, paragraph 20.
<b>Link to Project Activities</b>
Provided in the Description of Project Components section, at the component and sub-component level, as requested for IPF.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Component 1: Regional Lake Chad Knowledge and Monitoring Platform and Secretariat for the Development of the Lake Chad Region	US\$21.3	This component has the overall aim to reinforce regional dialogue and data monitoring and dissemination, citizen engagement and social cohesion, and the LIPW approach. This will be done through four sub-components.
Sub-component 1a: Strengthening the Institutional, and Data Monitoring and Dissemination Capacity at the Regional Level	US\$5 million	This sub-component will ensure (a) the establishment of the LCBC PROLAC PIU that will provide overall support for coordination, improving capacity of regional and national actors, and a policy and operational dialogue for the Lake Chad Region and (b) the operation and maintenance of a strategic, analytical, and monitoring platform to foster knowledge exchange, collaboration, and partnerships. The project will ensure that women's needs are represented and that their participation can contribute to their overall development. To support women's inclusion, the project will facilitate ad hoc training to provide women

	<p>with the needed skills and knowledge to undertake these positions. This sub-component will be implemented by the LCBC.</p> <p>36. The main objectives of the LCBC PROLAC PIU will be the following:  (a) spearhead the development, operationalization, and monitoring of a common development vision for the Lake Chad Region; (b) facilitate knowledge creation in partnership with the LCBC, relevant think tanks, and universities in the three countries and lessons learned that have emerged from the implementation of the PROLACPROLAC and other development programs under implementation in the Lake Chad Region; (c) ensure regular learning and vision building/monitoring and sharing workshops for the Lake Chad Region countries to assess and review the implementation of the mission and coordinate and agree on next steps; and (d) contribute to a better understanding of the interlinked system of the Lake Chad Region by commissioning studies on operational models or on lessons learned from project implementation.</p> <p>37. In alignment with the abovementioned main objectives of this component, key focus areas for the Knowledge and Monitoring Data Platform will include (a) initiating dialogues with academic and research institutions on the Lake Chad Region, in particular a dialogue on how to transition from a humanitarian response to a development response in the region; (b) informing decision makers in the region on investment decisions and guiding the vision for a sustainable development in the Lake Chad Region; (c) generating evidence through research for innovative operational solutions in the Lake Chad Region (such as information and communication technology [ICT]); (d) building capacity of countries and institutions in data collection, including geospatial data collection and data collation and dissemination; (d) providing knowledge management and M&amp;E for the Lake Chad Region and the Lake Chad Region Program; (e) forging partnerships between humanitarian and development actors; and (e) consolidating and increasing capacity of the LCBC to be a strong 'knowledge think tank' on issues and discussions regarding the Lake Chad Region, beyond water and resource management issues.</p> <p>The main functions of the platform are outlined in more detail as follows:</p> <p>(a) Database creation, monitoring, and integration through a web-hosted platform. The platform (including supporting ICT hardware, software, connectivity, datasets, access to expertise, and training) will facilitate data computerization and collation of comprehensive spatial (for example, Geographic Information System [GIS] and remote sensing) and temporal datasets from global, regional, and local sources, including in real time (for example, including from earth observation and crowdsourcing information).</p>
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	<p>(b) Dialogue with academic and research institutions, data collection, capacity building, and dissemination. The Knowledge Platform will have strong links with universities in each country bordering Lake Chad and will support research and studies of strategic importance for the Lake Chad Region. This will be done through the organization of regular knowledge sharing events, conferences, fora, and study tours. In addition, the platform will support the collection of data in the sectors' natural resources and on climate change, service delivery and governance, justice and land, economic development, and security and power. The platform may also commission studies regarding the Lake Chad Region on agreed upon priorities in one or more of the following thematic areas: land and water management (including climate change and research on climate financing), service delivery, power and governance, security and justice, and economic development, studies on the platform's scope and reach, studies on gender-based disparities within each of these areas, and studies on regional monitoring and data validation. The platform will also organize training and workshops for countries and institutions to build their capacity in data collection, including geospatial data collection and data collation and dissemination. A list of workshops that will be offered will be included in the PIM.</p> <p>(c) Organization of an Annual International Forum on the Development of the Lake Chad Region. Based on the model of other existing international events (for example, Dakar Forum, Munich Security Conference), the LCBC will organize an annual conference which aims to set up a discussion platform for active stakeholders in the Lake Chad Region. The conference will bring together, on an annual basis, high-level local and international actors and decision makers, which includes, amongst others, representatives from federal ministries of Cameroon, Chad, Niger and Nigeria, the LCBC and the World Bank and governors and other stakeholders. This forum will allow (i) reporting on the progress of PROLAC; (ii) discussion on existing national and regional initiatives and harmonization of these strategies; (iii) discussion and planning of new initiatives and possible closer cooperation to strengthen the impact of stabilization. This will also include a discussion on how to increase climate resilience in the Lake Chad Region. Beyond the discussions and debates, the forum will also be used as an informal platform for high-level exchanges among the LCBC member states and between member states and technical and financial partners (TFPs). The forum will be organized back-to-back with the Governors' Forum.</p> <p>38. The platform will have a section on research and mobilization of climate financing (such as international performance-based financing in sequestering greenhouse gases and more specifically carbon — with the Bio Carbon Fund and the Private Sector). These funds could then enable them to scale up investments and ensure sustainability of the project's activities in the area.</p>
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Sub-component 1b: National Capacity Building for the Regional Dialogue	US\$10 million	<p>39. This sub-component will reinforce institutional capacity at the national level to allow, for example, research institutes and universities to participate in the regional activities on conflict prevention and the development of the Lake Chad Region carried out under Sub-component 1a. The sub-component will be implemented by the national-level PIUs.</p> <p>40. The main objectives of this sub-component are to strengthen national agencies, research institutes, and universities with an aim of facilitating their participation in the regional dialogue and to promote and enforce their engagement and coordination with the regional knowledge platform and dialogue coordinated by the LCBC. Main activities of this sub-component will include (a) financial and technical assistance to national agencies, research institutes, and universities to participate in the regional database, in collaboration with international agencies; (b) study tours and participation in the regional knowledge platform discussions, including pre-events at the national level; (c) field trips and workshops for knowledge exchange and cross-learning, with a special focus on cross-sectoral and cross-regional learning; (d) research grants to students for research on a subject of interest that is related to the Lake Chad region (given on a competitive basis) for young scholars and young professionals to work together in developing the knowledge platform as well as knowledge and communication products on selected topics relevant for the Lake Chad Region with a focus on promoting adolescent girls and young women’s (AGYW) participation (this could include an annual call for proposals on Lake Chad-relevant topics); (e) targeted learning programs and hands-on courses on, for example, data collection, data sources, using GIS, models, online services and applications delivered on a regular basis; and (f) support to the building of academic networks, including global networks. Ad hoc strategies will be designed and implemented to ensure AGYW participation and contribution in scholarships and learning programs and academic networks.</p>
Sub-component 1c: Citizen Engagement and Social Cohesion	US\$4.7 million	<p>41. In line with the project’s overall approach that activities financed under PROLAC will be: (a) identified and prioritized through local development plans; and (b) updated annually by local institutions and communities, this sub-component will focus on strengthening citizen engagement and social cohesion activities. Its main objective is to strengthen trust and dialogue among citizens and between the state and citizens in the Lake Chad Region. Key principles will be to (a) integrate territorial planning processes as described in the RSS; (b) ensure that all project investments are included in a participatory and inclusive way, particularly ensuring women’s active participation, in LDPs in the communes of the project area; (c) use the existing committees by integrating national systems and avoid multiplication of committees, to ensure the sustainability of project interventions; (d) have a single committee, fulfilling different functions (the tasks can be divided among several members of the same committee); and (e) promote civic</p>

		<p>engagement, cohesion, and social inclusion of local communities, women, and youth.</p> <p>42. Activities supported by the project will be as follows: • Integrate territorial planning processes as described in the RSS and ensure that all project investments are in line with LDPs. • Support local development committees to strengthen the local-level identification, prioritization, the meaningful participation of women in the committees’ decision-making positions, and monitoring of investments financed by the project through capacity building and training. • Establish national grievance redress mechanisms (GRMs) and committees to allow for realtime feedback from project beneficiaries. The GRM committees will be composed by at least one women and or/girls. • Community-based psychosocial support activities, including support for survivors of GBV. • Sensitization sessions and training campaigns on nonviolent methods of resolving conflicts, violence prevention, and de-stigmatization and prevention of accidents in difficult and fragile areas (such as the explosion of mines). • Cultural and sports events to promote collaboration, team spirit, and a positive identity of the people living in the Lake Chad Region. • A community monitoring system of project activities</p>
<p>Sub-component 1d: Labor-intensive Public Works</p>	<p>US\$1.6</p>	<p>43. This sub-component will finance the promotion of LIPW and preparatory studies. Sub-component 1d will directly support the implementation of LIPW of activities under Components 2 and 3. The LIPW beneficiaries will be selected through a public lottery selection system. The lottery will be segregated by sex to ensure that at least 50 percent of the LIPW beneficiaries will be women. These activities will be accompanied by men’s sensitization and engagement interventions to ensure the broader understanding and encouragement of women’s participation in these activities, and so as not to create conflicts at the household level. This will promote a transparent, fair, and equal chance for all citizens to benefit from the project, which is especially important in a context where trust in the Government is low and social capital has been weakened. Using the LIPW method will contribute to social inclusion and cohesion as it (a) demonstrates that a large variety of works can be done by the community (even if unskilled most of the time) and (b) is based on a fair and transparent selection system and allows workers from different social backgrounds and different genders, to work together. In addition, it will also avoid the influx of external workers, which in FCV contexts can be highly problematic and possibly more dangerous for local communities. For more details on the LIPW method, see annex 10.</p> <p>44. This sub-component will finance the following: • Costs for the promotion and training. Costs for the recruitment of local laborers, community engagement campaigns, awareness raising and communication, training of beneficiaries, and preparation of beneficiaries for reorientation after public works end. This component</p>

		<p>will also support inclusive engagement with local stakeholders to support the selection of beneficiaries (through transparent public lottery) and agreement on work sites in the communes. • Costs for preparation studies. This includes the preparatory studies needed for implementing the LIPW approach in a community, including rapid development assessments at the community level. Assessments will gather necessary data for successful development interventions in the targeted communes (for example, governance, security, social dynamics, economy, and logistics). • Costs for the execution of public works. This includes all works-related expenses, such as wages and personal protective equipment (gloves, boots, and so on) and work equipment and management of works, stores, and sites, as well as quality control will be financed by Components 2 and 3, respectively (that is, the component under which the LIPW activity is performed).</p>
<p>Component 2: Restoring Sustainable Rural Mobility and Connectivity</p>	<p>US\$67.5 million</p>	<p>45. The aim of this component is to improve access to markets and socioeconomic opportunities for targeted communities. This component will consist of civil works which are of regional importance (for example, critical points and small roads that will facilitate access to regional markets corridors) and will focus on small-scale infrastructure to address immediate priority gaps in rural connectivity in selected areas in the Lake Chad Region.<sup>19</sup> The selection of investments will be aligned with the activities under Component 3, in particular with regard to improving the connectivity to areas with high potential for agricultural livelihood opportunities that are supported under Component 3 (for example, wetland areas in Cameroon, oasis areas in Niger, and the polder areas and wadis in Chad) and where the needs and constraints of the population with regard to mobility are the greatest. This will be done through a socioeconomic inventory followed by a multi-criteria analysis focusing on the impact on accessibility to agriculture areas and markets (Component 3 activities). This component consists of two sub-components.</p> <p>46. Where possible, the civil works will use the LIPW approach for rural roads rehabilitation and maintenance. The costs associated with the promotion of the LIPW method for the execution of activities under Components 2 and 3, including costs for the recruitment of local laborers, community engagement campaigns, awareness raising and communication, training of beneficiaries, preparation of beneficiaries for reorientation after public works end, and M&amp;E of beneficiaries, will be financed under Sub-component 1d. Laborers' wages and equipment, however, will be covered by Sub-components 2a or 2b, depending on the sub-component under which the work falls. This methodology has been found to help strengthen social cohesion, improve living conditions and livelihoods of local communities, and strengthen participatory processes at the local level. LIPW will (a) provide employment opportunities to project-targeted beneficiaries, ensuring at least 50 percent of which are women; (b) enable the beneficiaries to acquire skills which will enable them to more easily find work after the</p>

		<p>completion of the LIPW works; ;and (c) encourage beneficiaries to save to facilitate their professional installation. Furthermore, the explicit attention to the inclusion of women in this component will help to address identified gaps in women’s economic opportunities as well as promote their agency by increasing their access to transportation and mobility. Where not possible due to the required technical and specialized expertise not being available to properly execute some parts of the construction/rehabilitation of small-scale infrastructure, the works will be contracted out to third parties, that is, local firms or non-governmental organizations (NGOs). Preference will be given to local firms or local NGOs that recruit local laborer (to a maximum extent) as it will contribute to the revitalization of the local private sector and capacity building of local capacities.</p> <p>47. Regarding climate change, the design of this component has focused on identifying climate cobenefits and climate change adaptation measures to ensure infrastructures sustainability. These include, for example, the creation of water reservoirs or plantations near or at the edges of roads and all erosion control and dune stabilization techniques to prevent their progression and encroachment on roads.</p>
<p>Sub-component 2a: Rural Roads Rehabilitation Works and Small Transport Infrastructure</p>	<p>US\$51.3 million</p>	<p>48. This sub-component will finance all civil works-related expenses for the preparation, execution, and implementation of works which aim to restore rural mobility and connectivity around Lake Chad. This sub-component will complement productive investments and small infrastructure works under Subcomponent 3a. This includes civil works to rehabilitate the existing rural roads, in particular targeted small rural roads to improve communities’ year-round access to agricultural areas, markets, and other socioeconomic facilities. The planned works will also help (a) improve all-weather access, such as to prevent road closures during the rainy season and (b) enhance resilience of rural transport infrastructure to climate change.</p> <p>49. Activities that are supported under this sub-component fall in the following categories: • Studies needed for the preparation of works such as conditions surveys, technical specifications, bills of quantities and cost estimates, and support for adequate environmental and social assessments. • Technical assistance for the implementation of activities (assistance in the review of technical documents, procurement and contract management). • Treatment of critical points (spot improvements). • Rehabilitation of roads, including related works (construction or reconstruction of culverts and other drainage structures). • Construction of ponds and small check dams to enhance resiliency to climate change through water retention over a longer period of time and reduction of flooding. • Construction of rain barriers for road preservation and durability. • Wages and equipment for laborers under the LIPW (if the work they are conducting is under Sub-component 2b)</p>

<p>Sub-component 2b: Support to the Implementation of the Community Maintenance and Preservation System for Rural Roads</p>	<p>US\$16.2 million</p>	<p>50. This sub-component will support the development of a community maintenance system to promote the sustainability of investments. This includes the development of small associations at the community level that will provide regular and continuous road maintenance and management of rain barriers, assisted by government and/or municipal staff. Activities that are supported under this subcomponent are as follows: • Sensitization and promotion of community activities • Community maintenance systems • Technical support for the development of small community associations • Skills development training • Small equipment needed for road maintenance • Greening solutions, including the plantation of trees on project sites • Small-scale social infrastructure along the roads that are rehabilitated • Wages and equipment for laborers under the LIPW (if the work they are conducting is under Sub-component 2b).</p>
<p>Component 3: Strengthening the Recovery of Agricultural Livelihoods</p>	<p>US\$61 million</p>	<p>51. This component will promote public productive investments and strengthen the livelihoods of local stakeholders as an input to provide support for targeted livelihoods. In particular, the following activities will be financed: (a) support to small groups of agricultural producers, including producers engaged in subsistence farming to increase productivity and outputs in project areas (training on good practices, such as climate-resilient and environmentally friendly agriculture, integrated agro-sylvopastoral systems and ecological land rehabilitation approaches, acquisition of agricultural inputs, and acquisition of small irrigation systems or water drainage); (b) establishment of product collection areas, small marketing infrastructures, or small processing units; and (c) support for producer organizations to adopt farming approaches to adapt their production to climate change. Specific attention will be devoted to promote women’s access to livelihoods opportunities, including strengthening women agricultural producers skills and their competitiveness in the agriculture value chain. It has two sub-components. The investments will focus on specific areas, such as on polder areas in Chad, the farming of oasis areas<sup>20</sup> in Niger, and on areas along the border with Chad in the Far North Cameroon.</p> <p>52. Activities under this component will target vulnerable groups, in particular women and femaleheaded households and youth and will serve both as a means of prevention (that is, reducing women’s and youth’s vulnerability through addressing gaps in economic empowerment and agency) and as a means of longer-term support for those affected by violence. Activities will be identified, prioritized, implemented, and monitored through a participatory process and in collaboration with local institutions and beneficiary communities.</p> <p>53. Similar to Component 2, the LIPW method will be used, where possible, for works under Subcomponents 3a and 3b. The costs associated with the promotion of the LIPW method are covered by Subcomponent 1d and the wages of the laborers for works done under Component 3 will be covered by Subcomponents 3a or 3b, respectively.</p>



		<p>Where not possible due to the required technical and specialized expertise not being available to properly execute the activities under Component 3, the works will be contracted out to third parties, that is, local firms or NGOs. Preference will be given to local firms or local NGOs that recruit local labor from among local communities and have a male/female ration of 1:1.</p> <p>54. Climate change mitigation and adaptation activities are driving principles that will guide investments. Various techniques and lessons learned from successful past and ongoing projects in the subregion will be capitalized. These include, for example, the CAP BioCF (BioCarbon Fund) and CAP Climate Resilience projects in Niger (which have restored a total of 12,000 ha of degraded and deforested land) and the dune stabilization and oasis productivity increase activities funded by UNDP in Niger. The project will upscale innovative climate-smart agricultural techniques such as Zaï and integrated agro-sylvopastoral systems in collaboration with local universities.</p>
Sub-component 3a: Productive Investments and Small Infrastructure Works	US\$41.0 million	<p>55. This sub-component will provide investment funds to communities through local planning processes to finance productive investments and small infrastructure works for agriculture activities. Activities that could be supported under this sub-component are as follows: • Economic or productive investments including the construction/rehabilitation of rural markets, landing platforms for boats, small bridges and culverts, cleaning of channels, platforms (small commercial/logistics/processing platforms), community storage facilities, the restoration of land quality through dune stabilization, watershed management, irrigation perimeters, protective structures for agricultural fields against floods and enclosures and waterpoints for agriculture and livestock use<sup>21</sup> . • Wages for laborers under LIPW (if the work they are conducting is under Subcomponent 3a).</p>
Sub-component 3b: Support to Targeted Agricultural Livelihoods	US\$20.0 million	<p>56. The project will provide support to targeted agricultural livelihoods by using innovative climatesmart agricultural techniques, including targeted support to agriculture production, (pre- and postharvest) and marketing for selected products along the agriculture value chain (in particular red pepper, livestock, and fish) as well as promoting Zaï or integrated agro-sylvo-pastoral systems and ecological land rehabilitation. The supported activities will have a cross-border potential, and activities that support the production of trading goods will be prioritized, such as red pepper in Niger (which is then exported to Nigeria); livestock/fish support in Niger and Chad, which would be traded with Cameroon and Nigeria; and products along the agriculture value chain that have a regional rationale. The project will facilitate specifically women’s access to agricultural livelihood opportunities to support their economic empowerment.</p> <p>57. Activities under this sub-component include the following: • Strengthening and rehabilitation of areas of production and livelihood opportunities (irrigation, soil restoration, agroforestry, production</p>

		<p>systems, material, rehabilitation, and development of selected polders and agricultural basin and horticulture perimeters). • Revitalizing the extension services in the project area, including piloting of farmerled extension systems (such as e-extension and e-voucher developed under the Climate Resilient Agriculture and Productivity Enhancement Project22 in Chad). • Providing targeted support aimed at facilitating and reinforcing selected transborder trade for selected areas (such as markets, storage facilities, and so on). • Promoting support to women agricultural producers and to women as extension agents. • Wages for laborers under LIPW (if the work they are conducting is under Subcomponent 3b).</p>
<p>Component 4: Project Management</p>	<p>US\$20.2 million</p>	<p>58. Project management and implementation will follow a decentralized approach using, as much as possible, the existing government structures at the national, subnational, and local levels and local-level community institutions to be established and/or strengthened. The objectives of this component are to ensure enhanced and effective project management, coordination, and implementation and support the design of the project’s M&amp;E system.</p> <p>59. This component will finance the planning, implementation, and technical oversight of program activities including effective social and environmental safeguards management, financial management (FM), and procurement. The component will finance the three national-level PIUs to carry out day-to-day project management responsibilities for Sub-components 1b, 1c, and 1d and Components 2 and 3. Relevant government agencies at the regional, national, subnational, and local levels will be involved in the implementation process with adequate capacity-building support. The following activities will be included: preparation of work plans and budgets; preparation of regular progress reports; overall oversight of project activities; communication, M&amp;E arrangements, including the set-up of a Management Information System (MIS); and measures for enhanced transparency and accountability.</p> <p>60. The complicated security situation in each of the three countries will require a layered approach to project management and supervision as the World Bank staff and consultants are unable to travel to many of the subproject sites. This layered approach will include a third-party monitoring (TPM) agency in each country, which may be a local NGO, as well as the creation of digital project monitoring and mapping platform for subprojects through the Geo-enabling Initiative for Monitoring and Supervision (GEMS).<sup>23</sup> Both angles of this approach are outlined in more detail below: • TPM: Each of the PIU will recruit a TPM that may be a local NGO or civil society organizations (CSO) and which will be tasked with monitoring (i) specific crucial activities under each component; (ii) social and environmental risk management; and (iii) the local context and evolving security situation. The TPM will be expected to undertake at least two field mission per year, if security allows it and to use</p>

		<p>innovative technology as well as perception surveys to better understand the situation and project implementation results on the ground. The work of the TPM and the issues that they raise will be discussed during implementation support missions. The NGO or CSO that will be implementing the TPM is also expected to cooperate closely with the communities and communities' monitoring system of project activities, where established. • GEMS: To systematically implement the GEMS method, a capacity-building training will be organized for local project coordinators, M&amp;E specialists, and World Bank staff supervising the project. In addition, it will be ensured that contracts for works under this project will include an adequate budget for security costs as part of the contracts.</p> <p>61. Social risks, including human security, will be monitored on a continuous basis by the PIU using a system that includes monitoring and mitigation mechanisms at the community, project, and national level as well as information technology (IT) and other innovations for remote monitoring. Annex 7 includes more details on a security risks assessment and implementation in the Lake Chad Region context. Furthermore, a security protocol for the PIU staff and beneficiaries who participate in project activities will be detailed in the PIM. The implementation support plan of the project can be found in annex 4.</p>
Component 5: Contingent Emergency Response Component (CERC)	US\$0.0	<p>62. This zero-budget component establishes a disaster contingency fund that could be triggered in the event of a natural or man-made disaster through formal declaration of a national emergency, or upon a formal request from one of the Governments. 24 In the event of such a disaster, funds from the unallocated expenditure category or from other project components could be reallocated to finance emergency response expenditures to meet emergency needs. It will therefore support Cameroon's, Chad's, and Niger's emergency preparedness and response capacity to address the impact of any natural hazards such as drought or floods, including financing of post-disaster critical emergency goods or emergency recovery and associated services, as well as targeted provision of post-disaster support to affected households and individuals. To ensure the proper implementation of this component, the Borrower will prepare and furnish to IDA an operations manual before project effectiveness (expected latest 120 days after signing of legal agreements). The operations manual will describe in detail the implementation arrangements for the immediate response mechanism.</p>

<p><b>Climate Change Co-Benefits Section</b></p> <p>Not provided:</p> <p><b>Environmental sustainability section/Additional Annex info:</b></p> <p>Investments made under this project will be climate sensitive, resilient, and environmentally friendly. Under Component 1, PROLAC will finance a section on research and mobilization of climate financing</p>
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(such as international performance-based financing in sequestering greenhouse gases and more specifically carbon—with the Bio Carbon Fund and the private sector Monitoring Platform. In Component 2, climate co-benefits and climate change adaptation measures have been identified to ensure infrastructures sustainability. These include, for example, the construction of ponds and small check dams or plantations near or at the edges of roads and all erosion control and dune stabilization techniques to prevent their progression and encroachment on roads. In Component 3, climate change mitigation and adaptation activities are driving principles that will guide project investments. Examples include innovative agricultural techniques, integrated agro-sylvo-pastoral systems, and ecological land rehabilitation.

#### Greenhouse Gas Accounting

The estimation of carbon stock changes was done based on IPCC Tier 1 default values. The project will be implemented over five years and for the calculation of carbon benefits, a capitalization phase of 15 years was used. The Lake Chad Basin embraces a great range of tropical climates from north to south, although most of these climates tend to be dry. Apart from the far north, most regions are characterized by a cycle of alternating rainy and dry seasons. In any given year, the duration of each season is determined largely by the positions of two great air masses—a maritime mass over the Atlantic Ocean to the southwest and a much drier continental mass. The project activities that will mainly provide emissions reductions are the reforestation and afforestation activities (in parallel of road construction) under Component 2 as well as climate smart agriculture practices under Component 3. In total the project will generate net emissions reductions of around 3,343,922 tCO<sub>2</sub>eq over 20 years; see table 12.1 for results.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1a	5.0	0.25	0	1.25	0	<p>Sub-component 1a will ensure (a) the establishment of the LCBC PROLAC PIU that will provide overall support for coordination, improving capacity of regional and national actors, and a policy and operational dialogue for the Lake Chad Region and (b) the operation and maintenance of a strategic, analytical, and monitoring platform to foster knowledge exchange, collaboration, and partnerships.</p> <p>The regional dialogue, and platform to enable it, is required to coordinate the implementation of the activities enhancing rural connectiveness (Component 2) and supporting resilient agriculture livelihoods (Component 3), as well as to support the emergence of a common vision for the future development of the region. Therefore, Strengthening the Institutional, and Data Monitoring and Dissemination Capacity at</p>

						<p>the Regional Level will (indirectly and partially) contribute to addressing the provided vulnerability context.</p> <p>Sub-component 1a will ensure that women’s needs are represented and that their participation can contribute to their overall development. To support women’s inclusion, the project will facilitate ad hoc training to provide women with the needed skills and knowledge to undertake these positions. Women are clearly outlined in the vulnerability context as particularly vulnerable to climate stressors.</p> <p>Climate change is not the principal objective of the project, therefore an initial adaptation coefficient of 0.5 can be applied, furthermore, the aims of each of the LCBC PROLAC PIU and the platform are also only partially climate-relevant, resulting in a final adaptation coefficient of 0.5 being applied. There is no evidence of mitigation relevance.</p>
SC 1b	10.0	0.25	0.125	2.5	0	<p>Sub-component 1b aims to reinforce institutional capacity at the national level to allow, for example, research institutes and universities to participate in the regional activities on conflict prevention and the development of the Lake Chad Region carried out under Sub-component 1a. The development of the Lake Chad region, and the engagements of the project to achieve it, are evidenced as partially climate relevant within project documentation.</p> <p>The regional dialogue, and platform to enable it, is required to coordinate the implementation of the activities enhancing rural connectiveness (Component 2) and supporting resilient agriculture livelihoods (Component 3), as well as to support the emergence of a common vision for the future development of the region.</p> <p>As a result, this capacity building support related to the dialogue and platform will (indirectly) contribute to addressing the provided vulnerability context. However,</p>

						due to the specificity of the outlined activities, it is difficult to determine the proportionality of climate relevance using them. Instead a conservative coefficient of 0.25 has been applied, to align with the coefficients applied to Sub-component 1a. There is no evidence of mitigation relevance.
SC 1c	4.7	0	0	0	0	No evidence of climate relevance.
SC 1d	1.6	0	0	0	0	No evidence of climate relevance.
SC 2a	51.3	-	-	12.175	0	<p>This sub-component will finance all civil works-related expenses for the preparation, execution, and implementation of works which aim to restore rural mobility and connectivity around Lake Chad. The sub-component will finance road maintenance and rehabilitation, in particular to areas of agriculture livelihood importance such as agricultural basins and polder areas and market infrastructure.</p> <p>It is stated that the planned works will also help to: (a) prevent road closures during the rainy season; (b) improve all-weather access; and (c) enhance resilience of rural transport infrastructure to climate change. Therefore the activities of the sub-component link to the vulnerability context and provide an intent to address that vulnerability.</p> <p>The project document provides 9 costed activities (page 125). Of which 47.8 million goes towards road rehabilitation. Because the principal motivation of the project is not adaptation, an initial coefficient of 0.5 is applied. In the absence of incremental costs, and applying a principle of conservativeness a further coefficient of 0.5 is then applied to estimate adaptation costs within road rehabilitation. Other activities are not adaptation relevant.</p> <p>There is no evidence of mitigation relevance.</p>
SC2b	16.2	-	-	5.25	7.5	This sub-component will finance all civil works-related expenses for the preparation, execution, and implementation of works which aim to restore rural mobility and connectivity

						<p>around Lake Chad. The sub-component will finance road maintenance and rehabilitation, in particular to areas of agriculture livelihood importance such as agricultural basins and polder areas and market infrastructure.</p> <p>It is stated that the planned works will also help to: (a) prevent road closures during the rainy season; (b) improve all-weather access; and (c) enhance resilience of rural transport infrastructure to climate change. Therefore the activities of the sub-component link to the vulnerability context and provide an intent to address that vulnerability.</p> <p>The project document provides costed information regarding 8 activities (page 126), of which 4 are partially adaptation relevant, 1 is entirely adaptation relevant and 1 is entirely mitigation relevant.</p> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking is "Forestry or agroforestry projects that sequester carbon through sustainable forest management, avoided deforestation or avoided land degradation". GHG accounting data support this assessment.</p>
SC 3a	41.0	-	-	19.15	0.75	<p>The objective of Sub-component 3a is to provide investment funds to communities through local planning processes to finance productive investments and small infrastructure works for agriculture activities.</p> <p>The sub-component is not entirely focused on adaptation and incremental costs have not been provided. Some funded activities, such as those addressing soil quality, irrigation, pastoral infrastructure, polder rehabilitation, cooling rooms for fish conservation etc. do link the activities by showing an intent to address the provided vulnerability context.</p> <p>The project document provides costed information regarding 18 activities (pages 129-130), of which 4 are entirely</p>

						<p>adaptation relevant, 5 are partially adaptation relevant and 1 is cross-cutting in nature.</p> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking is "Agricultural projects that contribute to increasing the carbon stock in the soil or avoiding loss of soil carbon through erosion control measures". GHG accounting data support this assessment.</p>
SC 3b	20.0	0.5	0	10	0	<p>The objective of Sub-component 3b is to provide targeted support in the perspective of agriculture value chain development and reinforcement by using climate resilient techniques, including targeted support to agriculture production (pre- and post-harvest) and marketing for selected products along the agriculture value chain (in particular red pepper, livestock and fish).</p> <p>The sub-component is not entirely focused on adaptation and incremental costs have not been provided. While 18 costed activities are outlined on pages 131-132. All activities are seen to be partially adaptation relevant, implicitly indicating an intent to address the vulnerability context, while also being engaged with market access/agricultural development.</p> <p>No evidence of mitigation relevance.</p>
C4	20.2	0	0	0	0	No evidence of climate relevance.
C5	0.0	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
77.1	50.325	34.7%	16.0	8.25	48.4%

Reported climate finance	Assessed climate finance	Error
93.1	58.575	37.1%



Project Number: P171331

<b>Project Name</b>
Land Allocation for Social and Economic Development Project III
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/499101593482869813/cambodia-third-land-allocation-for-social-and-economic-development-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/499101593482869813/cambodia-third-land-allocation-for-social-and-economic-development-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Credit
<b>Lowest level of granularity</b>
Component/Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Relevance to Higher Level Objectives section, pages 16-17, paragraph 23.
<b>Intent to Address Vulnerability</b>
Provided in the Relevance to Higher Level Objectives section.
<b>Link to Project Activities</b>
Provided in the Project Components section.
<b>Incremental Cost?</b>
Not provided

Name	Value	Description
Component 1	US\$20 million	Component 1: Selection and Development Planning of SLC and ICLT (approx. US\$20 million IDA Credit) 37. LASED III would support applications for SLC, ICLT, and development support to ICs, on a first come, first served basis. For new SLCs, first, communes would have to express a request; then, once the availability of the land is determined by the project as compliant with the needs of the communities, a comprehensive environmental and social assessment and land use planning are carried out before the sites are endorsed for the project. For ICLT and development assistance to ICs, the ICs themselves would have to come forward and ask for assistance. For ICLT, the Project would provide support throughout the different steps necessary to complete the titling process <sup>30</sup> . This includes ICs whose land registration applications have already been successfully received by provincial land departments but that the land registration has not yet started, and also for those who have legal recognition from MoI but have not yet created and gathered all necessary documents to be able to file land registration applications. For ICs who as of the start of the project have already completed the ICLT process, development assistance would be provided, namely through infrastructure and service support. Planning activities in ICs would be supported by experienced local and international technical assistance, employed by the Project.

		<p>38. Commune Land Use Plans (CLUPs) are a critical tool for the identification and formulation of development plans for SLC and ICLT, informing sustainable management strategies of natural resources at the local level including the identification of most appropriate use of land resources and rehabilitation of degraded lands. In addition, secured land access combined with the planned improved agricultural services strategy provide strong incentives for the adoption of sustainable approaches to agricultural production and food security including climate smart agriculture, especially for those most vulnerable to climate change, such as the indigenous communities. Specifically, land use plans would seek to maintain natural water resources, tree covers, pay heed to natural drainage canals or basins to utilize land in a manner that minimizes risk from climate hazards such as droughts or flooding while also supporting climate change mitigation. For the identification and formulation of development plans for SLC and ICLT, three main activities are financed under this component, including: first, participatory preparation of SLC and ICLT plans for the new sites; second, the identification, prioritization and planning for rural climate resilient and energy efficient infrastructure investments such as irrigation schemes, roads, schools, teacher houses, community centers, health care facilities, and fresh water supply. The planning process also helps to collect relevant project baseline data that support decision-making for climate-smart community development planning; and, third, the processing of individual SLC land titles for eligible land recipients and of communal land titles in IP communities.</p> <p>39. Technical support for planning of project’s activities would be provided for all project sites, independently of their status in the titling process. This will review the bio-physical, socioeconomic and cultural endowments of the communities and their environment, and assess the sites’ carrying capacities and the implications for agriculture-based livelihoods of land recipients. In addition, the integration of site planning into the Commune Development Plans (CDP)/Commune Investment Plans (CIP) will facilitate long-term sustainability. For this reason, preparation of Commune Development Plans for all districts that host SLCs has been requested by the government and will be carried out under the proposed LASED III project. CLUPs would be prepared using mapping and GPS tools, with active participation from community members. A detailed outline of planning activities and environmental and social risk management processes and instruments that would be expected for different project sites is included in the Project Implementation Manual (PIM). The PIM also presents more detailed requirements for CLUP preparation.</p>
Component 2	US\$47 million	<p>Component 2: Community Infrastructure Development (approx. US\$57 million; US\$47 million IDA Credit and US\$10 million counterpart financing)</p> <p>40. This component will finance at selected SLC sites and ICLT communities, implementation of productive/economic and social community infrastructure investments. These include agricultural (rural) roads, small-scale irrigation systems<sup>31</sup>, side drain, culverts, drifts, water supply and sanitation facilities, school buildings, teachers’ houses, health posts and community centers.</p>

	<p>Based on the experiences in existing SLC areas and responding to the significant infrastructure gaps at the proposed new project sites, appropriate transport connectivity would be provided through site access roads, residential and agriculture access roads and tracks, both within and across the SLC sites. To address sustainability concerns, climate change adaptation and mitigation measures will be considered in the design and construction and the scope of the road and other community infrastructures will be calibrated with the amounts of maintenance funds planned by the relevant local governments. The project will follow RGC/MRD policies and guidelines for rural infrastructure provision. The investment in any new water supply, irrigation or other schemes that may use or risk polluting water of alluvial aquifers and streams that are tributaries to the Tonle Sap and Mekong river system will not be eligible for financing. Investments in small-scale irrigation systems, water supply and sanitation facilities will also include renewable and energy efficient options such as solar-powered ones.</p> <p>41. The infrastructure to be constructed under this project would emphasize resiliency i.e. to both built to be resilient to climate change and enable resiliency of communities. Transport infrastructure will be built to withstand climate hazards, such as extreme heat and drought, or flooding and to support the resilience of road side communities through smart designs that will divert rainwater runoff from newly constructed roads for productive agricultural uses e.g. through water spreaders from culverts to supplemental irrigation. Social infrastructure such as school buildings, community centers, and health posts, will be designed to also withstand climate hazards, to be energy efficient and powered by renewable energy. Climate resilience of roads requires consideration and application of a set of technological measures. Climate change adaptation measures such as raising the embankment to at least 0.5m above the maximum flood level, adjusting side slopes to 1:3, constructing side drain and cross drainage structures and adjusting the technical requirement for compaction will be considered in the engineering design and construction. With these considerations, more land will be required for infrastructures compared to previous projects. For instance, road width up to 30m would be used for site access roads and 24m for residential and agricultural roads, provided this would not involve any resettlement activities. As earth and laterite roads are vulnerable to climate change conditions, paving the road surface is also essential for climate resilience. However, due to budget limitations, only small portions of project roads will be paved. The detailed technical designs and construction supervision would be carried out by contractors in close collaboration with project engineers from Ministry of Land Management, Urban Planning and Construction (MLMUPC) and Ministry of Agriculture, Forestry and Fisheries (MAFF) and supported by technical staff from others relevant provincial line departments. With this arrangement, the firms will also provide on-the-job training to provincial staff on design and construction supervision of infrastructure. With respect to rural roads, contractors would be required to utilize local labor force and materials as much as possible, to develop local maintenance capacity and employment opportunities.</p>
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Component 3	US\$20 million	<p>Component 3: Agriculture and Livelihood Development (approx. US\$20 million; IDA Credit)</p> <p>42. This component would support the settlement process of beneficiary households, the building of socio-economic capital (producer groups/cooperatives) and the development of climate smart and market demand driven agricultural production systems. These activities would include support for: (i) settling-in assistance<sup>32</sup> to newly-installed land recipients and land preparation assistance for a first cover crop and/or planting of seedlings for tree crops such as cashew to provide the basis for land recipients to establish a new residency and start using their new agriculture land. Particular attention will be put on using climate smart husbandry practices, provision of drought resistant crop varieties, and adequate supply of tree seedlings; (ii) implementation of a comprehensive agricultural services strategy (see next paragraph) with an emphasis on climate-smart agriculture techniques, and taking into account the differing knowledge, skills and interests of land recipients. The land recipients range from those who need to master basic agricultural husbandry practices to those that are more sophisticated, ready to engage in lucrative market niches nationally or for exports, as well as the need for gender-specific approaches. This activity will therefore include the provision of training in key climate smart agriculture techniques and the provision and use of climate information services to inform communities' climate risk decision making. The strategy would also exploit synergies with the ongoing World Bank-supported nutrition project (paragraph 25) as well as promote nutrition-sensitive agriculture production; (iii) establishment and/or strengthening of farmers organizations for production and marketing activities and other community interest groups which will form the bedrock of knowledge exchange and peer learning on climate smart agriculture practices, such as better fertilizer use, manure management and integrated water management and entry points for climate information; and (iv) provision of a Community Fund for Development<sup>33</sup> (CFD) to scale up successful local economic initiatives. The CFD will operate as a revolving fund to support local initiatives aimed at enhancing farm productivity and incomes for farmers, and prioritizing climate change mitigation and adaptation activities. Implementation of this component would be supported by strong national and international technical assistance, in close collaboration with MAFF, other implementation agencies (IA) and provincial departments.</p> <p>43. MAFF has formulated a comprehensive agricultural services strategy for LASED III including extension and support to agricultural cooperatives. Hitherto, extension delivery under LASED II tried to use the "Farmers' Field School – FFS" approach but implementation has been poor, owing to unfamiliarity with the key features of the FFS approach, weak technical capacity, and inadequate funding. Following a comprehensive diagnosis of the current extension services, MAFF has reformulated the delivery strategy. It features: (i) a pluralistic service provider approach, involving technical staff from MAFF, private sector agents e.g. medium to large scale agro-industries and consultants, and NGOs; (ii) leveraging modern ICT to disseminate new</p>
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	<p>climate smart technologies or improved husbandry practices; (ii) clarification of the basic operating procedures of the FFS e.g. formulation and implementation process of farmer-managed demonstration plots, interactions between extensionists and farmers, etc., while taking into account the specific sociocultural and biophysical environments of new project sites, in particular in IP areas, etc.; and (iii) establishment of partnerships with agricultural research institutions to test climate smart technological innovations (e.g. climate resilient crops and crop varieties) for diffusion to farmers. A detailed plan of actions has been prepared spelling out key activities to be undertaken before, during, and after the agricultural season. The second component of the strategy i.e. support to the development of agricultural cooperatives, has also been laid out. Assuming its effective implementation, it bodes well for relevant technical and managerial support to farmers' cooperatives. The PIM highlights key elements of the new agricultural services strategy.</p> <p>44. The component would explicitly tackle vulnerabilities from climate hazards and the proximity of natural habitats, as well as possible climate change mitigation options. Since some new project sites would include areas in provinces with important natural habitats, the project would incorporate in its agriculture and livelihood development plans activities that protect private, communal and public lands. Where applicable, community forestry activities would be supported alongside private agriculture activities. At the same time, the project would provide specific short and long-term responses to climate change challenges to strengthen the resilience of production systems. Climate-smart agricultural practices - adoption of more resilient crops, agroforestry, and sustainable land management would be emphasized and mainstreamed in the extension services. Small-scale irrigation will help improve both productivity and climate resilience of beneficiaries. It would also facilitate a shift towards more diversified and higher value crops, thereby opening new markets and income opportunities for producers.</p> <p>45. The implementation of the Revolving Funds would support the identification and implementation of local economic initiatives, benefitting members of organized groups, notably agriculture cooperatives and producer groups. This involves a three-step process: first, prospective beneficiaries in the communities have to be formally registered groups (or cooperatives); second, the project will contract a specialized firm(s) and/or NGO tasked to provide institutional support, management, and training to interested groups of the Revolving Funds. Following confirmation by the firm/NGO that the group has an adequate organizational structure and accounting system, and is capable of managing the Funds, it is deemed eligible as beneficiary of the Revolving Fund; and, third, MAFF will disburse the revolving funds to the groups' bank account maintained at the commercial bank. The funding amount for each eligible group will be determined by the size of the group multiplied by the project's provisional amount of \$280 per household. Typically, the size of organized groups ranges between 30 to 50 household members, although large registered agriculture cooperatives can include up to around 300.</p>
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Component 4	US\$6 million	<p>Component 4: Project Management, Coordination and M&amp;E (approx. US\$10 million; UD\$6 million IDA Credit and US\$4 million counterpart financing)</p> <p>46. This component would ensure effective project management. It will finance (a) the operational costs pertaining to multi-sector coordination, technical and fiduciary (procurement and financial management) activities, as well as social and environmental risk management of the Project Coordination Team (PCT) and Project Implementation Teams (PITs), both at the central and decentralized levels; (b) institutional and technical capacity building for project implementation at all levels; (c) M&amp;E and information systems; (d) baseline, midterm, and final project evaluations and impact assessments; and (e) communications strategy and project results dissemination. Strong M&amp;E systems for project implementation will be a top priority as will be strengthening the PCT's capacity to plan and execute them.</p> <p>47. Appropriate support would also be provided to strengthen the Project's M&amp;E system and the SLC/ICLT management information system (MIS) which provides critical sites-related inputs for planning, prioritization and implementation of activities. All these arrangements are laid out in the PIM following extensive consultations with government counterparts. Project funding will cover technical assistance, training, incremental operating costs, vehicles and equipment. The presence of mobile phones will be extensively leveraged for geo-tagged data transmission (including photos) and for beneficiary feedback on monitoring and evaluation activities. Call centers at the extension service unit of MAFF would be used for seeking feedback on quality of service delivery, particularly where SMS or social media may not work owing to language barrier, literacy, or other bottlenecks.</p>
Component 5	US\$0.0	<p>Component 5: Contingent Emergency Response (US\$0 million)</p> <p>48. The contingent emergency response component, with a provisional zero allocation, would allow for the reallocation of financing to provide immediate response to an eligible crisis or emergency. An Emergency Response Manual (ERM) is included in the PIM which will describe implementation arrangements for the component, including its activation process, roles and responsibilities of implementing agencies, positive list of activities that may be financed, environmental and social aspects, and fiduciary arrangements.</p>

**Climate Change Co-benefits section**

Not provided.

**Greenhouse Gas Accounting**

Provided:

The quantification of GHG emission has been done adopting i) the Ex-Ante Carbonbalance Tool (EX-ACT) for agricultural and land-based activities; and ii) the HDM-4 Road User Cost Model, for the development and maintenance of low-volume rural roads. EX-ACT allows the assessment of a

project's net carbon-balance, defined as the net balance of CO2 equivalent GHG emitted or sequestered as a result of project implementation compared to a without-project scenario. EX-ACT estimates the carbon stock changes (emissions or sinks), expressed in equivalent tons of CO2 per hectare and year. The HDM4 model estimates emissions from rehabilitation and construction, computing unit road user costs and emissions for a road section with 1 km length. The GHG accounting analysis was generated to obtain yearly transport related emission estimates per km of road intervened, allowing for future refinement in the accounting process if more detailed information is available. 86. The net carbon balance quantifies GHGs emitted or sequestered because of the project compared to the without-project scenario. As mentioned in Annex 5, over the 23 year-period, the project is expected to result in incremental carbon emissions totaling -191,074 tCO2-eq, equivalent to -8,308 tCO2-eq40 additionally sequestered per year, however, at an adoption rate of 57%, at carbon emissions savings by a total of - 108,913 tCO2-eq or - 4,736 tCO2-eq, respectively.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C 1	20	0.25	0.25	5	5	<p>Component 1 focuses on the "Selection and Development Planning of Social Land Concessions (SLC) and Indigenous Communal Land Titling (ICLT)".</p> <p>Through Commune Land Use Plans (CLUPs) the component will identify and formulate development plans for SLC and ICLT. Plans will inform sustainable management strategies of natural resources at the local level including the identification of most appropriate use of land resources and rehabilitation of degraded lands. In addition, secured land access combined with the planned improved agricultural services strategy provide strong incentives for the adoption of sustainable approaches to agricultural production and food security including climate smart agriculture, especially for those most vulnerable to climate change, such as the indigenous communities.</p> <p>Documentation states plans would seek to maintain:</p> <ol style="list-style-type: none"> <li>I. natural water resources,</li> <li>II. tree covers,</li> <li>III. pay heed to natural drainage canals or basins to utilize land</li> </ol>

						<p>in a manner that minimizes risk from climate hazards such as droughts or flooding</p> <p>IV. support climate change mitigation</p> <p>The component creates a strong link between the activities being undertaken and the vulnerability context.</p> <p>By focusing on tree cover and the sustainable management of natural resources, the component is eligible under the Common Principles for Climate Change Mitigation Finance Tracking under the eligible activity: "Forestry or agroforestry projects that sequester carbon through sustainable forest management, avoided deforestation or avoided land degradation".</p> <p>Regarding proportionality, the assessment of climate co-benefits results from the following considerations:</p> <p>V. The component is not entirely and explicitly focused on climate change objectives, motivations and outcomes. They are apparent but exist alongside non-climate-relevant objectives motivations, motivations and outcomes. An initial coefficient of 0.5 can be applied.</p> <p>VI. While documentation creates a link between activities and climate vulnerability and evidences mitigation-relevance, there is no detailed reporting of activities to inform proportionality assessments. As a result, the component is deemed to</p>
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						target adaptation and mitigation equally. VII. This results in adaptation and mitigation coefficients of 0.5 being applied.
C 2	47	0.125	0.125	5.875	5.875	<p>Component 2 focuses on the community infrastructure development, including agricultural (rural) roads, small-scale irrigation systems, side drain, culverts, drifts, water supply and sanitation facilities, school buildings, teachers' houses, health posts and community centers.</p> <p>Documentation adds: "To address sustainability concerns, climate change adaptation and mitigation measures will be considered in the design and construction and the scope of the road and other community infrastructures will be calibrated with the amounts of maintenance funds planned by the relevant local governments." Regarding mitigation infrastructure will be designed and built "to be energy efficient and powered by renewable energy".</p> <p>The component creates a link between the activities being undertaken and the vulnerability context.</p> <p>By focusing on energy efficiency the component is eligible under the Common Principles for Climate Change Mitigation Finance Tracking under the eligible activity: "Generation of renewable energy with low lifecycle GHG emissions to supply electricity, heating, mechanical energy or cooling" and "Measures that reduce net energy consumption, resource consumption or CO2e emissions, or increase plant-based carbon sinks in greenfield and</p>

						<p>brownfield buildings and associated grounds”.</p> <p>Regarding proportionality, the assessment of climate co-benefits results from the following considerations:</p> <p>VIII. The component is not entirely and explicitly focused on climate change objectives, motivations and outcomes. They are apparent but exist alongside non-climate-relevant objectives motivations, motivations and outcomes. An initial coefficient of 0.5 can be applied.</p> <p>IX. As an infrastructure project, within investments on climate-related infrastructure there will be incremental costs of both adaptation and mitigation. Documentation does not provide these or granular information to estimate adaptation and mitigation co-benefits proportionality. As a result, estimates of climate co-benefits are subject to uncertainty. To adhere to the principle of conservativeness a second coefficient of 0.5 is applied.</p> <p>X. The component is deemed to target adaptation and mitigation equally in the absence of additional information. This results in adaptation and mitigation coefficients of 0.125 being applied.</p>
C 3	20	0.625	0.125	12.5	2.5	<p>Component 3 focuses on agriculture and livelihoods development, and will “support the settlement process of beneficiary households, the building of socio-economic capital (producer</p>

					<p>groups/cooperatives) and the development of climate smart and market demand driven agricultural production systems”.</p> <p>The component will finance two “support areas”:</p> <ul style="list-style-type: none"> <li>XI. The provision of settling in assistance for beneficiaries, including household goods and structures while also assisting in land preparation (which will integrate climate vulnerability and resiliency concerns)</li> <li>XII. The implementation of a comprehensive agricultural services strategy with an emphasis on climate-smart agriculture techniques including adoption of more resilient crops, agroforestry, and sustainable land management</li> </ul> <p>The component creates a strong link between the activities being undertaken and the climate vulnerability context.</p> <p>By focusing on tree cover and the sustainable management of natural resources, the component is eligible under the Common Principles for Climate Change Mitigation Finance Tracking under the eligible activity: “Forestry or agroforestry projects that sequester carbon through sustainable forest management, avoided deforestation or avoided land degradation”.</p> <p>Regarding proportionality, the assessment of climate co-benefits results from the following considerations and assumes finance in support of (I) and (II) is equal:</p>
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						<p>XIII. The first support area in the component is not entirely and explicitly focused on climate change objectives, motivations and outcomes. They are apparent but exist alongside non-climate-relevant objectives motivations, motivations and outcomes such as settling in assistance. This support area is considered to be partially adaptation relevant and received an adaptation coefficient of 0.5.</p> <p>XIV. The second support area is deemed to be entirely climate-relevant, yet showing a greater focus on adaptation, as compared to mitigation. This second area is assigned an adaptation coefficient of 0.75 and a mitigation coefficient of 0.25.</p> <p>XV. This results in overall adaptation and mitigation coefficients of 0.625 and 0.125, respectively.</p> <p>The component is deemed to target adaptation and mitigation equally in the absence of additional information. This results in adaptation and mitigation coefficients of 0.125 being applied.</p>
C 4	6	0	0	0	0	Component 4 focuses on project management. There is no evidence of climate relevance.
C 5	0	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
21.2	23.375	10.3%	9.3	13.375	43.8%

Reported climate finance	Assessed climate finance	Error
30.5	36.75	20.5%



Project Number: P170682

<b>Project Name</b>
Linha de Crédito para Resiliência Urbana no Sul do Brasil (SOUTHERN BRAZIL URBAN RESILIENCE PROGRAM PROJECT)
<b>Project Document URL</b>
<a href="https://documents1.worldbank.org/curated/en/528871585360987468/pdf/Brazil-Southern-Brazil-Urban-Resilience-Program.pdf">https://documents1.worldbank.org/curated/en/528871585360987468/pdf/Brazil-Southern-Brazil-Urban-Resilience-Program.pdf</a> ; <a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/570241578620222537/project-information-document-southern-brazil-urban-resilience-program-sul-resiliente-p170682">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/570241578620222537/project-information-document-southern-brazil-urban-resilience-program-sul-resiliente-p170682</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Component, Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Climate Co-Benefits section, page 22.
<b>Intent to Address Vulnerability</b>
Provided in the Climate Co-Benefits section, page 22.
<b>Link to Project Activities</b>
Provided in the Climate Co-Benefits section, page 22.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Component 1: Investments to Promote Urban Resilience	<a href="#">86.02 million EUR</a> <a href="#">IBRD103.49</a> Or <a href="#">94.85 million USD</a>	Component 1 will support BRDE to finance eligible sub-projects in selected municipalities to promote urban resilience through the construction or the upgrading of existing infrastructure to mitigate the impacts of natural disaster and climate-related risks such as floods, flash floods, landslides and other erosion processes, including, inter alia: (i) macro and micro drainage systems and integrated urban water management solutions to allow for storage, detention and infiltration; (ii) dredging; (iii) slope stabilization; (iv) riverbank protection; (v) urban and linear parks; (vi) coastal protection to mitigate and prevent erosion; (vii) construction and/or rehabilitation of roads in association with other disaster risk prevention or mitigation interventions; (viii) urban upgrading to reduce exposure to disasters; (ix) solid waste collection and treatment in association with drainage systems solutions; and (x) housing solutions for the resettlement of families resettled from disaster prone areas or impacted by the Project, and other forms of resettlement-related compensation

Commented [4]:

		<p>Fifty percent of the Bank proceeds will be made available to BRDE through a 12-year final maturity loan in EUR including a grace period of 3 years. The loan will be converted to BRL on or after disbursement to then be passed on to the municipalities in BRL. The BRL interest rate will reflect the terms IBRD can obtain in the cross-currency swap market<sup>19</sup>. At current market conditions, the interest rate to municipalities taking this option would be less than 10 percent<sup>20</sup>, which compares favorably to existing public banks' credit lines for municipal financing. The remaining fifty percent of the World Bank proceeds will constitute a second loan to BRDE, also in EUR, with a 25-year final maturity period including a grace period of 4 years. This loan will be mirrored to the municipalities with a final cost of approximately 4 percent (at current conditions). EUR will be offered as an option only to municipalities that can absorb the foreign exchange (FX) risk, as determined by BRDE's credit risk assessment.</p> <p>25. All municipalities of BRDE state shareholders (currently RS, SC and PR) can apply for sub-loans under this credit line. BRDE will be responsible for the technical, financial and fiscal assessment of the municipalities. BRDE will also undertake an implementation capacity assessment, as well as social and environmental screening. The financial and fiscal health of municipalities will be assessed in accordance with BRDE's own credit risk assessment methodology, which was considered to be adequate by the Bank. The assessment will be complemented by the roll out of a sensitivity analysis to FX risk for those municipalities requesting a sub-loan in foreign currency.</p> <p>26. The proposed investments will be identified and appraised during project implementation. The technical and fiscal eligibility criteria for the assessment of the capacity of municipalities' and for the selection of investments under Components 1 and 2 are presented in Section IV of this Project Appraisal Document (PAD) and detailed in the Project's Operations Manual (OM). The OM also contains a detailed matrix for eligible investments.</p>
Component 2: Institutional Strengthening of Selected	<a href="#">3.13 million EUR IBRD6.27</a>  Or	Component 2 will support BRDE to improve the institutional capacity of selected municipalities to design, implement, and monitor urban resilience projects. To enhance sustainability and replicability of the

Municipalities for Urban Resilience	<a href="#">3.45 million USD</a>	Project over time, the eligible interventions will involve TA, services and/or procurement of equipment and software, including, inter alia: (i) technical and environmental sector studies; (ii) detailed sub-project engineering designs; (iii) disaster risk, susceptibility and/or vulnerability mapping; (iv) drainage plans; (v) solid waste management plans; (vi) municipal DRM and/or contingency plans; (vii) training to municipal staff on DRM/urban resilience, including tools and suggestions on how to address gender-specific impacts and gaps; and (viii) procurement of systems and/or equipment for natural hazards monitoring, early warning systems, emergency response, civil defense, and protection equipment.
Component 3: Project Management and Institutional Strengthening	<a href="#">0.45 million EUR</a> <a href="#">IBRD2-24</a>  <a href="#">Or</a> <a href="#">0.50 million USD</a>	Component 3 will support BRDE to build its institutional capacity and support with Project- 19 The cross-currency swap market for longer maturities does not offer attractive pricing to the extent the market even exists. 20 Loans to municipalities by Caixa and BNDES are priced at around 10-11%, often with 10 to 20-year maturities. Caixa's most recent product for municipal finance has a 10-year maturity. The pricing by Caixa consists of monetary policy rate SELIC currently at 5% (or CDI similar) + Caixa spread of approximately 5%, and by BNDES (TLP in December 2019 (IPCA + 1.68% = 4.68%) + BNDES spread of approximately 5%). management-related activities ranging from technical, fiduciary, social and environmental risk management, communication and outreach, to monitoring and evaluation (M&E) through, inter alia, operating costs, training, technical assistance, services, and equipment, as required. 29. This component will include: (i) the development of DRM/urban resilience training, including tools and suggestions to address gender-specific impacts and gaps; (ii) the development of a process and/or outcome evaluation methodology, to ensure that the Project is implemented as intended and will result in the achievement of the PDO, as well as to identify areas for improvement; (iii) the development of tools and/or methodologies to enhance BRDE's capacity to select and/or implement the subprojects (and in turn perform the M&E functions of the Project) using poverty and gender considerations; (iv) the hiring of additional staff for implementation support, as needed, for M&E, subproject assessment and supervision; and (v) a gender and poverty targeted communications and outreach strategy. The strategy has been set up and agreed with BRDE in the SEP and is detailed in the Operations Manual (OM).

**Climate Change Co-benefits section**

The total climate co-benefits across the Project's three components is estimated to total US\$80 million equivalent (80% of the loan proceeds in EUR), of which US\$75 million equivalent are expected



to produce adaptation co-benefits and US\$5 million equivalent mitigation co-benefits. This robust co-benefits accounting, conducted during the design phase of the Project (December 2019), reflects the deliberate approach of the Project in addressing climate vulnerabilities and in promoting resilience. The Project envisages multiple typologies of interventions generating adaptation co-benefits, among which reconstruction and retrofit of vulnerable structures, investments in drainage systems and other structural measures to improve flood management, slope stabilization measures to protect against climate risks, and the preparation of technical studies and other inputs enable decision-making on climate risks. Investments in riverbank protection and soil conservation, reforestation and public spaces and landscaping (including use of solar-powered or LED street lighting) are also likely to contribute to enhancing mitigation co-benefits.

**Greenhouse Gas Accounting**  
 Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
Component 1: Investments to Promote Urban Resilience	<del>94.85</del> 103.49	1	0	<del>94.85</del> 103.49	0	Evidence regarding adaptation assessment:  Activities listed all relate to climate vulnerabilities stated in the context section: (i) macro and micro drainage systems and integrated urban water management solutions to allow for storage, detention and infiltration; (ii) dredging; (iii) slope stabilization; (iv) riverbank protection;

						<ul style="list-style-type: none"> <li>(v) urban and linear parks;</li> <li>(vi) coastal protection to mitigate and prevent erosion;</li> <li>(vii) construction and/or rehabilitation of roads in association with other disaster risk prevention or mitigation interventions;</li> <li>(viii) urban upgrading to reduce exposure to disasters;</li> <li>(ix) solid waste collection and treatment in association with drainage systems solutions;</li> <li>(x) housing solutions for the resettlement of families resettled from disaster prone areas or impacted by the Project, and other forms of resettlement-related compensation</li> </ul>
						Evidence regarding mitigation assessment:

						No GHG accounting or mitigation related eligible activities listed.
Component 2: Institutional Strengthening of Selected Municipalities for Urban Resilience	<a href="#">3.456-27</a>	1	0	<a href="#">3.456-27</a>	0	<p>Evidence regarding adaptation assessment:</p> <p>Activities listed all relate to improving institutional capacity to implement urban resilience projects, which is linked to the climate vulnerabilities previously stated.</p> <p>Activities:</p> <ul style="list-style-type: none"> <li>(xi) technical and environmental sector studies;</li> <li>(xii) detailed sub-project engineering designs;</li> <li>(xiii) disaster risk, susceptibility and/or vulnerability mapping;</li> <li>(xiv) drainage plans;</li> <li>(xv) solid waste management plans;</li> <li>(xvi) municipal DRM and/or contingency plans;</li> <li>(xvii) training to municipal staff on DRM/urban resilience, including tools and suggestions on how to address gender-specific impacts and gaps; and</li> </ul>

						(xviii) procurement of systems and/or equipment for natural hazards monitoring, early warning systems, emergency response, civil defense, and protection equipment.
Component 3: Project Management and Institutional Strengthening	<a href="#">0.52-24</a>	0.8	0	<a href="#">0.40</a> <a href="#">1.792</a>	0	<p>Evidence regarding adaptation assessment:</p> <p>The below activities are listed under this component:</p> <p>(xix) the development of DRM/urban resilience training, including tools and suggestions to address gender-specific impacts and gaps;</p> <p>(xx) the development of a process and/or outcome evaluation methodology, to ensure that the Project is implemented as intended and will result in the achievement of the PDO, as well as to</p>

						<p>identify areas for improvement; the development of tools and/or methodologies to enhance BRDE's capacity to select and/or implement the subprojects (and in turn perform the M&amp;E functions of the Project) using poverty and gender considerations ;</p> <p>(xxi)</p> <p>(xxii) the hiring of additional staff for implementation support, as needed, for M&amp;E, subproject assessment and supervision; and</p> <p>(xxiii) a gender and poverty targeted communications and outreach strategy. The strategy has been set up and agreed with BRDE in the SEP and is detailed in the Operations Manual (OM).</p>
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						All activities are adaptation relevant with the exception of (v).
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Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
74.1	<u>98.7</u> <del>411.552</del>	<u>33.2%</u> <del>51%</del>	4.9	0	100%

Reported climate finance	Assessed climate finance	Error
79	<u>98.7</u> <del>411.52</del>	<u>37.3%</u> <del>53.6%</del>

**Project Number: P163966**

<b>Project Name</b>
Maldives First Fiscal Sustainability and Budget Credibility Development Policy Financing Operation
<b>Project Document URL</b>
<a href="https://documents1.worldbank.org/curated/en/309381562292055521/pdf/Maldives-First-Fiscal-Sustainability-and-Budget-Credibility-Development-Policy-Financing-Operation.pdf">https://documents1.worldbank.org/curated/en/309381562292055521/pdf/Maldives-First-Fiscal-Sustainability-and-Budget-Credibility-Development-Policy-Financing-Operation.pdf</a>
<b>Financing Instrument</b>
Development Policy Financing
<b>Financial product</b>
Credit (\$10 Million) & Grant (\$10 Million)
<b>Lowest level of granularity</b>
Prior Actions

<b>Climate Change Vulnerability Context</b>
Maldives is uniquely exposed to climate risks. The country is highly exposed to natural hazards and climate variability. With sea levels expected to rise and extreme weather events likely to increase in frequency and intensity, Maldives is one of the world’s most vulnerable countries. As coastal erosion continues, the sea level rises, and pressure on scarce land resources increases, the physical vulnerability of island populations, infrastructure, and livelihood assets will increase as well. Eighty percent of the total land area of Maldives (total is less than 300 square km) is lower than 1 meter mean sea level (MSL). More than 44 percent of settlements—home to 42 percent of the population—and more than 70 percent of all critical infrastructure is located within 100 meters of the shoreline.
<b>Intent to Address Vulnerability</b>
GoM has created the Maldives Green Fund (Prior Action 2); The Green Fund is expected to be leveraged towards both climate change adaptation and mitigation.
<b>Link to Project Activities</b>
The establishment of the Green Fund is expected to result in adaptation projects funded.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Pillar 1. Improve the policy framework to enhance the sustainability of public finances	10	<p>Prior Action 1: i) Aasandha Company Limited has notified the new harmonized drugs price list ; ii) The “Guideline for Pharmacies Registered as Service Providers under the Social Health Insurance Scheme” has been issued by NSPA stating that drug reimbursements will be received according to a harmonized price list; and iii) the President’s Office has instructed Ministry of Finance and Aasandha Company/NSPA to appoint TPA to handle claims for overseas health care</p> <p>Prior Action 2: The Government has established the Maldives Green Fund and operationalized the Trust Account for the same</p> <p>Prior Action 3: The amendment to the Import/Export Act was enacted by the People’s Majlis, setting soft drinks duties at MVR 4.60 per litre, energy drinks duties at MVR 33.64 per litre, and cigarettes duties at 25 percent and MVR 2</p>

		per cigarette  Prior Action 4: (i) The Airport Taxes and Fees Act was enacted by the People’s Majlis introducing the Airport Development Fee at USD 25 to be levied on each foreign passenger and USD 12 on each Maldivian passenger; and (ii) Airport Taxes and Fees Regulation has been issued by the Maldives Inland Revenue Authority
Pillar 2. Strengthen the policy framework to increase the credibility of the budget	10	Prior Action 5: The Ministry of Finance has issued the “Guideline on Virement of Funds from Budgets approved by the People’s Majlis” specifying the level of appropriation, regulating virements, and protecting the capital budget  Prior Action 6: The Ministry of Finance has issued a Public Finance Circular requiring all government agencies to use the Materials Management module of SAP when purchasing and procuring assets and services  Prior Action 7: The Ministry of Finance has launched a Vendor Purchase Order service in the Bandeyri [web] portal enabling suppliers to check the authenticity of purchase orders and ensuring that unverified purchase or service orders will not be honored  Prior Action 8: The Ministry of Finance has published on its website the 2019-21 MediumTerm Debt Management Strategy (MTDS)  Prior Action 9: The Ministry of Finance has issued a circular directing SOEs to adopt the Code of Corporate Governance  Prior Action 10: The Ministry of Finance has issued a Circular directing SOEs to link compensation packages of the Managing Directors of such SOEs to achievement of targets outlined in performance agreements

<b>Climate Change Co-benefits section</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
Pillar 1. Improve the policy framework to enhance the sustainability	10	0.0625	0.1875	0.625	1.875	<b>Evidence regarding adaptation assessment:</b> PA1, 3 & 4 are not relevant.  <u>PA2, trigger 3 (The Ministry of Environment adopts the legal framework for the use of</u>



of public finances					<p><u>accumulated proceeds on the Maldives Green Fund ) states:</u> The Green Fund is expected to be leveraged towards both climate change adaptation and mitigation, and is therefore split 50/50 between the two objectives.</p> <p><b>Evidence regarding mitigation assessment:</b> PA1, 3 &amp; 4 are not relevant.</p> <p>PA2 states that the adoption of renewable energy sources will help contribute to the Maldives' commitment to a reduction in GHG emissions of 10% below BAU.</p> <p>Eligible activity: Efficient pricing of fuels and electricity (such as subsidy rationalisation, efficient end-user tariffs, and efficient regulations on electricity generation, transmission, or distribution, and on carbon pricing)</p> <p><u>Prior action 2, trigger 4 (new electricity tariff structure to allow utilities to recover costs is gazetted) states:</u> Going forward, a more fundamental adjustment of the electricity tariffs is needed. Further tariff reform is needed to enable the state-owned utilities to not only cover operational costs, but also to invest in efficiency-enhancing technologies (Trigger 4). This will allow them to improve their debt service capacity, incentivize more efficient consumption of electricity by</p>
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						<p>households, firms, and government, and encourage the adoption of renewable energy sources (While Maldives contributes to about 1.04 million tonnes of CO2 emissions in 2011 which is about 0.003 percent of global emissions, it would help Maldives achieve its commitment to an unconditional reduction in greenhouse gases of 10 percent below its business-as-usual scenario). The ADB is providing technical assistance in this area and has recently concluded a study on tariff structure reform.</p> <p>These reforms are expected to: (i) lead to the accumulation of proceeds from the Green Tax into the Green Fund; and (ii) contribute towards a reduction in the dependence on fuel and contribute to reduce the country's fiscal and external vulnerability to fluctuations of global oil prices. This is expected to result in a reduction in electricity subsidies –measured by a reduction in transfers to STO in terms of fuel subsidies and to state utilities in terms of tariff subsidy— in the medium-term and improved sustainability of water resources.</p>
Pillar 2. Strengthen the policy framework to increase the credibility of the budget	0	0	0	0	0	Not relevant

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
1	0.625	37.5%	1	1.875	87.5%

Reported climate finance	Assessed climate finance	Error
2	2.5	62.5%

**Project Number: P168153**

<b>Project Name</b>
Market Access for Agricultural Products Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/716101584928903103/paraguay-market-access-for-agricultural-products-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/716101584928903103/paraguay-market-access-for-agricultural-products-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Activity, Aims

<b>Climate Change Vulnerability Context</b>
Provided in the Strategic Context section, page 1-2, paragraphs 4 and 5.
<b>Intent to Address Vulnerability</b>
Provided in the Relevance to Higher Level Objectives section.
<b>Link to Project Activities</b>
Provided in the Project Components section.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 1	US\$33.38 million	Component 1: Capacity Building and Institutional Strengthening (Total Cost US\$38.37 million; IBRD Loan US\$33.38 million; GoP Counterpart US\$4.99 million).
		20. Sub-component 1.1: Capacity building of Agricultural Producer Organizations and Indigenous Communities (Total Cost US\$22.11 million; IBRD US\$20.12 million; GoP Counterpart US\$1.99 million). The main goal of this subcomponent is to help remove barriers that prevent potential Agricultural Producer Organizations and Indigenous Communities, from taking advantage of investment opportunities. This subcomponent will support carrying out of capacity building activities to address critical factors to facilitate effective access to markets and sustainable integration with formal and lucrative value chains, and to support the preparation of Investment Subproject proposals, all through, inter alia: (i) the carrying out of studies and analysis in support of value chains, the identification of promising business opportunities and recommended technologies and practices to increase competitiveness and enhance climate resiliency; (ii) the carrying out of workshops, training courses and the

	<p>dissemination of Project information aimed at increasing knowledge of Agricultural Producer Organizations and Indigenous Communities on modern and climate smart practices, and promoting their technical and managerial capacities; (iii) the preparation of education materials; (iv) the provision of scholarships to members of Beneficiary Organizations, in technical and vocational educational institutes, to broaden their skills to manage modern and climate smart productive technologies as well in business management and administration; (v) the provision of support for the Project's communication strategy and the carrying out of Project dissemination campaigns; and (vi) the provision of technical assistance to Agricultural Producer Organizations and Indigenous Communities to, inter alia: (a) identify possible competitiveness and market opportunities, value chains and business opportunities, technologies and climate smart practices appropriate to their situation and target market; and (b) formulate Investment Subproject proposals for establishing productive alliances. (See further description in Annex 2).</p>
	<p>21. Sub-component 1.2: Public Sector Institutional Strengthening (Total Cost US\$16.26 million; IBRD US\$13.26 million; GoP Counterpart US\$3 million). This subcomponent has the objective to strengthening the institutions and systems of public sector agencies (mainly in the orbit of the Ministry of Agriculture) that are pivotal to promoting access to markets. By doing so, the project will contribute to creating an environment conducive for improving partnerships between organized producers and firms, as well as supporting the implementation of the subprojects.</p> <p>In particular, institutional strengthening of MAG and the National Institute of Indigenous Peoples (INDI) will be supported through, inter alia: (i) the carrying out of capacity building activities, studies and diagnosis and the provision of technical assistance to address key bottlenecks for the development of selected value chains, including, inter alia: the carrying out studies to identify constraints for expanding financial services to the agricultural sector, and to propose solutions for improving policy and regulatory framework reforms; (ii) the provision of support for the development and dissemination of new agricultural technologies and practices to increase competitiveness and enhance resiliency to climate change; (iii) the improvement, rehabilitation and/or construction of facilities and the acquisition of equipment and vehicles necessary for effective Project implementation and institutional development; (iv) the design and/or establishment and/or operation and/or improvement of supervision, monitoring, integrated</p>

		<p>management, agrometeorological and information systems, including, inter alia, the design and establishment of a system to improve interconnectivity among MAG's departments and decentralized agencies to enhance sharing of information and support planning and decision making; (v) the provision of support for improving productive inclusion opportunities for Indigenous Communities (including, inter alia, the provision of support for land tenure regularization); (vi) the provision of Scholarships in technical, graduate and post-graduate institutions and universities to increase their knowledge in modern and climate smart productive technologies and business administration; and (vii) the promotion of the coordination and the provision of support for the carrying out of joint activities with agencies of the agricultural sector related to Project implementation. (see Annex 2).</p>
Component 2	US\$57.1 million	<p>Component 2: Enhancing Market Access through Productive Alliances (Total cost US\$61.22 million; IBRD loan US\$57.1 million; Beneficiaries' Counterpart Funding US\$4.12 million).</p> <p>22. The objective of this component is to promote the development of organizations of small and medium-sized farmers and Indigenous Communities participating in "productive alliances". These Alliances will operate competitively in selected value chains, with strengthened and more reliable linkages with buyers and markets and increased capacity to manage climate risks. Project financing will support the implementation of competitive and climate-resilient investment subprojects for business investments and ventures established by Agricultural Producer Organizations and Indigenous Communities, agents and buyers. The component will help tackling the following constraints: (i) Limited aggregation of small and medium size agricultural producers and lack of coordination among stakeholders along the value chains; (ii) Low productivity and limited market integration; and (iii) Vulnerability to climate change and other weather events, together with low adaptive capacity of targeted stakeholders. For further details see Annex 2.</p> <p>23. The component will provide support for enhancing market access through promoting the development of Productive Alliances through, inter alia: (i) the carrying out of activities for the stimulation of access to financial services; (ii) the provision of Matching Grants for the implementation of Investment Subprojects by Agricultural Producer Organizations and Indigenous Communities ;and/or (iii) the acquisition of goods, the carrying out of works</p>

		<p>and the provision of services to support the implementation of Investment Subprojects. As key elements of these subprojects, the adoption of technologies and climate smart practices contributing to enhancing climate resilience and the expected adoption of these technologies will be prioritized when assessing the proposals for selection of the ones to be financed. In addition, this component will contribute to the project's net carbon balance through: (i) sequestration from afforestation and/or restoration of degraded areas and the transition from degraded lands to perennials (agro-forestry, orchards, gardens, tree crops, etc.); and (ii) through emission reductions from improved management of agro-forestry, livestock and improved cropping systems.</p>
Component 3	US\$9.27 million	<p>Component 3: Project Coordination, Management and Monitoring and Evaluation (Total Cost US\$10.16 million; IBRD loan US\$9.27 million; GoP Counterpart funding US\$0.89 million).</p> <p>24. This component will provide support to MAG for Project coordination, management, monitoring, evaluation and communication, including, inter alia: (i) the provision of support for inter-institutional coordination and Project administrative and fiduciary management; (ii) the carrying out of: (a) Project internal controls; (b) Project audits; (c) Investment Subprojects semi-annual audits; and (d) environmental and social risk management activities; (iii) the design and operationalization of a computerized management and monitoring information system for Investment Subprojects; (iv) the establishment and operation of a Technical Review Committee; (v) the implementation of a citizen engagement mechanism and a grievance redress mechanism; (vi) the monitoring and evaluation of results; (vii) the carrying out of Project-related studies, including mid-term review studies and the Project's final impact evaluation; (viii) the strengthening of cross-cutting areas within MAG; (ix) the design and implementation of a communication strategy, including, inter alia, the carrying out of campaigns to improve transparency and enhance dissemination of Project information, Project results and lessons learned; and (x) the provision of technical assistance to analyze and prepare potential interventions to facilitate access to markets.</p>

**Climate Change Co-benefits Section**

Provided:

Climate Change Action Plan (CCAP). The Project supports the implementation of the Corporate Climate Commitment. The following project investments are expected to generate climate cobenefits

: (i) increasing farmers understanding of climate change risks; (ii) enhance farmers' knowledge of the opportunities available for mitigation and adaptation and how to incorporate them in their productive process; (iii) reducing vulnerability of beneficiary farmers and communities to climate events by cofinancing the activities most appropriate for their situation; and (iv) incorporating mechanisms across the project for reducing substantially the carbon balance resulting from its implementation.

**Greenhouse Gas Accounting**

Provided:

Greenhouse Gas Accounting. The Project aims to maximize the likely co-benefits of interventions, including sustainable development co-benefits such as: (i) conservation of biodiversity; increased and enhanced provision of ecosystem services; (ii) improved and diversified livelihoods for local communities; and (iii) improved human and social capital. The project's impact on Greenhouse Gas was estimated by quantifying the net carbon balance with regard to CO<sub>2</sub>e, resulting from GHGs emitted or sequestered during the project implementation and capitalization period (20 years) compared to the without project scenario. The analysis estimated that project leads to estimated annual climate change mitigation benefits of 430,992 tCO<sub>2</sub>e, when compared to a business as usual baseline scenario. This is equivalent to annually reduced GHG emissions per hectare of 2 tCO<sub>2</sub>e. After 20 years, GHG mitigation benefits amounting to a reduction of 8,619,840 tCO<sub>2</sub>e will be generated. The GHG analysis is summarized in Annex 5.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.1	20.12	2/6	0	6.71	0	<p>Component 1 engages with Capacity Building and Institutional Strengthening.</p> <p>General context surrounding the project states: "Beneficiary Organizations and their members will enhance their income-generating capacity by becoming more engaged in business activities, in close coordination with the final buyers and able to respond more effectively to market changes, while incorporating more climate resilient technologies and approaches. In the long term the project will spark the creation of both on-farm and off-farms jobs and strengthen sectoral resilience, while contributing more significantly to creation of human capital and fostering economic development. Climate-smart approaches and</p>



					<p>investments directly supporting efficiency, adaptation and climate change adaptation and mitigation will be prioritized under all project components and activities.”</p> <p>Sub-component 1.1 will build the capacity of Agricultural Producer Organizations and Indigenous Communities. The main goal of this subcomponent is to help remove barriers that prevent potential beneficiaries, in particular organizations of farmers and communities of indigenous peoples, from taking advantage of investment opportunities.</p> <p>Generally, the climate co-benefits assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• The principal objective is not climate change adaptation or mitigation it is capacity building and institutional strengthening to enable market access with climate considerations mainstreamed within it.</li> <li>• Despite this, general project context states: “Climate-smart approaches and investments directly supporting efficiency, adaptation and climate change adaptation and mitigation will be prioritized under all project components and activities”, and that sub-prject selection processes will prioritise climate considerations.</li> </ul> <p>The sub-component is broken down into 6 activities, of which:</p> <ul style="list-style-type: none"> <li>• i, ii, iv, vi – are all partially adaptation relevant</li> </ul>
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						<ul style="list-style-type: none"> <li>None provide evidence of mitigation relevance.</li> </ul>
SC 1.2	13.26	3/7	1/7	3.315	0	<p>Sub-component 1.2 will fund institutional strengthening in the public sector. The sub-component “will focus on strengthening the institutions and systems of public sector agencies (mainly in the orbit of the Ministry of Agriculture) that are pivotal to promoting access to markets, including a risk management and sustainability perspective as well as a gender angle”.</p> <p>Documentation adds: “[The Ministry of Agriculture] and its dependent institutions need to improve their ability to support productive integration in strategic value chains, as well as finding ways to introduce and disseminate new technologies and practices to increase resilience to climate change.”</p> <p>Documentation breaks down the sub-component into 7 activities:</p> <ul style="list-style-type: none"> <li>3/7 activities are deemed to be adaptation relevant (ii, iv, vi)</li> <li>1/7 activities are deemed to be mitigation relevant (iii)</li> </ul>
C 2	57.1	1/3	0.5	19.03	28.55	<p>Component 2 will focus on Enhancing Market Access through Productive Alliances. The objective of this component is to promote the development of organizations of small and medium-sized farmers and Indigenous Communities participating in “productive alliances”. These Alliances will operate competitively in selected value chains, with strengthened and more reliable linkages with buyers and markets and</p>

					<p>increased capacity to manage climate risks.</p> <p>The component outlined 3 aims or motivations:</p> <ul style="list-style-type: none"> <li>• Limited aggregation of small and medium size agricultural producers and lack of coordination among stakeholders along the value chains;</li> <li>• (ii) Low productivity and limited market integration; and</li> <li>• (iii) Vulnerability to climate change and other weather events, together with low adaptive capacity of targeted stakeholders.</li> </ul> <p>1/3 motivations are deemed to be adaptation relevant, while none evidence mitigation relevance, documentation states:</p> <p>“In addition, this component will contribute to the project’s net carbon balance through: (i) sequestration from afforestation and/or restoration of degraded areas and the transition from degraded lands to perennials (agro-forestry, orchards, gardens, tree crops, etc.); and (ii) through emission reductions from improved management of agro-forestry, livestock and improved cropping systems.”</p> <p>The Component therefore qualifies under the Common Principles of Climate Change Mitigation Finance Tracking under the eligible activities: “Forestry or agroforestry projects that sequester carbon through sustainable forest management, avoided deforestation or avoided land degradation” and “Livestock projects</p>
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						that improve carbon sequestration through rangeland management” among others.  Because no granular information has been provided to disaggregate mitigation co-benefits from non-mitigation co-benefits, a coefficient of 0.5 has been applied to adhere to the principle of conservativeness.
C 3	9.27	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
25.8	29.055	12.6%	22.8	28.55	25.2%

Reported climate finance	Assessed climate finance	Error
48.6	57.605	18.5%

Project Number: P174116

<b>Project Name</b>
Mongolia Emergency Relief and Employment Support Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/815051592878000582/mongolia-emergency-relief-and-employment-support-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/815051592878000582/mongolia-emergency-relief-and-employment-support-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Credit
<b>Lowest level of granularity</b>
Component/Sub-component/Activity

<b>Climate Change Vulnerability Context</b>
Undetailed vulnerability context provided in the Environment and Social section, pages 33-34, paragraph 92.
<b>Intent to Address Vulnerability</b>
Provided in the Environment and Social section, pages 33-34, paragraph 92.
<b>Link to Project Activities</b>
None provided in the Project Components section, only a very weak and unevicenced set of links provided in the Environment and Social section, pages 33-34, paragraph 92.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 1. Supporting client-centric public employment services	US\$2.0 million	<p>34. Component 1 will address job-search constraints related to incomplete information and poor labor market transparency by supporting client-centric PES, which is particularly salient at times of crisis. The guiding principle for the component will be to empower job counselors to focus on clients— jobseekers and employers—and their core functions of finding the best possible jobs or employment opportunities for jobseekers and finding qualified pool of workers for employers. This will enable PES to be both more efficient and effective in achieving quality job placements which further attracts more employers and more and higher-skilled job listings. Efficient PES can enhance the speed and quality of the match between employers and job seekers, which should help accelerate the recovery from COVID-19- related employment crisis.</p> <p>35. This component will complement the initiatives under the MESP, as outlined in Table 1, by operating on two levels. First, it will continue supporting the comprehensive upgrading of the selected labor and social welfare offices. It will include the following activities: (a) development and implementation of the streamlined work organization based on the recommendations from the functional reviews; (b) a coordinated piloting and deployment of the LMIS (developed under the MESP) and of an ICT-based job-matching tool (developed under the Korean ODA) for better</p>

		<p>synergy; (c) physical upgrading of the GOLWS office to house the improved LMIS and facilitate streamlined work organizations and training facilities; and (d) capacity strengthening of PES through technical assistance and staff training. Second, complementary systemic measures will improve the efficiency and coverage of the PES in partnership with private employment services through: (a) a functional review of private employment services' service standards, work processes, and performance measurement; (b) improved links between public and private employment services through an expansion of shared job vacancy listings and other activities; and (c) a communication/outreach campaign to advertise upgraded services to the central target groups for the project, such as the youth and other vulnerable groups.</p> <p>36. To achieve these objectives, the component will finance consultants to support the functional review of private employment services; the deployment and implementation of streamlined work organization and service standards; the physical modernization of the GOLWS in the form of provision of furniture, promotional material and ICT equipment, and small-scale interior remodeling; a communication/outreach campaign; and training and capacity-building measures. All activities are based on international best practice that has demonstrated that integrated investments in human resources, physical sites, and technology in partnership with private providers is central to supporting client-centric PES.</p>
Component 2. Strengthening select active labor market programs	US\$6.5 million	<p>37. Component 2 will strengthen the design, relevance, and demand orientation of select active labor market programs. Based on international best practice and lessons from the implementation of the MESP, it will finance interventions to address the lack of labor demand, which have now further deteriorated due to the COVID-19 crisis, and necessary skills. It will have two subcomponents.</p>
Sub-component 2.1: Support for micro-entrepreneurs	US\$5.5 million	<p>38. Subcomponent 2.1 will support new opportunities for starting and growing a sustainable microenterprise through the provision of comprehensive financial and nonfinancial support. This component addresses two important constraints in the Mongolian labor market. First, it provides support to existing and new micro-entrepreneurs who are particularly vulnerable to the economic impacts of the COVID-19 crisis and face increasingly uncertain prospects in the labor market. Second, it addresses the chronic labor market constraint related to a lack of labor demand and specifically to the development of a productive microenterprise sector. Based on international and national evidence that providing a package of training and financing is most effective (especially for female micro-entrepreneurs), a range of nonfinancial services will be integrated with access to affordable finance.<sup>16</sup> This will also be a key differentiator compared to the type of support currently available in Mongolia. The subcomponent will finance: (a) a range of nonfinancial support services, including business skills and development training; specialist training modules; mentoring, peer-to-peer, and alumni networks; and market links to be delivered on a flexible basis to</p>

	<p>meet beneficiary needs; and (b) financial support in the form of microloans for new and existing microenterprises supplemented by interest rate relief during the COVID-19 crisis. This subcomponent will target equal participation of females through greater and focused outreach. This subcomponent will leverage the technical assistance activities such as capacity building for MLSP staff and training providers and support for outreach, screening, selection, and curriculum development which have been conducted under the MESP. The same implementation setup as in the MESP will be continued to provide services to more beneficiaries.</p> <p>39. As with the MESP, the program will be implemented in all nine districts of Ulaanbaatar and all 21 aimag centers. The program will be open to either jobseekers or microentrepreneurs with selection criteria balancing vulnerability and likelihood of benefiting from the program. Equal representation of genders will be targeted to address gender disparities in the labor market including in participation in micro-entrepreneurship. About 1,400 beneficiaries are expected to be supported through this component, with loan amounts of MNT 5 million to MNT 10 million (US\$1,800 to US\$3,500) per beneficiary.<sup>17</sup> A beneficiary selection system, based on points, will be documented in the EPF manual in a manner similar to the MESP.<sup>18</sup> The selection process and pre-loan training, designed to increase their business awareness, knowledge, and skills and to help them develop a viable business plan, will be managed by local labor and social welfare offices and local selection committees established according to the procedures outlined in the EPF manual. The selected candidates will then be referred to the participating financial institutions (PFIs) that will evaluate the creditworthiness of short-listed applicants and decide whether microloans can be supplied. Loans will be approved solely for business activities that are not in the negative list in terms of their environmental and social impacts. Successful candidates will be referred to the relevant post-loan nonfinancial support services provided within the project.</p> <p>40. As in the case of the MESP, financial support will be provided through PFIs in the form of microloans. PFIs will be selected by the MLSP under the provision of no-objection by the World Bank through open bidding among eligible financial institutions. After the COVID-19 pandemic effects end, loans from the MLSP to PFIs will be priced at a commercial rate at the low end of the commercial interest rate range and proposed on-lending rates from PFIs to beneficiaries will be a key factor in the bidding process. The rates paid by PFIs will signal and motivate good financial practice within the financial sector and help embed the project's lending mechanisms more sustainably post implementation. In a normal market setting, on-lending rates should be adequate to increase access to finance for beneficiaries, cover all relevant costs incurred by PFIs, and provide a profit margin adequate to encourage lenders to compete. To ensure credit access for the most vulnerable,</p>
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		<p>microloans will be supplemented by interest rate relief to the most vulnerable beneficiaries.</p> <p>41. To ensure access to credit and to provide relief to beneficiaries during the exogenous shock created by COVID-19, a lower subsidized interest rate will be made available for the duration of the crisis. The subsidized rate and the duration of the subsidy will be determined by the MLSP based on the extent of the COVID-19-related crisis and prevailing relief measures in the country and will be subject to no objection from the World Bank. Such a subsidized rate will, at the minimum, cover the lowest cost of capital. The MLSP will need to ensure that the subsidy is translated into proportionately lower on-lending rates for the beneficiaries and will apply for the same period as subsidized interest rate for the PFIs.<sup>19</sup></p> <p>42. Detailed implementation arrangements for this subcomponent and relevant World Bank policies on financial intermediary financing are described in annex 1. Compliance review on financial intermediary financing (OP10.00 [Investment Project Financing]) is presented in annex 2.</p>
Sub-component 2.2: Skills innovation program	US\$1.0 million	<p>43. Subcomponent 2.2 will provide an opportunity to the MLSP to flexibly pilot innovative active labor market programs designed to impart skills valued by the labor market. The interventions to be piloted under the skills innovation program will be agreed upon with the World Bank and will need to: (a) have rigorous evidence (international) demonstrating its impact on key employment outcomes; (b) not replicate an existing government program; (c) be feasible to implement in the local context; (d) be implemented using a rigorous impact evaluation design; and (e) be a program that the MLSP intends to scale up as one of the key active labor market programs after the project ends. This subcomponent will be managed directly by the Project Implementation Unit (PIU) and will serve as a 'proof of concept' for the effectiveness of the intervention piloted under the skills innovation program. This subcomponent can build upon some of the activities conducted under the MESP, such as development of a socio-emotional skills curriculum. The project can finance necessary consultancies to implement and conduct the pilot.</p>
Component 3. Facilitating labor market monitoring and analysis and project management	US\$1.5 million	<p>44. Component 3 will enhance the scope, quality, and availability of labor market information for institutional and individual users, to allow them to make informed decisions. In addition, it will provide support for M&amp;E and project management. It will consist of two subcomponents.</p>
Sub-component 3.1: Labor market	US\$0.5 million	<p>45. More complete and widely available labor market information will address job-search constraints related to incomplete information, by guiding job-search and skills-preparation processes of job seekers and students making career choices and directing policy makers in the</p>



monitoring and analysis		evidence-based reform of education and labor programs. Subcomponent 3.1 will continue to complement the activities conducted under the MESP to improve the scope, quality, and availability of labor market information. In conjunction with the MESP, this subcomponent will conduct the following labor market monitoring and analysis: (a) impact evaluation of the skill innovation program pilot implemented under Subcomponent 2.2; (b) complete the study on unemployment initiated under the MESP; and (c) extend the Barometer survey to study the occupational structure and skills demand. The subcomponent will finance consultant support for the impact evaluation, a study on unemployment, and a skills demand study, dissemination activities, and fieldwork required for the impact evaluation. The subcomponent will also provide technical support and incremental financing to support extension of the Barometer skills demand survey.
Sub-component 3.2: Project management and monitoring	US\$1.0	46. Subcomponent 3.2 will provide day-to-day implementation and operational support to the MLSP and the PIU established therein to efficiently implement the project. This will include the support of M&E activities and the financing of the PIU's coordination and management activities.
Component 4. Providing temporary relief to eligible workers in response to COVID-19	US\$10.00 million	<p>47. Component 4 will provide temporary relief to eligible workers in response to COVID-19. The liability of paying monthly SI contribution presents an undue financial burden for employers and workers at the times of crisis, contributing to higher job loss and business shutdowns. The Parliament of Mongolia has enacted a law that provides a legal framework for SI contribution exemption for eligible workers under the mandatory and voluntary SI schemes. The exemption, effectively a contribution subsidy to eligible employers and employees, exerts a fiscal pressure on the SIF that has to pay out the recurrent set of benefits. The component therefore transfers funds to the SIF to partially compensate it for the subsidy and support the SIF's ability to timely pay short-term benefits such as unemployment benefits during the crisis and to contribute to ensuring its financial sustainability in the longer-term. This component provides SI contribution relief for eligible employers and their workers under the mandatory SI scheme. The same exemption for workers under the voluntary scheme is being supported under the MESP.</p> <p>48. The eligibility criteria for employers are determined by the 'Law on Exemptions for SI contribution and Assistance from Unemployment Insurance Fund,' 20 and the implementation arrangements are established by government procedure.<sup>21</sup> Workers in the public sector, as well as those working in publicly funded entities, are ineligible. Eligible employers are those who are adversely affected by the COVID-19 crisis as determined by SIGO and its local branches in accordance with the law and related procedures. Since a full coverage of the expected number of beneficiaries for six months is beyond the resource envelope of the project, the project will support as many beneficiaries as possible for a duration of one month. Project aims/districts for this component will</p>

		be selected based on the most recent estimate of poverty rate, level of contribution, expected number of potential beneficiaries, and budget. All legally defined eligible workers and employees in the selected aimags and districts will be the beneficiaries of this component.
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Climate Change Co-benefits section
Not provided:
<p>Additional climate-relevant information from documentation: “92. Although the climate-related risk to the outcome of the project is low, the project seeks to help reduce climate change vulnerability from the extreme weather and climate-related disasters. Mongolia has high fluctuations of temperature that varies dramatically throughout the year and low precipitation that some regions do not have rainfall at all. Historically, maximum temperatures have peaked at around 24°C in July, while January minimum temperatures drop to around -28°C. Annual precipitation rarely exceeds 400 mm and is often much lower in the south and central desert and steppe regions.<sup>36</sup> Droughts and dzuds (extremely harsh winters) are a recurring natural hazard that results in negative consequences on their economy and contributes to urban migration.<sup>37</sup> Climate change is expected to exacerbate such extreme weather events including droughts, flash-floods, and dzuds.<sup>38</sup> The project direct beneficiaries are vulnerable to these shocks which usually create a negative impact on their livelihood. For instance, it is more challenging for the jobseekers to make an informed-decision on job-taking or seasonal migration and for the micro-entrepreneurs to maintain their small businesses under extremely weather. The project will take the climate factors into consideration in providing services through the PES (Component 1) and for selected micro-entrepreneurs (Component 2). The capacity-building activities will raise awareness among the jobseekers and micro-entrepreneurs of climate-related knowledge and climate-smart technologies. The contribution to the SIF will also support the eligible workers build resilience to climate related shocks as well as COVID-19. The emergency support (Component 4) will help them build savings and diversify the coping strategies. These measures will enhance the capacity of targeted beneficiaries to prepare for and cope with the climate-related disasters and emergencies.”</p>

Greenhouse Gas Accounting
None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C 1	2.0	0	0	0	0	<p>Paragraph 92 states that “The project will take the climate factors into consideration in providing services through the PES (Component 1)”. There is no evidence to further this statement provided in the Project Components section.</p> <p>The primary objective of Component 1 is “address job-search constraints related to</p>

						<p>incomplete information and poor labor market transparency”.</p> <p>The link between the activities undertaken and the vulnerability context is therefore extremely weak. In the absence of incremental costs of adaptation, or more granular information regarding adaptation co-benefits, no adaptation coefficient has been applied to follow the principle of conservativeness.</p> <p>No evidence of mitigation relevance.</p>
SC 2.1	5.5	0	0	0	0	<p>Paragraph 92 states that “The project will take the climate factors into consideration... for selected micro-entrepreneurs (Component 2)”. There is no evidence to further this statement provided in the Project Components section.</p> <p>The primary objective of Sub-component 2.1 is “support new opportunities for starting and growing a sustainable microenterprise through the provision of comprehensive financial and nonfinancial support”. Documentation adds: “The subcomponent will finance: (a) a range of nonfinancial support services, including business skills and development training; specialist training modules; mentoring, peer-to-peer, and alumni networks; and market links to be delivered on a flexible basis to meet beneficiary needs; and (b) financial support in the form of microloans for new and existing microenterprises supplemented by interest rate relief during the COVID-19 crisis.”</p> <p>The link between the activities undertaken and the vulnerability context is therefore extremely weak. In the absence of incremental costs of adaptation, or more granular information regarding adaptation co-benefits, no adaptation coefficient has been applied to follow the principle of conservativeness.</p> <p>No evidence of mitigation relevance.</p>
SC 2.2	1.0	0	0	0	0	<p>Paragraph 92 states that “The project will take the climate factors into</p>

						<p>consideration... for selected micro-entrepreneurs (Component 2)". There is no evidence to further this statement provided in the Project Components section.</p> <p>The primary objective of Sub-component 2.2 is "provide an opportunity to the MLSP to flexibly pilot innovative active labor market programs designed to impart skills valued by the labor market".</p> <p>The link between the activities undertaken and the vulnerability context is therefore extremely weak. In the absence of incremental costs of adaptation, or more granular information regarding adaptation co-benefits, no adaptation coefficient has been applied to follow the principle of conservativeness.</p> <p>No evidence of mitigation relevance.</p>
SC 3.1	0.5	0	0	0	0	<p>Paragraph 92 does not state that Component 3 will address the vulnerability context. There is no evidence in the Project Components section to suggest the component is climate relevant. There is therefore no link between the activities undertaken and the vulnerability and no adaptation co-benefits can be counted.</p> <p>No evidence of mitigation relevance.</p>
SC 3.2	1.0	0	0	0	0	<p>Paragraph 92 does not state that Component 3 will address the vulnerability context. There is no evidence in the Project Components section to suggest the component is climate relevant. There is therefore no link between the activities undertaken and the vulnerability and no adaptation co-benefits can be counted.</p> <p>No evidence of mitigation relevance.</p>
C 4	10.0	0	0	0	0	<p>Paragraph 92 states that "The emergency support (Component 4) will help [beneficiaries] build savings and diversify the coping strategies". Adding "These measures will enhance the capacity of targeted beneficiaries to prepare for and cope with the climate-related disasters and emergencies". However, there is no</p>

					<p>evidence to further this statement provided in the Project Components section.</p> <p>The primary objective of Component 4 is to “provide temporary relief to eligible workers in response to COVID-19”.</p> <p>The link between the activities undertaken and the vulnerability context is therefore extremely weak. In the absence of incremental costs of adaptation, or more granular information regarding adaptation co-benefits, no adaptation coefficient has been applied to follow the principle of conservativeness.</p> <p>No evidence of mitigation relevance.</p>
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Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
0.3	0	100%	0	0	0%

Reported climate finance	Assessed climate finance	Error
0.3	0	100%

Project Number: P167665

<b>Project Name</b>	Montenegro Second Fiscal and Financial Sector Resilience PBG
<b>Project Document URL</b>	<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/537111588584900112/montenegro-second-fiscal-and-financial-sector-resilience-policy-based-guarantees-program">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/537111588584900112/montenegro-second-fiscal-and-financial-sector-resilience-policy-based-guarantees-program</a>
<b>Financing Instrument</b>	Development Policy Financing
<b>Financial product</b>	Loan
<b>Lowest level of granularity</b>	Prior Action

<b>Climate Change Vulnerability Context</b>	Provided in the Prior Actions, Results and Analytical Underpinnings section, pages 25-26, paragraphs 55-58.
<b>Intent to Address Vulnerability</b>	Provided in the Prior Actions, Results and Analytical Underpinnings section, pages 25-26, paragraphs 55-58.
<b>Link to Project Activities</b>	Provided in the Prior Actions, Results and Analytical Underpinnings section, pages 25-26, paragraphs 55-58.
<b>Incremental Cost?</b>	None provided.

Name	Value	Description
Pillar 1: Strengthening Fiscal Sustainability		The policy measures supported by this programmatic PBG series are estimated to have reduced the fiscal deficit as a share of GDP by about 2.7 percentage points in the period 2017-20 (Table 7). The PBG1 was designed to include measures in direct support of the fiscal adjustment effort, while the PBG2 was designed to improve the efficiency of public finances to sustain these gains and mitigate fiscal risks in the medium term. Specifically, PBG1-supported measures helped reduce the fiscal deficit as a share of GDP, including an increase in the VAT rate from 19 to 21 percent with an estimated 1 percentage point (pp) reduction of the fiscal deficit, an increase in excises on coal, sugary drinks, and tobacco (0.2pp), and the abolishment of mother benefits (0.5pp). Moreover, together with the public sector wage reduction, the PBG2-supported measure to contain public sector staffing is estimated to reduce the fiscal deficit by an additional 1pp. The PBG1 initially projected a more ambitious improvement of the fiscal balance over the medium-term with a primary fiscal surplus of 4.5 percent of GDP in 2020, following the government's medium-term fiscal projections at the time. The authorities are still expected to achieve a primary fiscal surplus in 2020 but the size is reduced to 0.3 percent. The difference is due to higher projected

	<p>current spending (3.6pp higher), primarily due to higher current transfers (2.8pp) and a higher than initially planned wage bill (0.7pp). The higher transfers have been allocated to state owned companies and the health sector. The higher wage bill is due to slower than initially projected public sector downsizing and recent wage increases for teachers and physicians. The PBG2 program includes measures to mitigate spending pressures in the health sector and to control the public sector wage bill.</p> <p>30. The reforms in this pillar support the ongoing fiscal consolidation and increase the efficiency of public spending. The implementation of the Optimization Plan contains the number of public employees which is projected to reduce the share of the wage bill in GDP and thus improve the fiscal balance as a share of GDP by 1 percentage point from 2018-21. The implementation of centralized procurement and the containment of pharmaceutical spending due to the adoption of clinical protocols are further expected to contain current public spending. The strengthening of state institutions—tax administration and of public finance management—will 17 contribute to the raise in tax revenues and more efficient public spending in the medium-term. The reforms will further help addressing medium-term risks for higher public spending by improving labor market flexibility to bring more people into formal private sector jobs that pay social security and regulating and mitigating the spending risks from climate change. These measures help support the permanent reduction in expenditures in these categories.</p>
PA 1	<p>Prior Action #1: Improvement of revenue collection and reduction in tax informality by introducing electronic fiscalization of cash and non-cash transactions.</p> <p>31. Rationale. Strengthening the tax administration to improve the collection of revenues and tax compliance is an important component of the ongoing gradual fiscal consolidation and is critical to sustain the fiscal gains in the medium-term. The introduction of e-fiscalization is fundamental to modernize and reinforce Montenegro’s tax administration. It is expected to contribute to the raise in tax revenues, lower the VAT gap, reduce the tax compliance costs for firms, and level the playing field by reducing rivalry from the informal economy. VAT revenues account for more than 13 percent of GDP in 2018 and are the most important revenue source in Montenegro. Tourism and transport are backbones of the Montenegrin economy, but revenue collection is complex in these sectors given the many small-scale transactions which are costly to capture for tax authorities. While Montenegro’s rate of VAT collection is estimated to be relatively high, the collection and integration of transaction and income data by the tax administration is still at an early stage. So far, fiscal registers have been used to capture transactions, but the system offers limited benefits for tax collection since most firms that choose not to issue receipts or issue false receipts face low risks of being sanctioned. In addition, the current system has severe loopholes since a registry of fiscal registers is not updated regularly (it is estimated that some 17,000 to 34,000 registers are in use).</p>

	<p>The introduction of e-fiscalization allows for the automatic registration of every fiscal receipt by the tax administration which has increased tax compliance, accuracy of tax records, and tax revenues in other countries. 15</p> <p>32. Policy reform. The Law on Fiscalization in the Trade of Products and Services published in the Official Gazette of Montenegro No. 46/2019 was enacted in Parliament in August 2019 and provides the legal basis to introduce the real-time transfer of turnover data from payment devices and accounting systems of taxpayers to tax administration servers. In other words, the law enables the immediate, fully automated registration of every fiscal receipt by the tax administration, preventing firms from avoiding or manipulating fiscal receipts. Throughout the preparation of the law, the authorities followed a clear communication strategy and engaged with all affected stakeholders to address initial implementation and cost concerns expressed by the employers' association. A feasibility study for the e-fiscalization initiated by the World Bank Revenue Administration Reform Project confirmed the readiness of the technical implementation requirements—the software enabling the data transfer, an internet connection, and a digital certificate. The e-fiscalization law prescribes the type of data to be submitted to the tax authority while the equipment to transfer the data is selected by firms. The authorities will draft a rulebook to further define the implementation details of the electronic fiscalization. The e-fiscalization system is planned to be launched with a testing phase in 2020 and a full implementation in January 2021. To realize the full benefit of e-fiscalization, the tax administration is further aiming to develop an integrated revenue management system, connecting the large turnover transaction information to individual tax payer data which will further strengthen tax enforcement. The implementation of the e-fiscalization system and development of an integrated revenue management system, are supported by an ongoing World Bank revenue administration project.</p> <p>33. Expected results. The reform is expected to increase revenues from the VAT and excises as a share of GDP from a baseline of 12.7 percent and 4.6 percent in 2016 to 13.7 percent and 4.8 percent in 2020, respectively. The revenue effects are predicted to increase over the medium-term when the tax administration is becoming more efficient in utilizing the large inflow of data to enforce overall tax compliance. The results indicator has been amended from the PBG1 which considered that overall "tax revenues as a share of GDP increased from 37.3 percent in 2016 to 38.5 in 2020". The revised indicator still considers a revenue increase of 1.2 percentage points of GDP but is more precise since the supported reforms only affect the collection of the VAT and excises.</p>
PA 2	<p>Prior Action #2: Strengthening of public finance management by (i) advancing the implementation of accrual accounting as basis of financial reporting and (ii) reinforcing the prioritization, selection, appraisal, and evaluation of public capital investment.</p>



	<p>34. Rationale. Improving the quality and comprehensiveness of financial information to capture non-cash items is critical to increase the efficiency of public spending. So far, Montenegro has accounted for public funds on a cash basis which captures incoming revenues and outgoing expenditures but provides limited information on the stock of public assets and liabilities. The incomplete information resulted in shortcomings in fiscal reporting, planning, and transparency. The transition to the accrual basis of financial reporting provides the government with accurate data on its assets and outstanding liabilities and thus contributes to improved management of public resources and reliability of budget planning. Moreover, capital budgeting was characterized by low execution rates and sub-optimal management of capital projects. The lack of adequate technical preparations, feasibility studies, or other implementation obstacles, for example, resulted in inadequate selection and delays in the implementation of projects. The new capital budgeting framework helps develop a pipeline of high-return, implementable capital projects that are aligned with government priorities. It ensures that high-return and technically feasible capital projects are selected and implemented, increasing the transparency of capital spending and enabling a more efficient use of public funds.</p> <p>35. Policy reform. The Law on Public Sector Accounting published in the Official Gazette of Montenegro No. 66/2019 provides the framework to transition from cash to accrual accounting. It provides a roadmap for the introduction of accrual accounting and financial reporting with clear and time-bound milestones. This includes a sequence for the introduction of individual accrual standards for financial reporting, plans to adopt IT infrastructure, and training programs. The law introduces the requirement to apply accrual accounting, defines accounting standards and policies to be applied, and specifies forms and audits of financial statements. In line with good international practice, the law refers to by-laws which will further define the regulatory framework such as prescribing in more detail financial reporting standards, the forms of reporting, chart of accounts, the asset registry, etc. The Decision on Capital Budgeting No. 57/2018 further provides an adequate legislative framework that sets the ground for improved management of public investments. Apart from general provisions in the Law on Budget and Fiscal Responsibility, it is the principal legislative act which regulates all stages of the public investment management cycle. The implementation of the Decision has thus a significant impact on all stages of the process; it is expected to improve the format of the application for financing, elements of investment project proposals, criteria for selection, process of prioritization, and implementation reporting.</p> <p>36. Expected results. Together with the strengthening of medium-term budgeting under the PBG1, the reforms under this prior action are expected to result in an adopted annual budget that includes a medium-term budget and clear program objectives and indicators in 2020. In addition, the capital budget execution rate is expected to improve from a baseline of 23 percent in 2016 to 75 percent in 2020. The results indicator has been amended from</p>
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	<p>the PBG1 which considered that “the PEFA assessment score related to multi-year budget perspective from C+ in the 2013 PEFA assessment to B in the 2019 PEFA”. The indicator was revised since the PEFA methodology has been changed in 2016 which preventing a meaningful comparison with the previous PEFA scores.</p>
PA 3	<p>Prior Action #3: Reduction of inefficiencies in general government staffing by (i) launching the time-bound public-sector staff optimization plan, (ii) adopting a decree on severance pay in case of consensual termination of employment, and (iii) launching the implementation of a central government payroll module integrated with the central personnel records.</p> <p>37. This prior action has been strengthened relative to the initial trigger by including the adoption of a decree on severance pay for the consensual termination of employment. The decree supports the government’s voluntary separation program which is, in addition to the imposed hiring freeze, the second key milestone in the implementation of the optimization plan. The prior action was thus modified from the following indicative trigger: “The Member Country has (i) begun implementation of a central government payroll module that shall be integrated with the central personnel records; and (ii) adopted the time-bound public-sector staff optimization plan and launched its implementation to reduce the employees at the general government level.”</p> <p>38. Rationale. Reducing Montenegro’s unusually high public sector wage bill by containing the large public sector staffing is critical to boost public spending efficiency and is a cornerstone of the ongoing gradual fiscal consolidation program. Current spending burdens Montenegro’s budget and is dominated by public wages and social benefits. Prior to the launch of the public sector optimization plan, Montenegro had an unusually high public sector wage bill of 11.8 percent of GDP in 2017 which is the highest in the Western Balkans and significantly higher than in most middle-income countries. The large wage bill is driven by public sector employment which accounted for as much as one-third of total employment in 2017. As part of the Public Administration Reform, the government adopted the Public Administration Optimization Plan in 2018 to reduce redundancies and modernize the public sector. The plan thus aims to contain public sector employment while preserving the functioning of the public administration to achieve quality public services and to meet the professional requirements of the EU accession process.</p> <p>39. Policy reform. The Decision to adopt the Public Administration Optimization Plan No 07-3481 was adopted by the government on July 6, 2018.<sup>16</sup> The Plan covers 2018-20 and includes short and medium-term measures to control public sector employment (including local but excluding central government state owned enterprises). The plan sets the ambitious target of reducing the total number of central and local government employees, including municipal state owned enterprises, from 51,486 in 2017 to 48,303 by 2020, a reduction of 6 percent. <sup>17</sup> The implementation is</p>

	<p>supervised by the working team in the Prime Minister’s cabinet, while the implementation support is provided by the Ministry of Public Administration, the UNDP, and EU consultants. The control of employment at the local government level is more difficult given the absence of a comprehensive employment register for municipal employees; the UNDP provides technical assistance to support the data collection and optimization at the local government level. With the adoption of the Optimization Plan, the government imposed a hiring freeze 18 and abstained from the renewal of fixed term contracts.</p> <p>40. To further advance with the implementation, the government initiated a voluntary separation program in July 2019 by adopting the Decree on Severance Pay in case of Consensual Termination of Employment No. 41/2019. 19 The program was accompanied by a carefully designed communication strategy. The heads of public sector bodies, institutions, and companies will decide on each request received on a case-by-case basis to ensure that non-dispensable staff is maintained to minimize adverse selection effects and maintain the functionality of their operation. The voluntary separation program is expected to result in the termination of about 1,000 employment contracts (2 percent of total staffing), of which 80 percent are in the central government.20 The average age of the affected employee is 59 years and the average severance package costs EUR11,000 (12 months of salaries). The impact of the Optimization Plan has been partly counterweighed, however, by significant central government hiring in the first six month of 2018. Taking this into account, the general government staffing since 2017 is expected to decline only slightly once the voluntary separation phase is completed. 21 Moving forward, the government aims to further remove redundancies by reducing the number of agencies and overlapping managerial and administrative posts. Moreover, the government started the implementation of a central government payroll module to strengthen human resource planning and safeguard the results of the Optimization Plan for the medium-term. The module will introduce an automated employee payroll calculation module linked to employee records which will enable the government to improve payroll accuracy, discontinue pay for absent workers, and establish effective controls.</p> <p>41. Expected results. The reforms supported by the PBG1 and PBG2 operations are expected to reduce the share of the public sector wage bill in GDP by at least 1.2 percentage points, from 12.2 percent in 2016 to less than 11 percent in 2020. By end-2019, the wage bill is projected to have declined to 11.2 percent of GDP.</p>
PA 4	<p>Prior Action 4: Containment of public pharmaceutical spending by adopting clinical protocols and pharmacotherapeutic guidelines to rationalize the use of expensive drugs.</p> <p>42. The prior action has been amended relative to the initial trigger which also foresaw the adoption of a rulebook on health technology assessments since such a rulebook was already in place. The existing rulebook provides a</p>

	<p>tool to score medicines against defined health technology assessment criteria which facilitates the implementation of the clinical protocols in daily clinical practices. The prior action was thus modified from the following indicative trigger: “The Member Country has developed clinical protocols and pharmacotherapeutic guidelines in order to rationalize prescriptions and the use of expensive drugs, as well as has adopted the Rulebook on health technology assessments as a tool to support decision-making about reimbursements.”</p> <p>43. Rationale. Pharmaceuticals are a major driver of public health expenditures. The annual public spending on pharmaceutical has been increasing in recent years. In 2018, public pharmaceutical spending accounted for EUR61 million (1.3 percent of GDP), an increase of 15 percent compared to 2017 and 29 percent compared to 2016. The higher spending has primarily been driven by expenditure on primary care medicines which increase by 40 percent from 2016- 18. One of the main drivers of the higher costs has been the introduction of a modernized List of Medicines supported by the PBG1. The new list has substantially improved the access to treatment for a wide variety of conditions. Specifically, about 80 new International Nonproprietary Names of medicines were added to the new List of Medicines to extend the coverage of innovative medicines and bring it closer to regional benchmarks. At the same time, the government adopted measures to reduce costs by introducing Managed Entry Agreements for high-cost medicines and removing restrictions on private pharmacies to distribute drugs to stimulate market competition. The reforms led to a reduction in unit prices for drugs included in the new list. The improved access to modern medicine, however, has also led to a rise in prescriptions of the more expensive drugs— the number of prescriptions issued by primary care physicians has grown by about 20 percent from 2016-18 and the value of the average prescription has increased. The adoption of clinical protocols and pharmacotherapeutic guidelines is an effective measure to control the increase in prescriptions of these drugs and thus contain pharmaceutical spending. The Clinical Center of Montenegro, for example, applied new guidelines for the use of antibiotics and immunoglobulins which led to more rational prescriptions, reducing the annual spending on these drugs by 29 and 35 percent.</p> <p>44. Policy reform. Measures to support rational prescription of medicines are key for containing pharmaceutical expenditures. In May 2019, the Ministry of Health (MoH) approved the National Good Clinical Practice Guidelines which include 17 clinical protocols 22 with costeffective pharmacotherapeutic guidelines to rationalize the prescription and the use of expensive drugs. These protocols include only medicines listed in the List of Medicines to motivate physicians to prescribe drugs that are reimbursed by Health Insurance Fund (HIF). The clinical protocols enforce the prescribing restrictions defined in the List of Medicines. They determine which patients under which clinical circumstances are entitled to publicly financed therapies using the more expensive medicines. To ensure that the prescribing</p>
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	<p>guidelines in the clinical protocols are fully implemented in daily clinical practices, the MoH is establishing in partnership with the UNDP an integrated health information management system in the Clinical Centre of Montenegro which facilitates the monitoring of prescriptions and drug use. Moreover, the MoH in partnership with the WHO has started a pilot testing of an automated prescription software in the Podgorica Primary Health Care Center and 5 additional primary care units in June 2019. The software supports physicians in using rational prescribing practices and reduces inappropriate prescribing of expensive drugs in line with the adopted clinical protocols.</p> <p>45. Expected results. The reforms supported by the PBG1 and PBG2 operations are projected to reduce pharmaceutical spending from 1.4 percent of GDP in 2016 to 1.3 percent of GDP or less in 2020. As an intermediary result, the government is expected to complete a pilot by 2020 for the use of a new software that implements clinical protocols for primary care by automating cost-effective drug prescriptions. The results of the pilot will be used to extend the use of the automated prescribing software to all primary health care centers in Montenegro and to other prescribing guidelines. The results indicator has strengthened by adding the completion of the pilot phase for the automated prescribing software.</p>
PA 5	<p>Prior Action #5: Increase in the flexibility of labor markets by (i) extending the maximum length of fixed-term contracts from 24 to 36 months, (ii) streamlining dismissal procedures, and (iii) removing severance payments for job durations below 18 months with the same employer.</p> <p>47. The prior action has been strengthened relative to the initial trigger. The new labor law has been modified to also increase the flexibility of dismissals by streamlining dismissal procedures and removing severance payment for shorter job tenures which is expected to reduce hiring costs in the formal sector. Before, Montenegro had a prohibitive system of restrictions to lay off workers which implied high costs for firms to dismiss formal workers. The high dismissal costs discouraged firms from hiring new employees through formal employment contracts when economic conditions improve, or new business opportunities arise. The modification of the new labor law to increase the flexibility of both, hiring and dismissals, is thus a critical deepening of the labor market reform to promote formal sector job creation and inclusion of under-represented populations in formal employment, such as youth and women. The prior action was thus modified from the following indicative trigger: "To increase hiring flexibility and decrease informality the Member Country has amended the Labor Law to (i) extend the maximum length of fixed-term contracts from 24 to 36 months, and (ii) an employment contract shall be concluded prior to commencement of work, in a written form."</p> <p>48. Rationale. Despite improvements in labor market indicators in the last 5 years, labor force participation is low, implying that more than half of those of working-age in Montenegro are out of a job. Female labor force</p>

	<p>participation was 17 points lower than male in 2016 and the female employment rate was 39.4 percent, compared with 50.5 percent for men. Among those with a job, informal employment is estimated to be high (20-30 percent of total employment). This underutilization of human capital reduces the tax base for income taxes and social security contributions and negatively affects labor productivity. In the recent 2019 Enterprise Survey<sup>23</sup>, firms cite the practices of the informal sector and tax rates as their biggest obstacles for business. In an IPSOS survey from 2014,<sup>24</sup> representatives of the business sector mentioned high taxes and contributions and high severance payments as two of the main obstacles for labor formality. <sup>25</sup> Prior to the reform, labor regulation was very rigid. According to the OECD employment protection legislation (EPL) index, Montenegro had the most protective employment regulation for regular contracts among Central and Eastern European countries after taking into account the regulation of disciplinary and dismissals procedures in the general collective agreement that are binding for all private sector employers. <sup>26</sup> This has discouraged hiring under typically better paid, more secure, and more productive regular contract jobs, especially for groups of the population that are more at risk of not being employed such as youth and women. <sup>27</sup> The reform supported by this operation reduces the strong rigidity in employment protection legislation; the index for regular contracts improves by one-third to about the average among Central and Eastern European countries.</p> <p>49. Policy reform. The Labor Law published in the Official Gazette of Montenegro No. 74/2019 is fully harmonized with EU legislation. It addresses specific sources of rigidity and costs that reduce labor market participation and provide incentives for informal employment, especially among women and other groups on the fringe of formal employment. The specific measures supported in this prior action go in the direction of increasing flexibility and fostering formality. Streamlining disciplinary and firing procedures by simplifying them and eliminating them from the General Collective Agreement significantly improves labor market flexibility. In addition, high value of severance payments at low tenures negatively affects the incentives to formally employ individuals, especially at low wages. Eliminating access to severance payments for tenures lower than 18 months would improve the inclusion in the formal sector and mobility of low wage workers. The reform is practically equivalent to introducing an 18-months work probation period which reduces the risks for firms to hire permanent workers. In contrast, regulations for temporary contracts are more flexible in Montenegro and they are more widely used than in other countries in the region. Extending the maximum time for temporary, fixed term contracts from 24 to 36 months would further improve hiring flexibility and foster formality. The increase in hiring flexibility of temporary workers disproportionately benefits women seeking formal jobs.</p> <p>50. Expected results. The reforms supported by the PBG1 (abolishment of lifetime benefits for mothers) and PBG2 operations are expected to reduce pension and social benefit transfers as a share of GDP from 12.9 percent in</p>
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	<p>2016 to 11.2% in 2020, and to increase the female employment rate by 5 percent from a baseline of 39.4 percent in 2016 to a target rate of 41.5 percent in 2020. The reform is estimated to significantly improve Montenegro’s labor market flexibility index for regular contracts as measured by the OECD EPL indicator, bringing Montenegro close to the average among Central and Eastern European countries. In the medium- to long-term, the higher labor market flexibility further raises employment by stimulating labor force participation and the creation of new formal jobs and thus contributes to a reduction in labor informality of disadvantaged groups.</p>
PA 6	<p>Prior Action #6: Increase in the transparency and efficiency of public procurement by introducing centralized procurement for standard goods and services.</p> <p>51. Rationale. Centralized procurement leads to larger volume purchases, leveraging higher demand, more competition for bids, and thus lower prices paid by the government. In 2017, public procurement accounted for 12 percent of GDP or 26 percent of total public spending. Before the reform, procurement for standard goods and services was fragmented among 33 contracting authorities, leading to a large overlap and significant price variations in procuring the same goods and services separately by different ministries. As a result, there is a low intensity of competition— the average number of bids per tender was only 2.65 in 2017, substantially below the average number in the region (Albania, for example has 4.7 bids per services tender, 5.2 for supplies, and 6.1 for works). The introduction of centralized procurement leverages larger volume purchases and higher demand, allowing the government to increase the efficiency of spending by exploiting economies of scale. The establishment of the central purchasing unit further reduces the administrative costs.</p> <p>52. Policy reform. The adoption of the decree on centralized procurement in October 2017, supported by the PBG1, assigned the centralized procurement function to the Department of Property starting January 1, 2018 which received technical support from the OECD and the World Bank. The Amendment of the Decree on Centralization of Public Procurement No. 1499 standardized procurement categories and streamlined the procedures for the centralized purchasing of the 10 most commonly acquired goods and services for the contracting authorities of 33 government bodies. The product categories include furniture, telecommunications, office stationary, fuel, insurance of vehicles, insurance of employed persons, insurance of property, cars and vehicles, sanitation, and IT supplies. The adopted centralization model extract only the tendering process from the contracting authorities. Other important steps of procurement cycle remain with the contracting authorities such as preparation of procurement plans, the scope of works, and the allocation of funds.</p> <p>53. The decision was fully implemented with the conclusion of centralized public procurement contracts for all 10 goods and services in 2019. The Department of Property initiated centralized procedures for all 10 goods and</p>

	<p>services in 2018. Centralized procurement contracts have been successfully awarded 6 out of the 10 categories by the end of that year. The total value of contracts concluded in 2018 is EUR8.3 million. The contracts for IT supplies, furniture, property insurance, and office supplies were initially delayed due to appeals from participant bidders which obligates the State Commission for the Public Procurement Review to reassess the initial procedure. Centralized contracts were concluded for all product categories in 2019 with successive centralized contracts awards for some categories. The applied procurement methods are open competitive procedures or multiyear framework agreements.<sup>28</sup> Montenegro also adopted a new procurement law in September 2019 that harmonized the legislation with the EU directives. The new law strengthens the centralized procurement body and further facilitates e-procurement which simplifies centralized procurement procedures.</p> <p>54. Expected results. The introduction of centralized procurement is expected to augment the average number of bids per tender by one-third, from a baseline of 2.2 in 2016 to 3 in 2020. The results indicator has been amended from the PBG1 which considered that “spending on items procured centrally reduced from 0.6 percent of GDP in 2016 to 0.5 of GDP in 2019”. The results indicator was revised since total procurement values can fluctuate widely from year to year depending on government needs and plans. The preferred indicator would have considered changes in unit prices for the 10 centralized products. But the fragmented procurement transactions and the lack of a central procurement database (track records) before the 2018 make it impossible to compute the change in unit prices for these product categories from 2016-20. For the few ministries with available data, unit prices declined from 2017-18 (for example, by 25 percent for furniture and by achieving higher quality telecommunication services at similar price levels).</p>
PA 7	<p>Prior Action #7: Mitigation of the negative effects of climate change by establishing a legal framework for (i) regulating the control of greenhouse gas emission and an emission trading scheme and (ii) developing a National Climate Change Adaptation and a Low-Carbon Development Strategy.</p> <p>55. The prior action has been added to the reform program supported by this operation relative to the list of indicative triggers under the PBG1. The reform further strengthens the results of the fiscal pillar by mitigating the spending risks from climate change.</p> <p>56. Rationale. Climate change involves significant economic and fiscal risks for economies as it threatens existing and emerging assets (e.g., infrastructure), changes the existing profile of health risks, and, as a result, may require costly mitigation measures to accumulate over the medium- and long-term. To address such risks, governments’ need to regulate the mitigation of and adaptation to the adverse effects of climate change. Montenegro’s new Law on Protection Against the Adverse Impacts of Climate Change provides the legal basis to enforce preparing the country for</p>



	<p>climate change by developing a National Climate Change and a Low Carbon Development Strategy. Further, it regulates the design and implementation of carbon pricing instruments, including developing greenhouse gas emissions trading systems, carbon taxes, and associated crediting and offset mechanisms.</p> <p>57. Policy reform. Montenegro is implementing the National Strategy for Transposition and Application of EU Legislation Related to Environment and Climate Change (2016-20). This means that the country is rapidly moving to align its legislative framework with the EU. An important milestone in the EU harmonization process is the Law on Protection Against the Adverse Impacts of Climate Change published in the Official Gazette of Montenegro No. 73/2019 that has been adopted by the government on October 17, 2019. The law regulates the mitigation of and adaptation to the negative effects of climate change. It is a framework law which lays the foundations for issuing greenhouse gas emission permits and trading in allowances. It provides the legal basis to design and implement carbon pricing instruments, including greenhouse gas emissions trading systems, carbon taxes, and associated carbon crediting and offset mechanisms. monitor of greenhouse gases, control of emission allocations, and the supervision of the emissions trading scheme. The latter includes auction sale of emissions allowances paid to the Eco Fund that can be used for environmental projects financing. The law will be supplemented and further defined through secondary legislation.</p> <p>58. Expected results. The reform is expected to lead to the preparation of a Low-Carbon Development Strategy in 2020. This will enable the country to establish the strategic framework, through which policy reforms and investment needs are identified to meet greenhouse gas mitigation objectives and to enhance the resilience of the national economy and social systems against a changing climate. An essential objective of the law is to establish a carbon pricing and trading scheme in the medium-term that will provide resources to the Eco Fund to be used for the financing of environmental projects.</p>
<p>Pillar 2: Strengthening Financial Sector Resilience</p>	<p>59. The policy measures supported by this programmatic PBG series strengthen financial sector regulation and supervision which are critical to ensure a resilient financial system that supports inclusive economic growth. Well-regulated and supervised resilient financial systems are essential for providing a framework for carrying out economic transactions and monetary policy which are the basis to channel savings into investment, thereby supporting broad-based economic growth. The reforms supported under Pillar II are aiming to strengthen financial stability in Montenegro by upgrading the prudential standards for banks, building resilience to external shocks, and improving the efficiency of financial intermediation to unlock credit to the corporate sector and support growth.</p> <p>60. The reforms supported by this pillar aim to improve financial sector stability by strengthening banking regulatory and supervisory frameworks and addressing remaining banking sector vulnerabilities. Strengthening the</p>

	<p>standards for management of credit risk in line with the European Banking Authority (EBA) guidelines will improve the classification of assets according to repayment capacity of the borrower rather than the attached collateral and will enhance adequacy of provisioning and reserves. The CBM's supervisory actions to recover, restructure, or liquidate banks that are materially non-compliant with the regulatory requirements have been essential to remove the pockets vulnerabilities in the banking sector. Adopting the new banking law package and aligning the banking regulation and supervision framework with the EU Banking Directives and Basel III norms will strengthen the foundations and upgrade the standards of the banking sector in Montenegro. After the full implementation of the new Banking Laws, the banking sector is expected to develop stronger capital, liquidity and leverage buffers and enhanced financial safety net with the help of improved supervision. The new framework will eventually increase the banking sector's resilience to external shocks and help narrow the gaps between regional banks operating in Montenegro and domestic smaller banks through upgrading of national standards.</p>
PA 8	<p>Prior Action #8: Improvement of the regulation on minimum standards for management of credit risk in line with the EBA guidelines by (i) prohibiting banks classifying assets as performing based on adequate collateral and (ii) reinforcing clear and uniform prudential treatment of restructured loans.</p> <p>61. Rationale. Prompt identification, and recognition of non-performing exposures and timely and comprehensive provisioning of credit losses is a critical element of an effective credit risk management and vital for maintaining financial stability. Correct classification of performing and non-performing portfolios and ensuring adequacy of provisioning and reserves are essential to determine the level of capital that would keep a bank solvent. A robust regulatory framework and supervisory approach is needed to facilitate stricter rules for NPL classification based on clearly defined indicators of the unlikeliness of the debtor to repay the debt which are implemented homogenously in all parts of the banking sector. The prudential framework for identification and measurement of problem assets in Montenegro was conservative in some respects but had significant gaps in presentation of the non-performing assets in line with the EBA guidelines. This was mainly the result of the prudential framework that allowed banks to re-classify assets on the basis of types of collateral held by them irrespective of the borrowers' ability to repay, and which lacked adequate clarity and consistency for restructuring or rescheduling loans and their prudential treatment.</p> <p>62. Policy reform. CBM amended the Decision on the Minimum Standards for Management of Credit Risk in December 2018 (No. 86/2018) and July 2019 (No.42/2019) to further align CBM regulation on credit risk management with good practices and European Banking Authority (EBA) guidelines. Key improvements achieved by the amendments include; (i) termination of usage of collaterals as the criteria for loan classification, (ii) removing the definition of prime collateral, (iii) subjecting loan classification to borrower's ability to</p>

	<p>repay, and (iv) ensuring unified prudential treatment of restructured loans by further aligning it to EBA Implementing Technical Standards (ITS) (July 2014), with the same cure periods in line with EBA guidelines (12 months). Part of the amendments entered into force on 1st of July 2019, while all the amendments will become effective by 1st of January 2020. The revised regulation on credit risk management will enable comparability of data on non-performing and restructured loans in Montenegro's banking sector with the EU Member States' data.</p> <p>63. Expected results. The reforms supported by the PBG1 and PBG2 operations are expected to improve the restructured loan portfolio from 0 in 2016 to at least EUR15 million in 2020 and the quality of capital buffers ensuring that the banking sector is well-capitalized with the capital adequacy ratio exceeding 10 percent in 2020. The reform improves the legal, regulatory, and supervisory frameworks for credit risk management. A robust regulatory framework and supervisory approach would ultimately lead to an improvement of the quality of the loan portfolio, adequate provisioning and reserves, and a well-capitalized banking sector.</p>
PA 9	<p>Prior Action #9: Strengthening of financial sector stability by updating the time-bound Supervisory Action Plans (SAP) to ensure full compliance with minimum regulatory requirements and taking action to resolve, restructure or liquidate banks that are materially non-compliant with the regulatory requirements and SAP provisions.</p> <p>64. Rationale. Prior Action 9 aims to address vulnerabilities stemming from ailing banks. Three of the non-systemic domestic banks have been struggling with deteriorating balance sheets since 2015. All ailing banks have been suffering from significant asset quality and solvency problems and received qualified audit reports since 2015 while two of them have also suffered from liquidity, and related party problems. The 2016 Financial Sector Assessment Program (FSAP) stress tests indicated that these banks are vulnerable to shocks, such as a protracted economic slowdown, under the moderate stress test scenario. In line with the 2016 FSAP recommendations, the CBM prepared time bound Supervisory Action Plans (SAP) for these three banks and monitored the implementation of SAPs including capital increases. Although none of these banks were systemic, as they held less than 18 percent of banking sector assets, their continued weak and worsening performance could pose risks to financial sector stability in Montenegro through contagion or moral hazard channels and required the CBM to take actions on recovery or resolution of these banks. However, for two of the banks, despite the SAP measures, recovery was not achievable due to further deterioration in their asset quality, a high concentration of assets that does not generate interest income, improper asset valuation, an insufficient provisioning level, and ultimately significant erosion in their capital adequacy. Furthermore, EUR63 million of deposits belonging to e-commerce account holders were frozen as a result of a criminal investigation and a court dispute based on a guarantee issued in favor of another company without being properly recorded resulted in EUR15.2 million outflow which</p>

	<p>severely lowered liquidity in one of the banks. On the other hand, the third bank has been relatively more stable and managed to keep its CAR above 12 percent with slowly improving asset quality, despite a still high NPL level.</p> <p>65. Policy reform. The CBM intervened and assigned interim administrators in Atlas Bank and IBM on December 7 th, 2018 due to lower than required capital adequacy ratios indicated by the on-site supervision.<sup>29</sup> Based on interim administrator’s assessment indicating IBM’s liabilities exceeding its assets, the CBM adopted the Decision on initiating the bankruptcy procedure in Invest Bank Montenegro No. 0101-10202-3/2018 on January 4th by revoking its license and initiating bankruptcy proceedings. In line with the Banking Law, the CBM further decided on recapitalization of Atlas Bank first by current owners and then by new investors.<sup>30</sup> No investor has been filed to show interest in the recapitalization of Atlas Bank.<sup>31</sup> Finally, on April 5 th, 2019, the CBM adopted the Decision on initiating the bankruptcy procedure in Atlas Bank, No. 0101-3292- 4/2019 based on the report submitted by the interim administration which was indicating that liabilities of the bank exceeded its assets during interim administration. The resolution of two banks has not generated any significant deterioration in depositor confidence or any immediate real economy or fiscal spillovers.<sup>32</sup> For the third bank, the CBM updated the SAP based on the findings of the on-site inspection concluded in September 2019 and the qualified opinion of the independent auditor. The CBM further announced to conduct a system-wide Asset Quality Review (AQR) which would improve the understanding of the true value of assets on bank balance sheets, the valuation of collateral (including real estate), and the adequacy of provisioning against potential losses. The AQR is planned to be completed by the end of 2020.</p> <p>66. Expected results. The reform is expected to reduce vulnerabilities in the system. The result indicator is on track by ensuring that the three banks with qualified audit reports in 2015 maintain solvency ratios above 10 percent or are intervened. Going forward, decisive implementation and timely enforcement of SAP measures on the third ailing bank is paramount to further reduce the vulnerabilities and to maintain the achievements on financial stability. Furthermore, the CBM is working on an Asset Quality Review (AQR) which is critical to address any residual banking sector vulnerabilities.</p>
PA 10	<p>Prior Action #10: Strengthening financial sector regulatory and supervisory framework and the financial safety net by adopting the Credit Institutions Law, the Credit Institution Resolution Law, and the Deposit Protection Law in line with European Banking Directives (Capital Requirements Directive, Bank Recovery and Resolution Directive, and Deposit Guarantee Schemes Directive).</p> <p>67. Rationale. Montenegro aims to upgrade its banking laws to further strengthen the financial safety net and the banking sector regulatory and supervisory framework in line with European Banking Directives. A strong, well capitalized, and well supervised banking sector with ample liquidity</p>

	<p>buffers is essential for (i) building resilience to external shocks and avoiding disorderly and painful adjustments such as the one experienced during global financial crisis in 2010, (ii). narrowing the gap between the standards applied by the regional banks operating in Montenegro and domestically owned and non-systemic banks, and (iii) improving the efficiency of financial intermediation and supporting growth by unlocking credit to enterprise sector. In addition, as part of the negotiations and the harmonization of Montenegro’s legislation with the <i>acquis Communautaire</i>, the regulations consisting Chapter 9: Financial services, are also being harmonized. Acknowledging the importance of the banking sector reforms Economic Reform Program of Montenegro (2017-2019) laid out plans and priorities for harmonization of the banking sector laws with EU Directives.</p> <p>68. Policy reform. Montenegro adopted a new banking law package including the enactment of (i) Credit Institutions Law, (ii) Law on Resolution of Credit Institutions and Law Amending Bank Bankruptcy and Liquidation Law, and (iii) Deposit Protection Law, each published in the Official Gazette of Montenegro No. 72/2019. This confirms that the country is rapidly moving to align its legislative framework with the EU Banking sector framework. The package lays the foundation for harmonization with relevant EU Banking Directives including Capital Requirements Directive (CRD), Bank Recovery and Resolution Directive (BRRD), and Deposit Guarantee Schemes Directive (DGSD). Following the drafting process of the banking laws package which was finalized in early 2019, banking laws went through a public consultation process and CBM incorporated comments from the banking sector. Subsequently, authorities shared the draft laws with the European Commission (EC) and incorporated comments received from EC experts. By adopting the Credit Institutions Law—transposition of CRD IV— Montenegro will effectively implement the Basel III capital accords, including specifically how much and in what form capital must be maintained. The Credit Institutions Law will improve mainly the regulatory framework on capital buffers, licensing and acquisition of qualifying holdings in an institution, cross-border coordination, and governance arrangements among others. The adoption of the Law on Resolution of Credit Institutions will require Banks in Montenegro to develop clear recovery plans and resolvability assessments, and the CBM to establish a resolution fund to be financed by banks, with a special resolution unit within the CBM. The New Deposit Protection Law will require the deposit protection to double the coverage of insured deposits to EUR100,000, gradually shorten the mandated payout time, and implementation of risk-based premiums.</p> <p>69. Expected results. The reform is expected to improve banking supervision and resolution frameworks consistent with the Basel Core Principles, Financial Stability Board (FSB) Key Attributes for Effective Resolution Regimes and BRRD in 2020. Enactment of the new Banking Laws will lay the foundation for full implementation of the EU Banking Directives and Basel III capital accord requirements, however, for full implementation to take place implementing regulations (secondary regulations) should be prepared and</p>
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	enacted going forward. Authorities have already been working on the implementing regulations. A supporting factor is an ongoing EU Twinning Project which will facilitate preparation of the secondary regulations for Credit Institutions Law (CRD) and completion of impact assessment on banks to finetune the implementing regulations. <sup>34</sup> After the full implementation of the new Banking Laws, banking sector is expected to develop stronger capital, liquidity and leverage buffers and enhanced financial safety net with the help of improved supervision. The new framework will eventually increase the banking sector's resilience to external shocks and help narrow the gaps between regional banks
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Climate Change Co-benefits section/Additional information on climate relevance from documentation
Not provided.
<p>Paragraph 83 states: "The specific policies supported by this operation are not likely to have significant effects on Montenegro's environmental resources (e.g. forests, water resources, etc.) and natural habitats, but is expected to bring positive climate benefits. The policy actions supported through this operation will not have adverse effects on the environment. On the contrary, selected policy action are expected to have positive effects on the environment and the capacity of the government to address environmental issues. The public financial management (PFM) reforms, for example, improve the selection and procurement of capital investment projects, making it more likely to select projects with lower environmental and social risks. Further, policy reforms pertaining to a more efficient and regulated use of pharmaceuticals should also carry positive spillover effects for the environment as the unmanaged disposal of unused drugs should decrease. As the unregulated and unmanaged disposal of drugs is representing an important challenge for waste management, addressing this challenge through a better regulation of the use of drugs should not be underestimated, even if it is not the primary objective of the policy reform. <sup>35</sup> Lastly, the enactment of the Law on Protection Against the Adverse Impacts of Climate Change will prepare the country to move towards a resilient and low-carbon economy preparing it for future challenges related to a changing climate. The law forms an important part of the EU Accession process. Other policy reforms related to banking law and other sectors do not any adverse effects on environmental management."</p>

Greenhouse Gas Accounting
None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA 1	90/10	0	0	0	0	No evidence of climate relevance.
PA 2	90/10	0	0	0	0	No evidence of climate relevance.
PA 3	90/10	0	0	0	0	No evidence of climate relevance.
PA 4	90/10	0	0	0	0	No evidence of climate relevance.
PA 5	90/10	0	0	0	0	No evidence of climate relevance.
PA 6	90/10	0	0	0	0	No evidence of climate relevance.

PA 7						<p>The principal outcome of PA 7 is the “Mitigation of the negative effects of climate change by establishing a legal framework for (i) regulating the control of greenhouse gas emission and an emission trading scheme and (ii) developing a National Climate Change Adaptation and a Low-Carbon Development Strategy.” Therefore, the PA is entirely focused on climate change, and, ignoring the roman numerals, appears to require 4 outcomes: (1) the establishing of a legal framework for regulating the control of greenhouse gas emission; (2) the establishing of a legal framework for an emission trading scheme; (3) development of a National Climate Change Adaptation Strategy; and (4) the development of a Low-Carbon Development Strategy.</p> <p>No incremental adaptation costs have been provided, and no granular information regarding the disaggregated costs of mitigation actions have been provided. In the absence of such information, ¾ outcomes are seen to target mitigation while ¼ targets adaptation.</p>
	90/10	1/4	3/4	2.3	6.8	
PA 8	90/10	0	0	0	0	No evidence of climate relevance.
PA 9	90/10	0	0	0	0	No evidence of climate relevance.
PA 10	90/10	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
2.3	2.3	0%	6.8	6.8	0%

Reported climate finance	Assessed climate finance	Error
9.1	9.1	0%

Project Number: P164354

<b>Project Name</b>
Mozambique - Malawi Regional Interconnector Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/914891569031288591/Mozambique-and-Malawi-Regional-Interconnector-Project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/914891569031288591/Mozambique-and-Malawi-Regional-Interconnector-Project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Grant
<b>Lowest level of granularity</b>
Sub-component, Activity

<b>Climate Change Vulnerability Context</b>
For Malawi, this context is provided in the Country Context section, page 11, paragraph 15. For Mozambique, this context is provided in the Project Appraisal Summary section, page 37, paragraph 117.
<b>Intent to Address Vulnerability</b>
Provided in the Relevance to Higher Level Objectives Section, page 18, paragraph 33.
<b>Link to Project Activities</b>
There is no evidence provided within the documentation to link the activities undertaken to adaptation action.
<b>Incremental Cost?</b>
Provided on the page 37, paragraph 118.

Name	Value	Description
Sub-component 1-A: Construction of the Transmission Interconnector and Associated Substation in Mozambique	US\$41.0 million	Sub-component 1-A: Construction of the Transmission Interconnector and Associated Substation in Mozambique (US\$91.5 million, of which IDA grant is US\$41.0 million, KfW grant is US\$22 million equivalent, NTF is US\$24 million, and GoMO contribution is US\$3.5 million) 40. On the Mozambique side, this would include construction of approximately 142 km of a 400 kV transmission line, with second phase to be strung by 202529 including a 1.7 km river crossing across the Zambezi River in Tete, the extension of the existing Matambo 220 kV substation, and construction of a new 220/400 kV, 500 MVA substation also at Matambo including the installation of a control monitoring system. It will also include installation of 220 kV transmission line connection between the new 220/400 kV 500MVA substation at Matambo and the existing Matambo 220 kV substation. In addition to the proposed IDA grant, this sub-component will be co-financed with a World Bank-administered grant from the Norwegian Trust Fund (NTF) and a grant from the Government of Germany to be administered by the German Reconstruction Credit Institute (Kreditanstalt für Wiederaufbau, KfW).



Sub-component 1-B: Construction of the Transmission Interconnector and Associated Substations in Malawi	US\$13.0 million	Sub-component 1-B: Construction of the Transmission Interconnector and Associated Substations in Malawi (US\$35.5 million, of which IDA credit is US\$13.0 million, KfW grant is US\$20 million equivalent, and GoMA contribution is US\$2.5 million) 41. On the Malawi side, this would include construction of approximately 76 km of a 400 kV transmission line with second phase to be strung by 2025, and extension of the existing Phombeya Substation including the installation of a control and monitoring system. In addition to the IDA credit, this sub-component will be co-financed with a grant from the European Union (EU) to be administered by KfW.
Sub-component 2-A: Technical assistance and Capacity Building in Mozambique	US\$1.0 million	Sub-component 2-A: Technical assistance and Capacity Building in Mozambique (US\$1 million IDA grant) 43. This sub-component will support EDM PIU in project management, including safeguards supervision, mitigation of gender-based violence (GBV) risks, and implementation of a gender action plan. It will also support transmission network and system operations related training. The work under this TA will complement capacity building activities in other World Bank projects under implementation in Mozambique, including the TREP (P160427).
Sub-component 2-B: Technical assistance and Capacity Building in Malawi	US\$2.0 million	Sub-component 2-B: Technical assistance and Capacity Building in Malawi (US\$2 million IDA credit) 44. This sub-component will support the ESCOM PIU in project management, including safeguards supervision, mitigation of GBV risks, and implementation of a gender action plan. It will also support market development studies to identify scope and contractual arrangements for the additional capacity on the line and future options within the current and proposed regulatory framework for public-private participation in regional transmission projects. The work under this TA will complement capacity-building activities in other World Bank projects under implementation in Malawi, including the Malawi Electricity Access Project (P099626)

**Climate Change Co-benefits section/Additional information on climate relevance from documentation**

Provided:

Climate and disaster risk. Mozambique is ranked the third most vulnerable country to climate change in Africa, with climate change affecting 58 percent of the population and more than 37 percent of GDP by exposure to two or more natural hazards per year. Economic gains from growth and infrastructure development are significantly undermined because of recurrent water and weather-related hazards. Furthermore, stress on natural resources is expected to increase because of climate change, which will lead to more frequent and intense droughts, flooding, and extreme weather events. Temperatures are expected to increase by 1.4–3.7°C by 2060, while rainfall will decrease during the dry season (March–September) and increase in the wet season (October–February). An increasing number of floods will particularly affect the northern region of the country; this is where the proposed project will be built. Malawi is periodically affected by droughts, which limit agricultural production and power generation. The proposed investments will not increase climate impact. In fact, they will reduce the need for emergency diesel generation in Malawi, through energy supply primarily

from Mozambique, which is predominantly produced from cleaner natural resources such as hydro and gas.

118. Mitigation. The feasibility and conceptual design studies prepared by international consultants, approved by EDM and ESCOM, have considered the risk of flooding and high wind speeds at the Zambezi River crossing. This will be mitigated by establishing a span sufficiently longer than the width of the river banks, thus preventing tower corrosion and foundation degradation during the rainy season. The clearance of the transmission line to river (highest water table) shall not be less than 25 m. The increased tower span and 25 m conductor clearance are achieved by applying four special towers, which are higher and stronger than the usual towers installed along the line. In this portion of the line, aluminium alloy conductor, steel reinforced (AACSR) with higher tension, will be used instead of the aluminium core, steel reinforced (ACSR) conductor used for the rest of the line.

These modifications are done to adapt the line to the climatic conditions that are expected at the Zambezi River Crossing. With this improved design to suit the geographic and climatic conditions, the river crossing will cost US\$4,943,200 per km as opposed to US\$312,890 per km for the rest of the line on the Mozambique side. The total incremental cost is estimated at US\$7,871,527.

**Greenhouse Gas Accounting**

None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1-A	41	Incremental costs	0	3.526	0	<p>Adaptation: Documentation provides a climate vulnerability context for the project, and states an intent to address that vulnerability. The link between that context and the activities undertaken is provided in the Project Appraisal Summary.</p> <p>Regarding particular investments, page 37, paragraph 118 states: "modifications are done to adapt the line to the climatic conditions that are expected at the Zambezi River Crossing. With this improved design to suit the geographic and climatic conditions, the river crossing will cost US\$4,943,200 per km as opposed to US\$312,890 per km for the rest of the line on the Mozambique side. The total incremental cost is estimated at US\$7,871,527."</p>

					<p><b>There is no evidence stating that the IDA will cover these incremental adaptation costs. The IDA provides 44.8% of finance in support of Sub-component 1-A: US\$7,871,527*0.448 = US\$3,526,444.096.</b></p> <p>Mitigation: The project as a whole is engaged with the energy sector, and the PDO is: “is to interconnect Malawi and Mozambique’s transmission systems to enable them to engage in bilateral and regional power trade in the Southern African Power Pool”. The project is therefore potentially relevant to the eligible activity: “Greenfield transmission or distribution of electricity that increases the share of very-low-carbon electricity delivered”, under the Common Principles for Climate Change Mitigation Finance Tracking.</p> <p>It is noted that context surrounding the project states that fossil-fuel energy production constitutes a significant portion of the energy mix in the countries and region, alongside hydropower. The components and activates outlined do not state any explicit intent to reduce or avoid GHG emissions through, for example, enhancing the share of hydropower in the energy mix or reducing fossil fuel shares.</p> <p>The principle of “Complementarity” within the Common Principles for Climate Change Mitigation Finance Tracking, which states: “Reporting institutions should seek to ensure that only climate change mitigation activities that neither conflict with</p>
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						<p>nor undermine the wider objectives of the Sustainable Development Goals be considered and reported”.</p> <p>It is assessed that finance in support of the project cannot be described as finance which neither conflicts nor undermines the SDGs. Investments in transmission infrastructure could lead to an increased transmission of fossil fuel derived energy (no GHG accounting has been provided). Finance has not been counted towards mitigation co-benefits.</p>
SC 1-B	13	Incremental costs	0	Captured above	0	<p>Full incremental adaptation co-benefits captured above.</p> <p>Assessment of mitigation co-benefits as above.</p>
SC 2-A	1	0	0	0	0	No evidence of climate relevance.
SC 2-B	2	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
8.5	3.526	58.5%	0	0	0%

Reported climate finance	Assessed climate finance	Error
8.5	3.526	58.5%

Project Number: P171040

<b>Project Name</b>
Mozambique: Cyclone Idai & Kenneth Emergency Recovery and Resilience Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/763461570154496796/mozambique-cyclone-idai-and-kenneth-emergency-recovery-and-resilience-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/763461570154496796/mozambique-cyclone-idai-and-kenneth-emergency-recovery-and-resilience-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Grant
<b>Lowest level of granularity</b>
Sub-component, Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Strategic Context section and throughout documentation.
<b>Intent to Address Vulnerability</b>
Provided in the Strategic Context section, page 12, paragraph 14, and in the PDO.
<b>Link to Project Activities</b>
Provided in the Project Components section.
<b>Incremental Cost?</b>
None provided.
<i>In general, support for emergency recovery in the context of climate exacerbated extreme events is highly relevant for reporting through incremental adaptation costs. For example, the costs to the project to integrate climate resilient design and materials into the rebuilding of infrastructure, yet no incremental costs have been provided.</i>

Name	Value	Description
Component 1: Recovery and Reconstruction of Cyclone-affected Areas	US\$80 million	32. The activities to be financed under this component include (a) the repair and reconstruction of housing for selected vulnerable communities; (b) the repair and reconstruction of key public infrastructure; and (c) the recovery of the private sector and economic activities.
Subcomponent 1.1: Housing	US\$42 million	33. The subcomponent will finance the partial or complete reconstruction of approximately 15,000 housing units for an estimated 75,000 cyclone-affected beneficiaries through a community-based and owner-driven resilient reconstruction approach, as well as relevant technical assistance (TA) activities to ensure that the housing stock is more resilient. The housing reconstruction activities will prioritize affected areas in Sofala and Cabo Delgado.

	<p>34. TA activities financed under this subcomponent are designed to ensure that the housing reconstruction process follows a transparent, fair, and community-based approach, that include (a) social, environmental, and technical support for beneficiary households; (b) training of artisans and Beneficiaries; (c) communication and outreach; (d) supervision and certification of compliance with multi-hazard resistant standards and of completion of multi-hazard resilient core housing units; (e) implementation of the environmental and social management framework including identified safeguard mitigation measures; (f) development of a grievance redress mechanism; (g) support to community planning activities, and (h) technical studies. The system’s design will be based on similar data tracking systems developed in other post-disaster housing reconstruction programs, including in the Nepal Earthquake Housing Reconstruction Project (P155969).</p> <p>35. The need for support to recovery of housing and settlements in affected areas far exceeds the resources currently available. To help the Government address this situation, the project will take two actions: (a) assist GREPOC and other relevant government agencies in designing a housing recovery strategy and an operational Housing Recovery Manual that can attract other funding over time, with this subcomponent supporting the initial phase; and (b) target its resources to optimize project impact. The objective is to target the affected population and prioritize vulnerable communities and households, such as female-headed households. The targeting will be based on general criteria identified in the Housing Recovery Strategy, the Housing Reconstruction Manual, and specific procedures included in the Project Operations Manual (POM). GREPOC will complete the Housing Recovery Strategy in the first months of implementation. Other support to GREPOC will include assessments and studies, including (a) a housing assessment to identify damage typologies and appropriate repair and reconstruction options; (b) a social assessment of affected households that will collect data regarding the households’ composition, economic situation, tenure status, and reconstruction investments to date; and (c) a value chain analysis to assess the market conditions for housing reconstruction and flag potential limitations related to land, labor, materials, and so on. Activities under the Government’s wider reconstruction program that address settlements-related needs identified in the PDNA (such as school reconstruction) will be coordinated with the activities of this subcomponent, whenever possible.</p> <p>36. The implementation arrangements, including financing flows, will be based on the housing reconstruction strategy and will be subject to World Bank approval before implementation. Also, the construction will be implemented through a hybrid approach involving homeowner- and/or communitymanaged reconstruction,</p>
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		<p>technical support to homeowners and builders from nongovernmental organizations (NGOs) and UN organizations, and conditional grants for housing recovery through GREPOC and the banking system. The Housing Reconstruction Manual will guide the operational implementation of the selected approach based on the Housing Reconstruction Strategy. Reconstruction activities will be preceded by community-level planning to identify risks and service deficits and will be consistent with local development and land use plans. At the household level, allocation of resources will be governed by pre-established eligibility criteria, identified in the housing reconstruction strategy. Participants will be registered and required to enter a participation agreement before accessing any resources or support provided in the program. The participation agreement will detail the conditions on which the beneficiary is receiving support. All beneficiaries will be disclosed publicly using the tracking system developed in the TA activity described.</p> <p>37. To ensure that the approach used to carry out the activities under this subcomponent will allow housing reconstruction to be scaled up with additional financial contributions, the World Bank will work with the Government and partners in developing the Post-Cyclone Housing Recovery Plan (Plano de Alojamento Pós Ciclones, PALPOC). This process will include agencies with an interest in housing and settlements, such as the United Nations Human Settlements Programme (UN-Habitat) and the U.S. Agency for International Development (USAID).</p>
Subcomponent 1.2: Public Infrastructure	US\$16 million <a href="#">IDA</a>	<p>38. This subcomponent will finance the recovery and reconstruction of key public infrastructure damaged by Cyclones Idai and Kenneth and the construction of new, more resilient public infrastructure. Specific activities financed may include the repair and reconstruction of markets, government buildings, public water and sanitation units, community investments identified in Subcomponent 1.1, and multifunctional elevated flood evacuation sites and cyclone wind shelters. It will also finance the investments to restore services and reduce risk in affected areas where housing reconstruction and repair are occurring.</p> <p>39. The process of identification, prioritization, and selection of public infrastructure that will benefit from this subcomponent will be defined by the DRF and the community planning exercises conducted under Subcomponent 1.1. GREPOC will lead the development of the DRF in close collaboration with the EU, the UN, and the World Bank. The framework will directly inform the interventions to be financed under this subcomponent.</p> <p>40. The activities financed under this subcomponent will be constructed in a climate-resilient, inclusive, and gender-informed fashion, by using resilient design standards, incorporating female-</p>

		friendly aspects in shelter design, and prioritizing public infrastructure that offers services and employment to women, such as markets. A technical support program will be established to build capacity for BBB approaches across government and nongovernment agencies, building on the expertise developed under the Emergency Resilient Recovery Project (P156559) and Disaster Risk Management and Resilience Program (P166437). To make sure implementation of the project follows a transparent, fair, inclusive, and community-based approach, the subcomponent will benefit from TA activities planned under Subcomponent 1.1.
Subcomponent 1.3: Private Sector Recovery	US\$22 million <a href="#">IDA</a>	<p>41. This subcomponent will have the following three activities: (a) matching grants to support micro, small, and medium enterprise (MSME) recovery; (b) credit line to enhance access to finance; and (c) TA to MSME and SME to support effective utilization of funds obtained. This component will target informal, micro, and small-size firms affected by the disaster. This would complement the US\$110 million International Finance Corporation (IFC) Mozambique and Malawi Emergency Facility (IMMEF) under preparation; however, it is not dependent on the IFC operation which targets medium-size firms. This subcomponent is being coordinated in collaboration with other donors focusing on private sector support, such as USAID.</p> <p>(a) Matching grants to support the recovery of MSMEs (US\$5 million). Under this activity, the proposed project will finance activities to assist the private sector in recovering from natural disaster by supporting the purchase of equipment and materials to enable MSMEs to restore operating capacity/equipment as part of their overall recovery effort and provide TA to eligible MSMEs. To maximize the impact of the grants, eligibility will be designed in a way that supports vulnerable populations, such as women-owned businesses. A negative list<sup>12</sup> will detail excluded uses of the matching grants, due to potential social and environmental implications. The World Bank has previous experience from implementing matching grants in Mozambique through the Integrated Growth Poles Project (P127303). This activity will build on those experiences.</p> <p>(b) Credit line to enhance access to finance (US\$15 million). To facilitate access to liquidity for small to medium enterprises in the aftermath of the disaster, this activity focuses on enabling participating financial institutions (PFIs) to offer beneficial credit options to firms affected by the disaster. The activity allows selected financial institutions to access credit with beneficial interest rates, such as the rate commercial banks pay to access the central bank's permanent deposit facility (10.25 percent as of June 24, 2019) or another benchmark. As a result, the financial institutions can then offer cheaper credits to firms. Selected institutions must have a strong track record of working with small and medium enterprises—eligibility criteria are outlined in annex 2. <sup>13</sup> The financing would</p>



		<p>provide temporary liquidity for working capital and investment financing during the emergency recovery phase (defined as 6–24 months following the disaster).</p> <p>(c) TA on implementation design (US\$2 million). TA will be provided to support the effective implementation of the matching grants and credit lines. On the matching grants, TA will focus on participating firms to verify eligibility and provide support to beneficiaries from the point of matching grant application to implementation of their project. On credit lines, the TA will assist PFIs to tailor emergency response and recovery products to the specific needs of eligible firms. The TA will draw from relevant Finance, Competitiveness, and Innovation (FCI) experiences including the Mozambique Integrated Growth Poles Project (P127303) and Madagascar Financial Inclusion Project (P161491).</p> <p>42. In terms of sequencing, the matching grant could move relatively quickly, drawing on previous matching grant projects implemented in the context of Mozambique. The TA to support PFIs would be undertaken in parallel and result in the development of a menu of financial services tailored to the needs of firms affected by the natural disaster. The goal would be to have a credit line supporting private sector recovery within six months of initiation.</p>
Component 2: Building Climate Resilience	US\$63 million equivalent IDA	<p>43. The proposed project presents a holistic and strategic approach to reconstruction aimed at reducing the vulnerability of the city of Beira, an important economic hub that suffered large losses due to Cyclone Idai, to climate-related hazards. Building on existing World Bank engagements in climate change adaptation in Beira through the Cities and Climate Change Project (P123201), this component will strengthen the resilience of the city of Beira to future climate hazards, by (a) repairing and significantly strengthening coastal protection and (b) expanding the rehabilitated drainage system to reduce flooding in vulnerable parts of the city. As part of these investments in climate resilience, the component also includes building capacity of the city administration in operation and maintenance. The preparation of the resilience investments in Beira included in this component was closely coordinated with the Netherlands Enterprise Agency (RVO) and the German Kreditanstalt für Wiederaufbau (KfW).</p> <p>44. The geographical scope of this component specifically targets the most vulnerable parts of Beira, due to the increasing priority of the city as a regional economic hub and the fact that Beira suffered the major share of the combined economic losses from the two cyclones.</p>
Subcomponent 2.1: Coastal Resilience	US\$30 million IDA	<p>45. Beira's coastline remains vulnerable to storm events and continuous erosion. The main flood protection system intended to shield the city from coastal hazards was constructed more than 50 years ago and has deteriorated with limited maintenance since its</p>

		<p>construction. Cyclone Idai damaged this already weakened coastal protection infrastructure and caused US\$2 million in damage to coastal infrastructure. 14 However, because landfall occurred at low tide, the city escaped widespread coastal flooding. Cyclone Idai was therefore a strong wake-up call for the repair and rehabilitation of the coastal protection system.</p> <p>46. In the aftermath of Cyclone Idai, the GoM, with support from the Government of the Netherlands, conducted a comprehensive assessment of the vulnerabilities in the coastal protection system. 15 The assessment quantified damages, losses, and needs and concluded that the coastal protection system urgently needs rehabilitation and strengthening to protect the city from coastal flooding. The total needs for repairs and upgrades to the coastal protection system are estimated at US\$90.9 million, which includes the repair and reconstruction of existing groynes, flood walls and dunes, and the rehabilitation of degraded beaches.</p> <p>47. This subcomponent will address key gaps in Beira’s coastal protection system, by (a) repairing damage to the coastal protection and coastal road caused by Cyclone Idai; (b) rehabilitating and strengthening the groynes, dunes, and flood walls; and (c) conducting strategic sand nourishment to replenish the sand balance across the target area.</p> <p>48. The works under this subcomponent will be co-financed on a 50/50 basis by the Government of the Netherlands, through the DRIVE program. The Government of the Netherlands will finance half of the firm contract under this subcomponent to a maximum of US\$30 million. The World Bank already has experience working with the DRIVE program in Mozambique. It was agreed with the Netherlands that all World Bank procedures (procurement and environmental and social) will be applicable. A Letter of Intent has been sent and a separate grant agreement will be signed between the Government of the Netherlands and the GoM. Because both sources of funds will be necessary to achieve the objectives of Subcomponent 2.1 and to avoid implementation delays, the signing of the co-financing agreement will be included as a condition of disbursement for the works.</p>
Subcomponent 2.2: Drainage Rehabilitation	US\$30 million IDA	<p>49. This subcomponent will repair cyclone-induced damages to the drainage works and implement Phase 2 of the drainage rehabilitation. Cyclone Idai caused minor damages to the current drainage system that will be repaired under this subcomponent. The works completed to date only covered Phase 1 of the drainage rehabilitation needs of Beira. Phase 1 was financed under the Cities and Climate Change Project. It was recognized in 2015, upon completion of the detailed design of the Phase 1 works, that this investment needed urgent follow-up with the study and implementation of Phase 2.</p>

		<p>Consequently, this subcomponent will directly build on other World Bank engagements in Beira. Phase 2 will focus on Chota and Estoril and deal with the rehabilitation of canals A1 and A3, including an additional retention basin and outlet to the eastern coast. The AIAS has already commissioned a study to demonstrate the feasibility of these Phase 2 drainage works, before the availability of funding and before the passage of Cyclone Idai.</p> <p>50. The works under this subcomponent will be co-financed on a 50/50 basis by the Government of the Netherlands through the DRIVE program. The DRIVE program will finance half of the firm contract under this subcomponent to a maximum of US\$30 million. The World Bank has already experience working with the DRIVE program in Mozambique. It was agreed with the Netherlands that all World Bank procedures (procurement and environmental and social) will be applicable. A Letter of Intent has been sent and a separate grant agreement will be signed between the Government of the Netherlands and the GoM. Because both sources of funds will be necessary to achievement of the objectives of Subcomponent 2.2 and to avoid implementation delays, the signing of the co-financing agreement will be included as a condition of disbursement for the works.</p>
Subcomponent 2.3: Design, Implementation and Supervision Support	US\$3 million IDA	<p>51. This subcomponent will finance the feasibility studies and design for the drainage works (Subcomponent 2.2) and the implementation and TA required for the overall Component 2. The feasibility studies and design for the coastal protection investments (Subcomponent 2.1) will be covered by the Government of the Netherlands. The activities under this component will be implemented by the AIAS.</p> <p>52. TA will be provided to the AIAS to strengthen their capacity on sustainable coastal management and the implementation of coastal resilience interventions. Because coastal management is a relatively new area of activity in Mozambique, the TA will strengthen the AIAS' technical capacity in this field. The activity will also review and identify ways to improve existing regulations for sediment management and to introduce concepts such as building with nature (dune management, seagrass, and natural habitat management). Regulating sand mining, requiring sand bypass as part of environmental management of coastal infrastructure, and targeted dump of sediment from dredging to areas needing sediment, are measures that prevent coastal erosion. To promote long-term resilience of the targeted coastal areas, investments in coastal protection need to be accompanied by sound regulation and adequate environmental management procedures.</p> <p>53. TA will be provided to Beira's Autonomous Sanitation Services (SASB) to strengthen their capacity in drainage operation and maintenance. The project will continue building the operations and</p>

		maintenance capacity of the SASB, which was initiated under the Cities and Climate Change Project (P123201) and Phase I of the drainage rehabilitation project.
Component 3: Project Implementation, Monitoring and Evaluation	US\$7 million equivalent IDA	54. This component will support the implementation of all project activities, through establishing and strengthening the capacity of GREPOC and the AIAS (responsible for implementing Components 1 and 2, respectively), covering technical, fiduciary, safeguard, project management, and citizen engagement capacities.
Subcomponent 3.1: Project Implementation, Monitoring and Evaluation	US\$3 million IDA	55. This subcomponent will support the implementation of project activities under the responsibility of the AIAS (Component 2), through (a) technical capacity for the implementation of reconstruction and resilience interventions; (b) fiduciary (that is, financial and procurement management); (c) environmental and social safeguards management; (d) preparation of project reports; and (e) monitoring and evaluation (M&E).
Subcomponent 3.2: Project Implementation, Monitoring and Evaluation – GREPOC	US\$4 million IDA	56. This subcomponent will support the implementation of project activities under the responsibility of GREPOC (Component 1), through (a) technical capacity for the implementation of reconstruction and BBB interventions; (b) fiduciary (that is, financial and procurement management), (c) environmental and social safeguards management; (d) preparation of project reports; and (e) M&E.  57. This subcomponent will also support tailored training and capacity-building activities related to the best practices in post-disaster reconstruction following the BBB approach, to strengthen the implementation of all components.
Component 4: Contingent Emergency Response Component (CERC)	US\$0 million	58. This component will provide immediate response to an eligible crisis or emergency, as needed. This would finance emergency works in the case of another disaster event by including a 'zero-dollar' CERC. This would help recover damaged infrastructure, ensure business continuity, and enable early rehabilitation. In parallel, following an adverse event that causes a major disaster, the GoM may request the World Bank to channel resources from this component into an IRM. The IRM would enable the use of up to 5 percent of uncommitted funds from the overall IDA portfolio to respond to emergencies. This IRM has already been established for Mozambique and already activated twice, including in response to Cyclone Idai. Specific details around this component (including activation criteria, eligible expenditures, and specific implementation arrangements as well as required staffing for the coordinating authority) are defined in the IRM Operations Manual.

**Climate Change Co-benefits section**

Not provided.

Page 25, paragraph 66 states: "All interventions will consider climate change in their design. Climate change may make storm surge, flooding, and cyclones more intense and more frequent. Both the

reconstruction and retrofit (Component 1) and resilience (Component 2) interventions will be designed with specific incorporation of climate change aspects. The climate change co-benefits for this project are estimated at 65 percent.”

**Greenhouse Gas Accounting**

Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.1	42	0.5	0	21	0	<p>SC 1.1 will “finance the partial or complete reconstruction of approximately 15,000 housing units for an estimated 75,000 cyclone-affected beneficiaries through a community-based and owner-driven resilient reconstruction approach.” While adaptation is not the fundamental objective of the sub-component, there is a clear link between the activities being undertaken and the provided vulnerability context, showing an intent to address that vulnerability.</p> <p>There is no information provided within documentation regarding the incremental cost of adaptation and resilience actions within the support for housing reconstruction. Furthermore, detailed reporting regarding activities is not provided.</p> <p>Two primary motivations behind the sub-component have been inferred: (1) short- and medium-term reconstruction needs and (2) strengthening long-term resilience of affected areas.</p> <p>In the absence of incremental costs, an adaptation coefficient of 0.5 has been applied to reflect that ½ motivations are deemed to be adaptation-relevant and to adhere to a principle of conservativeness.</p>

Commented [5]:

						There is no evidence of mitigation-relevance
SC 1.2	16	0.5	0	8	0	<p>SC 1.2 will “finance the recovery and reconstruction of key public infrastructure damaged by Cyclones Idai and Kenneth and the construction of new, more resilient public infrastructure.” It is also stated that “The activities financed under this subcomponent will be constructed in a climate-resilient, inclusive, and gender-informed fashion, by using resilient design standards, incorporating female-friendly aspects in shelter design, and prioritizing public infrastructure that offers services and employment to women, such as markets”.</p> <p>While adaptation is not the fundamental objective of the sub-component, there is a clear link between the activities being undertaken and the provided vulnerability context, showing an intent to address that vulnerability.</p> <p>There is no information provided within documentation regarding the incremental cost of adaptation and resilience actions within the support for public infrastructure reconstruction. Furthermore, detailed reporting regarding activities is not provided.</p> <p>As with Sub-component 1.1, two primary motivations behind the sub-component have been inferred: (1) short- and medium-term reconstruction needs and (2) strengthening long-term resilience of affected areas.</p> <p>In the absence of incremental costs, an adaptation coefficient of 0.5 has been applied to reflect that ½</p>

						<p>motivations are deemed to be adaptation-relevant and to adhere to a principle of conservativeness.</p> <p>There is no evidence of mitigation-relevance</p>
SC 1.3	22	0	0	0	0	<p>Sub-component 1.3 will finance 3 activities: “(a) matching grants to support micro, small, and medium enterprise (MSME) recovery; (b) credit line to enhance access to finance; and (c) TA to MSME and SME to support effective utilization of funds obtained.”</p> <p>(a) = US\$5 million (b) = US\$10 million (c) = US\$2 million</p> <p>All activities are assessed to focus on recovery after the cyclone, there is no evidence that the activities build resilience through climate change adaptation. Adaptation and resilience are not mentioned in the context of Sub-component 1.3.</p> <p>There is no evidence of mitigation relevance.</p>
SC 2.1	30	0.5	0	15	0	<p>SC 2.1 will address key gaps in Beira’s coastal protection system, by:</p> <p>“(a) repairing damage to the coastal protection and coastal road caused by Cyclone Idai;</p> <p>(b) rehabilitating and strengthening the groynes, dunes, and flood walls; and</p> <p>(c) conducting strategic sand nourishment to replenish the sand balance across the target area.”</p> <p>While adaptation is not the only objective of the sub-component, and</p>

						<p>while cyclones are exacerbated by climate change rather than caused by them, there is a clear link between the activities being undertaken and the provided vulnerability context, showing an intent to address that vulnerability. The finance will increase the resilience of coastal communities to climate change.</p> <p>There is no information provided within documentation regarding the incremental cost of adaptation actions for these coastal resilience activities.</p> <p>In the absence of incremental costs, an adaptation coefficient of 0.5 has been applied to each activity to reflect that adaptation co-benefits resulting from the sub-component will be significant while adhering to a principle of conservativeness.</p> <p>There is no evidence of mitigation-relevance.</p>
SC 2.2	30	0.5	0	15	0	<p>SC 2.2 “will repair cyclone-induced damages to the drainage works and implement Phase 2 of the drainage rehabilitation”</p> <p>While adaptation is not the only objective of the sub-component, and while cyclones are exacerbated by climate change rather than caused by them, there is a clear link between the activities being undertaken and the provided vulnerability context, showing an intent to address that vulnerability. The finance will increase the resilience of coastal infrastructure to future climate change.</p> <p>There is no information provided within documentation regarding the incremental cost of adaptation</p>



						<p>actions for these coastal resilience activities.</p> <p>In the absence of incremental costs, an adaptation coefficient of 0.5 has been applied to each activity to reflect that adaptation co-benefits resulting from the sub-component will be significant while adhering to a principle of conservativeness.</p> <p>There is no evidence of mitigation-relevance.</p>
SC 2.3	3	0.5	0	1.5	0	<p>SC 2.3 “will finance the feasibility studies and design for the drainage works (Subcomponent 2.2) and the implementation and TA required for the overall Component 2”.</p> <p>Therefore the feasibility studies and TA activities will contribute to the adaptation activities already assessed above. There is therefore a link between the activities being undertaken and the provided vulnerability context, showing an intent to address that vulnerability. The finance will increase the resilience of coastal infrastructure to future climate change.</p> <p>In the absence of incremental costs, an adaptation coefficient of 0.5 has been applied to reflect that adaptation co-benefits resulting from the sub-component will be significant and to reflect the coefficients above.</p> <p>There is no evidence of mitigation-relevance.</p>
SC 3.1	3	0.2	0	0.6	0	<p>SC 3.1 will “support the implementation of project activities under the responsibility of the AIAS (Component 2), through (a) technical capacity for the implementation of reconstruction and resilience interventions; (b) fiduciary (that is,</p>

						<p>financial and procurement management); (c) environmental and social safeguards management; (d) preparation of project reports; and (e) monitoring and evaluation (M&amp;E).”</p> <p>Finance will support the technical capacity to undertake reconstruction and resilience activities, and there is a partial link between the activities being undertaken and the provided vulnerability context, showing an intent to address that vulnerability.</p> <p>There is no information provided within documentation regarding the incremental cost of adaptation actions for these coastal resilience activities, yet 1/5 activities is seen to be adaptation relevant.</p> <p>In the absence of incremental costs, an adaptation coefficient of 0.2 has been applied.</p> <p>There is no evidence of mitigation-relevance.</p>
SC 3.2	4	0.2	0	0.8	0	<p>SC 3.1 will “support the implementation of project activities under the responsibility of GREPOC (Component 1), through (a) technical capacity for the implementation of reconstruction and BBB interventions; (b) fiduciary (that is, financial and procurement management), (c) environmental and social safeguards management; (d) preparation of project reports; and (e) M&amp;E.”</p> <p>Finance will support the technical capacity to undertake reconstruction and build back better activities, and there is a partial link between the activities being undertaken and the provided vulnerability context,</p>

						<p>showing an intent to address that vulnerability.</p> <p>There is no information provided within documentation regarding the incremental cost of adaptation actions for these coastal resilience activities, yet 1/5 activities are seen to be adaptation relevant.</p> <p>In the absence of incremental costs, an adaptation coefficient of 0.2 has been applied.</p> <p>There is no evidence of mitigation-relevance.</p>
C 4	0	0	0	0	0	No evidence of climate-relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
85	$0.8667 * 61.9 = 53.6487$	36.9 27.2%	0	0	0%

Commented [6]:

Reported climate finance	Assessed climate finance	Error
85	53.6487 61.9	36.9% 27.2%

Project Number: P163989

<b>Project Name</b>
Mozambique Urban Development and Decentralization Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/591581593482679982/mozambique-national-urban-development-and-decentralization-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/591581593482679982/mozambique-national-urban-development-and-decentralization-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Grant
<b>Lowest level of granularity</b>
Component/Sub-component

<b>Climate Change Vulnerability Context</b>
Provided in the Institutional and Sectoral Context section, pages 9-10, paragraph 11.
<b>Intent to Address Vulnerability</b>
Provided in the Relevance to Higher Level Objectives section page 14, paragraph 26.
<b>Link to Project Activities</b>
Provided in the Project Description.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Component 1	US\$92.0 million	Component 1: Urban Infrastructure and Municipal Services (US\$92 million). This component will provide financing to improve urban infrastructure and municipal services and strengthen urban management capacity in participating municipalities. Particular attention will be given to support municipal responses to COVID-19. The component will be divided into three subcomponents: (a) Municipal Performance Grants (US\$53 million), (b) Maximizing Finance for Urban Development (US\$30 million), and (c) Urban Management Technical Assistance (US\$9 million).
		Subcomponent 1A: Municipal Performance Grants (US\$53 million). This subcomponent will provide US\$52 million of Municipal Performance Grants (MPG) to selected municipalities to finance works, goods, and institutional strengthening activities which lead to improvements in urban infrastructure and basics service. The MPG will cover all municipalities in the provinces of Gaza, Niassa, Zambezia, and Sofala. The MPG will be divided into four annual cycles. The participating municipalities will receive their annual allocation to finance a wide range of local infrastructure and services improvements (such as roads, sidewalks, water and sanitation, solid waste management, drainage and erosion control, street lighting, markets and public and community spaces, and basic health care) and capacity development activities related to their core functions (such as territorial planning, land management and modernization equipment and training, consultations, and climate change

	<p>impact assessment). Municipalities will propose the activities to be financed under this subcomponent through the development of sector-level plans that will build on the comprehensive municipal infrastructure and land diagnostic currently being supported by the Project Preparation Advance (PPA). Sector-level plans will also respond to gender gaps<sup>10</sup> identified in the diagnostics and monitor implementation of these activities. Eligible expenditures will be screened against the project's eligibility criteria (see Annex 3) and the project's safeguards instruments (Environmental and Social Management Framework [ESMF] and Resettlement Policy Framework [RPF]). The eligibility and design of the subprojects will be also assessed against technical and economic feasibility, impact on poverty reduction, and contribution to climate adaptation and mitigation considerations. Priority will be given to support the implementation of the Municipal Action Plan for COVID-19 Response (see Annex 6), particularly to support (a) implementing the Municipal Emergency Operational and Management Center and Continuity Plan; (b) monitoring the spread and impact of COVID-19 in each municipality; (c) slowing and reducing transmission in urban areas; (d) focusing protection on high-risk groups; (e) strengthening key municipal services, including basic health, sanitation, and social assistance, and municipal policy; (f) expanding community outreach and communication; and (g) mitigating the economic and social impact through support to local SMEs, the informal economy, and labor-intensive infrastructure and services. The subprojects should also incorporate climate risk analysis and climate design considerations to promote energy efficiency and/or use of renewable energy sources. The activities financed under the MPG will be included in the annual budget plans of the municipalities and will be audited as part of the municipal auditing requirements.</p> <p>This subcomponent will also finance the independent Annual Performance Assessments (APAs, US\$1 million) that will be the basis for the yearly disbursements to eligible municipalities. The assessment will measure the performance of each municipality against the project's minimum conditions and performance indicators. Each qualifying municipality will obtain a score which will then be converted to a corresponding financing amount. The sum of these individual amounts will comprise the disbursement to be made for that year. The robustness of the annual assessment will also be checked through an annual sample audit of the annual assessment which will be undertaken as part of the World Bank supervision. The APA will first assess whether the municipality meets a set of minimum conditions to be eligible for receiving the project funds. This is to ensure that project funds will be properly used and in compliance with Government and World Bank fiduciary and safeguards requirements. The APA will also verify the performance against a set of indicators to scale up the MPG allocation starting from Year 2. These indicators will cover two main themes: (a) Urban Infrastructure and Services Delivery and (b) Municipal Public Finance and Administration. Particular attention will be given to municipalities that can demonstrate that the MPG will be used to improve climate adaptation and mitigation and gender equality (for details, see Annex 3).</p>
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	<p>Subcomponent 1B: Maximizing Finance for Urban Development (US\$30 million). The MFUD subcomponent will provide funds for any of the 53 municipal councils in Mozambique that can demonstrate viable projects that could complement, attract, or leverage private sector investments to improve urban infrastructure and municipal service in areas such as solid waste management, urban mobility, municipal markets, housing, and economic activities. As such, the MFUD could finance public infrastructure which can unlock or complement private investments in private goods; is aligned with public policies; and is economically, environmentally, and socially sustainable. Priority will also be given to proposals that reduce the social and economic impact of COVID-19, such as through supporting SMEs and labor-intensive urban infrastructure and municipal services. For instance, the project funds could be used to improve a municipal road (public infrastructure) which is needed to unlock a private investment in manufacturing or housing. The MFUD could also provide co-financing to public-private partnerships (PPPs). In this case, the project funds could be used to finance a share of capital investments costs (CAPEX) and/or a share of operational costs (OPEX) required to attract private investments and ensure financial sustainability. Finally, the subcomponent will also finance technical assistance to support the preparation and evaluation of MFUD proposals, including feasibility studies and other consulting services to assist the municipalities in subproject preparation, negotiation, and operation. It is expected that the project will start by supporting municipalities that already have proposals in their pipeline that fit the MFUD, while the project provides capacity building and technical assistance incrementally to other municipalities which could benefit from the MFUD later during project implementation. The MFUD will also prioritize projects that can contribute to reduce gender disparities and are responsive to climate change impacts. Ultimately, the MFUD will help municipalities implement strategic investments that are much larger than the investments they can realize from their annual budget cycle, which is often necessary to secure private sector participation.</p>
	<p>Subcomponent 1C: Urban Management Technical Assistance (US\$9 million). The objective of this subcomponent is to improve the institutional capacity in the participating municipalities on core urban management functions. Under the guidance of the Ministry of Public Works, Housing, and Water Resources (Ministério de Obras Públicas, Habitação e Recursos Hídricos, MOPHRH), this subcomponent will finance technical assistance and capacity building on urban infrastructure planning; project management (design, procurement, and execution); and O&amp;M. It will cover the key infrastructure and services delivery areas under the responsibilities of municipalities such as local roads/mobility, small water and sanitation systems, drainage and erosion control, and markets and public spaces. Particular attention will be given to strengthen municipal capacity to respond to COVID-19. Under the guidance of the Ministry of Land and Environment (Ministério de Terra e Ambiente, MTA), this subcomponent will also support strengthening the capacity of the participating municipalities on urban territorial planning, municipal land administration, and urban environmental management. This</p>

		<p>includes support for preparing or reviewing urban plans (PEUM, PGU, and PP); modernizing municipal land cadasters; and scaling up land tenure regularization, including DUATs in the name of women. Technical assistance provided by MTA on territorial planning and land management will complement equipment, software, training, and consultations that municipalities can finance through the institutional development activities that are eligible under the MPG of Subcomponent 1A. Consultations will include information sessions for women to raise awareness of their rights and ensure their participation in prioritizing municipal investments and exercising their land rights, including through the issuance of DUATs. Particular attention will be given to social and environmental safeguards, including resettlement. The subcomponent will also finance capacity-building and technical assistance activities to strengthen the capacity of provincial and central governments to improve regulations and their capacity to support municipalities in those areas. Finally, it will support capacity-building activities on urban resilience, particularly on how to incorporate climate risk considerations in the planning and design of urban infrastructure. It will also support capacitybuilding efforts to incorporate gender equity considerations in the formulation of urban infrastructure and services delivery.</p>
Component 2	US\$20.0 million	<p>Component 2: Decentralization Policy Reforms and Institutional Strengthening (US\$20 million). The objective of this component is to improve resources, performance, and accountability of municipalities, provinces, and districts by (a) improving policies and as needed legal and regulatory frameworks on fiscal decentralization and human resources and (b) improving core public sector management functions at provincial, municipal, and district levels. The component will be divided into two subcomponents: (a) support to the overall leadership of the decentralization reform process and (b) institutional strengthening of subnational entities in public sector and FM. This component will primarily focus on the municipalities, while advising the Government on framing a new intergovernmental system for provinces and districts.</p>
		<p>Subcomponent 2A: Support to the Overall Leadership of the Decentralization Reform Process (US\$6 million). Building on the impetus created by the constitutional change, this subcomponent will support the Ministry of State Administration and Public Service (Ministério da Administração Estatal e da Função Pública, MAEFP), the Ministry of Economy and Finance (MEF), and the Mozambique National Association of Municipalities (Associação Nacional dos Municípios de Moçambique) in leading, advocating, and coordinating decentralization reforms—through a mix of technical assistance and capacity building—to (a) adopt a national program for decentralization with a detailed results framework to guide the reform; (b) revamp the Inter-Ministerial Group of Decentralization (Grupo Inter-Ministerial de Descentralização) to secure political buy-in from the start; (c) develop and/or revise the legal and regulatory framework; (d) clarify the roles and competencies of the different government levels for better local service delivery; (e) establish a coherent intergovernmental fiscal transfers system through more transparent, needs-based, and predictable transfer to municipalities, provinces, and districts as well as reforming the subnational</p>

	<p>tax system, while establishing clear accountability and reporting mechanisms; and (f) annually publish information on fiscal transfers to municipalities (amounts and timeliness of transfers) while improving governance at the municipal level (design and launch yearly awards for good governance at the municipal level). Particular attention will be given to support own-source revenues through needed changes in laws and regulations and dedicated technical assistance to set up efficient tax units in participating municipalities. A strategy to improve own-source revenue will also be developed. A study on the tax base and collection process and procedures at the different government levels—province, district, and municipality—is currently being undertaken in the framework of the PPA and will inform the project interventions in the own-source revenue area.</p> <p>40. This subcomponent will also support strengthening procedures for the execution and monitoring of local budgets to increase the effectiveness of public expenditures at the local level. Specifically, it will (a) support the TA with capacity building of the TA in subnational public finance auditing, (b) revise the instructions defining the process and procedures for the development of the municipalities’ annual financial reporting (Conta de Gerência), and (c) develop guidelines and roll out institutional capacity strengthening of municipalities for the preparation of annual financial reports.</p> <p>41. This subcomponent will also support MAEFP to review rules and processes for civil service employment at the municipal level and propose changes to improve incentives and performance. To address a core binding constraint linked to mobility of civil servants, an assessment of mobility trends by skills, levels, and geographic location will be undertaken to identify options for policy reform.</p>
	<p>Subcomponent 2B: Institutional Strengthening of Subnational Entities in Public Sector and Financial Management (US\$14 million). The project will help strengthen the capacity of actors (central and deconcentrated agencies, municipalities, communities, and citizens) involved in the recent decentralization reforms, through supporting the Government in creating a comprehensive supply-driven capacity-building strategy and mechanisms for assisting and empowering provinces and municipalities in managing human and financial resources and develop comprehensive training programs and change management activities, in collaboration with public training entities as well as roll out such trainings packages for key public administration and governance positions at the local level (local-level administrators, members of provincial and municipal assemblies, and so on). 11 The subcomponent will also provide support to the development and phased rollout of an automated FM system at the municipal level. An initial assessment of existing PFM information management capacity (systems, information and communication technology infrastructure, and human resources) at the municipal level (ongoing) will inform whether to adopt a centralized system (Sistema de Gestão Autárquica) or to support a decentralized system through which municipalities can have more flexibility to acquire different</p>



		systems provided they are interconnected with e-SISTAFE. After the assessment, the subcomponent will support the development, piloting, and rollout of these initial modules to all participating municipalities. This subcomponent will also provide support to strengthen social accountability for non-state actors to participate in local government decision-making, with particular attention to women and girls. Under the project preparation, a social accountability and gender equity assessment was undertaken to identify specific actions to strengthen community participation and gender equity which the project will support during implementation.
Component 3	US\$5.0 million	Component 3: Project Management (US\$5 million). This component will finance project preparation and implementation management costs, including technical studies, Project Implementation Unit (PIU) staff, and the PIU's operational costs. The PIU will be responsible for the overall project management functions across all components. At the central level, the team will comprise a PIU coordinator, an FM specialist, a procurement specialist, an accountant, a monitoring and evaluation (M&E) specialist, a social safeguards specialist, and an environmental safeguards specialist. The social safeguards specialist will also oversee and ensure information sessions and consultations are conducted to raise awareness of women's rights to identify urban services and to articulate their interests in access to land. The PIU at the central level will be assisted by a senior technical team from the relevant line ministries. The PIU will set up provincial teams in each of the four provinces (Gaza, Zambezia, Sofala, and Niassa), comprising a coordinator, a social safeguard specialist, and an environmental safeguards specialist. The PIU at the provincial level will be assisted by the provincial government departments and will have the responsibility of assisting the project implementation in each province.
Component 4	US\$0.0	Component 4: Contingency Emergency Response (US\$0 million). This Contingency Emergency Response Component will facilitate access to rapid financing by reallocation of uncommitted project funds in the event of an Eligible Crisis or Emergency. Specific details about this component (including activation criteria, eligible expenditures, specific implementation arrangements, and staffing) will be part of the Contingency Emergency Response Manual.

#### Climate Change Co-benefits section

Not provided.

#### Greenhouse Gas Accounting

Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1A	53	0.125	0.125	6.625	6.625	Component 1 will provide financing to improve urban infrastructure and

					<p>municipal services and strengthen urban management capacity in participating municipalities.</p> <p>Sub-component 1A will “provide US\$52 million of Municipal Performance Grants (MPG) to selected municipalities to finance works, goods, and institutional strengthening activities which lead to improvements in urban infrastructure and basics service.”</p> <p>More specifically: “participating municipalities will receive their annual allocation to finance a wide range of local infrastructure and services improvements (<b>such as roads, sidewalks, water and sanitation, solid waste management, drainage and erosion control, street lighting, markets and public and community spaces, and basic health care</b>) and capacity development activities related to their core functions (such as territorial planning, land management and modernization equipment and training, consultations, and climate change impact assessment)</p> <p>Adaptation:</p> <p>Documentation states: “The eligibility and design of the subprojects will be also assessed against technical and economic feasibility, impact on poverty reduction, and contribution to climate adaptation and mitigation considerations”.</p> <p>While there is no explicit information indicating how specific service improvements will address the climate vulnerability context, there is an indirect link between the activities undertaken and that context.</p>
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					<p>Mitigation:</p> <p>Documentation states: "The subprojects should also incorporate climate risk analysis and climate design considerations to promote energy efficiency and/or use of renewable energy sources."</p> <p>The sub-component therefore qualifies under the Common Principles from Climate Change Mitigation Finance Tracking, under the eligible activity: "Brownfield energy-efficiency improvement in energy production to supply electricity, heat, mechanical energy or cooling"; and "Generation of renewable energy with low lifecycle GHG emissions to supply electricity, heating, mechanical energy or cooling".</p> <p>The climate coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Neither adaptation nor mitigation are the primary objective of the sub-component, where priority will be given to support the implementation of the Municipal Action Plan for COVID-19 Response. This results in an initial coefficient of 0.5 being applied.</li> <li>• No granular information has been provided to disaggregate adaptation and mitigation finance from non-adaptation and mitigation related finance within the remaining support, such as through the provision of incremental costs. In the absence of such information a second coefficient of 0.5 is applied.</li> </ul>
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						<ul style="list-style-type: none"> <li>The above coefficients consider the significant uncertainty involved in this assessment, and are applied in an attempt to not over-report climate co-benefits.</li> <li>Final coefficient of 0.25 deemed to be cross-cutting.</li> </ul>
SC 1B	30	0.25	0	7.5	0	<p>Sub-component 1B “will provide funds for any of the 53 municipal councils in Mozambique that can demonstrate viable projects that could complement, attract, or leverage private sector investments to improve urban infrastructure and municipal service in areas such as solid waste management, urban mobility, municipal markets, housing, and economic activities.”</p> <p>Documentation states: “The MFUD will also prioritize projects that can contribute to reduce gender disparities and are responsive to climate change impacts.”</p> <p>Adaptation:</p> <p>While there is no explicit information indicating how specific service improvements will address the climate vulnerability context, there is an indirect link between the activities undertaken and that context.</p> <p>The adaptation coefficient assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>Adaptation is not the primary objective of the sub-component, resulting in an initial coefficient of 0.5 being applied.</li> <li>No granular information has been provided to disaggregate adaptation finance from non-adaptation-</li> </ul>

						<p>related finance, such as through the provision of incremental costs. In the absence of such information a second coefficient of 0.5 is applied.</p> <ul style="list-style-type: none"> <li>• The above coefficients attempt to consider the significant uncertainty involved in this assessment, and are applied in an attempt to not over-report climate co-benefits.</li> <li>• Final coefficient of 0.25.</li> </ul> <p>No evidence of mitigation-relevance.</p>
SC 1C	9	0.25	0	2.25	0	<p>Sub-component 1C “will finance technical assistance and capacity building on urban infrastructure planning; project management (design, procurement, and execution); and O&amp;M.” Support “will cover the key infrastructure and services delivery areas under the responsibilities of municipalities such as local roads/mobility, small water and sanitation systems, drainage and erosion control, and markets and public spaces”.</p> <p>Documentation states: “The MFUD will also prioritize projects that can contribute to reduce gender disparities and are responsive to climate change impacts.”</p> <p>Adaptation:</p> <p>While there is no explicit information indicating how specific service improvements will address the climate vulnerability context, there is an indirect link between the activities undertaken and that context.</p> <p>The adaptation coefficient assessment results from the following considerations:</p>

						<ul style="list-style-type: none"> <li>Adaptation is not the primary objective of the sub-component, resulting in an initial coefficient of 0.5 being applied.</li> <li>No granular information has been provided to disaggregate adaptation finance from non-adaptation-related finance, such as through the provision of incremental costs. In the absence of such information a second coefficient of 0.5 is applied.</li> <li>The above coefficients attempt to consider the significant uncertainty involved in this assessment, and are applied in an attempt to not over-report climate co-benefits.</li> <li>Final coefficient of 0.25.</li> </ul> <p>No evidence of mitigation-relevance.</p>
SC 2A	6	0	0	0	0	No evidence of climate-relevance.
SC 2B	14	0	0	0	0	No evidence of climate-relevance.
C 3	5	0	0	0	0	No evidence of climate-relevance.
C 4	0	0	0	0	0	No evidence of climate-relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
29.4	16.375	44.3%	6.4	6.625	3.5%

Reported climate finance	Assessed climate finance	Error
36.1	23.0	36.7%

**Project Number: P169830**

<b>Project Name</b>
Niger First Laying the Foundation for Inclusive Development Policy Financing
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/329661576465233438/niger-first-laying-the-foundation-for-inclusive-development-policy-financing">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/329661576465233438/niger-first-laying-the-foundation-for-inclusive-development-policy-financing</a> (Program Document)
<b>Financing Instrument</b>
Development Policy Financing
<b>Financial product</b>
Credit, Grant
<b>Lowest level of granularity</b>
Prior Action

<b>Climate Change Vulnerability Context</b>
Provided in the Prior Actions, Results and Analytical Underpinnings section in the context of Prior Actions 7 and 8; and in the Summary of Risks and Mitigation section, pages 39-40, paragraph 141.
<b>Intent to Address Vulnerability</b>
Provided in the Introduction and Country Context section, page 3, paragraph 9.
<b>Link to Project Activities</b>
Provided in the Prior Actions, Results and Analytical Underpinnings section.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
		Pillar 1: Reducing Gender Gaps
		Prior Action 1. The Recipient, through its President, has issued Decree no. 2019-369/PRN/MPF/PE dated July 19, 2019 establishing Child Protection Committees at the national, regional, departmental, commune, and village to promote the abandonment of child marriage.
PA 1		The Government has institutionalized by Decree the Child Protection Committees to promote the abandonment of child marriage within communities (Prior Action 1). Building on the principle that reducing child marriage and fertility will require changes in behavioral and social norms, the Government has created a mechanism to put community members at the forefront of the reform process. This will be done under the umbrella of the Child Protection Committees.
		The Child Protection Committees are a community structure, representing all sectors in the community who have a role to play in protecting children against child marriage. Because to be successful, child protection strategies and approaches require the involvement of all actors, the members of the Child Protection Committees include among other female and male (in each category) and not restricted to: (i) elected representatives, often from the communes; (ii) medical staff; (iii) community members; (iv) religious and traditional leaders, and;

	<p>(v) schoolteachers. Of particular importance is the participation of traditional and religious leaders in the Committee because they often prescribe which behaviors are acceptable and they perform child marriage. The Committees' goal is to promote, prevent, safeguard and fulfill the right of girls to protection from child marriage among communities, and obtain commitments from religious and traditional leaders to abandon child marriage practices. This will be done in the form of public statements and written commitments within communities.</p> <p>55. The prior action will give the Child Protection Committees a legitimacy and an endorsement from the Government, making it a formal and legally recognized entity. To create the Child Protection Committees following the enactment of the Decree, the Government will partner with international agencies and non-governmental organizations to work with communities through its deconcentrated and decentralized entities, mainly at the level of communes. The rules governing the Child Protection Committees and the underpinning structure are defined in the Decree. The details are being developed in a handbook with the assistance of the SWEDD project and will be shared and communicated by the Government to identified supporting partners and the targeted communes. The members of the Committees are benevolent, but the operationalization of the structures and their activities will be supported by partners' project and non-governmental organizations (NGOs).</p> <p>56. To fulfill its role, the Child Protection Committees will use a bottom-up, holistic and communitybased approach in order to empower communities to find consensual solutions. They will work and interact directly with community members and all the traditional and religious leaders in the communities. They will organize sessions/discussions to explain the harmful consequences of early child marriage, the benefits of education and access to health services (family planning, sexual and reproductive health). This will help address existing relations of gender and power in the communities and broader social networks. They will focus on prevention because it is generally easier, and certainly less damaging for a child, to intervene before a harmful situation occurs or escalates. However, if a child marriage is reported, they work with the concerned parties, including parents, brides and bridegrooms, to work out a solution to reverse the situation.</p> <p>57. The Child Protection Committees will support the empowerment of married adolescent girls. The Committees will work directly with adolescent girls by facilitating their access to a wide range of education, health and legal services, including regarding marital status if such services are deemed necessary. Without the norms change adolescent girls and their families will not take up the access to education and reproductive health services that the legal reforms set out in the Prior Actions afford them. The Committee will be the liaison between married adolescent girls, the schools, the legal system and health centers. Access to these systems is free as per the existing legal dispositions in Niger. 12</p> <p>58. To ensure that the Committees are fully effective/operational, sustainable and generate the intended results, they will work closely with partners and NGOs to create synergy. The institutional supporting framework underpinning the</p>
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		<p>operationalization and the work of the Committees is based on three guiding principles. First, the Committees will work closely with representatives of line ministries and donors' projects/NGOs which will serve as reporting mechanisms to the central level (the ONPG and central line ministries) of progress and challenges they are facing in order to identify redressing actions if needed. Second, the Government will work with partners (NGOs, partners' projects) to support capacity building for, and the operationalization activities of the Committees. For instance, it is one of the main objectives of the restructuring of the World Bank SWEDD Project: supporting communication of the purposes of the creation and the work of the Committees to the population; creating monitoring mechanisms of progress made and/or challenges faced by the Committees, and capacity building for the Committees and line ministries involved will be among the items to be addressed. Third, the Child Protection Committees will foster existing programs.<sup>13</sup> The program will be developed in the communes where sensitization work has been done by the SWEDD and other active partners' projects to create synergy and maximize the intended impact.</p>
PA 2		<p>Prior Action 2. The Recipient, through its Ministry of Public Health, has issued a Ministerial Order (Arrete)no. 000897/MSP/SG/DGSR/DSME of August 15, 2019 allowing access to family planning assistance to married adolescent girls without parents or husbands' mandatory accompaniment, to improve their access to health services.</p> <p>59. The Government has removed required mandatory accompaniment of their husbands or parents for married adolescent girls to access family planning services (Prior Action 2). Overall, in Niger 16.4 percent of women aged 15 to 19 do not receive any ante-natal care during their pregnancy, or postnatal follow up after giving birth while maternal mortality accounts for 35 percent of all deaths occurring among women aged 15 to 19. Married adolescent girls often do not have access to sexual and reproductive health services and modern family planning because utilization of modern family planning services is misperceived and generally not understood by their spouses, especially during the early stage of marriage.<sup>14</sup> Latest DHS addressing access to reproductive health among that category of population in Niger shows that nearly half of the women surveyed in the 15 to 19 age group (42.6 percent) cited "opposition" as the main reason for not-using modern contraception methods.</p> <p>60. Other factors such as inadequate availability of services and opposition from providers also prevent married adolescent from obtaining needed health services. These obstacles being addressed by government projects supported by donors, including the World Bank SWEDD and UNICEF projects. The reforms supported by this DPF series will only address social norms and focus on removing the required mandatory consent of their husbands or parents for married adolescent girls to access health services. The Child Protection Committees will play a critical role in providing such assistance to married adolescent girls by referring those in needs to the appropriate health services. They will also engage with parents and husbands to gain their acceptance.</p>
PA 3		<p>Prior Action 3. The Recipient, through its Ministry of Primary Education Literacy, Promotion of National Languages and Civic Education, its Ministry of Secondary</p>

		<p>Education and its Ministry of Technical and Vocational Education and Training, has issued Joint Ministerial Order no. 335 dated August 22, 2019 allowing adolescent girls to remain enrolled in school in the event of pregnancy or marriage, to improve educational attainment.</p> <p>61. The Government has reinforced the legal framework allowing adolescent girls to continue attending or returning to schools in the event of pregnancy or marriage (Prior Action 3). Teenage pregnancy is a significant factor affecting school drop-out rates among girls. Many girls in Niger give birth during their teenage years and are neither economically nor emotionally ready to deal with parental responsibilities, therefore facing social and financial barriers to continuing with formal education. The Government has abrogated an old legal disposition that temporarily excluded pregnant girls from school and excludes them for good if they are married. This abrogation will ensure that all girls in Niger will have their right to education preserved regardless of their pregnancy, marital or motherhood status.</p>
		Pillar 2: Expanding Access to Electricity and Potable Water
		Electricity
PA 4		<p>Prior Action 4. The Recipient, through its President, has issued Decree no. 2019-406/PRN/ME dated July 26, 2019 establishing the regulatory framework governing off-grid autonomous rural electrification projects which promotes private sector involvement and prioritizes renewable energy to increase access to electricity.</p> <p>72. The Government has adopted by Decree a regulatory framework enabling private sector-driven off grid rural electrification, promoting specifically the use of renewable energy (Prior Action 4). The Electricity Code enacted the delegation of electricity services in rural areas to a third party for the generation, distribution and sales of electricity in defined concession areas. The Decree supports the development of renewables and off-grid solar access and private investment as key factors in reaching universal access in Niger. It also aims to mitigate perceived and actual risks of such investment by clarifying the rural concession process, buy-out options in case the national grid expands to the concession areas and incentives to support investment. The motivation for this prior action is to clarify and complement existing regulations which are silent on important aspects such as tariff setting, implications of the PPP law, financing support for use of renewable energy and interaction with grid expansion.</p>
PA 5		<p>Prior Action 5. The Recipient, through its President, has issued Decree no. 2019-462/PRN/ME dated August 23, 2019, adopting a national Electricity Transmission Grid Code, governing inter alia grid connection, commissioning of new electric infrastructure, and integration of renewable energy to promote private sector participation in the electricity sector.</p> <p>73. The Government has adopted a national Grid Code to facilitate, among other things, the access of third parties to the transmission networks and the integration of renewables generation (Prior Action 5). The electricity market in West Africa is experiencing steady development with the construction of regional interconnectors, the development of new capacity and the establishment of rules for the ECOWAS regional electricity market. To make private participation</p>

		<p>effective, the Government adopted by Decree the Grid Code. It defines the technical specifications and conditions for a third-party power producer to connect to the national and regional grids. The grid code is aligned with the West African Power Pool (WAPP) regional grid code and allows for the integration of renewable energy generation, particularly hydro and solar.</p>
PA 6		<p>Prior Action 6. The Recipient through its Ministry of Energy and its Ministry of Finance, has issued a Joint Ministerial Order no. 0006/ME/MF dated February 28, 2019 approving the performance contract entered into between the Recipient and NIGELEC-SA in March 2019 to improve service quality and key performance indicators of the electricity sector and increase the share of renewable energies in the energy mix.</p> <p>74. The Government has signed the performance contract with NIGELEC to improve the operational performance of the electricity sector (Prior Action 6). Previous DPF have supported the setting up of the concession contract between the State and NIGELEC for the provision of public service activities for the generation, transmission and distribution of electric power. As a follow-on step, the Government has signed with NIGELEC the performance contract approved by Decree 06/ME/MF of February 28, 2019 aiming to: (i) improve service quality and key performance indicators of the sector; and (ii) increase the share of renewable energies in the energy mix. It includes the financial and technical obligations of each party to ensure the fulfillment of the objectives of the sector.</p> <p>75. This contract is the instrument for all entities to ensure that checks and balance and a proper accountability mechanism are in place for monitoring commitments. Commitments include increasing the share of renewables in the energy mix and access to electricity. Learning from the difficulties to implement performance contracts in many countries, commitments and indicators were carefully selected for a three-year period, building on NIGELEC business plan. Financing is already secured by the Government for investment in the power system. The Energy Sector Regulation Authority is responsible for the monitoring of the implementation of performance contract.</p>
		Water
PA 7		<p>Prior Action 7. The Recipient, through its President, has enacted Law no. 2019-15 dated May 24, 2019, establishing the Water Regulatory Authority to strengthen the institutional framework of the water sector.</p> <p>88. To improve the institutional framework of the water sector, the Recipient has established the Water Regulatory Authority to strengthen the institutional framework of the water sector (Prior Action 7). An independent regulator is key to ensuring the enforcement of legislative and regulatory texts, the protection of the economic and financial balance of the sector and preserving the economic conditions necessary for its viability. A key responsibility for this new regulator will be to guide tariff adjustments and the overall sector performance framework. The existence of such a framework is key for private participation in both the financing of, and operation in the sector.</p>
PA 8		<p>Prior Action 8. The Recipient, through its Ministry of Water and Sanitation and its Ministry of Finance, has entered into an agreement (Contrat-Plan) with SPEN, on</p>

	<p>August 29, 2019, requiring SPEN to develop a master plan and investment programs, to improve access to basic water services.</p> <p>89. To operationalize the investment framework in the sector and improve access to basic potable water services, the Government and SPEN have signed a performance contract (Prior Action 8). The contract includes inter-alia SPEN's investment program between 2019 and 2021. In the PROSEHA, the Government has committed to expanding access to basic water to all Nigeriens by 2030. The performance contract will be key to achieving this ambitious objective. The purpose of the performance contract is to clarify the reciprocal obligations of the parties (SPEN and GoN) to achieve the objectives set out by the Government for the sector as well as how climate shocks, particularly drought, are to be addressed. The plan details the commitment of each party, including the revision of tariffs, investment plan of SPEN to implement the government's strategy to expand access. In particular, it includes the transfer of the 75 fast growing rural centers to the SPEN in order to provide potable water to 1.3 million users.</p>
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<b>Climate Change Co-benefits section/Additional information on climate relevance from documentation</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA 1	350/8	0	0	0	0	No evidence of climate relevance.
PA 2	350/8	0	0	0	0	No evidence of climate relevance.
PA 3	350/8	0	0	0	0	No evidence of climate relevance.
PA 4	350/8	0	1	0	43.75	<p>Entirely mitigation relevant under the eligible activity: "National, subnational or territorial cross-sectoral policy actions that aim to lead to climate change mitigation actions or technical support for such actions".</p> <p>While a portion of this finance, which enhances rural access to low-carbon energy, could potentially contribute adaptation co-benefits, no explicit evidence regarding such benefits has been found. The project climate vulnerability context makes no reference to energy access.</p>

PA 5	350/8	0	0	0	0	<p>The Grid Code, adopted by Decree under PA 5, defines the technical specifications and conditions for a third-party power producer to connect to the national and regional grids. Although potentially mitigation relevant, there is no supporting evidence suggesting this PA will lead to net emissions reductions and/or mitigation co-benefits. To adhere to the principle of conservativeness no mitigation co-benefits have been counted.</p> <p>No evidence of adaptation relevance.</p>
PA 6	350/8	0	0.5	0	21.875	<p>The prerequisite policy relating the PA 6 is a performance contract to improve the operational performance of the electricity sector. The performance contract has two aims:</p> <ul style="list-style-type: none"> <li>• (i) improve service quality and key performance indicators of the sector; and</li> <li>• (ii) increase the share of renewable energies in the energy mix.</li> </ul> <p>The PA is mitigation relevant under the eligible activity: “National, subnational or territorial cross-sectoral policy actions that aim to lead to climate change mitigation actions or technical support for such actions”. A coefficient of 0.5 has been applied in recognition that ½ aims is mitigation-relevant.</p>
PA 7	350/8	0.25	0	10.9375	0	<p>The prerequisite policy relating to PA 7 is “Law no. 2019-15 dated May 24, 2019, establishing the Water Regulatory Authority to strengthen the institutional framework of the water sector”.</p> <p>This law seeks to “improve the institutional framework of the water sector, the Recipient has established the Water Regulatory Authority to</p>

						<p>strengthen the institutional framework of the water sector”.</p> <p>The regulatory body will “The regulatory body will help ensure that all the stakeholders of the sector work together seamlessly and that a mechanism exists to address issues that may arise. It will also play a critical role in facilitating the adjustment of tariffs to account for water use under climate shocks (ex. droughts) to help with the management of consumption”.</p> <p>The climate vulnerability context of the project highlights the water sector as particularly vulnerable and there is therefore a link between the activities and that context.</p> <p>The adaptation co-benefits assessment results from the following steps:</p> <ul style="list-style-type: none"> <li>• Adaptation is not the principle objective or outcome of the prerequisite policy/PA, but is one of multiple. An initial coefficient of 0.5 can be applied to reflect this.</li> <li>• In the absence of more granular information regarding the proportionality of adaptation activities within the PA a further coefficient of 0.5 can be applied to adhere to the principle of conservativeness.</li> </ul> <p>No evidence of mitigation relevance.</p>
PA 8	350/8	0.25	0	10.9375	0	<p>The prerequisite policy relating to PA 8 is that the Ministry of Water and Sanitation and its Ministry of Finance, has entered into an agreement requiring the development of a master plan and investment</p>

						<p>programs, to improve access to basic water services.</p> <p>The aim of PA 8 is “To operationalize the investment framework in the sector and improve access to basic potable water services, the Government and SPEN have signed a performance contract”.</p> <p>The climate vulnerability context of the project highlights the water sector as particularly vulnerable and there is therefore a link between the activities and that context.</p> <p>The adaptation co-benefits assessment results from the following steps:</p> <ul style="list-style-type: none"> <li>• Adaptation is not the only objective or outcome of the prerequisite policy/PA, but is one of multiple (such as operationalising the sector’s investment framework). An initial coefficient of 0.5 can be applied to reflect this.</li> <li>• In the absence of more granular information regarding the proportionality of adaptation activities within the PA a further coefficient of 0.5 can be applied to adhere to the principle of conservativeness.</li> </ul> <p>No evidence of mitigation relevance.</p>
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Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
35	21.875	37.5%	64.2	65.625	2.2%

Reported climate finance	Assessed climate finance	Error
99.2	87.5	14.7%





Project Number: P163353

<b>Project Name</b>
Nigeria Rural Access and Agricultural Marketing Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/420261582340546033/nigeria-rural-access-and-agricultural-marketing-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/420261582340546033/nigeria-rural-access-and-agricultural-marketing-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Credit
<b>Lowest level of granularity</b>
Sub-component/Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Climate and Disaster Screening and Climate Co-Benefits Rationale Section.
<b>Intent to Address Vulnerability</b>
Provided in the Climate and Disaster Screening and Climate Co-Benefits Rationale Section.
<b>Link to Project Activities</b>
In general, the Project Appraisal Document is not clear and easy to follow. The activities referenced in the Climate and Disaster Screening and Climate Co-Benefits Rationale Section do not intuitively match up with the Components/Sub-components in the Project Components section. Furthermore, the Activities outlined in Annex I also do not clearly match up with the Component/Sub-components (or the co-benefits section). This lack of clarity prevents accuracy when assigning finance and climate relevance at the activity level.
<b>Incremental Cost?</b>
Qualitative information regarding areas of the project where incremental costs would be relevant are highlighted. Incremental costs themselves are not provided.

Name	Value	Description
Component A: Improvement of Rural Access and Trading Infrastructure	US\$140 million	<p>Component A: Improvement of Rural Access and Trading Infrastructure (US\$271 million equivalent - 47 percent of total costs; The Association - US\$140 million equivalent; AFD - US\$114 million equivalent; GoN - US\$17 million equivalent):</p> <p>20. Component Objective. To improve rural access and to improve rural agricultural marketing through the upgrading of rural roads, construction of short-span critical cross-drainage structures, improvement of agro-logistics centers and support to the costs of consultancies and supervision of construction activities.</p> <p>21. Component Strategy. The component design includes a number of strategy elements, namely: (a) rural roads that connect agro-logistics centers planned to be upgraded under the proposed project will be implemented on a priority basis. Next in line for upgrading will be those</p>

	<p>rural roads that have higher network and agricultural productivity impact when compared with their peers. The remainder of the quota will be fulfilled by roads that are on the longlist; (b) small cross-drainage structures (bridges/culverts), largely up to a clear span of 15 meters, which are crucial for rural access will be constructed on rural roads; (c) the agro-logistics center interventions will be decided on a market-by-market basis depending on the main roles the particular market plays in rural trading; and (d) design-build (with extended defects liability period) procurement method will be adopted that will shift the design, cost-escalation and time overrun risks to the contractors.</p> <p>22. Component Targets and Activity Details. The component targets will be the following. Subcomponent A.1 (a) rural roads upgrading – 1,625 km at a cost of US\$179 million; (b) construction of cross drainage structures 1,040 meters (largely up to 15 meters of clear span) at a cost of US\$12 million; and (c) improvement of 65 numbers of agro-logistics centers at a cost of US\$74 million; Sub-component A.2 Design, procurement and consultancy supervision support to sub-component A.1 activities at a cost of US\$6 million.</p> <p>23. Selection of Roads and Agro-Logistics Centers. Participating states have already completed studies that long-listed the rural roads and agro-logistics centers. These studies have provisionally identified a total of roughly 8,000 km of roads and 94 agro-logistics centers (on average 550 km of roads and seven centers per state). The states used a multicriteria analysis technique for the provisional selection of the roads and markets. The key criteria for the provisional road selection are: overall network connectivity including connectivity to markets, agriculture or agri-business potential of the road corridor, and the road’s potential in serving poor and isolated areas. The initial selection of agro-logistics centers is based on social and economic potential as well as physical connectivity of the centers, especially regarding access to state or federal road networks. In some cases, one of the criteria was the value chain analysis of leading produce. An agro-logistics validation study is currently being conducted by the Government in order to validate the findings and recommendations of state-sponsored agro-logistics studies. The study findings are expected to be available by March 2020. Annex 1 provides the details of the methodology for the provisional roads and market selection processes.</p> <p>24. Road Surfacing and Design Standards. Based on a detailed analysis, the project has devised a surfacing strategy. Main elements of the strategy include: (a) avoidance of gravel surfacing due to its significant disadvantages; (b) use of thin asphalt surfacing at the initial stage, along with the trial of single Otta seal low-cost surfacing option. Subject to its suitability, the Otta seal surfacing will be systematically mainstreamed, as the capacity of the contractors grows; and (c) other low-cost options, including road stabilization using chemicals, will also be trialed to assess their efficacy in the context of rural roads in Nigeria. Rigid pavement</p>
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		<p>(cement concrete or reinforced cement concrete) trials will also be made on vulnerable road sections. The Project Implementation Manual (PIM) will contain detailed road improvement and agro-logistics center design standards. Annex 1 provides summary design standards.</p> <p>25. Agro-logistics center physical interventions. The market physical interventions will include: (a) construction of open market shades and multiple small-storage-facilities. The open shades will not be allocated to anyone. They will mainly serve the small farmers or producers, who will sell lesser amounts of produce openly. The mini storage facilities (with a single front shutter) will be leased out to small to medium female entrepreneurs. These facilities will serve farmers/sellers to store their produce till the next market days, if they fail to sell the produce on a specific market day; (b) construction of any infrastructure for specialized handling for any produce; (c) construction of market internal paths, drainage infrastructure, toilets and clean water facilities; (d) construction of facilities for holding the market wastes on a temporary basis; (e) office facilities for the market management committee; and (f) improvement of market parking and loading facilities. The above is not an exhaustive list. Market intervention elements will be decided on a market-by-market basis depending on the main roles the particular market plays in rural trading. Annex 3 provides conceptual drawings of markets.</p>
<p>Component B: Sector Reform, Asset Management and Agro-logistics Performance Enhancement</p>	<p>US\$112 million</p>	<p>Component B: Sector Reform, Asset Management and Agro-logistics Performance Enhancement (US\$253 million; 44 percent of total costs; The Association - US\$112 million equivalent; AFD - US\$93 million equivalent; GoN - US\$48 million equivalent):</p> <p>Component Objective. To initiate and carry out the sector reforms, introduction and implementation of the road asset management systems and enhancement of the agro-logistics performance.</p> <p>26. Component Strategy. The component strategy elements include the following: (a) basic institutional and financing reform activities at the state level will top the road subsector reform priority; (b) addressing the road asset management in a comprehensive way through the use of a sustainable framework, appropriate tools and processes for the framework operationalization; and (c) agro-logistics performance enhancement will depend on the existing knowledge, institutional mechanisms and delivery methods in achieving Sub-component B.2 objectives. The sub-component will be targeted to small and medium farmers, in particular women. Studies to generate knowledge regarding enhancing agro-logistics performance will be initiated in cases where there is a dearth of knowledge. The initial period of the project (one to one and a half years) will be used in scoping out intervention details of sub-component B.2, given the dearth of specific knowledge on the agro-logistics requirements, issues and their potential solutions. World Bank transport and agriculture global practices, and the AFD will work closely to provide strategic support to this sub-component.</p>

		<p>27. Component Targets and Activity Details. The component targets will be the following. Subcomponent B.1, Other Civil Works: (a) backlog maintenance/ rehabilitation – 2,600 km - US\$60 million; (b) Spot improvement of rural roads 5,850 km - US\$129 million; (c) routine maintenance of rural roads 9,100 km/year - US\$48 million; and (d) piloting of performance-based maintenance contracts on rural roads 260 km - US\$6 million. Sub-component B.2, Support for Improving Agro-logistics Activities. Implementation of farm/cooperative level post-harvest agro-logistics study recommendations - US\$2.0 million; and Implementation of activities to support SMEs at the agro-logistics centers - US\$2.0 million; Sub-component B.3, Consultancies Studies and Supervision. Consultancies, Studies and Supervision (Road Maintenance and Spot Improvement) - US\$4 million; and Consultancies and Studies (Agro-logistics Activities) - US\$2 million.</p>
Sub-component B1	107.6	<p>28. Sub-component B.1: Other Civil works (Road Maintenance and Spot Improvement of rural roads). RAAMP has provisions for four road interventions types: upgrading, spot improvement, backlog maintenance/rehabilitation and routine maintenance.</p> <p>The project has developed the following candidacy requirements for choosing road intervention types (elaborated in the PIM using an operational strategy schema): (a) Upgrading. Satisfies the socio-economic requirements for this type of intervention and funds are available; (b) Spot improvement. Not substantially improved before, currently not maintainable (i.e., extremely poor condition), fulfills the socio-economic requirements for spot improvement and funds are available for such an intervention; (c) Backlog maintenance or rehabilitation. Major interventions made (e.g., upgrading) before, condition justifies such intervention and funds are available; and (d) Routine maintenance. All maintainable road will be subjected to routine maintenance and will get preference over the other three type of interventions mentioned above. Roads that do not satisfy the aforementioned criteria would not receive any interventions. To aid road intervention related decision making, RAAMP will develop a decision making tool, Nigeria Rural Transport Infrastructure Management System (NiRTIMS). Section IVB provides details of NiRTIMS and its capabilities. The project has developed a catalog, which details items under different intervention types and will be included in the PIM.</p>
Sub-component B2	1.8	<p>29. Sub-component B.2: Support to Agro-logistics Activities. An analysis, carried out during project preparation that assessed farmers' requirements in making gains through the value chain improvements, has established the broad agro-logistics project intervention activities. The analysis has used the classical value chain framework that comprises two activity types: primary activities (inbound logistics, operations, outbound logistics, marketing, and sales and services) and support activities (infrastructure, human development, technology development etc.). The PIM provides the</p>

	<p>details of the analysis. The project will support the following activities under Sub-component B.2 (details are provided in the PIM).</p> <p>a. Support to agriculture product processing and packaging. Existing knowledge on the extent of processing and packaging requirements against specific agriculture products, issues and potential solutions is inadequate. Therefore, a study, linked to the processing and packing of different products, is planned under the project to identify key issues and related solutions, disaggregated by major agricultural products. The study will also confirm the major produce names, within the vicinity of agro-logistics centers, which are being identified in an ongoing agro-logistics validation study. The processing and packaging related recommendations (grading, sorting, weighing, bagging) will include both on-farm and on-market intervention solutions. On-farm recommendations might include introduction or improvement of implements and equipment, as well as intermediate means of transport for transporting produce to markets and consolidation points. The on-market recommendation areas might include handling and bagging equipment, and storage facilities (including cold storage). While Sub-component B.2 will support the implementation of the study's recommended actions, the study itself will be funded from Subcomponent B.3. Linkages will be made with other initiatives operating in project states, in order to achieve optimum outcomes. Notable among them are the International Fund for Agricultural Development (IFAD) supported Value Chain Development Program (VCDP), active in nine project states, and the International Institute for Local Development (IILD), a non-governmental organization (NGO), supported the Trade Health Education and Microfinance Programme (THEMP), active in 13 RAAMP states.</p> <p>b. Support to small and medium enterprises. This activity will particularly target women entrepreneurs of the SMEs in RAAMP improved markets. The project will provide support to the mainly female run SMEs on access to finance, modern business practices, accounts management, etc. Again, a detailed project supported study on the issues faced by SMEs in the rural context will determine the detailed scope of the support under the project. Sub-component B.2 will implement the study recommendations. Again, assistance may be sought from any other organization (e.g., IFAD or IILD or any other NGOs) working in this area. RAAMP will link up with other World Bank supported projects to maximize synergy between RAAMP and other operations. Notable among them are the Women Entrepreneurs in Nigeria or We-Fi Nigeria (P168390) and the Nigeria for Women Project (P161364), currently under preparation and implementation, respectively.</p> <p>c. Support to transport services. The project will undertake a comprehensive study in order to generate rural transport services knowledge in Nigeria. The study objective will be to assess the mobility needs in rural Nigeria (transport services demand) and to understand to what extent they are being met (supply of transport services). Availability</p>
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		<p>of safe and affordable transport services is crucial for improving mobility in rural areas. The study recommendations will include, among others, how the rural mobility aspects can be tackled under a rural transport intervention in Nigeria. One of the critical issues the study plans to tackle is the demand for transport services for the transportation of agriculture produce from farm to market and how can they be met. The study will have a particular focus on the prospect of enhancing the roles of intermediate means of transport (IMT) in improving rural mobility including electric vehicles. The study will look into other transport services aspects (e.g., markets structure and competition, policy environment, social and cultural issues, design, maintenance and repairs affordability and provision of credits). If the study recommendations warrant transport services investments by the project, then such investments will be considered under this sub-component.</p>
	2.7	<p>30. Sub-component B.3: Consultancies Studies and Supervision. The sub-component will support three distinct activities: (a) consultancies, studies and supervision (road maintenance and spot improvement); (b) consultancies and studies (agro-logistics) including a study on the identification of rural markets across Nigeria and another study on sustainable market development, maintenance and management; and (c) consultancies, studies and advisory support to sector reform activities. The sector reform activities will include advisory support to the establishment of rural roads agencies and state road funds in participating states</p>
Component C: Institutional Development, Project Management, and Risk Mitigation	28	<p>Component C: Institutional Development, Project Management and Risk Mitigation (US\$51 million equivalent - 9 percent of total costs; The Association - US\$28 million equivalent; AFD - US\$23 million equivalent):</p> <p>Activities: (a) Goods purchase and supporting logistics and operating costs. (b) Training and study tours. (c) TA (the PIM provides details). (b) Support activities linked to risk mitigation and resiliency (Table 6 provides details): - Support to GBV/SEA, Grievance Redressal and Citizen Participation; related risk mitigation activities; - Support to rural road safety activities; - Support to rural road climate resiliency activities.</p> <p>31. Component Objective. To provide technical and material support for the rural transport and agrologistics capacity building, smooth functioning of the project and risk mitigation and resiliency activities.</p> <p>32. Component Strategy. The component's institutional development and capacity building support will be targeted to those officials involved in the rural transport and agro-logistics initiatives. The project will be proactive in project risk mitigation, especially gender, labor-influx, SEA, sexual harassment (SH) and security risks. Climate adaptation activities will be given preference to counteract climate change related phenomena.</p> <p>33. Component Targets and Activity Details. The component will finance (a) goods, logistics and project related operating costs (US\$22 million), TA and advisory support (US\$15 million), training and study tours (US\$5 million),</p>

		<p>monitoring, project impact evaluation &amp; comprehensive technical audit (US\$2 million) and risk mitigation &amp; resiliency related TA (US\$7 million). The risk mitigation &amp; resiliency TA support will include gender-based violence (GBV)/SEA, grievance redressal and citizen participation, road safety and rural road climate resiliency.</p>
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<b>Climate Change Co-Benefits Section</b>	
Provided:	<p>Climate and Disaster Screening</p> <p>1. Climate change, especially its effects on the infrastructure, poses an important development challenge for Nigeria. The likely implication to Nigeria due to the climate change includes: (a) temperature increase; (b) rainfall drainage and water logging; (c) sea level rise and coastal area inundation; (d) river flooding; and (e) cyclone and storm surges. Climate-related risks to infrastructure are expected to grow with the increase in frequency and severity of extreme events.</p> <p>2. The GoN established a national focal point to drive its response to climate change: the Special Climate Change Unit (SCCU) within the Federal Ministry of Environment. The government also mobilized the Inter-ministerial Coordinating Committee on Climate Change. In 2010, the National Assembly passed a bill to create a national Climate Change Commission, which is tasked to facilitate coordination and support for the multi-level and cross-sectoral adaptation responses. Nigeria is also developing a Strategic Framework for Voluntary Nationally Appropriate Mitigation Action (NAMA), as a step towards meeting national obligations under the United Nations Framework Convention on Climate Change. The NAMA strategic framework will allow Nigeria to develop long-term measures and programs supporting a low carbon, climate-resilient, pro-growth and gender-sensitive sustainable development path. In 2011, the Government developed the National Adaptation Strategy and Plan of Action on Climate Change for Nigeria (NASPA-CNN). The strategy recommended the following overall adaptation strategies for transportation infrastructure sub-sector:</p> <ul style="list-style-type: none"> <li>a. Provide increased protective margins in construction and placement of transportation infrastructure (i.e., higher standards and specifications);</li> <li>b. Carry out risk assessment and risk reduction measures to increase the resilience of the transportation sub-sector;</li> <li>c. Strengthen existing transportation infrastructure, in part through early efforts to identify and implement all possible 'no regrets' actions; and</li> <li>d. Develop and diversify secure communication backup systems to ensure both civil society and security forces have access to emergency communication methods.</li> </ul> <p>3. An analysis, using the World Bank's Climate and Disaster Risk Screening tool, conducted as part of the project preparation confirms that the project's physical activities will face significant climate and geophysical hazards. The hazards are associated with the project locations, physical components, and outcomes. Analysis results show that there are several climate related high-risk future key drivers that might affect the project's locations, physical components, and outcomes. They are: extreme temperature, extreme precipitation, flooding, and sea level rise. Storm surge is also expected to affect the project location and service delivery, albeit moderately. Some specific climate change project</p>

impacts include: (a) distresses on road surfaces and collapse of road pavement structural layers, drainage congestions and embankment erosions due to extreme precipitation and flooding. These will lead to the reduction of rural road network's serviceability; (b) a reduction of length of service life of roads due to other climate change factors including high temperature (especially for bituminous roads), sea level rise, and salinity, especially in coastal areas; and (c) an increase in project costs from road upgrading, drainage structure construction and maintenance in order to offset climate change effects.

4. The project will help to develop and implement rural transport climate change adaptation strategies. Although the project development objective (PDO) does not have any climate resiliency related indicator, all physical works components (Component A and part of Component B) will be geared towards climate adaptation. One of the PDO indicators is linked to the reduction of travel time, which will, in turn, help in the reduction of greenhouse gas emission contributing to climate change mitigations. The project will support several activities to help the GoN in rural transport infrastructure climate change adaptation. They include: (a) developing planning, design, and implementation of climate change adaptation guidelines for rural roads & drainage structures; (b) support for developing and implementing climate resilient materials for rural roads & drainage structures; (c) Introducing innovative technologies to optimize the cost for adaptation to climate change; and (d) improving the State agencies' climate change adaptation and decision-making capacity for rural transport infrastructure through training and advisory support.

6. All project activities will help in building resilience and adaptive capacity in the rural transport infrastructure subsector. These activities range from routine maintenance to backlog maintenance to spot improvement to rural road upgrading to new construction of cross-drainage structures to institutional development. The activities, which help in building resilience and adaptive capacity, include: (a) Improving planning, design and technical specification parameters for rural transport infrastructure to make them climate resilient; (b) Improving or preserving rural connectivity through the maintenance & upgrading of rural roads and new construction of cross-drainage structures, which will help to improve network efficiency; (c) Capacity building of government officials in identifying climate related risks linked to the rural transport infrastructure and the planning and implementation of adaptive measures; (d) Improving informed rural transport infrastructure related decision making through climate related research on rural transport infrastructure; and (e) Overall, the project is expected to substantially contribute to the implementation of GoN's climate change adaptation strategies, policies and action plans.

5. An analysis, based on current and future traffic used in the economic analysis for each state, was conducted to assess the amount of emissions that can be reduced by the project over a 15-year time period (Table 166). The expected emissions reduction is likely to be relatively moderate compared to other major roads, where daily traffic is more significant. Current traffic on most project roads is less than 100 vehicles. Other types of pollutants can also be reduced by road improvement works, but the changes will be small. As far as CO<sub>2</sub> emissions are concerned, the social value of emission reduction is estimated at about US\$5.44 million (Table 177), when the World Bank's recommended social value of carbon is used, that is, US\$30 per ton.<sup>22</sup>

Table 18: : Climate Co-benefit Rationale

Vulnerability Context: Key risk drivers of Climate change on rural transport infrastructure in Nigeria include: a. Temperature increase. b. Sea level rise and coastal inundation. c. Tidal flooding and salinity



intrusion. d. Cyclone and storm surges. e. Rainfall drainage and water logging. Climate change impacts on rural transport infrastructures include: a. Disruption/discontinuation of the rural road networks due to sudden collapse of roads & drainage structures caused by storm surge, flash flood; b. A reduction of serviceability of rural transport infrastructures due to the deterioration and collapse of pavements and drainage structures, drainage congestions & reduction of navigational clearances of drainage structures, over topping, land slide and loss of gravel on gravel roads; c. A reduction of rural transport infrastructures' service lives due to increase in temperature, rainfall, sea level rise, and salinity, especially in coastal areas; and d. An increase in project costs from rural transport infrastructures construction and maintenance cost to offsetting climate change effects.

Motivation: One of the primary drivers of the operation has evolved from the need for better climate change adaptation, given Nigeria's noteworthy vulnerability to climate-change phenomenon. The operation plan to introduce climate resilient interventions in all its activities (see below). One of the motivations for undertaking rural transport infrastructures construction and maintenance activities under this project is to enhance states' institutional capacity to plan, construct and manage the rural transport infrastructure sub-sector more comprehensively in adapting and mitigating (to a lesser extent) climate change related risks.

Activity Linkage: The project will support several activities to help the states in rural infrastructure, especially rural transport infrastructure, climate change adaptation. They include: Activity 1. Continuous need based and preventive maintenance of rural transport infrastructures to improve their serviceability & service life and reduction of GHG emission against key risk drivers of climate change.

Activity 1.1 ▪ Introducing backlog maintenance to restore the serviceability of roads which have been deteriorated due to non-maintenance and to improve performance against heavy rainfall and increased temperature exposure. ▪ Repairing/replacement of damaged drainages structures, replace drainage pipes, etc. to improve their performance during heavy rains. ▪ Application of protective paints (anti-corrosive paints in coastal areas), mainly on steel drainage structures, against current and future weathering effects. ▪ Emergency maintenance (major works) due to climate change and natural disasters.

Activity 1.2 ▪ Introducing routine maintenance to maintain road embankment, shoulders, preventing minor distresses of pavement and emergency maintenance (minor works) due to water logging, sudden heavy surface runoff. ▪ Cleaning, removal & disposal to clear blocked cross drainage structures. ▪ Maintaining the water course by cleaning debris within a certain distance on both side of the drainage structures. ▪ Refilling of earthwork of settled/eroded embankments. ▪ Minor repair/retrofitting of structural components of drainage structures considering current & future climate change impacts (saline intrusion, heavy rainfall, extensive high temperature, earthquake, etc.). ▪ Minor river training works to protect existing bridges.

Activity 1.3 ▪ Introducing spot improvement of roads to improve rural access for rural residents. This will include the restoration of road sections that have collapsed due to flood or flash flood. ▪ Construction of small to medium drainage structures to provide improve connectivity and to maintain connectivity in case of extreme weather events including floods. ▪ Construct/Repair/Reconstruct approach embankment and protective works of approaches, etc., which might have been rendered unserviceable due to extreme weather events.

Activity 2. Upgrading of rural roads with suitable surfacing options and climate resilient features to prolong service life by countering climate change impacts. ▪ Reducing travel time,

which helps in the reduction of GHG emission contributing to climate change mitigations. ▪ Protecting pavement structural layers by the provision of appropriate low-cost surfacing, which might otherwise have been damaged due to rainfall and water loggings. ▪ Enhancing pavement washout resistance due to heavy surface runoff. ▪ Construction of small and medium bridges to reduce drainage congestions, improving navigation, where applicable. These bridges will help resist breaching of road sections due to heavy to heavy rainfall, storm surge and flash floods.

Activity 3. Developing climate change adaptation guidelines for planning, design, and implementation of rural transport infrastructure (roads and cross drainage structures).

Activity 4. Initiating research activities for developing concrete specifications for drainage structures to enhance the durability of structure against salinity, in coastal states. Activity 5. Use of modern decision making tools in upgrading and maintenance related decision making to help with climate change adaptation.

Activity 6. Improving the states' climate change adaptation and decision-making capacity for rural transport infrastructures through training and expert advice;

Activity 7. Introduction of a "zero component" in the project to tackle any natural disasters, which could happen due to climate change phenomenon

#### Incremental Costs

Although it is difficult to estimate the incremental costs of climate change related activities (especially Activities 1 and 2, mentioned above), depending on the climate change related vulnerability of states, the climate adaptation incremental costs could well be in the region of 25 (least vulnerable) to 60 percent (most vulnerable). Also, it is to be noted that requirements of upgrading of rural roads and construction of drainage structures are significantly higher in climate vulnerable states as many rural roads & bridges in these states are out of use and replacement due to damages caused by climate change events (sea level rise, tidal flooding and salinity).

#### Specific Intent

All project activities will help in building resilience and adaptive capacity in rural transport infrastructure subsector. These activities range from routine maintenance to backlog maintenance to spot improvement to rural road upgrading to new construction of drainage structures to institutional development. The activities, which help in building resilience and adaptive capacity, include: (a) Improving planning, design and technical specification parameters for rural transport infrastructure to make them climate resilient, especially in coastal states; (b) Improving or preserving rural connectivity through the maintenance & upgrading of rural roads and new construction of drainage structure, which will help improving network efficiency; (c) Capacity building of government officials in identifying climate related risks and implementation of rural transport infrastructure adaptive measures; (d) Improving informed rural transport infrastructure related decision making through climate related research on rural transport infrastructure; and (e) Overall, the project is expected to substantially contribute to the implementation of GoN's climate change adaptation strategies, policies and action plans.

#### Greenhouse Gas Accounting

None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
Sub-component A.1 (a)	92.5	0.125	0	23.125	0	<p>The objective of SC A.1 (a) is "To improve rural access and to improve rural agricultural marketing through the upgrading of rural roads".</p> <p>Studies have provisionally identified a total of roughly 8,000 km of roads for improvement. The primary improvement made to the roads will be resurfacing. Roads selected to be improved were chosen due to: "overall network connectivity including connectivity to markets, agriculture or agri-business potential of the road corridor, and the road's potential in serving poor and isolated areas".</p> <p>The primary objective of the activity is therefore not deemed to be adaptation.</p> <p>The Climate Co-Benefits section states: "Activity 2. Upgrading of rural roads with suitable surfacing options and climate resilient features to prolong service life by countering climate change impacts. ▪ Reducing travel time, which helps in the reduction of GHG emission contributing to climate change mitigations. ▪ Protecting pavement structural layers by the provision of appropriate low-cost surfacing, which might otherwise have been damaged due to rainfall and water loggings. ▪ Enhancing pavement washout resistance due to heavy surface runoff. ▪ Construction of small and medium bridges to reduce drainage congestions,</p>

					<p>improving navigation, where applicable. These bridges will help resist breaching of road sections due to heavy to heavy rainfall, storm surge and flash floods.”</p> <p>Regarding adaptation, there is therefore a link created between the undertaken activities and the provided vulnerability context, and adaptation co-benefits can be counted.</p> <p>The adaptation co-benefits assessment follows 3 steps, acknowledging that:</p> <ol style="list-style-type: none"> <li>(1) The principal ‘objective’ of the activity is not adaptation but rural access through road improvement. This results in an initial coefficient of 0.5 being applied.</li> <li>(2) Lastly, due to the significant uncertainty created by the lack of granular information regarding activities and the finance in support of them, and, in particular, a lack of incremental adaptation costs, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result, a third coefficient of 0.5 can be applied.</li> </ol> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.25.</p>
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						No evidence of mitigation relevance.
Sub-component A.1 (b)	6.2	0.25	0	1.55	0	<p>The objective of SC A.1 (b) is “construction of cross drainage structures 1,040 meters (largely up to 15 meters of clear span) at a cost of US\$12 million”.</p> <p>The Climate Co-Benefits section states that the climate-relevance of cross drainage structures is due to the following:  “Construction of small and medium bridges to reduce drainage congestions, improving navigation, where applicable. These bridges will help resist breaching of road sections due to heavy rainfall, storm surge and flash floods.”</p> <p>The strong vulnerability assessment surrounding rainfall and flooding creates a link between climate change and rural access.</p> <p>The adaptation co-benefits assessment follows 2 steps, acknowledging that:</p> <p>(3) The principal ‘objective’ of the activity is not adaptation but road improvement with adaptation co-benefits. This results in an initial coefficient of 0.5 being applied.</p> <p>(4) Lastly, due to the significant uncertainty created by the lack of granular information regarding activities and the finance in support of them, and, in particular, a lack of incremental adaptation costs, the</p>

						<p>principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result, a third coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.25.</p> <p>No evidence of mitigation relevance.</p>
Sub-component A.1 (c)	38.3	0	0	0	0	<p>The objective of SC A.1 (c) is “improvement of 65 numbers of agro-logistics centers at a cost of US\$74 million”. The activity will concretely fund construction of: market shades; storage facilities; specialised agricultural product handling infrastructure; waste infrastructure; parking facilities.</p> <p>The Climate Co-Benefits section makes no reference to agro-logistics centers, and the context surrounding the activity in the Project Components section does not evidence climate relevance.</p> <p>There is therefore no link between the activity and the provided vulnerability assessment, and no stated intent to address that vulnerability. No adaptation co-benefits can therefore be counted.</p> <p>No evidence of mitigation relevance.</p>
Sub-component A.2	3.1	0.25	0	0.775	0	<p>The objective of SC A.2 is “Design, procurement and consultancy supervision support to sub-component A.1 activities at a cost of US\$6 million”.</p>

					<p>The Climate Co-Benefits section highlights that the activities under Sub-component A.1 will provide climate co-benefits. The adaptation relevance of Sub-component 1 implies the relevance of Sub-component A.2, due to its role in supporting their activities.</p> <p>Regarding adaptation, there is therefore an indirect link between this activity, generally supporting Sub-component A.1, and the provided vulnerability assessment.</p> <p>The adaptation co-benefits assessment follows 3 steps, acknowledging that:</p> <ul style="list-style-type: none"> <li>(5) The principal 'objective' of the activity is not adaptation but rural access through road maintenance. This results in an initial coefficient of 0.5 being applied.</li> <li>(6) Due to the significant uncertainty created by the lack of granular information regarding activities and the finance in support of them, and, in particular, a lack of incremental adaptation costs, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result, a third coefficient of 0.5 can be applied.</li> </ul> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.25.</p>
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						No evidence of mitigation relevance.
Sub-component B.1 (a)	26.6	0.25	0	6.65	0	<p>The objective of SC B.1 (a) is to fund civil works engaged with “backlog maintenance/ rehabilitation – 2,600 km - US\$60 million”. I.e., the maintenance and rehabilitation of roads to enhance rural access.</p> <p>The primary objective of the activity is therefore not deemed to be adaptation.</p> <p>The Climate Co-Benefits section states the activity involves: “• Introducing backlog maintenance to restore the serviceability of roads which have been deteriorated due to non-maintenance and to improve performance against heavy rainfall and increased temperature exposure.”</p> <p>Regarding adaptation, there is therefore a link created between the undertaken activities and the provided vulnerability context, and adaptation co-benefits can be counted.</p> <p>The adaptation co-benefits assessment follows 3 steps, acknowledging that:</p> <p>(7) The principal ‘objective’ of the activity is not adaptation but rural access through road improvement. This results in an initial coefficient of 0.5 being applied.</p> <p>(8) Due to the significant uncertainty created by the lack of granular</p>



						<p>information regarding activities and the finance in support of them, and, in particular, a lack of incremental adaptation costs, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result, a third coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.25.</p> <p>No evidence of mitigation relevance.</p>
Sub-component B.1 (b)	57.1	0.25	0	14.275	0	<p>The objective of SC B.1 (b) is to fund civil works engaged with "Spot improvement of rural roads 5,850 km - US\$129 million". I.e., the maintenance and rehabilitation of roads to enhance rural access.</p> <p>The primary objective of the activity is therefore not deemed to be adaptation.</p> <p>The Climate Co-Benefits section states the activity involves: "Introducing spot improvement of roads to improve rural access for rural residents. This will include the restoration of road sections that have collapsed due to flood or flash flood."</p> <p>Regarding adaptation, there is therefore a link created between the undertaken activities and the provided vulnerability context, and adaptation co-benefits can be counted.</p>

						<p>The adaptation co-benefits assessment follows 3 steps, acknowledging that:</p> <p>(9) The principal ‘objective’ of the activity is not adaptation but rural access through road improvement. This results in an initial coefficient of 0.5 being applied.</p> <p>(10) Due to the significant uncertainty created by the lack of granular information regarding activities and the finance in support of them, and, in particular, a lack of incremental adaptation costs, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result, a third coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.25.</p> <p>No evidence of mitigation relevance.</p>
Sub-component B.1 (c)	21.3	0.25	0	5.325	0	<p>The objective of SC B.1 (c) is to fund civil works engaged with “routine maintenance of rural roads 9,100 km/year - US\$48 million”. I.e., the maintenance and rehabilitation of roads to enhance rural access.</p> <p>The primary objective of the activity is therefore not deemed to be adaptation.</p> <p>The Climate Co-Benefits section states the activity involves:</p>

					<p>“Introducing routine maintenance to maintain road embankment, shoulders, preventing minor distresses of pavement and emergency maintenance (minor works) due to water logging, sudden heavy surface runoff.”</p> <p>Regarding adaptation, there is therefore a link created between the undertaken activities and the provided vulnerability context, and adaptation co-benefits can be counted.</p> <p>The adaptation co-benefits assessment follows 3 steps, acknowledging that:</p> <p>(11)The principal ‘objective’ of the activity is not adaptation but rural access through road maintenance. This results in an initial coefficient of 0.5 being applied.</p> <p>(12)Due to the significant uncertainty created by the lack of granular information regarding activities and the finance in support of them, and, in particular, a lack of incremental adaptation costs, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result, a third coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.25.</p>
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						No evidence of mitigation relevance.
Sub-component B.1 (d)	2.7	0.25	0	0.625	0	<p>The objective of SC B.1 (d) is to fund civil works engaged with “piloting of performance-based maintenance contracts on rural roads 260 km - US\$6 million”. I.e., to incentivise efficient maintenance of roads to enhance rural access.</p> <p>The primary objective of the activity is therefore not deemed to be adaptation.</p> <p>The Climate Co-Benefits section states the activity involves: “Introducing routine maintenance to maintain road embankment, shoulders, preventing minor distresses of pavement and emergency maintenance (minor works) due to water logging, sudden heavy surface runoff.”</p> <p>Regarding adaptation, there is therefore an indirect link created between the undertaken activities and the provided vulnerability context, and adaptation co-benefits can be counted.</p> <p>The adaptation co-benefits assessment follows 3 steps, acknowledging that:</p> <p>(13)The principal ‘objective’ of the activity is not adaptation but rural access through road maintenance. This results in an initial coefficient of 0.5 being applied.</p> <p>(14)Due to the significant uncertainty created by</p>

						<p>the lack of granular information regarding activities and the finance in support of them, and, in particular, a lack of incremental adaptation costs, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result, a third coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.24.</p> <p>No evidence of mitigation relevance.</p>
Sub-component B.2 (a)	0.9	0	0	0	0	<p>The objective of SC B.2 (a) is "Implementation of activities to support SMEs at the agro-logistics centers".</p> <p>The primary objective of the activity is therefore not deemed to be adaptation.</p> <p>The Climate Co-Benefits section makes no reference to agro-logistics, and the context surrounding the sub-component and activity in the Project Components section does not evidence climate relevance.</p> <p>There is therefore no explicit link between the activity and the provided vulnerability assessment, and no stated intent to address that vulnerability. No adaptation co-benefits can therefore be counted.</p> <p>No evidence of mitigation relevance.</p>

Sub-component B.2 (b)	0.9	0	0	0	0	<p>The objective of SC B.2 (b) is “Implementation of farm/cooperative level post-harvest agro-logistics study recommendations”.</p> <p>The primary objective of the activity is therefore not deemed to be adaptation.</p> <p>The Climate Co-Benefits section makes no reference to agro-logistics, and the context surrounding the sub-component and activity in the Project Components section does not evidence climate relevance.</p> <p>There is therefore no explicit link between the activity and the provided vulnerability assessment, and no stated intent to address that vulnerability. No adaptation co-benefits can therefore be counted.</p> <p>No evidence of mitigation relevance.</p>
Sub-component B.3 (a)	1.8	0.25	0	0.45	0	<p>The objective of SC B.3 (a) is to fund civil works engaged with “Consultancies. Studies and Supervision (Road Maintenance and Spot Improvement)”. I.e., consultancies to facilitate the maintenance and improvement of roads to enhance rural access.</p> <p>The primary objective of the activity is therefore not deemed to be adaptation.</p> <p>The Climate Co-Benefits section states the activity involves: “Activity 3. Developing climate change adaptation guidelines for planning, design, and implementation of rural</p>

						<p>transport infrastructure (roads and cross drainage structures).”</p> <p>Regarding adaptation, there is therefore a link created between the undertaken activities and the provided vulnerability context, and adaptation co-benefits can be counted.</p> <p>The adaptation co-benefits assessment follows 3 steps, acknowledging that:</p> <p>(15)The principal ‘objective’ of the activity is not adaptation but rural access through road maintenance. This results in an initial coefficient of 0.5 being applied.</p> <p>(16)Due to the significant uncertainty created by the lack of granular information regarding activities and the finance in support of them, and, in particular, a lack of incremental adaptation costs, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result, a third coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.25.</p> <p>No evidence of mitigation relevance.</p>
Sub-component B.3 (b)	0.9	0	0	0	0	<p>The objective of SC B.3 (b) is “Consultancies and Studies (Agro-logistics Activities)”, including “a study on the</p>

						<p>identification of rural markets across Nigeria and another study on sustainable market development, maintenance and management.”</p> <p>The primary objective of the activity is therefore not deemed to be adaptation.</p> <p>The Climate Co-Benefits section makes no reference to agro-logistics, and the context surrounding the sub-component and activity in the Project Components section does not evidence climate relevance.</p> <p>There is therefore no explicit link between the activity and the provided vulnerability assessment, and no stated intent to address that vulnerability. No adaptation co-benefits can therefore be counted.</p> <p>No evidence of mitigation relevance.</p>
Sub-component C.1 (a)	12.1	0.25	0	3.025	0	<p>The objective of SC C.1 (a) is to fund “Goods, Logistics and Incremental Operating Costs” surrounding the entire project.</p> <p>The primary objective of the activity is therefore not deemed to be adaptation.</p> <p>The adaptation relevance of Sub-component 1 and 2 implies the relevance of Sub-component C.1 (a), due to its role in supporting their activities.</p> <p>Regarding adaptation, there is therefore an indirect link created between the undertaken activities and the provided vulnerability context, and</p>



						<p>adaptation co-benefits can be counted. For example, some goods will incur incremental adaptation costs, and therefore contribute to adaptation co-benefits. It is not clear whether those incremental costs are integrated here, or into the aforementioned Sub-components.</p> <p>The adaptation co-benefits assessment follows 3 steps, acknowledging that:</p> <p>(17)The principal ‘objective’ of the activity is not adaptation but rural access through road maintenance. This results in an initial coefficient of 0.5 being applied.</p> <p>(18)Due to the significant uncertainty created by the lack of granular information regarding activities and the finance in support of them, and, in particular, a lack of incremental adaptation costs, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result, a third coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.25.</p> <p>No evidence of mitigation relevance.</p>
Sub-component C.1 (b)	8.2	0.25	0	2.05	0	The objective of SC C.1 (b) is to fund “TA and advisory support

					<p>(US\$15 million)” surrounding the entire project.</p> <p>The primary objective of the activity is therefore not deemed to be adaptation.</p> <p>The adaptation relevance of Sub-component 1 and 2 implies the relevance of Sub-component C.1 (b), due to its role in supporting their activities.</p> <p>Regarding adaptation, there is therefore an indirect link created between the undertaken activities and the provided vulnerability context, and adaptation co-benefits can be counted. For example, some technical assistance and advisory support will focus on adaptation, and therefore contribute to adaptation co-benefits.</p> <p>The Climate Co-Benefits section states support within the project will focus on: “Initiating research activities for developing concrete specifications for drainage structures to enhance the durability of structure against salinity, in coastal states”; and the “Use of modern decision making tools in upgrading and maintenance related decision making to help with climate change adaptation.”</p> <p>The adaptation co-benefits assessment follows 3 steps, acknowledging that:</p> <p>(19)The principal ‘objective’ of the activity is not adaptation but rural access through road maintenance. This</p>
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						<p>results in an initial coefficient of 0.5 being applied.</p> <p>(20)Due to the significant uncertainty created by the lack of granular information regarding activities and the finance in support of them, and, in particular, a lack of incremental adaptation costs, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result, a third coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.25.</p> <p>No evidence of mitigation relevance.</p>
Sub-component C.1 (c)	2.7	0.25	0	0.625	0	<p>The objective of SC C.1 (c) is to fund “training and study tours (US\$5 million)” surrounding the entire project.</p> <p>The primary objective of the activity is therefore not deemed to be adaptation.</p> <p>The adaptation relevance of Sub-component 1 and 2 implies the relevance of Sub-component C.1 (c), due to its role in supporting their activities.</p> <p>Regarding adaptation, there is therefore an indirect link created between the undertaken activities and the provided vulnerability context, and adaptation co-benefits can be counted. For example, some support for training will focus on</p>

					<p>adaptation, and therefore contribute to adaptation co-benefits.</p> <p>The Climate Co-Benefits section states support within the project will focus on: “Improving the states’ climate change adaptation and decision-making capacity for rural transport infrastructures through training and expert advice;”</p> <p>The adaptation co-benefits assessment follows 3 steps, acknowledging that:</p> <p>(21)The principal ‘objective’ of the activity is not adaptation but rural access through road maintenance. This results in an initial coefficient of 0.5 being applied.</p> <p>(22)Due to the significant uncertainty created by the lack of granular information regarding activities and the finance in support of them, and, in particular, a lack of incremental adaptation costs, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result, a third coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.25.</p> <p>No evidence of mitigation relevance.</p>
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Sub-component C.1 (d)	1.1	0	0	0	0	The objective of SC C.1 (d) is to fund the "Monitoring, Impact Evaluation & Comprehensive Technical Audit" surrounding the entire project.  There is no evidence of climate-relevance.
Sub-component C.2 (a)	2.7	0	0	0	0	Sub-component C.2 funds: "risk mitigation & resiliency related TA (US\$7 million)." Activity (a) involves the funding technical assistance related to "gender-based violence (GBV)/SEA, grievance redressal and citizen participation".  There is no evidence of climate-relevance.
Sub-component C.2 (b)	0.5	0	0	0	0	Sub-component C.2 funds: "risk mitigation & resiliency related TA (US\$7 million)." Activity (b) involves the funding technical assistance related to "Rural Road Safety".  There is no evidence of climate-relevance.
Sub-component C.2 (c)	0.5	1	0	0.5	0	Sub-component C.2 funds: "risk mitigation & resiliency related TA (US\$7 million)." Activity (b) involves the funding technical assistance related to "Rural Road Climate Resiliency".  The activity is therefore deemed to be entirely focused on adaptation.
Component D	0	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
119	58.975	50.4%	0.1	0	100%

Reported climate finance	Assessed climate finance	Error
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119.1	58.975	50.5%
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**Project Number: P163533**

<b>Project Name</b>
Odisha Integrated Irrigation Project for Climate Resilient Agriculture
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/406041570154469342/india-odisha-climate-resilient-agriculture-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/406041570154469342/india-odisha-climate-resilient-agriculture-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Component/Sub-component/Activity

<b>Climate Change Vulnerability Context</b>
Provided in Sectoral and Institutional Context section, pages 11-12.
<b>Intent to Address Vulnerability</b>
Provided in Sectoral and Institutional Context section, page 13.
<b>Link to Project Activities</b>
Provided in the Project Description section through the PDO and component descriptions, as required for IPF.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 1: Climate-Smart Intensification and Diversification of Production	US\$ <del>52.2274</del> . 6 million	The objective of this component is to intensify production, strengthen farmers' capacity to adapt to climate change stresses affecting crop and aquaculture production, and diversify production, especially in Rabi in response to effective market demand. A key legacy of the green revolution in India has been the tendency to conflate intensification/resilience building with irrigation. Consequently, many programs in support of intensification/resilience building almost invariably focus on irrigated systems often at the expense of rainfed areas. OIIPCRA pursues a different approach, with support under this component proposed to target farmers both inside and outside the irrigation tanks command areas. In this case, the tank command areas will be the nuclei from which project support then expands into adjoining rainfed areas which will be delimited by relevant administrative boundaries (e.g. villages or blocks), depending on local context. Under this component, support will be organized around three subcomponents:
Subcomponent 1.1: Support to Improved Productivity and Climate Resilience	US\$ <del>22.4732</del> . 4 million	Funding under this subcomponent will support farmer adoption of CSA technologies and practices to increase productivity, improve resilience to climate shocks and reduce GHG emissions, as a co-benefit. For the most part, a wide range of frontier CSA technologies and practices already exist within India's agricultural innovation system (see compendium at <a href="http://www.nicraicar.in/nicarevised/images/publications/Tbu_CSA_">http://www.nicraicar.in/nicarevised/images/publications/Tbu_CSA_</a>

	<p>Book.pdf) and incentives for their adoption, especially inputs support through myriad government interventions, abound. However, among others, weaknesses in extension services provision<sup>17</sup>, delivery mechanisms for inputs - especially high yielding resilient seed<sup>18</sup>, and produce marketing, constrain widespread farmer adoption of these technologies. As a result, less than 40 percent of farmers in Odisha have access to information and training on frontier production technologies and practices<sup>19</sup>, and indeed, fewer than 15 percent are believed to be growing improved crop varieties (including those that are climate resilient), especially those of non-paddy crops.</p> <p>20. To increase farmers' awareness, access to, and adoption of climate-smart technologies and practices, the project will support extension service provision through both the public and private sector. In terms of the public sector, the project will strengthen the capacity of existing GoO extension services through targeted training and retooling of frontline staff<sup>20</sup> on CSA and market-oriented production, strengthening of the Farm Information and Advisory Centers (FIAC) for CSA, and provision of support for incremental logistical costs (e.g. for demonstrations, farmer field schools, expanded use of Information and Communications Technology - ICT in technology transfer<sup>21</sup>) associated with promoting beneficiary adoption of CSA practices through the Agricultural Technology Management Agency (ATMA)<sup>22</sup>.</p> <p>21. The project will also support the evolution of a possible private sector solution to contribute - even if modestly- to addressing the chronic challenge of inadequate manpower that underlies the limited reach and coverage of the extension system by testing, and if successful, scaling up an extension service delivery mechanism designed as an adjunct service to the core business<sup>23</sup> of a network of local private rural agriculture entrepreneurs (AEs) to be catalyzed and primed by the project<sup>24</sup>. The project will support an increase in the number of women AEs to reduce the gender gap in access to extension services. In this respect, the project will support Technical Assistance (TA) and operational costs related to the competitive selection of the AEs (including women AEs); their training, capacity building and accreditation/certification<sup>25</sup>; a temporally time-bound stipend necessary to ensure their smooth transition into their roles; and some of their extension service delivery related activities<sup>26</sup>. In complement, the project will strengthen the human and logistical capacity of Farm Science Centers, commonly known as Krishi Vigyan Kendras (KVKs)<sup>27</sup> and ATMA at district levels to provide the necessary intellectual ballast to the AE network, support the AEs in effective provision of CSA advisory services, and ensuring the overall quality of their services.</p>
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	<p>22. Experience with analogous models in India and Bangladesh generally points to reasonable success rates<sup>28</sup> but also highlights some potential drawbacks of such an approach to extension service delivery. These include misaligned incentives, which for example, could encourage dishonest AEs to misadvise farmers by overprescribing input use as a profit maximizing strategy and/or skew advisory service provision towards only those crops for which the AEs sell input, to the neglect of other enterprises. The project will support TA to assess the extent and impact of these distortions with the aim of promoting measures to align AE incentives with the effective delivery of extension services.</p> <p>23. Beyond increasing the reach, coverage and footprint of advisory services to foster CSA adoption, this complementary AE system: (i) generally wouldn't increase GoO's long-term financial resource outlay for advisory service provision - especially important since the GoI has altered the funding pattern for extension services, reducing the central share from 90 percent to 10 percent; (ii) advances a key GoO policy objective of encouraging a pluralistic extension system; (iii) addresses the farmers' main complaint about Odisha's extension system, i.e. its predominant focus on centralized agendas, rather than catering to local needs; (iv) helps crowd-in private investment in the provision of advisory services, in the logic of Maximizing Finance for Development (MFD); and (v) contributes to the CPF's jobs creation objective.</p> <p>24. With respect to improving farmers' access to high yielding resilient seed varieties, the project will support efforts to: (i) introduce and broaden farmers' awareness of resilient varieties; (ii) better characterize relative demand to justify decisions regarding what varieties to multiply and market; (iii) accelerate seed multiplication and dissemination; and (iv) encourage the private sector to test the commercial market for preferred varieties by building supply chains linked to the AE network as well as to the Odisha State Seed Corporation (OSSC) seed dealer network.</p> <p>25. Through partnerships with the International Rice Research Institute (IRRI) and the International Center for Agricultural Research in Dry Areas (ICARDA), the GoO is promoting farmers access to new resilient paddy and pulse varieties in parts of the State through the private sector. The proposal is to build on these partnerships by expanding both IRRI's and ICARDA's efforts to the project areas. In this case, the project will support IRRI and ICARDA - working with relevant national agencies - to: (i) create awareness of varieties through demonstrations; (ii) estimate seed demand for preferred varieties; (iii) multiply breeder seed and bulking it into foundation seed<sup>29</sup>; (iv) build the technical capacity of AEs to engage in the commercial sale of seeds as a viable business line; (v) stimulate the</p>
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		<p>commercial production and sale of certified seeds; (vi) certify seed through the Odisha State Seed and Organic Products Certification Agency (OSSOPCA); and (vii) promote community multiplication and distribution of resilient varieties for which there is limited private sector incentive to invest.</p> <p>26. As variously documented, this approach, which focuses on demonstrating the risk reduction arising from the use of resilient seeds, coupled with ensuring availability of the seeds in local markets at commercial rates, is a much better guarantor of sustained adoption than a supply driven push through subsidies - the hallmark of the OSSC seed delivery mechanism. The approach is also congruent with the GoO intention to increase private-sector participation in the seed sector, comports with the MFD approach to leverage the private sector to support sustainable growth and is expected to contribute to expanding the generally narrow market for seeds in Odisha (characterized by a small number of low volume transactions), rendering it attractive for private investment - in the medium to longterm - including by IFC.</p>
<p>Subcomponent 1.2: Support to Aquaculture Production</p>	<p>US\$<del>3.995</del>.7</p>	<p>Project support under this subcomponent is opportunistic, taking advantage of the improved water situation as a result of irrigation modernization and management in the cascades, to support climate-resilient aquaculture in the rehabilitated tanks, as well as other tanks in the cascade. In line with GoO policy, most of the rehabilitated tanks suitable for aquaculture would be leased to women. Besides contributing to increased and diversified farmer incomes (a key adaptation strategy) and maximizing the utility and productivity of water stored in the tanks, support to aquaculture will improve nutrition outcomes for project beneficiaries and also contribute to climate change mitigation as the tanks/ponds serve as carbon sinks. By targeting the landless and women, this subcomponent would also lead to greater social inclusion and more equitable distribution of project benefits.</p> <p>28. Good aquaculture production hinges on high quality climate-resilient fish seed/fingerlings, feed, and good management practices. However, Odisha is generally deficient in good quality fish seed- a key input, with most estimates pointing to a chronic and mounting deficit over the last decade. Horizontal expansion of aquaculture as proposed under the project is expected to accentuate this deficit. The project will therefore support investments that not only ensure reliable access of participating farmers to good quality climate-resilient fingerlings, but also contribute to closing the overall supply gap in the state. Among others, this will include: (i) support to the Odisha Pisciculture Development Corporation (OPDC) to improve efficiency and realize its installed capacity for fingerling production, through rehabilitation and improving the energy use efficiency of hatchery infrastructure, as well as support for related fingerlings</p>

		<p>production costs and business planning; (ii) one-off capital investment (mainly infrastructure related), provided as a matching grant<sup>30</sup>, as well as technical assistance to organized groups<sup>31</sup> (e.g. Self-Help Groups - SHGs, Primary Fishermen Cooperative Societies - PFCS) to set up fingerling production units to meet the demand of climate-resilient fish seed in their localities where it exists; and (iii) technical support to the AEs to establish fingerlings production business lines, where relevant. In tandem, based on diagnostics to be conducted in the first year of implementation, the project will support a spectrum of actions, expected to be mainly in the policy and regulatory realm, to reduce the distortionary effects of state involvement in the fingerlings/hatchery business with the view of promoting increased fingerlings supply through the private sector.</p> <p>29. In addition, the project will provide limited input (seed and feed) support to landless farmers experimenting with improved aquaculture production for the first time following GoO norms to encourage income diversification for this vulnerable group. The project will also promote good aquaculture management practices through technology transfer via the Directorate of Fisheries and Animal Resource Development (DoFARD) extension service and the AE network with a focus on climatesmart practices, e.g. multi cropping of climate-resilient fingerlings, short-term culture of alternate species (to escape climate induced reductions in water volumes in tanks), use of grow-out ponds (to respond to climate induced water shortages during critical parts of the growth cycle), promotion of species that are adapted to shallow ponds (as an adaptation measure to climate change induced water shortages), and use of re-circulatory water systems - where applicable and commercially viable. In this respect, the project will crowd-in the support of WorldFish to provide global knowledge and technical backstopping, as well as capacity strengthening of DoFARD staff and AEs for effective technology transfer<sup>32</sup>, with a focus on climate resilient technology.</p> <p>30. Fish volumes from the project areas are generally expected to be modest and ordinarily would be effectively handled by synchronising harvesting with demand, thus eliminating the need for investment in post-harvest management infrastructure, e.g., cold storage. However, due to climate change, unanticipated water shortages in tanks have increasingly become common and often create the need to harvest fish across tanks in large quantities at short notice, sometimes leading to difficulties in marketing. As an adaptation measure, the project will, on a cost-sharing basis<sup>33</sup>, support interested beneficiaries to purchase ice boxes, as well as train them to dry and prepare value added products, e.g. pickles and papad, in case of gluts.</p>
Subcomponent 1.3:	US\$ <del>25.7636</del> 8 million	The objective of this subcomponent is twofold: (i) support farmers to reduce the current emphasis on food grains (especially paddy and

<p>Support to Diversification and Produce Marketing</p>	<p>wheat) and increase the share of high-value and more nutritious products (e.g. fruits and vegetables) in their overall production structure<sup>34</sup>; and (ii) improve produce marketing to reduce price risks associated with diversification, increase incomes, and ensure sustained farmer adoption of CSA practices to strengthen resilience to climate change. A successful shift in favor of more diversified production would also lead to improved nutrition outcomes for farmers and the broader community, reduce the water footprint of paddy, foster biodiversity, and strengthen resilience of the production systems to climate change.</p> <p>32. Many efforts to support crop diversification in India have yielded mixed results. According to several practitioners, this is partly due to market distortions related to suboptimal price support policies, lack of government incentives (e.g. credit, extension services and subsidized inputs) that are typically available for the food grains segment, poor infrastructure, and constrained access to reliable remunerative markets. Indeed, for some of these reasons, recent Bank attempts to promote diversification under the OCTMP were partially successful - only leading to marginal diversification, not different than the level of diversification observed in non-project areas. Based on a growing body of evidence, we postulate that marketing arrangements, offering favorable and predictable returns for other crops, can sufficiently mitigate the risk associated with marketing and that improved marketing prospects, combined with improved access to necessary inputs should tilt farmers' production decisions in favor of diversification.</p> <p>33. A market assessment commissioned as part of preparation identified several high value crops<sup>35</sup> for which sufficient demand exists to which farmers could profitably diversify and where women participation is sufficiently high. To improve marketing of these crops, the project will support marketing arrangements bringing together producers and commercial off-takers in mutually beneficial productive alliances underpinned by contractually binding agreements on the terms and conditions for the production and marketing of produce. Such marketing arrangements are effectively enabled by the draft Odisha Agricultural Produce and Livestock Contract Farming and Services Act, 2018 and the streamlined regulations and policy reforms in support of agribusiness as introduced through a recent International Finance Corporation (IFC) advisory program.</p> <p>34. In this context, the project will fund TA to build capacity within the DAFE to promote productive alliance models and raising investment opportunities (that could be take advantage of IFC financing) for these and other competitive value chains (especially those that foster adaptation to climate change) that could emerge</p>
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		<p>during implementation. The project will provide support for: (i) increasing farmer awareness of diversification opportunities; (ii) continuous identification of competitive value chains as well as potential off-takers - leveraging the potential agribusiness investment leads identified through IFC's Odisha Inclusive Partnership Program; (iii) organizing or strengthening already existing farmer groups for effective participation in productive alliances<sup>36</sup>; (iv) farmer experimentation with new crops and training/demonstration of relevant climate resilient production technologies; (v) training farmers on production and marketing skills (including on input sourcing, production, aggregation, and new technologies, among others); (vi) climate-informed business plan development; (vii) fostering linkages with the financial sector or other government programs for access to credit; (viii) financing - on a cost-sharing basis<sup>37</sup> - of selected productive investments identified in the business plans (with a focus on productive investments that equally promote resilience to climate change e.g. warehouses); and (ix) leveraging private capital into competitive value chains e.g. through blended financing to maximize finance for development.</p> <p>35. In complement, especially to support farmers who cannot integrate into viable productive alliances, the project will train and strengthen the capacity of the AEs to provide input and output marketing services (see Annex 2). This will include support for market intelligence, postharvest management and aggregation infrastructure (e.g. storage facilities to reduce commodity exposure to extreme weather conditions), inter alia, on a cost-sharing basis<sup>38</sup>. Through specialized TA, the project will also assist the Odisha State Agriculture Marketing Board (OSAMB) to develop a market intelligence system with sufficient coverage and outreach to provide up to date market/price information including demand position, current prices, likely price trends, market practices. The project will also support the OSAMB to assess medium- and long-term opportunities for given products and to build farmers' capacity to use eNAM, an online trading platform for agricultural commodities in India.</p>
<p>Component 2: Improving Access to Irrigation and Water Productivity</p>	<p>US\$<del>96.53</del><sup>437</sup> -9 million</p>	<p>Improving the reliability of irrigation and increasing water storage is critical to enhancing crop productivity, building resilience to climate change, and promoting diversification and access to markets. It is particularly important in the targeted project areas that are characterized by frequent droughts and highly variable rainfall. The need to bridge increasingly longer dry spells during Kharif and producing higher value and more diverse crops during Rabi when there is no margin for water supply errors, puts a high premium on better management of water storage facilities and the quality of irrigation services.</p>

		<p>37. The reliability of irrigation services and a more productive use of water resources in the project areas is weighed down by: (i) the poor condition of hydraulic assets- mainly due to deferred maintenance; (ii) limited knowledge and skills in water management - often inadequate to provide supplemental irrigation during Kharif season, and to cover water-stress conditions during Rabi; and (iii) weak arrangements for operation and maintenance (O&amp;M). Additionally, most of the tank irrigation systems have been developed for paddy cultivation. A more diversified cropping system that is more demanding in terms of water management, requires retro-fitting of the irrigation infrastructure to provide water in a more reliable manner.</p> <p>38. Tank systems in Odisha are often part of a cascade of tanks that are hydrologically and hydraulically interconnected, with one tank depending on the return flows from another. Addressing water-related constraints and defective hydraulic assets at tank level will then lead to zero-sum results, whereby increases in water availability in some tanks come at the expense of losses of similar magnitude in other tanks. Improving water management therefore requires adopting a comprehensive cascade approach that identifies and prioritizes win-win investments based on their contribution to improving cascade-wide water availability throughout the year, and that leverages both surface and groundwater.</p> <p>39. The project will improve the performance of irrigation throughout the year and across cascades of selected tank irrigation systems through institutional reforms and modernization of hydraulic assets and related capacity strengthening. The objective is to use water more efficiently, reduce water losses and save water during Kharif season, and transfer these savings to Rabi season to support crop diversification and aquaculture. The project will adopt a cascade approach that will consider the management of each tank not in isolation but as part of a larger cascade of reservoirs. Support under this component will go towards: (i) introducing water sector reforms, including piloting of IWRM at catchment level, support for the preparation of groundwater regulation that would take into consideration the fact that sustainable groundwater use is location specific, establishment of a PP support unit in DoWR, and piloting of PublicPrivate Partnerships (PPP) in irrigation management; and (ii) investments in selected cascades of irrigation tank systems.</p>
Subcomponent 2.1: Support to Water Sector Reforms	US\$ <del>4.135.9</del> million	<p>The project will support the following reforms:</p> <ul style="list-style-type: none"> <li>• Introduction of IWRM: In one pilot catchment, Kharkhari Nala, located in the Rushikulya basin, the project will support the introduction of IWRM, including: (i) establishing a catchment council that will serve as a platform for representatives for all main water users in the catchment to participate in water management decisions</li> </ul>

		<p>and coordinate between water users, and an authority that will be responsible for water resources allocation and management, and preparation of a catchment management plan; (ii) establishing a monitoring network to collect data on surface water, groundwater, soil moisture, actual and potential evapo-transpiration (AET and PET), cropping patterns and intensity, and agricultural and irrigation practices; (iii) conducting hydrological investigations and surveys, and (iv) preparing a catchment development and water management plan.</p> <ul style="list-style-type: none"> <li>• Groundwater regulatory reform: Groundwater use for irrigation in command areas is prohibited in Odisha as per existing GoO Order. The GoO has expressed interest to lift this Order to allow the use of groundwater for irrigation in locations where this is sustainable, but is concerned that, in the absence of adequate data on sustainable yield levels and in view of the high hydrogeological variation in the state, such a move might lead to unsustainable exploitation of ground water. In this context, the project will finance a study to assess yield levels and quality of groundwater in Odisha and help the GoO design appropriate regulation to ensure sustainable use of groundwater for irrigation in locations with different hydrogeological conditions, while safeguarding water and soil quality. This will include design of implementation and enforcement systems, institutional and organizational arrangements, budget and financing requirements, etc. The project will work closely with the Central Ground Water Board (CGWB) and Chief Engineer of Groundwater Department of Odisha, in designing the regulation. Only after the regulation has been adopted will the project support groundwater use, and only in those locations that have been identified in the study as having a good potential for sustainable use.</li> <li>• Establishment of a PP Support Unit: The Project will support the establishment and strengthening of a unit within the DoWR that will provide comprehensive and targeted support to PPs, including capacity strengthening and extension, support for the daily administration and management of the PP, and preparation of manuals and guidelines including those related to ensuring the inclusion of women in decision making position in PP committees. The project will finance equipment, office furniture and technical assistance for the preparation of training material.</li> <li>• Public-Private Partnerships (PPP) in irrigation management: The project will conduct a transaction advisory study into options for PPP in irrigation management to increase the efficiency of water use and improve the quality of irrigation service delivery in these tanks.</li> </ul>
Subcomponent 2.2: Support to	US\$ <del>92.4132</del> 0 million	The project will invest in hydraulic infrastructure in selected cascades. All tanks located within the cascade will be eligible for investment and support, regardless of their size, institutional or management

Investments in Cascades	<p>arrangement. A total of 162 “no regret” tanks have been identified that meet all criteria for selection and that are not located immediately upstream or downstream of other tanks and that would thus neither be impacted by, nor impact water availability in other tanks. Investments in these “no regret” tanks do not require an assessment to ascertain their hydrological impact on other tanks and will be taken up during the first year of project implementation. For the remaining 370 tanks, the project will: (i) identify the cascades based on technical and social considerations, using the initially identified tanks as an entry point; (ii) engage with beneficiaries to identify the priority investments within the identified cascades; and (iii) conduct a rapid hydrological assessment to identify investments that contribute to optimizing water use across the cascade and throughout the year.</p> <p>42. Investments to be defined through the rapid hydrological assessment may include strengthening of canal bunds, installation of field channels, improving the distribution network, modernizing hydraulic canal structures, installation of sub-surface pressurized pipes, and Internet of Things (IoT) based monitoring system. The project will help farmers to access subsidies at central and state level for technology adoption (including micro-irrigation and solar panels).</p> <p>43. The project will support the establishment of cascade-level water management organizations that will be responsible for water allocation and management between tanks at cascade level. PP will be established in each of the tanks within a given cascade, and these PPs will federate into Cascade PPs that will be responsible for water management and water allocation at cascade level. To that end, the project will provide office equipment and supplies, invest in water data measurement at cascade level, help Cascade PPs prepare cascade water management plans and strengthen capacities in modern irrigation technologies, improving irrigation efficiency and rational hydraulic asset management, through Farmers’ Field Schools and demonstrations, among others. This will enhance the water security of individual farms by reducing the risks associated with climate variability and help them adapt better during the nonmonsoon period.</p> <p>44. The project will adopt a competitive approach to investment fund allocation among cascades, as follows. Investments in improved water management at cascade level will be made after reaching an agreement with cascade beneficiaries about the soft improvements in the management of water at cascade level that the beneficiaries would like to accomplish, including e.g., establishment of a functioning PP or a Federation of PPs at cascade level, collection of PP membership fees for O&amp;M, compliance with groundwater regulation, etc. Additional funds for investments will be made available to those</p>
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		<p>cascades that meet these agreed requirements. The project will help beneficiaries to achieve the agreements. The Project Implementation Manual (PIM) will provide a detailed description of the process.</p> <p>45. To improve the sustainability of irrigation systems, the project will: (i) strengthen capacities of stakeholders at tank and cascade level to identify, plan and manage maintenance works; (ii) support PPs and their federations to undertake agreed actions to become eligible for a second round of investments; and (iii) provide more systematic support to PPs and their federations through establishment of a PP support cell within DoWR. Operation and Maintenance (O&amp;M) will continue to be undertaken exclusively by the beneficiaries out of their own PP membership contribution. Larger maintenance works on the main canal and tank infrastructure will continue to benefit from public support through DoWR</p>
<p>Component 3: Institutional Capacity Strengthening</p>	<p>US\$6.799.7 million</p>	<p>Delivery of agricultural public services in Odisha is the shared responsibility of several line departments, each with their own mandate and, frequently, rigid organizational boundaries. Support to crop production is the mandate of DAFE; fisheries and livestock production, the mandate of the Directorate of Fisheries and Animal Resources Development (DoFARD); minor and major irrigation, the mandate of DoWR; small irrigation systems (below 40ha), the responsibility of DoPR&amp;DW; the supply of energy for agricultural purposes, the mandate of the DoE; and produce marketing the mandate of DoC. Effective planning and coordination across these departments, especially for cross sector initiatives e.g. OIIPCR, is key to overall state capability to deliver better agricultural services and the achievement of the GoO's objectives in agriculture more generally.</p> <p>47. An institutional assessment, conducted as part of project preparation<sup>39</sup>, points to significant weaknesses in existing planning and coordination mechanisms across these line departments - mainly the result of lack of a strong supra authority to foster coordination and convergent planning and implementation of otherwise cross-sectoral activities across several departments. The assessment also highlighted the limited institutional capacity to deliver complex intersectoral programs; and to plan, innovate and modernize for the future (e.g. in response to climate change) - with most of the institutional focus being accorded to price support programs rather than to long-term sector growth. In addition, the assessment also shows the coordination and monitoring challenges at the district level<sup>40</sup>, where most of the implementation takes place, and how these undermine the progress and effectiveness of program implementation. In fact, these institutional weaknesses are often negatively implicated in the suboptimal performance of most GoO agriculture/water resource development programs.</p>

		<p>48. The objective of this component is to improve overall capacity of the GoO for interdepartmental planning, coordination and implementation of cross-sectoral programs in the agriculture and water resource sectors with the view of strengthening farmers' capacity to adopt to climate change. In this respect, the project will finance TA to build a secretariat within the office of the Agriculture Production Commissioner<sup>41</sup> (APC) for the purposes of improving planning and convergence, coordination, oversight, monitoring, analytics, policy formulation, and partnerships building. Besides ensuring better OIIPCRA outcomes, a strengthened office of the APC would help guide the state's long and short-term vision for water and agriculture development and adaptation/mitigation of climate change, build the state's capability to deliver programs, and help forge strategic long-term partnerships for improved performance of relevant sectors.</p> <p>49. At the district level, the project will finance the establishment, staffing and operation of a Monitoring Cell within the office of the DC to be charged with monitoring all activities in the agriculture, fisheries, and water sectors, including those funded by OIIPCRA. In addition, based on capacity assessments to be conducted during implementation, the project will design and finance training for relevant departmental staff, including that related to strategic leadership, project management, climate change, and any technical aspects across departments.</p>
Component 4: Project Management	US\$ <del>9.05</del> <sup>12.9</sup> million	This component will finance activities related to state and district-level project coordination and management, including developing annual work plans and budgets, financial management (FM) and procurement, human resource management, safeguards compliance monitoring, development and implementation of a Management Information System (MIS), monitoring and evaluation (M&E) and impact evaluation (IE) studies, a communication strategy and citizen engagement as well as a Grievance Redress Mechanism (GRM).
Component 5: Contingent Emergency Response	US\$0 million	This zero-cost, contingent emergency response component (CERC) will finance eligible expenditures in case of natural or man-made crises, disasters, severe economic shocks, or other crises and emergencies in Odisha. Implementation of this component will follow a detailed Contingent Emergency Response Implementation Plan (CERIP) satisfactory to the World Bank that will be prepared for each eligible crisis.

#### Climate Change Co-Benefits Section

Climate co-benefits. Expansion of irrigated as well as rainfed crop production areas and aquaculture production are expected to increase GHG emission. However, the increase will be offset by substantial reduction in GHG emissions that would result from adoption of improved water and farm management, and CSA practices and technologies. The net emissions in the project areas are

estimated at -3,844,504 tCO<sub>2</sub>-eq over the 26-year period. The annual net emissions are projected at -192,225 tCO<sub>2</sub>-eq.

**Greenhouse Gas Accounting**

The net carbon balance quantifies GHGs emitted or sequestered because of the project compared to the without-project scenario. Over the project duration of 20 years, the project constitutes a total carbon emission savings of 3,844,504 tCO<sub>2</sub>eq. The annual reduction/sequestration of GHG emissions is estimated to be 192,225 tCO<sub>2</sub>eq/year, and thus a total reduction/sequestration of 3,844,504 tCO<sub>2</sub>eq is expected by project completion (end of 6 years or project implementation). 8. On a per hectare basis, CO<sub>2</sub> mitigation of 21.7 tCO<sub>2</sub>eq/ha over a 20-year period is observed (i.e., from 30 tCO<sub>2</sub>eq/ha emissions in the baseline to 9 tCO<sub>2</sub>eq/ha emissions as a result of project interventions after 20 years: 6.5 tCO<sub>2</sub>eq/ha after 6 years), which translates to a 1.08 tCO<sub>2</sub>eq/ha/year GHG mitigation rate.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.1	<del>22,473,214</del>	1/3	1/3	<del>7,494,077</del>	<del>7,494,077</del>	<p>No activity level reporting is present within the sub-component. Three “motivations” are outlined: “Funding under this subcomponent will support farmer adoption of CSA technologies and practices to <b>increase productivity, improve resilience to climate shocks and reduce GHG emissions</b>, as a co-benefit.” Indicating 2/3 motivations are climate relevant (1 each for adaptation and mitigation).</p> <p>Evidence regarding adaptation assessment: Adoption of climate-smart agriculture in areas susceptible to worsening climate impacts (yet with low uptake of climate informed agricultural practices) strongly links to the provided vulnerability context/intent to address that vulnerability.</p> <p>Evidence regarding mitigation assessment: Evidence of mitigation relevance is provided through GHG accounting, where the expected impacts of climate smart agriculture on emissions are outline in detail. Eligible</p>

						activity: "Agriculture: carbon sequestration" & "Reduction of non-CO2 GHG emissions from agricultural practices or technologies" (water management in rice paddies).
SC 1.2	<a href="#">3.995-7</a>	1	0	<a href="#">3.995-7</a>	0	<p>No activity level reporting is present within the sub-component. However, the sub-component is deemed to be entirely climate-relevant focusing on climate-resilient aquaculture production.</p> <p>The sub-component text states that "mitigation co-benefits" will be exploited. However, GHG accounting states that aquaculture activities in the project will lead to increased GHG emissions.</p> <p>Mitigation assessment: Regarding the eligible activity "Fisheries and aquaculture: GHG-emission reduction" the Common Principles for Climate Change Mitigation Finance Tracking highlight that GHG accounting must be provided: "For brownfield activities the entity applying the Common Principles shall demonstrate a substantial reduction in net GHG emissions, carbon intensity (e.g., tCO2e/unit of outcome), or energy intensity (e.g., gigajoules/unit of outcome) compared to a business-as-usual baseline." However, emissions increases are evidenced. Mitigation coefficient of 0 applied.</p>
SC 1.3	<a href="#">25.7636-8</a>	4/9	0	<a href="#">11.44916.356</a>	0	There are 9 activities outlined in the sub-component, where 4 contribute to crop diversification to increase climate resilience and adaptation more generally while the remaining 5 promote improvement of produce marketing (not climate-relevant).

						Because crop diversification, food security and natural resource management are closely linked to the vulnerability context/intent to reduce that vulnerability, an adaptation coefficient of 0.5 has been applied. There is no direct evidence on mitigation relevance.
SC 2.1	<a href="#">4.135-9</a>	1	0	<a href="#">4.135-9</a>	0	The facilitation of water resource management reforms is closely linked to the provided vulnerability context/intent to address vulnerabilities caused by high hydrogeological variation in the state. The sub-component is deemed to be entirely adaptation relevant.
SC 2.2	<a href="#">92.4132-0</a>	0.5	0	<a href="#">46.266</a>	0	<p>The project will invest in hydraulic infrastructure in selected cascades. All tanks located within the cascade will be eligible for investment and support, regardless of their size, institutional or management arrangement. The sub-component will enhance the water security of individual farms by reducing the risks associated with climate variability and help them adapt better during the non monsoon period. Because water management and irrigation infrastructure is closely linked to the vulnerability context/intent to reduce that vulnerability, the project is seen to be adaptation relevant.</p> <p>In the absence of incremental costs related to adaptation (important when considering the cost of augmenting existing water resource infrastructure) the principle of conservativeness has been applied, resulting in an adaptation coefficient of 0.5 being assigned.</p>
C3	<a href="#">6.799-7</a>	1	0	<a href="#">6.799-7</a>	0	The stated objective of the component is: "to improve

						overall capacity of the GoO for interdepartmental planning, coordination and implementation of cross-sectoral programs in the agriculture and water resource sectors with the view of strengthening farmers' capacity to adopt [sic] to climate change." Because these capacity building exercises are linked to the above components and the vulnerability context/intent to reduce that vulnerability, the project is seen to be adaptation relevant.
C4	<a href="#">9.0512.93</a>	0	0	0	0	No evidence is provided to indicate that these funds for project management will lead directly to adaptation or mitigation benefits.
C5	0	-	-	-	-	N/A

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
119	<a href="#">80.049114.356</a>	<a href="#">32.7-9%</a>	6.4	<a href="#">7.4910.7</a>	<a href="#">17.067-2%</a>

Reported climate finance	Assessed climate finance	Error
125.4	<a href="#">87.539125.056</a>	<a href="#">31.97-1%</a>

Project Number: P168539

<b>Project Name</b>
OECS Regional Health Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/164171567389660796/organization-of-eastern-caribbean-states-oecs-regional-health-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/164171567389660796/organization-of-eastern-caribbean-states-oecs-regional-health-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Credit, Grant
<b>Lowest level of granularity</b>
Component/Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Strategic Context section, pages 1-3.
<b>Intent to Address Vulnerability</b>
Provided in the Strategic Context section, page 3, paragraph 6..
<b>Link to Project Activities</b>
Provided in the Project Components section.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 1	US\$17.42 million	Component 1: Improved Health Facilities and Laboratory Capacity (US\$17.42 million) 13. This component focuses on improving the resilience and capacity of select health facilities and laboratories to provide services to manage a public health emergency, including an emerging disease outbreak, extreme weather event or other disaster. The component will support the refurbishment and equipping of select health facilities to ensure continuity of care and improve laboratory infrastructure and equipment with corresponding training.
		Subcomponent 1.1 Health Facilities Infrastructure and Referral Networks. This component will focus on the development of: (i) resilient health facilities in participating countries; and (ii) a facility inventory at the regional level, which will inform the development of an emergency coordination mechanism at the regional level. At the national level, activities focused on health facility resilience will build on the Smart Health Facilities Initiative implemented by PAHO. Under this initiative, in-depth assessments of health facilities in all four participating countries have been conducted. <sup>20</sup> Using the assessment findings, select health facilities will be upgraded to improve their resilience to climate change and extreme weather conditions.

	<p>21. Examples of climate resilient and energy-efficient upgrades include structural improvements, roofing, electrical safety, improvements in lighting, telecommunications, plumbing and water storage as well as the inclusion of ramps to facilitate access for people who are disabled. The number of facilities to be upgraded in each country is reflected in the Results Framework. 15. At the regional level, an emergency and critical care facilities inventory, including information on human resources, will be developed by the OECS to document the available resources for an emergency response. As the project scope does not allow upgrading of all facilities, the facilities inventory and geographic information systems (GIS) mapping is expected to provide useful guidance on available resources and possible referral networks<sup>22</sup> to ensure continuity of care following a public health emergency, particularly an extreme weather event. These investments are expected to improve the continuity of care in the context of a public health emergency, reducing the need for medical evacuations.</p>
	<p>Subcomponent 1.2 Laboratory Infrastructure and Capacity Building. The project will also support investments in laboratory infrastructure and capacity with the aim of improving the efficiency and quality of the laboratory network in the region. New infrastructure will include climate-resilient and energy-efficient design where possible. An underdeveloped laboratory network has hindered the region's capacity to confirm and respond in a coordinated manner, as recently seen with the 2016 Zika outbreak. At the national level, this subcomponent will include: (i) expansion of national laboratory services, including provision of equipment and reagents; (ii) improvements in specimen handling and supply chain management (including cold chain transport equipment such as icebox coolers for shipping samples as well as solar powered refrigerators); (iii) technical support for laboratory data management systems and interoperability with health and surveillance information systems at national and regional levels; (iv) training and capacity building for laboratory services; and (v) strengthened laboratory quality management systems.</p> <p>17. At the regional level, a corresponding set of activities will be conducted, where project activities implemented by CARPHA will include: (i) assessment of national laboratory capacity in project-participating countries to provide the needed laboratory services (e.g. collect, test, process, diagnose, and confirm cases); (ii) technical support to improve the link between national laboratory networks and the regional reference laboratory; (iii) enhancements to the regional reference laboratory capacity in order to provide the region with the necessary capacities in processing, diagnosing and confirming priority infectious diseases including in the context of growing climate change impacts; and (iv) improved laboratory safety and specimen transportation. A regional quality assurance program will also be supported with the implementation of common standards for national laboratories, including policies, standard operating procedures (SOPs) and related training. Recognizing the small country context and high level of integration, support will be provided to the OECS under the project</p>



		to: (i) develop a pooled procurement system for laboratory equipment, service contracts, and laboratory parts and reagents; (ii) develop and implement laboratory specimen transportation agreements; and (iii) support development of laboratory budget processes
Component 2	US\$9.27 million	Component 2. Strengthening Public Health Surveillance and Emergency Management (US\$9.27 million) 18. This component will support efforts to strengthen public health preparedness, including surveillance <sup>23</sup> and emergency response through improvement of national and regional capacities and promotion of crossborder collaboration. This component would improve the completeness and quality of the reporting chain for surveillance activities from the national to regional level, including improvements in interoperability and the development of a regional dashboard to monitor trends. The project would also address vulnerabilities at the national level, in areas such as port health and development of national health emergency response mechanisms and operations centers. Similar efforts would be made in regional preparedness and response, including the development of an emergency health services coordinating mechanism. Improved surveillance activities will allow for better monitoring of climate-sensitive diseases and their evolution over time, thereby reducing the vulnerability of the population to climate change.
		Subcomponent 2.1 Public Health Surveillance. At the national level, activities under this subcomponent will focus on: (i) improving the information base for surveillance through training and investments in HIS (e.g. strengthening case detection and reporting, mapping communicable diseases using GIS to identify high-risk areas); (ii) addressing points of vulnerability through improved surveillance in targeted areas (e.g. food safety, port health and inspection) and high-risk groups (e.g. pregnant women); and (iii) support to national vector control programs and implementation of the Frontline and Basic Field Epidemiology Training Program (FETP). At the regional level, project activities to be implemented by CARPHA include: (i) the expansion and roll-out of the Intermediate and Advanced FETP; <sup>24</sup> (ii) improvements in surveillance reporting to and from the regional level, including protocols for communication and data sharing and the development of a regional dashboard; and the (iii) development of an information and communication platform for surveillance and management including GIS. As part of efforts to improve surveillance reporting, the project will support in-country assessments by CARPHA of participating countries' ability to report and use surveillance information.
		Subcomponent 2.2 Emergency Management. This subcomponent will support strengthening of national and regional emergency management and response capacities to respond swiftly and effectively to outbreak threats. In addition, project interventions will provide support to improve country and regional surge capacity to ensure rapid response during an emergency, including those induced by climate change. Activities to be supported at the national level include: (i) development and/or updating of health emergency preparedness and response plans; (ii) establishment of isolation facilities for response and containment capacity in the event of an outbreak; (iii) setup and equipping of national health emergency response

		<p>systems and/or operations centers (e.g. staff, protocols and procedures, communications, equipment); and (iv) management of biomedical waste. Investments at the national level will also seek to address weaknesses in compliance with the 2005 IHR, and where necessary, will include training. At the regional level, CARPHA will focus on the: (i) development of regional preparedness and response action plans for public health emergencies (including simulation exercises); (ii) support to countries in their JEE self-assessments and development of National Action Plans for Health Security; and (iii) establishment of a contingency emergency response funding mechanism. Also, at the regional level, the OECS will focus on the development and implementation of an OECS health emergency services coordinating mechanism to strengthen regional capacity for mobilizing first responders and moving critical health supplies to affected areas, including strengthening of systems facilitating patient movement and specialized health human resources. Finally, the project will also support training on a minimal initial service package (MISP) in sexual and reproductive health (SRH) in the context of public health emergencies</p>
Component 3	US\$3.91 million	<p>Component 3: Institutional Capacity Building, Project Management and Coordination (US\$3.91 million) 21. Component 3 will support the critical building blocks for strong implementation and coordination required for implementing this regional project. Specific institutional capacity building activities include technical assistance for contract management, procurement, financial management (FM), environmental and social safeguards, construction supervision (e.g. engineer and/or architect), monitoring and evaluation, and project audits. With respect to project management and coordination, this component will finance personnel for project execution and regional coordination platforms for knowledge sharing among the implementing entities and collective monitoring of implementation status. Finally, related operating expenses and equipment will also be financed.</p>
Component 4	US\$0.0	<p>Component 4. Contingency Emergency Response Component (CERC) (US\$0 million) 22. This zero-cost component aims to provide immediate surge funding in the event of a public health emergency, such as a disease outbreak. The CERC is only triggered in the case of a public health emergency and when certain actions, as agreed by the Government and Bank teams, are met. These actions can include: (i) the country declares a national public health emergency; and (ii) presents a sound and actionable country-level response plan. Having the CERC in place provides a compelling platform for country-level discussions on the importance and need for country-level readiness to respond to disease outbreaks. Once triggered, the CERC is implemented following the exceptional policy requirements set out in Paragraph 12 of the IPF Policy (Projects in Situations of Urgent Need of Assistance or Capacity Constraints) and enables rapid reallocation of funds between project components following an emergency. Together with the operational, fiduciary, procurement, disbursement and financial management arrangements that underpin its implementation, the CERC provides a conduit for flow of PEF funds (in the form of grant funds) into the project. Details on triggering the CERC in</p>

		terms of definition of a public health emergency will be defined in the respective Financing and Grant Agreements as well as described in a CERC Operations Manual.
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<b>Climate Change Co-benefits section</b>
<p>Provided:</p> <p>Climate co-benefits of the project are expected to be significant, largely due to climate mitigation and adaptation activities outlined under Components 1 and 2. The project is expected to improve the health systems' capacity to detect and respond to disease outbreaks; and resiliency to extreme weather events in the OECS region. Strengthened disease surveillance mechanisms and development of national health preparedness response plans supported by the project explicitly address climate vulnerabilities related to tracking patterns of diseases as a result of changing climatic conditions. The climate co-benefits from a strengthened surveillance system lie in the availability of a mechanism in the OECS region through which to monitor the potential threat of a disease outbreak following a natural disaster and curtail its potential regional spread, thereby improving the health systems' resilience to climate change. Climate change resilience and mitigation measures will also be incorporated, as they relate to the refurbishment of health facilities by including energy efficient improvements in lighting, appliances and equipment, incorporating climate resilient designs, and improving health care waste management (HCWM). Civil works supported by the project will follow the Green Checklist, utilized under the Smart Health Facilities Initiative, which incorporates climate smart actions for health infrastructure. Renovations to existing health facilities will benefit, when possible, from energy-efficient ventilation and air conditioning systems which reduce these related costs and enhance infection control, as well as energy efficient and cost saving investments such as light-emitting diode (LED) lights, and lighting control measures (e.g., dimming, occupancy sensors, daylighting). Reductions in dioxins, a greenhouse gas, are expected with the promotion of an autoclave/grinder instead of an incinerator to dispose of medical waste, 27 which also eliminates potential HCWM issues from the outset and reduce the volume of medical waste to be managed and treated. Finally, project-participating countries will apply the OECS Building Code, which focuses on climate resilient infrastructure standards and is also referred to by the Smart Health Facilities Initiative.</p>

<b>Greenhouse Gas Accounting</b>
Not provided.

<b>Name</b>	<b>Value</b>	<b>Ad coefficient</b>	<b>Mit coefficient</b>	<b>Ad finance</b>	<b>Mit finance</b>	<b>Assessment comments</b>
SC 1.1	17.42/2	0.5	0.25	4.355	2.1775	Component 1 focuses on improving the resilience and capacity of select health facilities and laboratories to provide services to manage a public health emergency, including an emerging disease outbreak (sub-component 1.2), extreme weather event or other disasters.

					<p>Sub-component 1.1 will focus on two activities: (i) resilient health facilities in participating countries; and (ii) a facility inventory at the regional level, which will inform the development of an emergency coordination mechanism at the regional level.</p> <p>Examples of climate resilient and energy-efficient upgrades include structural improvements, roofing, electrical safety, improvements in lighting, telecommunications, plumbing and water storage.</p> <p>The sub-component creates a link between the activities being undertaken, to increase the resilience of health infrastructure to climate induced extremes, and the vulnerability context.</p> <p>By focusing on energy efficiency within those investments, the sub-component is eligible under the Common Principles for Climate Change Mitigation Finance Tracking under the eligible activity: “Brownfield energy-efficiency improvement in energy production to supply electricity, heat, mechanical energy or cooling”.</p> <p>Regarding proportionality, the assessment of climate co-benefits results from the following considerations::</p> <ul style="list-style-type: none"> <li>• Activity (i) is seen to be entirely climate-relevant. In the absence of detailed information to calculate the proportions of adaptation and mitigation co-benefits within the activity, it is assumed to be equally cross-cutting.</li> </ul>
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						<ul style="list-style-type: none"> <li>• Activity (ii) is deemed to be partially adaptation relevant, where adaptation is not the principal objective of the finance, yet where investments in the continuity of care following a public health emergency will increase resilience to extreme weather events.</li> <li>• This results in an adaptation coefficient of 0.5 and mitigation coefficient of 0.25.</li> </ul>
SC 1.2	17.42/2	0.125	0.125	1.08875	1.08875	<p>Sub-component 1.2 will support investments in laboratory infrastructure and capacity with the aim of improving the efficiency and quality of the laboratory network in the region. Documentation adds “New infrastructure will include climate-resilient and energy-efficient design where possible”, however the primary motivation of the sub-component appears to be responses to disease outbreak.</p> <p>The sub-component creates only a very weak link between the activities being undertaken and the vulnerability context.</p> <p>By referencing energy efficiency within those investments, the sub-component is eligible under the Common Principles for Climate Change Mitigation Finance Tracking under the eligible activity: “Brownfield energy-efficiency improvement in energy production to supply electricity, heat, mechanical energy or cooling”.</p> <p>Regarding proportionality, the assessment of climate co-benefits results from the following considerations::</p>

						<ul style="list-style-type: none"> <li>• Climate objectives are not the principle, or even a significant objective of the sub-component which focuses on disease outbreaks. This results in an initial coefficient of 0.5 being applied.</li> <li>• Due to the lack of granular information regarding activities, aims, motivations for the sub-component mitigation co-benefits cannot be disaggregated from non-mitigation benefits. Likewise due to the lack of incremental adaptation costs and granular information regarding activities, aims, motivations for the sub-component adaptation co-benefits cannot be disaggregated from non-mitigation benefits. To respond to the uncertainty this creates and to adhere to the principle of conservativeness, a second coefficient of 0.5 can be applied.</li> <li>• The resulting finance is deemed to be cross-cutting in nature.</li> </ul> <p>This results in adaptation and mitigation coefficients of 0.125 being applied.</p>
SC 2.1	9.27/2	0.5	0	2.3175	0	Component 2 will support efforts to strengthen public health preparedness, including surveillance and emergency response through improvement of national and regional capacities and promotion of cross border collaboration.

					<p>Sub-component 2.1 will focus on public health surveillance. Due to the prevalence of vector borne diseases in the region, and climate change's impacts on them, the activities in the sub-component create a link between themselves and the vulnerability context.</p> <p>Examples of climate resilient and energy-efficient upgrades include structural improvements, roofing, electrical safety, improvements in lighting, telecommunications, plumbing and water storage.</p> <p>The sub-component creates a link between the activities being undertaken, to increase the resilience of health infrastructure to climate induced extremes, and the vulnerability context.</p> <p>Improved surveillance activities will allow for better monitoring of climate-sensitive diseases and their evolution over time, thereby reducing the vulnerability of the population to climate change.</p> <p>The adaptation co-benefits assessments results from the following:</p> <ul style="list-style-type: none"> <li>• Adaptation is noted as one of multiple motivations of the project, yet there is a strong link between the activities and climate vulnerability in the region.</li> <li>• There is lack of granular information to calculate adaptation proportionality, and due to a lack of incremental adaptation costs.</li> <li>• This results in an adaptation coefficient of 0.5 being applied to adhere</li> </ul>
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						to the principle of conservativeness.
						No evidence of mitigation relevance.
SC 2.2	9.27/2	0.5	0	2.3175	0	<p>Sub-component 2.2 will focus on emergency management. This subcomponent will support strengthening of national and regional emergency management and response capacities to respond swiftly and effectively to outbreak threats and climate-related emergencies.</p> <p>Examples of climate resilient and energy-efficient upgrades include structural improvements, roofing, electrical safety, improvements in lighting, telecommunications, plumbing and water storage.</p> <p>The sub-component creates a link between the activities being undertaken, to increase the resilience of health responses to climate induced extremes, and the vulnerability context.</p> <p>Improved emergency management will allow for better response to climate-related events, thereby reducing the vulnerability of the population to climate change.</p> <p>The adaptation co-benefits assessments results from the following:</p> <ul style="list-style-type: none"> <li>• Adaptation is noted as one of multiple motivations of the project, yet there is a strong link between the activities and climate vulnerability in the region.</li> <li>• There is lack of granular information to calculate adaptation proportionality, and due to a lack of</li> </ul>



						<p>incremental adaptation costs.</p> <ul style="list-style-type: none"> <li>This results in an adaptation coefficient of 0.5 being applied to adhere to the principle of conservativeness.</li> </ul> <p>No evidence of mitigation relevance.</p>
C 3	3.91	0	0	0	0	<p>Component 3 will support will support the critical building blocks for strong implementation and coordination required for implementing this regional project.</p> <p>Specific institutional capacity building activities include technical assistance for contract management, procurement, financial management (FM), environmental and social safeguards, construction supervision (e.g. engineer and/or architect), monitoring and evaluation, and project audits.</p> <p>No evidence of climate relevance.</p>
C 4	0	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
10.5	10.07875	4.0%	0.6	3.26625	444%

Reported climate finance	Assessed climate finance	Error
11.1	13.345	27.8%

**Project Number: P171440**

<b>Project Name</b>
Philippines Third Disaster Risk Management Development Policy Loan
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/317671653596911114/philippines-third-disaster-risk-management-development-policy-loan">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/317671653596911114/philippines-third-disaster-risk-management-development-policy-loan</a> (Program Document)
<b>Financing Instrument</b>
Development Policy Financing
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Prior Action

<b>Climate Change Vulnerability Context</b>
Provided in the Introduction and Country Context section, page 7, paragraph 4.
<b>Intent to Address Vulnerability</b>
Provided in the Introduction and Country Context section, page 10, paragraph 8.
<b>Link to Project Activities</b>
Provided in the Proposed Operation section.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Pillar A		Pillar A: Strengthening the policy and institutional framework for Disaster Risk Reduction
		<p>Prior action #1: Through a Cabinet Directive, the Government has directed all its Departments and Agencies to use integrated hazard and risk analysis in physical planning and evidence-based policy-making.</p> <p>Rationale: A Cabinet Directive mandating the use of hazard and risk information will transform the way the government plans and invests in infrastructure and development projects. The Directive issued by the Office of the President on July 1, 2019 compels key agencies to share data and use the newly established GeoRiskPH, a multi-hazard integrated database system, with analytical risk information and assessment interfaces that may be used for investment planning and policy-making. This helps ensure that all future investments are built taking into account their exposure to risk. This also helps locate key infrastructure in lower risk area and ensure that appropriate building standards are applied. Further, this will help address the major challenge on availability and access to integrated hazard and risk assessment data. Currently, these critical data are managed independently by different sectors requiring agencies to go through a long and tedious process of securing access from the various forecasting and mapping agencies. GeoRiskPH provides a secure and credible platform for easy access to this official information.</p>

	<p>Expected Results and Outcome. The adoption and use of GeoRiskPH will support the government to implement policies, programs, and projects through the following results: a. The use of GeoRiskPH for the prioritization of public infrastructure projects by at least five (5) key government agencies by 2022. The platform includes a user interface to monitor compliance. b. The EIA process integrates disaster risk reduction and climate change adaptation measures. This is demonstrated through the issuance of Updated EIA Guidelines by the DENR by 2022 44 . c. Using GeoRiskPH, at least 100 LGUs will be able to easily integrate climate resilience and disaster risk reduction measures in the Local Disaster Risk Reduction and Management Plans (LDRRMPs) by 2022.</p>
	<p>Prior action #2: The Government has operationalized an Earthquake Resiliency Program for Greater Metro Manila Area through the issuance of the President's Executive Order and the Department of Public Works and Highways (DPWH's) Department Orders.</p> <p>47. Rationale: The Greater Metro Manila Area (GMMA), the seat of government and the country's population, economic, and cultural center is highly exposed to seismic and volcanic hazards. The area is transected by earthquake generators of which the West Valley Fault poses the most significant threat. With an estimated population of 21 million and extremely dense agglomeration of vulnerable infrastructure, buildings and housing, a magnitude 7.2 earthquake in GMMA, a probable maximum scenario, would result in an estimated 48,000 fatalities, US\$48 billion in economic losses, with catastrophic impact on government continuity and service provision<sup>45</sup> . The operationalization of an Earthquake Resiliency Program for GMMA helps prepare and mitigate the impact from a potentially catastrophic earthquake. This aims to strengthen the country's resilience against earthquakes, ensure public safety, government and business continuity, and national security by addressing the potential devastation caused by strong earthquakes in GMMA.</p> <p>51. Expected Results and Outcome. The operationalization of the Earthquake Resiliency Program for the GMMA will be measured through the development of prioritized multi-year investment plan for seismic risk reduction and retrofitting by the DPWH. This multi-year investment plan with annual budget is submitted to DBM for endorsement to Congress for the years 2020 to 2022.</p>
Pillar B	Pillar B. Strengthening the policy and institutional framework for Disaster Recovery
	<p>Prior action #3: The Government has adopted a Philippine Disaster Rehabilitation and Recovery Planning framework for timely and effective disaster recovery and reconstruction by National Government and Local Government Units.</p> <p>52. Rationale: Post disaster rehabilitation and recovery is one of the biggest challenges of the government in DRRM, particularly for disasters of large scale impacts which require major interventions and large amount of financing. To facilitate timely actions, it is important that structures, policies, systems and mechanisms for coordination and implementation are developed and put in place. The relevance of rehabilitation and recovery planning is to ensure that the government's interventions for areas affected are integrated and aligned towards achieving common goals and intended outcomes. As major disasters have become</p>

	<p>more frequent, there was a need to prepare a guide that will serve as reference by national and local planners in the formulation of post disaster rehabilitation and recovery programs, including the conduct of related activities that will contribute in expediting the planning process.</p> <p>55. Expected Results and Outcome: The program will support the advancement and implementation of DRM and climate resilience measures within the LGUs through the following: a. Enhancing Local Government Unit (LGU) capacity in disaster rehabilitation and recovery planning through the formulation of local disaster rehabilitation and recovery programs in at least 100 LGUs through extended hands on trainings. After the trainings, the LGUs are expected to formulate their draft local rehabilitation and recovery programs by 2022. b. The development of Local Disaster Risk Financing (DRF) strategies to finance post-disaster recovery in at least 100 LGUs through extended hands on trainings. After the trainings, the LGUs are expected to formulate their Local DRF strategies by 2022.</p>
	<p>Prior action #4: The Department of Social Welfare and Development (DSWD) has issued guidelines for implementation of the Emergency Cash Transfer program as part of its social protection programs for faster and more effective post-disaster recovery.</p> <p>57. Rationale: In times of major disasters, the needs of the affected people are varied. It consists of food and nonfood items, medicines, health care, supplies for repairs of damaged shelter, livelihood and other requirements which are not included in government-provided supplies. In order to quickly respond to the immediate needs of the affected population, DSWD has developed guidelines for Emergency Cash Transfer (ECT) to provide support for rapid early recovery and rehabilitation in the aftermath of disasters. The implementation of the ECT as a strategy can complement the provision of in-kind assistance during emergencies and can empower the affected population to decide on their own in addressing their needs using available local resources.</p> <p>62. Expected Results and Outcome: The program will support DSWD to implement the following results: a. Implementation of the ECT Program in disaster-affected areas under state of calamity. This will be implemented nationwide and triggered based on DSWD’s assessment criteria set in the ECT Program Guidelines. The target will be that the ECT program guidelines/manual is adopted by all DSWD Regional offices and implemented in disaster-affected areas under state of calamity starting 2021. b. Preparation and adoption of the revised NCDDP-DROM guidelines for post-disaster recovery by 2022 and its dissemination in all disaster-prone areas identified by Government. The target is also for the guidelines to be used by communities in all disaster-affected areas under state of calamity.</p>

<b>Climate Change Co-benefits section</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA 1	500/4	0.5	0	62.5	0	<p>Pillar 1 will strengthen the policy and institutional framework for Disaster Risk Reduction.</p> <p>The prerequisite for PA 1 is that the Government has directed all its Departments and Agencies to use integrated hazard and risk analysis in physical planning and evidence-based policy-making.</p> <p>There is therefore a link between the PA and the vulnerability context, by stating an intent to enhance disaster risk reduction and response through enhanced analysis, planning and evidence-based policy making.</p> <p>The vulnerability context, and information surrounding Disaster Risk Reduction, note the prevalence of earthquakes in the Philippines, alongside exposure to climate change impacts. The expected outcomes are also split between climate and non-climate related risk.</p> <p>The Reference Guide on Adaptation Co-benefits states “If a component/sub-component/prior action/DLI is designed to adapt to climate change-induced natural disasters and earthquakes, only 50% of its financing amount or incremental cost for adaptation to climate change can be counted.”</p> <p>As a result, an adaptation coefficient of 0.5 has been applied.</p> <p>No evidence of mitigation relevance.</p>

PA 2	500/4					<p>The prerequisite for PA 2 the Government has operationalized an Earthquake Resiliency Program for Greater Metro Manila Area through the issuance of the President’s Executive Order and the Department of Public Works and Highways (DPWH’s) Department Orders.</p> <p>As a PA in response to a geohazard unaffected by climate change, this PA is not relevant with regards to adaptation co-benefits.</p> <p>No evidence of mitigation relevance.</p>
PA 3	500/4	0.5	0	62.5	0	<p>Pillar 2 will strengthen the policy and institutional framework for Disaster Recovery.</p> <p>The prerequisite for PA 3 is that the Government has adopted a Philippine Disaster Rehabilitation and Recovery Planning framework for timely and effective disaster recovery and reconstruction by National Government and Local Government Units.</p> <p>There is therefore a link between the PA and the vulnerability context, by stating an intent to transform the system for effective post-disaster recovery.</p> <p>The vulnerability context, and information surrounding Disaster Risk Reduction, notes the prevalence of earthquakes in the Philippines, alongside exposure to climate change impacts.</p> <p>The Reference Guide on Adaptation Co-benefits states “If a component/sub-component/prior action/DLI is designed to adapt to climate change-induced natural disasters and earthquakes, only 50% of its financing amount or incremental</p>

						<p>cost for adaptation to climate change can be counted.”</p> <p>The dual focus of PA 3 is evidenced in its stated outcome: “The program will support the advancement and implementation of [Disaster Risk Management] and climate resilience measures”</p> <p>As a result, an adaptation coefficient of 0.5 has been applied.</p> <p>No evidence of mitigation relevance.</p>
PA 4	500/4	0.5	0	62.5	0	<p>The prerequisite for PA 4 is that the Department of Social Welfare and Development (DSWD) has issued guidelines for implementation of the Emergency Cash Transfer program as part of its social protection programs for faster and more effective post-disaster recovery.</p> <p>There is therefore a link between the PA and the vulnerability context, where the Bank holds that by increasing socioeconomic resilience in the aftermath of a disaster, the finance contributes towards climate change adaptation.</p> <p>The vulnerability context, and information surrounding Disaster Risk Reduction, notes the prevalence of earthquakes in the Philippines, alongside exposure to climate change impacts.</p> <p>The Reference Guide on Adaptation Co-benefits states “If a component/sub-component/prior action/DLI is designed to adapt to climate change-induced natural disasters and earthquakes, only 50% of its financing amount or incremental cost for adaptation to climate change can be counted.”</p>

						As a result, an adaptation coefficient of 0.5 has been applied. No evidence of mitigation relevance.
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Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
375	187.5	50%	0	0	0%

Reported climate finance	Assessed climate finance	Error
375	187.5	50%



Project Number: P171269

<b>Project Name</b>
Plastic free Rivers and Seas for South Asia
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/891301591063382724/south-asia-plastic-free-rivers-and-seas-for-south-asia-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/891301591063382724/south-asia-plastic-free-rivers-and-seas-for-south-asia-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Grant
<b>Lowest level of granularity</b>
Sub-component

<b>Climate Change Vulnerability Context</b>
N/A
<b>Intent to Address Vulnerability</b>
N/A
<b>Link to Project Activities</b>
N/A
<b>Incremental Costs?</b>
N/A

Name	Value	Project components
Component 1. Supporting Competitive Block Grant Investments to Reduce Plastic Waste	22 million USD	The objective of this component is to develop, administer and support a platform that would identify, verify and invest in circular plastic economy solutions and support the exchange of knowledge. To this end, the component would establish a Regional Competitive Block Grant (RBG) scheme, support knowledge exchange and awareness raising. 4. The rationale for this component is four-fold: First, South Asian nations could benefit from knowing the range of existing and new solutions and innovative approaches being undertaken in their nations and across the region to assist transitions to a more circular plastic economy; Second, they could also benefit from witnessing how block grant investments to select organizations can help accelerate this transitions, opening up the possibility of these nations to assist a variety of organizations within their own countries beyond this initial pilot, in national transitions to a more circular plastic economy; Third, the RBG investment recipient themselves will not only be able to demonstrate impact in a short time, but also will serve as case studies and good practice examples of what could be further scaled and replicated across South Asian nations. The project will identify innovative and cutting edge, replicable solutions that could be adapted and serve as demonstrations. Fourth, the selection of country-level RBG recipients will be undertaken in consultation with national level authorities and prioritize those recipients that complement the World Bank's countrylevel (that is, national) engagements on reducing plastic pollution as

		reflected in the Project Operations Manual (POM). The component will be supported through two subcomponents:
Subcomponent 1.1: Investing in Circular Solutions to Reduce Plastic Waste	20 million USD	<p>This subcomponent supports circular plastic economy solutions to reduce plastic waste by implementing a program of regional competitive block grant investments, providing Regional Competitive Block Grants (“RBGs”) to eligible organizations in South Asia (“Eligible RBG Beneficiaries”). The RBG competition has two windows. The first window, Window 1 (W1), provides investment support and will seek proposals up to US\$1.5 million from eligible, registered organizations in eligible SAR nations (private entities, social enterprises, nongovernmental organizations [NGOs]/community-based organizations [CBOs], for example) that can demonstrate that with the use of IDA grant proceeds the entity could accelerate toward a more circular plastic economy that would not be possible to do without IDA and with selection criteria and institutional arrangements for selection detailed in the POM). W1 will support at least one eligible entity from each of the SACEP’s eight member states, with the PARLEY Foundation providing W1 parallel investment of up to US\$2 million to at least one entity in both Sri Lanka and India and advising all SACEP member-states on the Avoid Intercept Redesign - AIR Strategy adopted and pioneered by Maldives. It is estimated that W1 will award 20-30 entities with IDA grant proceeds in two separate call for proposals with both calls occurring before the project’s midterm review (MTR) and with at least half of the funds disbursed. The RBG proposals for W1 will also have to lay out how women are currently involved in their entity and how with IDA proceeds they will directly and indirectly incrementally benefit. Each recipient will be technically audited for gender inclusion to verify the same. Moreover, at least five W1 proposals will support eligible female-led organizations and all recipients will have to demonstrate female participation of at least 30 percent by end of project. The second window, Window 2, (W2), will seek innovative ideas and creative solutions from individuals and institutions on turning the tide on plastic pollution. W2 will provide technical assistance (TA) support for the most promising ideas and, similar to W1 recipients, an opportunity to showcase their ideas through the project’s knowledge exchange platform (see Subcomponent 1.2) and in doing so, to other investors (foundations, donor partners, private investment houses, SAR governments, and so on). A total of 50 percent of those showcased under W2 and invited in knowledge exchanges will be women.</p> <p>The RBGs supported through W1 will prioritize organizations that can demonstrate within 12-24 months, a meaningful and recurrent reduction in plastic waste that otherwise would have accumulated in South Asia’s rivers and seas and that would not have been possible without support from the project. It would also prioritize organizations that with RBG support are able to establish meaningful business partnerships that enable ‘end to end’ solutions, from improved interception, collection, sorting, baling, washing, flaking, pelletizing, yarn spinning and/or product development – and thus significant reductions of plastic pollution that would have ended up in South Asian seas – that would not have been possible without project</p>

	<p>support. This priority was established based on economic analysis undertaken to assess the cost/benefit of such plastic pollution mitigation schemes. For example, a plastic waste recycling company operating in an eligible country and specialized in washing, flaking, and pelletizing plastic waste could use the RBG to establish a formal multi-year contracted relationship with a CBO dedicated to organizing female waste pickers in river plastic interception, collection, sorting and baling and/or building this capability themselves to extend their line of sight over the value chain. On the flip side, this same recycling company could establish relationships and formalized contracts up the value chain with makers of upcycled products from recycled plastic waste or use the RBG to broaden their own business to do so. Other possible recipients of RBGs could be involved in (a) designing and creating alternatives to major single use plastic pollutants such as sachets, (b) education of fishers and enlisting them to intercept marine plastic pollution as an alternative or supplemental livelihood and selling that plastic waste to recyclers and up-cyclers for a guaranteed minimum price and until the market is better understood; (c) creating material innovations, including design of recyclable plastic resins that can replace non-recyclable resins in similar products, among a long positive list (and strict negative list – see below) to encourage innovations of all types give the field is advancing quickly.</p> <p>Consistent with the IDA Framework for Engagement in Combating Marine Litter and SACEP’s Regional Marine Litter Action Plan, W2 would also solicit ideas from public sector institutions and others related to IDA’s theme areas of “financing infrastructure systems related to waste management and plastics”, including topics ranging from local level investments in collection/segregation/recycling/transport/treatment/disposal and reducing leakage to waterways, rivers, oceans, investments in systems and infrastructure for managing waste in river systems (including riverbanks and watersheds), and waterways, Infrastructure investments for address waste in coastal areas, as well as ports to regional and national level investments by SIDS including, Regional or Island-wide (Network) infrastructure – including infrastructure relating to regional recycling hubs, Regional storage facilities/ intermediate processing of waste, including plastics; Urban Centers – materials from outer islands delivered to waste transfer stations equipped with segregated recycling storage points to process materials for in-country use,; and Financing country specific solid waste management facilities, port-cleanup infrastructure, as well as waste from activities in marine environment, such as fisheries (lost nets and gears) and offshore activities.</p> <p>An illustrative positive list and a strict negative list ensure alignment with the use of IDA grant proceeds and project development objectives, including compliance with The World Bank’s Environment and Social Standards. W1 RBGs and W2 TA would target direct on the ground change and support for select innovative ideas, respectively at local, national and/or regional levels, while being rooted in one of the following Parley AIR</p>
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		<p>thematic categories: Avoid (Reduce and Replace), Intercept (Retrieve and Recycle) and Redesign (Create New Materials; Create Smart Products; Develop New Industry Standards), which includes and innovates beyond the 3R's framework (Reduce, Reuse, and Recycle) of the past several decades. Avoid (Reduce and Replace) • Reducing the consumption of single use plastic products; • Replacing current SUPs with local, viable and sustainable alternatives; • Reducing, recycling, reusing, and/or upcycling existing accumulated plastic waste; • Testing new designs for manufacturing, supply chain and other innovations that serve to reduce plastics utilization and/or enhance plastics recovery, recycling and re-use; Intercept (Retrieve and Recycle) • Introduction of plastics waste collection, recycling and upcycling innovations, including mechanisms for full cost recovery and further reuse of recycled/upcycled plastic material (i.e. similar to container deposit schemes); • Clean-up, collection and removal of plastic waste from rivers and seas, including before it enters (or reenters) the sea (i.e. beach and river bank clean ups), among other things (i.e. could be linked to the region's blue flag program initiated by SACEP and being rolled out by SACEP member-states; Redesign (Create New Materials, Smart Products, Better Industry Standards/Policies; Awareness) • Design and manufacturing of truly biodegradable substitutes for plastics, including SUP sachets; • Introducing new materials fit for a circular economy or that offer sustainable alternatives to fossil fuelbased and non-recyclable plastics; Support for material innovations, including design of recyclable plastic resins that can replace non-recyclable resins in similar products; • Innovations in financial, policy, regulatory or other incentives that minimize loss of fishing nets and optimize their recovery for re-use or recycling; • Innovative economic, policy, regulatory and other measures/incentives to minimize or eliminate use of unnecessary single use plastic items and ensure better enforcement of such bans. 9. Special areas of emphasis of particular interest to IDA (with dedicated support provided) include, • Grant proposals that catalyze action along rivers (including transboundary hot spots) and hot spots at sea, including international waters; • Grant proposals that explicitly support female-led social enterprises; NGOs and CSOs that working with bottom of the pyramid female waste pickers who would directly benefit from grant proceeds; • Grant proposals by regional organizations that could accelerate and/or deepen regional cooperation and/or integration. 10. A strict negative list: Based on the Environment and Social Assessment conducted, and the environmental and social risk analysis of anticipated subprojects from the TA and regional block grants, the ESMF proposed that the initial screening for the eligibility be based on the list of excluded activities (see Table below) that will NOT be supported by the project.</p>
Subcomponent 1.2: Promoting Knowledge Exchange and Public Awareness	2 million USD	This subcomponent facilitates the exchange of circular plastic economy knowledge between eligible RBG beneficiaries and selected South Asian countries and promotes awareness raising activities of these solutions across the region. The project will facilitate knowledge exchange among recipients of project investments, between RBG recipients and participating South Asian countries, and between grantees and potential investors.

		<p>There are three avenues to promote knowledge and information sharing. First, an interactive ICT website will be developed and showcase the RBG W1 and W2 recipients, provide a platform for exchange of knowledge, learn from others, and potentially lead to acceleration funding from different sources. The ICT website will also allow for online monitoring and tracking of expenditures and impact/results. Second, annual face-to-face convenings of W1 and W2 recipients will further foster dialogue, discussion, and knowledge and technology transfer, in addition to facilitating face-to-face interaction with representatives of member states, private foundations, and private investors. The project will likely adopt and customize an off-the-shelf grants management system, thereby providing less administrative burden on the SACEP and the PIU.</p> <p>Third, the project will support raising the level of awareness across the region to solutions that mitigate plastic pollution flowing into the region's rivers and seas. The rationale for this activity is that by informing and educating the public on the challenge and solutions to mitigating plastic pollution that flows into rivers and seas across South Asia, positive changes in mindsets and behaviors are possible. The plastics waste problem cannot be solved without changing mindsets, particularly society's dependence on single use plastics. Public awareness of the issue (and solutions) and large-scale, grass-roots action that gets to the core of consumers' daily life needs and affinity for low-cost plastic and the convenience it affords is a key change element. While localized public awareness campaigns are ad-hoc and temporary, there is also need for more long-term, systematic, and regionally reinforcing communication messaging within a wider regional and inter-connected context.</p> <p>The project will establish regional and national PACs that inform and educate citizens of South Asia on the importance of mitigating plastic pollution and that influence their choices and decisions on the use of plastic, particularly single use plastic. PACs can include a multiplicity of activities, including messaging; grassroots outreach; adoption of media such as radio, print and television, and social media; and so on, to help reach particular awareness goals. Regional, national and targeted local PACs will be undertaken throughout the duration of the project and will be customized to accommodate language and any sensitivities.</p>
Component 2. Leverage Public and Private Sector Engagement and Solutions	8 million USD	<p>The objective of this component is to facilitate the region's transition toward a more circular plastic economy through the improvement of regional and national strategies, policies, action plans and standards based on better analytics and through publicprivate sector engagement, dialogue and collaboration. To this end, the component will provide support to develop and/or improve national and regional plastic pollution mitigation strategies and action plans, policies and industry standards; and, provide technical and other support to relevant institutions to identify, prioritize, collect and analyze lifecycle data and identify data issues and gaps. As an important follow-on from the SACEP-led Regional Marine Litter Action Plan for the South Asia Seas, SACEP member states requested that SACEP</p>

		<p>support each Ministry of Environment to develop and/or improve country-level 'National Marine Litter Action Plans' to address plastic pollution that leaks into rivers and seas. The development of national action plans, while led by national ministries authorized to do so will get support from SACEP and will complement, and be coordinated with, other country dialogues and advisory work financed by other sources. Country national action plans will help to identify key areas for circular plastic economy investment, including the specific focus areas and selection of RBG recipients of each country (component 1) and where existing policies are failing. Moreover, given that there is no clear methodology being used by South Asian countries to measure the current amount of plastic pollution generated and amounts reduced from mitigation measures (policies and investment), the project will fill this gap and aim to develop coordinated approaches. This methodology will also support the project in measuring its impact on plastic waste/pollution reduction and linked to the M&amp;E Unit discussed in Component 3. The component would also support the convening of public and private sector decision-makers to discuss and agree on mainstreaming circular plastic economy solutions and approaches. This component will be undertaken through two proposed subcomponents:</p>
<p>Subcomponent 2.1: Enabling Policies, Standards, and Analytics</p>	<p>6 million USD</p>	<p>This subcomponent supports the review and revision and/or development of strategies, action plans, policies, and standards to harmonize plastic pollution mitigation measures that will be incorporated into policy, planning and investment processes across the region, including modification of existing standards and regulations governing private sector organizations. This subcomponent will support a) development and implementing a multi-year plastic policy program working with leading universities from the region and their partners from other parts of the world; b) development of a database for lifecycle analysis (DLA), data collection, modelling, and analytic capability for lifecycle analysis of plastic across select industry value chains; c) supporting communications to share best practice alternatives, technology, and results-driven public, private, and community driven solutions. The project builds on strong working relationships with units in government Ministries of each of the SACEP member states responsible for plastics and marine litter policy and their associated government standards bodies. One of its functions will be to help to maintain an up to date understanding of plastics relevant standards at any given time across countries, analyze the extent of their harmonization and key areas of divergence, and help respond to the research and technology focused agenda needed to work on the update and introduction of new standards. In the project's first year, SACEP will work closely with national ministries toward the development of improved country-level/national marine litter strategies and action plans in addition to the development of an approach, including methodology and measurement to track and report on existing plastic pollution levels (national and regional) and plastic reduction impact of solutions (investment and policy), by MTR.</p>

	<p>Consistent with the IDA Framework for Engagement in Combating Marine Litter and the SACEP’s Regional Marine Litter Action Plan, the CEEPR-RS will support regional and national TA to (1) strengthen policy, legal, and institutional frameworks and (2) undertake analytical studies and feasibility studies for customizing solutions related to marine/riverine plastics, examples which are provided below.</p> <p>Strengthen policy, legal, and institutional frameworks, including the following, (a) TA to the SACEP member states for the provision of analyses of policies and proposal of amendments to strengthen regulations; (b) Review and recommendations of upstream policies relating to plastics reduction (taxes, bans, and EPR); domestic waste management; and recycling (c) Policies/regulations on sea-based leakages, within the fisheries sector (for example, ‘ghost’ nets and other fishing gear); transport sector (for example, green ports); and tourism sector (for example, hospitality industry and greening supply chains) (d) Inputs to the government for planning of infrastructure investments (including for waste management) both at the city level, as well as along riverbank and coastal areas (e) Support for multi-institutional coordination across agencies for improved plastic waste management (f) Strengthening governance and enhancing institutional capacity for pollution management and environmental enforcement, particularly for SIDS like Maldives (g) Support for policy reforms to address marine litter, such as minimization of waste generation, improvement of final waste disposal, EPR, and ‘command and control’ of pollution taxes adopted for prevention or control of marine litter, among others for SIDS (h) Knowledge platforms to bring together technical experts for monitoring and assessing marine litter and alleviating its impacts, inform decisions at the island level for SIDS, and develop guidelines for plastics solutions customized to local contexts and international forum for discussions</p> <p>Undertake analytical studies and feasibility studies for customizing solutions related to marine/riverine plastics, including, among others, (a) hotspot assessments for riverbank pollution sites and leakage points; (b) metrics and monitoring of riverine/coastal plastics leakage; (c) analysis—at the country/city level—of options for ‘command and control’ measures (for example, bans on plastic microbeads or prohibitions on SUP bags) and market-based economic instruments (financial incentives or disincentives) for tackling plastics leakage; (d) feasibility studies and ‘proof of concept’ pilots on waste management along river systems and in transboundary sections of the rivers; (e) mapping alternatives for marine pollution management and conducting benefit-costs analysis of innovative, low-cost approaches and assessing institutional capacity to manage ocean pollution, particularly for SIDS; (f) studies identifying appropriate policies and investments focusing on de-incentivizing manufacturing and retail use of polluting substances, improving waste management and disposal, incentivizing the use of reusable, recyclable, or compostable packaging, and</p>
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	<p>development of industry standards on what materials are put into the marketplace, also focused on SIDS.</p> <p>With respect to data collection and regional plastic pollution monitoring, the project will support:</p> <ul style="list-style-type: none"> <li>• Regional data collection. Uniform collection, analysis, and interpretation of marine plastic pollution data would be undertaken at both the regional and national levels to inform policy. Currently, no such standard methodology exists, nor are data being collected, analyzed, interpreted, and shared to support better decision making. This activity will support the design, development, and operationalization of a regional plastic pollution database. This database will enable SAR nations to collect basic data across the plastic supply chain using a standard template and have it analyzed with support from the project using a standard methodology, also developed by the project. It would offer uniformity of collection, interpretation, and comparison for all SAR nations and be made available to all the SACEP member states. The rationale for this activity is that data on the quantities, trends, sources, and sinks of marine litter across SAR are not collected and therefore not available; very little is known about the extent and nature of the plastic pollution problem in the region, outside some macro-level studies. Moreover, the potential physical and chemical impact of plastic pollution on marine life is scarce, although global institutions are beginning to collect it from research institutions. Overall, SAR nations face knowledge gaps in terms of the amounts and consequences of marine litter and microplastics. These gaps hinder the ability to prioritize mitigation efforts and assess the effectiveness of implementation measures. Accurate data to be analyzed against a project prepared methodology are essential for large-scale, long-term monitoring across SAR.</li> <li>• Regional plastic pollution monitoring. The project will support innovative information technology-led monitoring (based on satellite- and sensor-enabled data and citizen engagement) for improved transboundary management of plastic debris (rivers and oceans) and better monitoring of the stock and flow of plastic pollution and waste streams. Research institutions with strong technical, computing, and modeling capacity will be deployed to undertake action-oriented analytics and strengthen monitoring of regional waters for plastics, including through the use of sensors and satellite data. Moreover, weak environmental enforcement can be strengthened with a wider deployment of citizen-driven information technology tools to report and monitor illegal dumping of waste, and so on. With strengthened policies and institutions, supported by regional research and monitoring, the overall regional governance for a more integrated, transboundary management of plastic debris across South Asia will improve. It would lead to better decision making over the management of marine plastic debris and better protection of marine ecosystems and management of natural capital assets.</li> </ul>
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<p>Subcomponent 2.2: Enabling Regional Public and Private Engagement</p>	<p>2 million USD</p>	<p>This subcomponent supports circular use of plastic in the economy through regional public-private collaboration and engagement in South Asia, including designing and organizing annual or more frequent meetings of representatives from public and private sector. This subcomponent brings public and private sector representatives together to review and discuss strategies, policies, and standards (developed under subcomponent 2.1) that can accelerate South Asian countries toward a more circular and reduced use of plastics in the economy. This subcomponent will (a) support the design of regional convenings as a part of SACEP’s regular convening of stakeholders; (b) support costs associated with such annual or more frequent meetings of public sector policy and decision makers with private sector representatives, including the sharing of best practice public-private partnership (PPP) solutions from within the region and beyond; and (c) proactively disseminate information on a regular basis to a broad range of stakeholders on the goals and progress on shared priorities defined for an action-focused agenda for regional conversion as reported by both public and private entities from across the region. These convenings could be branded to further accelerate awareness and exemplify regional cooperation in support of plastic free rivers and seas and could adopt a fee for private sector participation (a successful model used in trade shows, convening on other topics, and so on) to ensure continued convenings over time that SACEP will continue to oversee beyond the life of the project.</p> <p>The rationale for this subcomponent is that public and private sectors play significant roles in the production, use and effective management of plastics that ‘leak’ into rivers and oceans and therefore must work together in the formulation and implementation of public sector policy and associated national and regional actions. Moreover, consumers are beginning to hold companies accountable, opening them up to collaboration with private foundations and governments, while seeking market-based solutions. However, existing government policies and regulations – despite being well-intentioned – are falling short in terms of effectiveness, given very little consultation with industry associations and the companies most responsible for plastic waste and pollution. In addition, companies typically operate across markets wider than a single country and so will benefit from a higher level of harmonization to address a range of organization, policy, and technology issues related to market access, and aggregation of supply chain to better comply with plastic pollution mitigation regulation. However, for public and private sectors to convene, dialogue, identify and deploy knowledge and solutions for South Asia, a collaborative and supportive, regular convening is required which could also serve as a marketplace for exchange of ideas and that brokers solutions.</p> <p>SACEP’s convenings enables public and private sectors to work together toward solutions and work directly with a range of existing or new national-focused plastics waste trade and industry groups and key ministries and public institutions such as CORE (collect and recycle) in Pakistan which</p>
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	<p>comprises several large multinational corporations selforganized into a nonprofit organization who work closely with public institutions to better address needs and solve problems. A group of more than 32 large corporates in India<sup>21</sup> representing over 90 percent of the pan-India polyethylene terephthalate (PET) value chains, also formed both for profit and nonprofit joint ventures, which enable more inclusive dialogue with governments. SACEP will also ensure that smaller-scale local business from across the region have a strong voice and way to participate. This activity will help fill a gap to support convening and brokering around issues and solutions that are better addressed in a coordinated way at a regional scale across South Asian countries rather than a national scale such as standards, socially responsible and environmentally sound practices, and recycled materials supplies. The value addition of a regional approach can help bring greater efficiencies of scale, remove barriers, find sustainable supply chains for locally sourced alternative materials and higher volumes of recycled plastics, facilitate transfer of knowledge across countries faster, and ultimately enhance trade and access to more sustainable products and consumer goods across the region.</p>
<p>Component 3: Strengthening Regional Integration Institutions</p>	<p>The objective of this component is to strengthen regional integration institutions' capacity to coordinate and to support their member-states to better deliver on solutions to mitigate plastic pollution that flows into rivers and seas across South Asia and transition to a more circular plastic economy. To this end, the component would build SACEP's institutional capacity to better achieve its mandate by supporting the institutional strengthening of SACEP and its ability to collaborate with other regional organizations and institutions.</p> <p>The long-term vision for South Asia is plastic free rivers and seas with two longer term outcomes envisaged by the region's member-states, namely, (a) the reduction in the flow of plastic pollution into South Asian seas and, (b) lowering land, air, and water plastic pollution. This regional vision enables collaboration between public, private and civil society to safeguard natural ecosystems, natural and man-made assets and human health in support of a sustainable ocean economy, or blue economy. The project, and this particular component is focused on building up SACEP as an institution with the capacity to sharply drive innovation and results for one important regional action mandated by all its memberstates, namely, plastics waste and plastic pollution reduction that would lead to cleaner coasts, rivers and seas across the region. Given its mandate by member-states, SACEP is well placed to not only implement the proposed Plastic free Rivers and Seas for South Asia regional IDA project, but in doing so, support member-states and the region as a whole in generating longer lasting benefits. While this first project will help build SACEP's capacity to better coordinate action to stem the flow of ocean plastics into South Asian seas, SACEP is uniquely placed to help address regional and global challenges like ocean plastics that no single country alone can solve over the long-term. As a result, it is envisaged that IDA would support this first project, with</p> <p>7 million USD</p>

	<p>subsequent follow-on IDA supported projects to further deepen and broaden development impacts that support regional public goods.</p> <p>Due to the low capacity of regional organizations in the South Asia region, including SACEP, two models were proposed and discussed throughout project preparation. The first model focused on fully accelerating on the ground impact by outsourcing all administrative functions: procurement, financial management, and safeguard functions to an external Financial Agent (FA). While seriously considered, this model was reviewed and ultimately rejected for a second model that fully commits to building the capacity of SACEP over the short, medium and long-term, while providing SACEP all the support needed right away (by way of a package of technical and administrative assistance support throughout the duration of the project) to accelerate results on the ground. Over five years, from 2020-2025, this first proposed project will help SACEP build its capacity based on its mandate and comparative strengths. With IDA support, SACEP will deepen engagement and collaboration across member states, enable and facilitate regional policy decisions, prepare and consolidate regional reports important to member-states into action plans, and support member-states in driving that action. It will also administer the regional block grant scheme to deliver innovative on the ground solutions that serve as regional demonstrations on what is possible. At the same time, the project will help establish new longer-term human resource capacity for data analytics, monitoring and benchmarking, more active cross-country engagement, coordination, PPP collaboration, communication and project management. These new skills will strengthen SACEP's capacity for sharing lessons on good practice, promoting innovations and solutions for a more circular plastics economy, and driving implementation progress across countries, all activities that member-states envisage for SACEP.</p> <p>Importantly, the project will fulfill an institutional development vision by member-states for SACEP to grow into a knowledge sharing, training, and regional program implementation and support hub where governments, the private sector, and other stakeholders convene to discuss, confirm and implement practical solutions to resolve regional and global ocean plastic pollution challenges. Success will be measured by SACEP's ability to build effective engagement channels, programs, plans, and targets for cross-regional collaboration and engagement to reduce ocean plastics. With the potential of a follow-on regional IDA project to support SACEP and its mandate to mitigate plastic pollution and alongside accelerated support from development partners (PARLEY, UNEP, GEF, others), the Bank will ensure that the structures developed in the first project and through this component are further strengthened and institutionalized for the longer-term benefit of member-states, the region, and globally. In this regard, SACEP would eventually no longer require World Bank support and become a long-term development partner to the Bank and its member-states. The component supports two subcomponents:</p>
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<p>Subcomponent 3.1: Building SACEP's Institutional Capacity</p>	<p>2 million USD</p>	<p>This subcomponent provides support by carrying out works and providing technical assistance to, and building capacity of, SACEP. It will support SACEP's ability to convene and coordinate with regional organizations, line ministries and governments, including to uniformly collect, analyze and interpret pollution data will better inform policy and decision-making support for investment planning, design and implementation. In doing so, SACEP would be able to put together a regional database of plastic pollution with data collected and aggregated from multiple sources and plastic pollution monitoring. The subcomponent will also support construction of SACEP's new headquarters (a center of excellence for the region with state of the art eco-friendly and energy efficient, carbon neutral designed auditorium, and expanded working space for government secondees). It will support inter alia co-financing with SACEP member-states and PARLEY Foundation on a matching bases, the costs associated with the construction and furnishing of SACEP's new headquarters. The subcomponent would also support the development of a branded Avoid Intercept Redesigned (AIR) Sustainability Fund to enable SACEP to crowd-in donorpartner support and continue building on its activities to specifically mitigate plastic pollution after the project closes.</p> <p>The project will support SACEP in the design and development of this sustainability, including fund design and structure, governance and operational procedures to ensure sustainability of existing project activities and further acceleration of circular plastic economy solutions to mitigate plastic pollution that flow into rivers and seas across the region. The rationale for assisting SACEP in the design and establishment of such a fund is five-fold:</p> <p>First, the World Bank has supported the establishment of similar funds associated with regional operations in Latin America and the Caribbean (Caribbean Biodiversity Fund) and East Asia and Pacific (Coral Triangle Initiative) with success and can support the SACEP in this endeavor.</p> <p>Second, such funds enable the realization of a reliable, well-governed, inclusive, and long-term funding mechanism for sustainable development and a grant-financing mechanism that can support and accelerate IDA-financed activities supported by this project well into the future, deepening and broadening impact much beyond the close of this project.</p> <p>Third, working as an umbrella fund at the regional level, the structure enables pooling of funding from private foundations, charities, and philanthropists, in addition to capital from member states and bilateral donors. The fund serves as a vehicle to establish a platform for collaboration among donor partners keen to provide grant capital to support a transition to a more circular plastic economy across the region and that is directly tied to the region's member states agreed regional and national plans.</p>
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Subcomponent 3.2: Project Management	5 million USD	<p>The objective of this component is to support SACEP in the implementation and overall management of the Project, regarding the aspects related to social and environmental safeguards, monitoring, reporting and evaluation, complaints handling mechanisms, as well as financial audits, to ensure successful implementation of the activities carried out under the Project. The project will finance establishing and operating the Project Implementation Unit (PIU). It is envisaged that the PIU would be led by a highly competent Director and well-regarded regional and/or global</p>

	<p>thought leader on circular plastic economy issues and include dedicated technical and support staff across all functions, operating on a separate floor of SACEP’s new headquarters. In addition, the component will also finance consultancies required for the preparation and supervision of specific activities, boosting capacity for all fiduciary aspects of the project (financial management, procurement as per World Bank requirements), monitoring and evaluation, trainings, exposure visits, studies for knowledge generation, and incremental operating costs.</p> <p>This first of its kind regional project with SACEP, a first-time recipient of IDA requires a special approach to project management. The optimum arrangement balances a need for efficiency and skills to work with a wide network of partners with care to limit the project management capacity burden on the regional institution to functions like coordination, convening, and monitoring and evaluation that need to be stronger for the longer term and will require strengthening SACEP as an institution in order to serve as an effective delivery institutions at the regional level, that need to strategically complement the national level engagement and delivery mechanisms. To address capacity constraints within SACEP, the project will invest in building SACEP’s capacity to strengthen SACEP as an institution for the medium term across all core functions, and, ensure it can effectively manage an IDA operation of this size. This includes dedicated support to upgrade systems to ensure transparent and effective fiduciary management, procurement, budgeting, accounting, and reporting.</p>
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<b>Climate Change Co-Benefits Section</b>
None provided.

<b>Greenhouse Gas Accounting</b>
None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
Subcomponent 1.1: Investing in Circular Solutions to Reduce Plastic Waste	20 million USD		0.5		10 million USD	<p>Evidence regarding mitigation assessment: In the MDBs Common Principles for Climate Change Mitigation Finance Tracking, “plastic” is mentioned within the “Material recovery from separately collected waste involving mechanical processes” as an eligible activity.</p> <p>Reducing plastic usage and production through demand-side influences and circular thinking, will lead to emissions reductions</p>

					<p>(as is stated in the overall context of the project).</p> <p>However, due to the indirect nature of the finance for mitigation in this subcomponent (finance in support of NGOs/state and non-state actors for a more circular plastics economy) and due to the lack of any greenhouse gas accounting data for the entire project and this subcomponent, a coefficient of 0.5 has been applied. No mention of Scope 3 emissions. In addition, much of the finance in this subcomponent will support demand side plastic use reduction, which is not mentioned as an eligible activity in the Bank's Common Principles document.</p> <p>There is no outputs/output indicator matrix to better inform a more granular analysis.</p>
Subcomponent 1.2: Promoting Knowledge Exchange and Public Awareness	2 million USD		0.5	1 million USD	<p>Evidence regarding mitigation assessment: In the MDBs Common Principles for Climate Change Mitigation Finance Tracking, "plastic" is mentioned within the "Material recovery from separately collected waste involving mechanical processes" as an eligible activity.</p> <p>Reducing plastic usage and production, through demand-side influences and circular thinking, will lead to emissions reductions (as is stated in the overall context of the project). It is assumed the eligible activity for much of the mitigation finance reported here is "Other activities with net greenhouse-gas reduction"</p> <p>However, due to the indirect nature of the finance for mitigation in this subcomponent (finance which facilitates the exchange of circular plastic economy knowledge between</p>

					<p>eligible RBG beneficiaries and selected South Asian countries and promotes awareness raising activities of these solutions across the region) and due to the lack of any greenhouse gas accounting data for the entire project and this subcomponent, a coefficient of 0.5 has been applied.</p> <p>There is no outputs/output indicator matrix to better inform a more granular analysis.</p>
Subcomponent 2.1. Enabling Policies, Standards, and Analytics	6 million USD		0.5	3 million USD	<p>Evidence regarding mitigation assessment: In the MDBs Common Principles for Climate Change Mitigation Finance Tracking, "plastic" is mentioned within the "Material recovery from separately collected waste involving mechanical processes" as an eligible activity.</p> <p>Reducing plastic usage and production, through demand-side influences and circular thinking, will lead to emissions reductions (as is stated in the overall context of the project).</p> <p>However, due to the indirect nature of the finance for mitigation in this subcomponent (finance which facilitates the exchange of circular plastic economy knowledge between eligible RBG beneficiaries and selected South Asian countries and promotes awareness raising activities of these solutions across the region) and due to the lack of any greenhouse gas accounting data for the entire project and this subcomponent, a coefficient of 0.5 has been applied.</p> <p>There is no outputs/output indicator matrix to better inform a more granular analysis.</p>



Subcomponent 2.2: Enabling Regional Public and Private Engagement	2 million USD		0.5		<p>1 million USD</p> <p>Evidence regarding mitigation assessment: In the MDBs Common Principles for Climate Change Mitigation Finance Tracking, “plastic” is mentioned within the “Material recovery from separately collected waste involving mechanical processes” as an eligible activity.</p> <p>Reducing plastic usage and production, through demand-side influences and circular thinking, will lead to emissions reductions (as is stated in the overall context of the project).</p> <p>However, due to the indirect nature of the finance for mitigation in this subcomponent (finance which facilitates a circular plastic economy) and due to the lack of any greenhouse gas accounting data for the entire project and this subcomponent, a coefficient of 0.5 has been applied.</p> <p>There is no outputs/output indicator matrix to better inform a more granular analysis.</p>
Subcomponent 3.1: Building SACEP’s Institutional Capacity	2 million USD		0.5		<p>1 million USD</p> <p>Evidence regarding mitigation assessment: In the MDBs Common Principles for Climate Change Mitigation Finance Tracking, “plastic” is mentioned within the “Material recovery from separately collected waste involving mechanical processes” as an eligible activity.</p> <p>Reducing plastic usage and production, through demand-side influences and circular thinking, will lead to emissions reductions (as is stated in the overall context of the project).</p> <p>However, due to the indirect nature of the finance for mitigation in this subcomponent (finance which facilitates a</p>

						<p>circular plastic economy) and due to the lack of any greenhouse gas accounting data for the entire project and this subcomponent, a coefficient of 0.5 has been applied.</p> <p>There is no outputs/output indicator matrix to better inform a more granular analysis.</p>
Subcomponent 3.2: Project Management	5 million USD		0		0	Evidence regarding mitigation assessment: No direct relevance of project management towards mitigation.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
0 million USD	0 million USD	0%	34.9 million USD	16 million USD	54%

Reported climate finance	Assessed climate finance	Error
34.9 million USD	16 million USD	54 %

Project Number: P169196

<b>Project Name</b>
Power Sector Recovery Project Additional Financing
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/802881586484038944/sao-tome-and-principe-power-sector-recover-project-additional-financing">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/802881586484038944/sao-tome-and-principe-power-sector-recover-project-additional-financing</a> (Project Paper, Additional Finance); <a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/329671467813442450/s%c3%a3o-tom%c3%a9-and-pr%c3%adncipe-power-sector-recovery-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/329671467813442450/s%c3%a3o-tom%c3%a9-and-pr%c3%adncipe-power-sector-recovery-project</a> (Original Project)
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Grant
<b>Lowest level of granularity</b>
Sub-component

<b>Climate Change Vulnerability Context</b>
Climate vulnerability context provided on page 29, paragraph 91.
<b>Intent to Address Vulnerability</b>
Climate vulnerability context provided on page 29, paragraph 91.
<b>Link to Project Activities</b>
Could infer this is also provided on page 29, paragraph 91. However, there is no explicit link between the vulnerability context and the Description of Additional Financing section Not provided at the Sub-component level
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 3	US\$12.0 million	Component 3: Investing in enhanced reliability of electricity generation, transmission, and distribution (US\$18.4 million, of which IDA US\$10.6 million equivalent and EIB US\$7.8 million). This component finances priority investments in the rehabilitation and potential expansion of the Contador small hydropower plant, the rehabilitation of the Contador evacuation line and medium voltage (MV) network, and the upgrading of existing low voltage (LV) network in selected districts of the country.
Subcomponent 3.1: Rehabilitation of Contador hydropower plant and operations and maintenance	US\$10 million	Subcomponent 3.1: Rehabilitation of Contador hydropower plant and operations and maintenance support program (IDA US\$9.1 million equivalent). This subcomponent will finance the works for the rehabilitation of the plant. Optimization studies analyzed the potential for expansion of the power plant with the current nominal installed capacity of 2.2 MW. A concurrent operations and maintenance (O&M) support program ensures the technical sustainability of the rehabilitated hydropower plant by financing procurement and storage of spare parts as well as training of EMAE staff for O&M of the plant during the early

support program		stage of project implementation. This subcomponent also covers engineering aspects (design and supervision of works) and preparation of related safeguards documents to support the technical and environmental and social (E&S) implementation choices.
Subcomponent 3.4: Demand-side management for residential customers	US\$2 million	<p>Subcomponent 3.4: Demand-side management for residential customers. This subcomponent will finance the procurement of LED lamps to replace ILs, CFLs and FTLs in use in households and public facilities and includes the following implementation components and steps:</p> <p>(a) Procurement of LED bulbs and LED tube lights. EMAE, with support from AFAP, will bulk procure 200,000 LED bulbs and 46,500 LED tube lights. In addition to these LED lamps, the procurement package will include two lamp crusher devices for ILs, CFLs and FTLs.</p> <p>(b) Pre-shipment inspection, delivery, and storage of LED Bulbs and LED tube lights. An independent pre-shipment inspection of LED bulbs and LED tube lights will be conducted according to the testing protocol, before the shipment of the LED lamps consignment to STP. Depending upon the agreed terms of the contract, the LED lamps consignment will be delivered to STP by standard sea shipment or by expedited air shipment. Once delivered, the LED lamps will be stored in the EMAE warehouse.</p> <p>(c) As part of measures to close gender gaps for employment and entrepreneurship opportunities in the energy sector the AF will support the following sub-activities: a) technical training and hiring targeting young female graduates from universities and b) entrepreneurship training for women who would like to engage as importers, wholesalers, and retailers of electrical supplies such as lighting bulbs - LED in this particular case.</p> <p>Consumer awareness program. About three months before the scheduled deployment of the LED bulbs and LED tube lights, a comprehensive consumer awareness program mainly targeted to residential household consumers will be initiated to inform the consumers about (a) the benefits of LED lamps over ILs, CFLs and FTLs regarding reduced energy consumption, reduced energy bills, better-quality light outputs, and longer life; (b) LED lamps distribution program for replacing ILs, CFLs, and FTLs, and the details (dates, venues, and process of distribution); (c) location of the ILs in the house that should be replaced with LED bulbs, that is, the lamps that are used for longer hours such as in kitchen, family room, outdoor security lights, and so on; and (d) non availability of ILs in the market in the long term (after the incandescent lamp phaseout policy came into effect). The LED lamps sensitization program will run in parallel with the commercial losses campaign and will be conducted by the same NGO currently developing the commercial losses awareness-raising and engagement initiative. This</p>

	<p>will ensure alignment and synchronization of the project’s citizen engagement and awareness-raising interventions.</p> <p>Distribution of LED Bulbs. The LED lamps will be distributed to EMAE electricity consumers through: (a) the existing EMAE commercial and payment center at the EMAE headquarters in STP (which service 90 percent of EMAE consumers, wherein they come to pay their monthly electricity bills); (b) mobile kiosks in five districts; and (c) at EMAE center office in the Island of Principe. In all cases, the EMAE official will check electricity bills, collect the up to five ILs, CFLs and/or FTLs and provide up to five LED lamps in exchange, and log this transaction with each of the consumers into a paper or an electronic log book that will be consolidated at the national level for monitoring and reporting purposes. The collected ILs, CFLs and FTLs will be stored in the EMAE warehouse (for later destruction with the crusher procured under the same program). In case of public facilities, EMAE staff will go to the consumer premises for replacement of FTLs with LED tube lights.</p> <p>Destruction of incandescent lamps, FTLs and CFLs. The ILs, CFLs and FTLs, which are collected through the program, will be destroyed by the lamp crusher devices in an environmentally-sound manner and using standard procedures to ensure that the collected lamps do not go back into circulation, are not reused by people, and do not affect the environment.</p> <p>67. Measurement and verification of energy and demand savings. Before and after the distribution phase, the relevant hourly electrical load data (including kW, kWh, KVARh, KVAR, and pf) for a two-week period (including holidays) will be collected for selected sample substations of EMAE. In addition, an ex ante and ex post random sample survey of about 400 consumers of EMAE will be carried out using standardized questionnaires. The above data will be analyzed to cross-check the ‘deemed savings’ from the LED lamp replacements to estimate the overall impact in terms of reduction of electricity demand and energy consumption due to LED lamps deployment.</p> <p>68. Phaseout policy for incandescent lamps. To ensure long-term sustainability of the program, in parallel with the procurement and deployment phase, the GoSTP will initiate the process of formulating an import ban or phaseout policy for ILs, focusing on stopping the import of ILs into STP. The process will include drafting and designing of the IL phaseout policy in conjunction with updating of the customs list/schedule, in consultation with relevant stakeholders (customs department, importers, wholesalers, and retailers), raising awareness with consumers, and the required processing of approvals within the GoSTP. The implementation of the policy will be launched within two years from the start of the deployment program, which will require a strong market monitoring. To ensure the successful implementation of the IL phaseout policy, a comprehensive capacity building program of</p>
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		relevant stakeholders, including customs officials, importers, wholesalers, and retailers will be carried out along
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Climate Change Co-benefits section/Additional information on climate relevance from documentation
<p>Not provided.</p> <p>Page 26, paragraph 77: "Climate Impacts: By increasing the use of clean renewable energy in the grid and promoting the use of energy efficient LED lamps, the proposed AF will contribute to mitigation of climate change impacts by displacing a larger amount of thermal generation than initially foreseen in the project. The climate change dimensions of the project have been accounted for in the economic analysis to consider the impact of increased installed capacity through greenhouse gas (GHG) accounting and the resilience of the infrastructures to be built using the climate and disaster risk screening tool."</p> <p>Page 29, paragraph 91: "Climate Change: A climate and disaster-related risk screening was carried out for the proposed project. The screening identified current and future key drivers of risks in this area as extreme precipitation flooding and temperature increase. The team will ensure that the technical specifications for equipment and works will take into consideration these risks and that focused training on extreme events and preventive maintenance (for example, cleaning of drainage infrastructure before rainy season) will be provided within the project scope."</p>

Greenhouse Gas Accounting
<p>Page 38, paragraph 7: "Benefit from avoided GHG emissions: The project will deliver additional benefit through avoidance of GHG emissions, thanks to reduced thermal generation. Across the 20 years of economic life, it is estimated that 192,566 tCO2 of GHG emissions will be avoided. By including these global environmental benefits of GHG abatement, the EIRR increases to 52.9 percent, and NPV to US\$181million."</p>

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 3.1	10.0	0	1	0	10.0	<p>Qualifies entirely as mitigation finance under the eligible activity: "Generation of renewable energy with low lifecycle GHG emissions to supply electricity, heating, mechanical energy or cooling".</p> <p>There is no evidence of a link between the undertaken activities and the climate vulnerability context, beyond a general statement unlinked to any particular expenditure: "The team will ensure that the technical specifications for equipment and</p>

						<p>works will take into consideration these risks and that focused training on extreme events and preventive maintenance (for example, cleaning of drainage infrastructure before rainy season) will be provided within the project scope.”</p> <p>In the absence of granular and reliable information to disaggregate adaptation co-benefits from mitigation co-benefits, the entire support for SC 3.1 is deemed to be in support of mitigation.</p>
SC 3.4	2.0	0	1	0	2.0	<p>Qualifies entirely as mitigation finance under the eligible activity: “Commercial and collection loss reduction in distribution of electricity, heat or gas; or measures aimed at demand-side management”.</p> <p>There is no evidence of a link between the undertaken activities and the climate vulnerability context, beyond a general statement unlinked to any particular expenditure: “The team will ensure that the technical specifications for equipment and works will take into consideration these risks and that focused training on extreme events and preventive maintenance (for example, cleaning of drainage infrastructure before rainy season) will be provided within the project scope.”</p> <p>In the absence of granular and reliable information to disaggregate adaptation co-benefits from mitigation co-benefits, the entire support for SC 3.4 is deemed to be in support of mitigation.</p>

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
0.5	0	100%	11.5	12.0	4.3%

Reported climate finance	Assessed climate finance	Error
12.0	12.0	8.3%



Project Number: P168233

<b>Project Name</b>
Prosperous Villages
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/968541574046079752/uzbekistan-prosperous-villages-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/968541574046079752/uzbekistan-prosperous-villages-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Credit
<b>Lowest level of granularity</b>
Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Strategic Context section, page 8, paragraphs 6 and 7.
<b>Intent to Address Vulnerability</b>
Provided in the Relevance to Higher Level Objectives section.
<b>Link to Project Activities</b>
Provided in the Project Components section, at the Component/Sub-component level.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 1	US\$93.7 million	Component 1: Demand-driven investments in basic infrastructure and services and local governance capacity support (US\$175.7 million: US\$93.7 million IDA, US\$82 million AIIB). This component will finance local-level, climateresilient subproject investments in social infrastructure and services that communities plan and prioritize. This component will also provide technical assistance and facilitation support to hokimiyats and MCAs to engage communities in inclusive, transparent processes to plan, select, implement, and maintain investments as defined in the POM.
		Subcomponent 1a: Demand-driven investments in basic infrastructure and services (US\$164 million: US\$82 million IDA, US\$82 million AIIB). This subcomponent will finance subproject investments identified by MCAs in eligible qishloqs through the participatory Project implementation cycle as defined in subcomponent 1b and detailed in the POM, subject to a negative list that includes housing construction and renovation or any investments that require the physical displacement or resettlement of people. Eligible investments in basic and climate-resilient infrastructure and services subprojects include: (i) rehabilitation of existing rural drinking water supply and sanitation systems to expand access through innovative, alternative models for rural drinking water supply and sanitation service delivery; (ii) retrofitting of public buildings for energy efficiency; (iii) rehabilitation of social infrastructure; (iv) rehabilitation of tertiary roads, walkways, and footpaths; (v) road drainage and strengthening the flood resilience of rural

	<p>roads; (vi) bridge rehabilitation and construction (up to 10 meters long); (vii) street lighting upgrading; (viii) improvements to public spaces; (ix) solid waste management systems; (x) small-scale construction of public facilities; (xi) installation of antennas to provide wireless internet services; (xii) construction and rehabilitation of bus terminals and stops; and (xiii) energy supply activities. This subcomponent will also finance the technical assistance (TA) for the technical design associated with the respective subprojects, which is estimated to cost 2 percent of the total cost of each subproject.</p> <p>30. Consistent with the Obod Qishloq state program, the Project will encourage contractors to utilize local labor in the subgrant infrastructure construction or rehabilitation as much as possible. The Project will prohibit voluntary labor contributions to subprojects. The Project will collaborate with specialists from the International Labor Organization (ILO) and labor inspectors from the Ministry of Employment and Labor Relations (MoELR) to ensure that contractors which implement subprojects abide by the prevailing labor provisions.</p> <p>31. The amount of PVP financing available to the participating qishloqs for infrastructure and services subprojects will be pre-determined on the basis of district and qishloq population size. The average allocation for qishloq is expected to be around US\$500,000, or around \$160 per capita, that can be used to finance multiple subprojects identified in the qishloq development plan. Qishloqs may pool resources to jointly finance investments where appropriate and in line with environmental and social safeguards policies.</p> <p>32. Operations, maintenance, and sustainability. Subcomponent 1a will be designed and implemented with measures to ensure that subproject investments deliver sustainable benefits to communities and local governments. Subprojects will apply tried and tested designs and O&amp;M arrangements, such as those developed for autonomous drinking water and sanitation systems in the Fergana Valley and Syrdarya regions. 30 Subprojects will apply appropriate climate and natural hazards-resilient technical designs. The Qishloq Facilitators (QFs) and Qishloq Engineers (QEs) supported through Subcomponent 1b will provide capacity-building training to O&amp;M subcommittees of the MPCs and district project committees (DPCs) on how to prepare appropriately designed and funded O&amp;M plans as a precondition for subproject approval. Under the GoU-supported Obod Qishloq state program, after the renovation and reconstruction works are completed, the relevant line ministry or agency assumes responsibility for maintaining the infrastructure. The proposed Project will apply the same arrangements with a few exceptions: (i) as part of the planning process, the MPC will define the tariff level needed to operate and maintain the autonomous water supply and sanitation system to be collected by the Community Drinking Water Organization (CDWO) while operating the system; (ii) the MPCs and DPCs will inform the district and regional governments and utilities of the subprojects to be financed by the Project to</p>
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	<p>allow them to budget for the resources that will be needed for O&amp;M; and (iii) except for the autonomous drinking water supply and sanitation subprojects that are owned by CDWOs, at the end of the Project period, the DPC will facilitate the handover of the assets to the relevant line ministry or agency.</p> <p>33. Selection of subprojects and implementation. To be eligible for Project financing, each MPC must produce a qishloq development plan and demonstrate that it was produced following participatory rural appraisal exercises that involve all residents, account for gender equity goals, and prioritize subprojects that contribute to improving living standards. Proposed subprojects, including O&amp;M plans, should be technically viable, be coordinated and aligned with GoU investment plans, and demonstrate sustainability. The POM will detail the selection criteria for the subprojects, including weighting toward the needs of women.</p> <p>34. Innovative, alternative models for rural drinking water supply and sanitation service provision. This eligible subproject investment aims to rehabilitate existing water supply and sanitation systems by applying innovative, alternative models for drinking water supply and sanitation service delivery envisaged through Presidential Decree Number 4040 dated November 30, 2018. If communities select this subproject type, the Project will finance the goods, works, and services required to implement small-scale autonomously managed water supply and sanitation systems. The construction of the systems provides users with metered water supply connections on their premises. The subproject includes the construction and use of environmentally sound sanitation facilities for human waste disposal and rehabilitation of sanitation facilities in schools, health centers and kindergartens. The CDWOs with QFs' and QEs' assistance will provide up-to-date information on the water supply and sanitation subprojects to the hokimiyats and line ministries. Developed through the Rural Water Supply and Sanitation Project in Uzbekistan, the model's financing is based on consideration of full life-cycle costs, climatic factors and resilience, and the capacity support requirements of the community drinking water organization (CDWO) that the MPCs will establish to operate the system. Once the water and sanitation system is complete, the CDWO will be responsible for its associated O&amp;M. If the CDWO is unable to continue to operate it, the system will be transferred to the MCA.</p>
	<p>35. Subcomponent 1b: Communications and community outreach, citizen engagement, local governance capacity building (US\$11.7 million IDA). This subcomponent will support QFs and Qishloq Engineers QEs to implement the following technical assistance, training, and capacity building activities for MPCs and DPCs:</p> <ul style="list-style-type: none"> <li>a. Participatory implementation cycle, including, but not limited to: <ul style="list-style-type: none"> <li>(i) communications and outreach on Project objectives, rules, and grievance redress system, including to women and vulnerable groups; (ii) participatory needs assessment in all neighborhoods/hamlets in participatory qishloqs; (iii) participatory development planning, prioritization, and selection of subgrant</li> </ul> </li> </ul>

	<p>investments in the form of a Qishloq Development Plan; and (iv) participatory O&amp;M.</p> <p>b. Participatory monitoring and oversight, including, but not limited to, citizen engagement in: (i) subproject monitoring by trained members of MPCs and (ii) social audits, using community scorecards, to ensure that Project decisions are inclusive and transparent, and the accountable use subproject funds.</p> <p>c. Technical assistance for subproject design and sustainability, including, but not limited to, (i) basic engineering support to allow for initial environmental and social screening and preliminary subproject design estimates, and (ii) and to MPCs to design and implement autonomous water supply and sanitation systems.</p> <p>36. A qishloq facilitation team consists of three members: one male and female QF and one QE. Each qishloq facilitation team will support the participatory implementation cycle in six qishloqs simultaneously. The Project will test two modalities for delivering the technical assistance and capacity building activities to MPCs and DPCs. Through the first modality, the PIU will contract Facilitating Partners (FPs) selected from NGOs or private sector entities who will mobilize, train, and manage QFs and QEs. Through the second modality, the PIU will directly hire and manage QFs and QEs as individual consultants. Over its duration, the Project will attempt to build the capacity of the PIU to deploy and manage QFs and QEs through GoU systems, thereby allowing for the phase-out of the FP delivery modality.</p> <p>Subcomponent 1b will support QFs, QEs, and MPCs to apply digital technologies to increase participation, inclusion, transparency, and accountability throughout the Project cycle. Applications will include: (i) QFs' use of mobile phone or tablet-based data collection instruments to produce an objective, evidence-based qishloq ranking system and to conduct qishloq-level needs assessment activities the results of which will be uploaded to the Project management information system (MIS); (ii) QFs' and DPCs' use of social media and instant messaging platforms/bots (e.g., Telegram) to (a) disseminate information on Project events, rules, procedures, data analysis, maps, and sources for grievance redress and (b) crowd-source inputs on qishloq development priorities from residents.</p> <p>42. Capacity-building support for autonomous water supply and sanitation systems. In communities that select autonomous water supply projects, the Project will finance a minimum package of TA for MPCs, CDWOs, and communities. The participatory design for the autonomous water supply and sanitation subproject will incorporate the following elements: (i) QFs and QEs mobilize community members and convene discussions to define and develop solutions to the community's water needs. The QFs inform the community that for the model to operate effectively, the community's financial contributions are expected to be 10–30 percent of the total cost of the system; (ii) QFs help the communities establish a CDWO—a non-governmental, non-commercial organization that is registered with the</p>
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		<p>Ministry of Justice and liable to the rules of such organizations. The CDWOs are responsible for mobilizing community members to monitor the construction of the water and sanitation systems, setting up an O&amp;M plan and full cost-recovery tariffs, achieving community consensus around these tariffs, and subsidizing poor families (identified by the MPC and confirmed by the CDWO) who cannot afford the full tariffs; and (iii) Community members elect representatives to the General Assembly of the CDWO. They gather at least once a year to approve the accounts of the organization, establish (and, as necessary, revise) tariffs, and decide on any major changes to the CDWO. The General Assembly members elect a Management Board. The Management Board appoints community members to serve on an Executive Committee, which is in charge of the everyday supply of water, the maintenance of the water system, the collection of tariffs, and all other operations related to the system. The tariffs pay for the salary of the Executive Committee members; all other positions on the CDWO are voluntary. The average number of people on a CDWO Executive Committee for a qishoq with a population of 5,000 is around ten people. The QFs and QEs will provide training and capacity building on registering the CDWO, tariff setting, billing and collection systems, O&amp;M, water quality testing, customer relations, complaints mechanisms, human resources, and awareness raising on sanitation and hygiene. The QFs will also train CDWO members on how to mobilize nurses, doctors, and teachers in the qishloq to raises communities' awareness of water-related hygiene and wastewater treatment facilities at the household level.</p>
Component 2	US\$6.3 million	<p>Component 2: Project management, monitoring and evaluation, and capacity building (US\$7.9 million: US\$6.3 million IDA, US\$1.6 million GoU) will provide support for (i) Project management activities, including overall coordination and supervision of Project implementation, communications and public outreach, Project audits, and financing of incremental operating costs; (ii) Project monitoring and evaluation (M&amp;E) activities, transparency, and citizen feedback; (iii) managing a beneficiary feedback mechanism (BFM), including a grievance redress mechanism (GRM); and (iv) capacity building for regional hokimiyats for improved procurement, social and environmental safeguards practices, and quality of infrastructure designs.</p> <p>44. The component will finance a PIU that includes a project director and experts in participatory development (i.e., community mobilization and participatory needs assessments, prioritization, monitoring and oversight), gender, citizen engagement, civil engineering/infrastructure quality, project management, communications, procurement, FM, MIS, and M&amp;E. This team will prepare annual workplans and budgets and oversee the design and implementation of the POM, including creating training manuals and terms of reference for all staff and consultants.</p> <p>45. The GoU counterpart contribution will finance the administrative fees for the services provided to the Project by the UCS engineering companies in each of the participating regions. The roles and responsibilities of the UCS are defined in paragraph 69.</p>

	<p>46. This component will strengthen the capacity of PIU and regional hokimiyats on planning, results monitoring, reporting and delivering local infrastructure and services using good governance practices. It will ensure regular coordination with national stakeholders, including the departments of economy and industry; finance; tax committee; investments and foreign trade; employment and labor relations; youth union and women’s committee; housing and communal services; labor resources, geodesy, cartography, and state cadastre; communal services and housing; Transgas, Uzbekenergo, and other relevant agencies. This subcomponent will finance TA and capacity building for regional hokimiyat and UCS engineering company staff on procurement and citizen engagement practices. The subcomponent will also finance capacity-building and TA activities to strengthen UCS’ and regional and district hokimiyats’ monitoring and oversight capacities, with a focus on the independent quality control of works executed under the Project, including by citizens, and complaints handling. In addition, the PIU’s engineering staff and consulting services will work with the UCS offices under the regional hokimiyats and local design institutes to strengthen the engineering designs for the eligible subprojects and their capacity to build climate-resilient designs into the local infrastructure.</p> <p>47. The component will support the use of digital technologies to build the capacity for better-quality local infrastructure, and oversee Project implementation in three ways: (i) online training and education modules will be developed targeting regional hokimiyat, UCS, local design institutes, FPs, and MPCs personnel on infrastructure design and construction methodologies (e.g., reinforced concrete practices, erosion control methods, slope and embankment treatments); (ii) a mobile application linked to the MIS (see below) will be developed to allow PIU staff to update geocoded administrative data on all approved subprojects during the implementation and O&amp;M phases, which will allow project managers to monitor infrastructure in real time and provide the basis for ex post technical audits. The MIS will include an open access portal allowing citizens to upload photos, videos, and comments on the subprojects; and (iii) the PIU will administer frequent e-surveys of MPC members to help monitor implementation progress. The e-survey questions for MPCs will cover progress on participatory needs assessments, qishloq development planning and decision making, implementation and oversight of subprojects, and the challenges faced.</p> <p>48. Component 2 will finance a communications and public outreach campaign to educate stakeholders in international media, human rights, and development organizations; national, regional, district, and qishloq governments; (social) media; and civil society on the differences in objectives, rules, and procedures between Obod Qishloq and the proposed Project, and provide information on the BFM. The campaign will use short</p>
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	<p>message services (SMS)/bots to remind citizens about their rights with respect to forced labor, evictions, GRMs, and demolitions.</p> <p>49. The component will support measures to ensure that no forced labor is used in the Project. Forced labor mitigation measures will include capacity building of regional and district hokimiyats and residents of participating qishloqs (including MCA chairs, women, youth, activists) on national labor legislation including norms regulating public works that strictly prohibit the use of forced labor. For this purpose, the PIU will collaborate with specialists from the ILO and labor inspectors from the MoELR to: (i) provide regular trainings to hokimiyats and MCA executive committee members and MPCs on labor practices; (ii) monitor and report on any cases identified; and (iii) implement a public awareness campaign on labor rights, practices, and GRMs. The PIU will build an internal communications channel with MoELR's Labor Inspectorate to refer cases of forced labor submitted through the Project's GRM to the MoELR's existing Feedback Mechanism for forced labor and facilitate the investigation process. The Project will also prohibit voluntary labor contributions to subprojects. Contractors that will implement all subprojects must abide by the prevailing labor provisions.</p> <p>50. Additional resources will be provided under this component as needed to build the PIU's BFM to address grievances, comments, and other feedback regarding the Project. Its design will include a GRM that will specify the systems and requirements for grievance redress, including uptake, sorting and processing, acknowledgement and followup, verification and action, and monitoring. The PIU will establish a unit tasked with this role, which will collect grievances and feedback from MCAs and citizens, transmit this information to the appropriate authorities, and report to the PIU director and MoEI department responsible for appeals from individuals and legal entities.</p> <p>51. Component 2 will finance within-region and across-region learning exchanges for members of UCSs, DPCs, and MPCs. These exchanges will be designed to share innovations and solutions to common problems, and to build networks to allow participants to continue conversations following the visits. As part of these activities, the PIU will organize a gender network to bring together female members of MPCs and DPCs to discuss ways of improving gender equality and women's empowerment.</p> <p>52. Component 2 will also finance annual multi-stakeholder reviews that will bring together a range of stakeholders at the regional and national levels to share experiences from implementation and discuss ways to improve the Project's design and implementation for the next cycle. These reviews will include findings from social, technical, and financial audits and lessons learned with regard to governance and anti-corruption measures and gender. Following each annual review, the PIU will update the POM as necessary. Findings from these reviews will be used to inform the design of the Obod Qishloq state program.</p>
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	<p>53. M&amp;E. Component 2 will support M&amp;E activities to track, document, and communicate the Project’s progress and results. An M&amp;E team within the MoEI PIU will be responsible for compiling this information. Component 2 will provide financing for the PIU to prepare and submit quarterly and semiannual unaudited interim financial reports (IFRs) to the World Bank. The component will also finance an MIS, which the PIU will establish and utilize for Project monitoring, automatic generation of Project reports, Project transparency (subproject information will be publicized on maps), and citizen feedback. Feedback and grievances received through the BFM will be included in the semiannual reporting.</p>
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<b>Climate Change Co-benefits section</b>
<p>Provided:</p> <p>Climate co-benefits. The Project is expected to contribute to climate change adaptation and mitigation. The total climate co-benefits in this project amounts to US\$ 33.67 million (34%). Some reports show average warming over the next 50 years will be 2–3°C, which is much greater than the increase of less than 1.5°C observed over the last 50 years,<sup>36</sup> and likely precipitation increases for Uzbekistan of around 12 to 20 percent by 2085.<sup>37</sup> The climate change and disaster screening for the Project has identified the Ferghana Valley as highly exposed to seismic hazards and floods. As the analysis indicates, the potential risks to social infrastructure supported by the Project due to flooding and earthquakes is expected to be reduced by the design of infrastructure under Component 1a, and the inclusion of soft components under Components 1b and 2, which take climate change and disaster risk into account. The indicator “percent of subprojects that support climate change adaptation or mitigation” will ensure the delivery of climate co-benefits by monitoring Project progress toward the Project outcome.</p> <p>Project-supported climate change adaptation measures include the rehabilitation of qishloq-level water supply and sanitation systems, which will reduce leakages and include measures to reduce demand, thus easing water scarcity, pressure on existing water sources, and reliance on nonrenewable sources of water. The Project will also institute a range of mitigation measures. For example, capacity-building and training activities under Component 2 will include information for regional hokimiyats and local design institutes and design templates for climate-smart investments that are eligible for financing under Component 1a, such as energy efficiency investments through solar power and solar water heating. Similarly, participatory needs assessment and qishloq development planning activities supported under Component 1b will include the provision of information to communities on the benefits of climate-resilient and energy efficient basic infrastructure, and discussions of design alternatives that mitigate climate-related risks. For example, existing water supply sources located away from floodplains could be prioritized for rehabilitation over vulnerable sources, and wastewater infrastructure could be modified to include structures offering protection from increased flooding. Schools, health clinics, and pre-schools that are rehabilitated will include insulated doors and windows to reduce heat loss, and energy-efficient appliances and equipment to reduce energy consumption. Such measures will reduce the use of energy sources that emit more greenhouse gases, such as wood, petroleum, and kerosene.</p>



Greenhouse Gas Accounting
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1a	82.0	0.25	2/12	20.5	13.67	<p>Component 1 will finance “Project Components 28. Component 1: D”, supporting local-level, climate resilient investments in social infrastructure and services that communities plan and prioritize.</p> <p>Sub-component 1a will provide demand-driven investments in basic infrastructure and services. Due to finance being demand driven, ex-ante estimates of climate co-benefits cannot be performed. However, documentation states that climate-resilience will be integrated into sub-project design and into the selection process, alongside energy efficiency and solid waste management considerations.</p> <p>Adaptation:</p> <p>Through a partial focus on climate-resilient investments, such as those in the water sector, and those regarding road drainage and flood resilience, the sub-component links the activities undertaken and the provided vulnerability context.</p> <p>The adaptation co-benefits assessments results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Climate change adaptation is not the principal focus of the sub-component, yet co-benefits will arise. As a result, an initial coefficient of 0.5 can be applied.</li> <li>• Resilience building within infrastructure receiving finance is with regards to</li> </ul>

						<p>both climate-induced impacts and earthquakes. The Reference Guide for Adaptation Co-Benefits states only 50% of resilience building finance can be considered as adaptation co-benefits. Resulting in a second coefficient of 0.5 being applied.</p> <p>Mitigation:</p> <p>Of the 12 eligible investments, 2 are mitigation relevant and focus on energy efficiency and solar lighting.</p> <p>Finance qualifies towards mitigation co-benefits under the eligible activity: "Brownfield energy-efficiency improvement in energy production to supply electricity, heat, mechanical energy or cooling".</p>
SC 1b	11.7	0	0	0	0	No evidence of climate relevance.
C 2	6.3	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
20.4	20.5	0.5%	13.2	13.67	3.6%

Reported climate finance	Assessed climate finance	Error
33.6	34.17	1.7%

Project Number: P168640

<b>Project Name</b>
Real Estate Management Project Additional Financing
<b>Project Document URL</b>
<a href="https://documents1.worldbank.org/curated/en/813321572965260435/pdf/Serbia-Real-Estate-Management-Project-Additional-Financing.pdf">https://documents1.worldbank.org/curated/en/813321572965260435/pdf/Serbia-Real-Estate-Management-Project-Additional-Financing.pdf</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Component / Activity level

<b>Climate Change Vulnerability Context</b>
In "44. Climate Change" section, page 16-17.
<b>Intent to Address Vulnerability</b>
In "44. Climate Change" section, page 16-17.
<b>Link to Project Activities</b>
In "44. Climate Change" section, page 16-17.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Component A: Valuation and property taxation	4.79	Additional financing would support (i) the building registry through satellite imagery renewal and (ii) development of processes to enable building registry to be regularly updated to reflect changes.
Component B: E-governance for Enabling Access to Real Estate Information	12.89	Additional Financing will provide funding for (i) completing ISREC system, namely (1) develop the remaining modules: utility cadastre, HR and Financial system modules and integrate them with ISREC, and (2) roll-out the ISREC countrywide; (ii) implementation of NSDI; (iii) implementation of sustainable business model for managing the NSDI and RGA IT systems; (iv) building analogue archive (paper depot); and (v) data quality improvement. Activities on OSS for construction permit - which included preparation of technical specification for OSS software, Quality Assurance and Quality Control during the OSS software development, hardware and network infrastructure, local consultancy to support system roll-out and upgrade and training for over 3,000 OSS system users from municipal administration, city authorities, utility companies - have been completed and will not be further supported through Additional Financing.
Component C:	1.23	Additional Financing in this component will support (i) the ongoing business planning process of RGA (strategy and

Institutional Development of the Republic Geodetic Authority		two-year business plan have been developed under the original loan, but the funds are lacking to develop a roadmap to institutional transformation); (ii) improving National Reference Infrastructure (vertical control stabilization and levelling work were completed in the south and central regions of the country but funding is lacking to finish the north of the country); (iii) resolving first instance appeals backlog where the needs in terms of time and funds were substantially underestimated at the project preparation stage.
Component D: Project Management and Support Activities	2.04	Additional financing will finance the costs of extended project implementation, namely: Project Implementation Unit (PIU) staff salaries and incremental operating costs; continuation of public awareness campaign; conducting regular biannual customer satisfaction survey; and continue to deliver services to vulnerable groups. The training and public awareness activities are expected to improve Serbia's capacity in understanding and preparing for climate change risks.

<b>Climate Change Co-benefits section</b>	
<p>Climate Change is anticipated to cause 3.2 to 4°C increase in mean temperatures and 20 % decrease in precipitation in Serbia towards the end of this century. Climate models indicate high likelihood of increased droughts and wildfires, with the possibility of flood events intensifying. The Climate and Disaster Risk of the project can be considered low, with floods as the most pronounced risk. The AF aims to provide multiple climate co-benefits. The biggest of these benefits is expected to come from Component B, which supports the implementation of NSDI, and Component C, which will enhance the National Reference Infrastructure for improved horizontal and vertical accuracies. Both these investments are critical for the development of digital elevation models and flood risk maps to identify high-risk areas and support climate change mitigation and adaptation by providing critical information for short-term evacuation and relief efforts and medium- to long-term resilient urban and transport planning efforts. The shared geospatial data among government agencies and the public will enable better integration of climate considerations into spatial, infrastructure, transportation and environmental planning. Similarly, Component A's investments in the development of mass property valuation system can be expected to support the development of climate disaster and adaptation related insurance schemes as the basis of compensations, as insurance companies to develop better insurance mechanisms in response to climate change. Additionally, Component A will also fund the acquisition of satellite imagery</p>	

and the identification of all built structures for the development of a building registry. This data is expected to be directly relevant for the identification of climate disaster impacts, integrating climate considerations to spatial and DRM planning, and in targeting climate disaster related evacuation activities. This data is already used in a Disaster Risk Assessment on the impact on property values. Moreover, Component B will support analogue and digital archives for property records and an OSS system for building permits that will physically protect these records from climate induced disasters.

**Greenhouse Gas Accounting**

Not provided

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
Component A: Valuation and property taxation	4.79					Not relevant
Component B: E-governance for Enabling Access to Real Estate Information	12.89	0.1	0	1.289	0	<p>Evidence for adaptation financing:</p> <p>The listed activities:</p> <ul style="list-style-type: none"> <li>(i) completing ISREC system, namely (1) develop the remaining modules: utility cadastre, HR and Financial system modules and integrate them with ISREC, and (2) roll-out the ISREC countrywide;</li> <li>(ii) implementation of NSDI;</li> <li>(iii) implementation of sustainable business model for managing the NSDI and RGA IT systems;</li> <li>(iv) building analogue archive (paper depot); and</li> <li>(v) data quality improvement</li> </ul> <p><i>"The development of NSDI is expected to generate climate co-benefits through improved datasets for flood risks"</i></p>

						<p><i>and increased data sharing among public agencies for better planning e.g. improved urban and transport planning with an emphasis on resilience”</i></p> <p>The implementation of NSDI activity is therefore considered adaptation relevant finance at a coefficient of 0.5, due to its indirect impact on climate adaptation objectives. This relates to an overall coefficient of 0.1 for the component.</p>
Component C: Institutional Development of the Republic Geodetic Authority	1.23	0	0	0	0	Not relevant – flood risk stated as a factor, but not linked to climate adaptation as an issue.
Component D: Project Management and Support Activities	2.04	0.125	0	0.255	0	<p>Evidence for adaptation financing:</p> <p>Activities listed:</p> <ul style="list-style-type: none"> <li>• Project implementation Unit staff salaries and incremental operating costs</li> <li>• Continuation of public awareness campaign</li> <li>• Conducting regular biannual customer satisfaction survey</li> <li>• Continuation of delivering services to vulnerable groups</li> </ul> <p>“The training and public awareness activities are expected to improve Serbia’s capacity in understanding and preparing for climate change risks.”</p>

						<p>1 of the 4 activities is therefore deemed adaptation relevant, at a coefficient of 0.5, as climate change is not the only purpose of the public awareness campaigns.</p> <p>This relates to an overall coefficient of 0.125.</p>
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Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
2.4	1.554	35.3%	0	0	0

Reported climate finance	Assessed climate finance	Error
2.4	1.544	35.3%

Project Number: P167817

<b>Project Name</b>
Regional Disease Surveillance Systems Enhancement Project (REDISSE) Phase IV
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/487971570240865860/africa-fourth-phase-of-regional-disease-surveillance-systems-enhancement-redisse-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/487971570240865860/africa-fourth-phase-of-regional-disease-surveillance-systems-enhancement-redisse-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Loan, Grant, Credit
<b>Lowest level of granularity</b>
Sub-component

<b>Climate Change Vulnerability Context</b>
Strong vulnerability context provided in the Climate change (co-benefits) section, pages 42-43.
<b>Intent to Address Vulnerability</b>
Provided in the Climate change (co-benefits) section, pages 42-43.
<b>Link to Project Activities</b>
Provided in the Climate change (co-benefits) section, pages 42-43 and in the Project Components section.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Component 1	US\$126.45 million	<p>Component 1: Strengthening Surveillance and Laboratory Capacity to Rapidly detect Outbreaks (US\$126.45 million equivalent) 35. Early detection of disease outbreaks and laboratory confirmation of the etiologic agents/pathogens responsible will be enhanced through the planning and implementation of coordinated surveillance, laboratory, information and reporting systems in the human and animal health sectors. This component will focus on the regional, national and sub-national levels to establish and scale-up systems that are both sensitive and of high quality and can be sustainably implemented and managed by national and regional authorities. These systems are vital both to ensuring these countries can adapt to climate change and do so in a way which minimizes greenhouse gas (GHG) emissions. This component will enhance the national surveillance and reporting systems and their interoperability at the different tiers of the human and animal health systems.</p> <p>36. This component will support: enhancement of national surveillance and reporting systems and their interoperability at the different tiers of the health systems; cross-border coordination in the surveillance of priority diseases, and timely reporting of human public health and animal health emergencies in line with the IHR (2005) and the OIE Terrestrial</p>



	<p>Animal Health Code. This component will strengthen the linkages of surveillance and response processes at all levels of the health system. It will identify and/or establish networks of efficient, high quality, accessible public health and veterinary laboratories as well as support the establishment of a regional networking platform to improve collaboration for laboratory investigations. It will also contribute towards strengthening the capacities of national veterinary and public health laboratories in the areas of surveillance, pathology, diagnosis of priority infectious disease pathogens and AMR. The four sub-components of this component are: (i) national and sub-national surveillance system; (ii) health information and reporting systems; (iii) laboratory diagnosis capacity; and (iv) supply chain management systems.</p> <p>37. Under this component, the project will support the integrated disease surveillance and response (IDSR) strategic goals to improve availability of quality information by investing in the development of the required information and communication technology (ICT) infrastructure for cross-sectoral interoperability of surveillance and reporting systems at the country and regional level.</p> <p>38. In addition, the project through this component, will make investments in renovating and upgrading existing facilities, in ensuring adequate supplies and in strengthening supply chain management. Networking of laboratories will be supported for (i) sharing timely information across countries; and (ii) contributing to joint investigations of disease outbreaks. Networks will ensure improved capacity to diagnose diseases, identify public health threats, and conduct surveillance. Networks will also serve as effective platforms for learning and knowledge sharing.</p> <p>39. This component will also support strengthening specimen management including the: (i) streamlining of the laboratory specimen referral process, including use of sub-national laboratories rather than having all specimens coming to a central laboratory, where possible; and (ii) improvement of efficiency of specimen transport and disposal systems including through the use of private sector partnerships.</p> <p>40. This component will finance consultants' contracts, training and meetings, travel costs, procurement of vehicles for supervision, production and dissemination of disease surveillance materials, communication and computer equipment and software, development of incentives-based early reporting mechanisms for human and animal health; renovation and rehabilitation of facilities, laboratory equipment and reagents, logistics and materials for sample collection, preservation and shipment to the laboratory; and partnership with the private sector for enhanced disease surveillance and reporting.</p>
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		<p>Sub-Component 1.1: National and sub-national surveillance system</p> <p>7. Under this sub component the project will carry out a program to strengthen national and subnational level surveillance structures and processes where gaps exist for detecting events at all levels of the human and animal health systems, through the provision works, goods, consulting services, non consulting services, training and the financing of Operational Costs required for: a) Strengthening by the Participating countries of its national and subnational level surveillance structures and processes where there are gaps for detecting events at all levels of the human and animal systems, through the renovation and equipment of laboratories, health facilities, the delivery of training to health workers, laboratory technicians and animal and environmental health workers including veterinarians, and community-level workers, the elaboration of a plan to ensure national coverage for surveillance from community to national levels (national communicable disease surveillance strategy) and under this component the project will carry out simulation exercises; b) Establishing by the Participating countries of a system for capturing and reporting events at all levels of its systems and ensuring that reported cases or events with outbreak potential are investigated and linked to laboratory results, through this component the project will carry out a review and development of the required information communication and technology infrastructure to facilitate cross-sectoral interoperability of surveillance and reporting systems and national and sub-national levels; c) Increasing the surveillance capacity of the Participating countries at all levels of the animal and human health systems, for active, passive and rumor surveillance, including in cross-border areas, through this component the project will carry out of assessment of training needs, elaboration of procedure manuals, the delivery of training and workshops for surveillance officers, and the establishment of a regional networking platform to improve collaboration; and d) Strengthening the Participating countries' surveillance and reporting action for Ports of Entry and at land cross-border crossings, through this component the project will carry out of rehabilitation and equipping of Points of Entry and the delivery of training of workers and simulation exercises.</p>
		<p>Sub-Component 1.2: Health information and reporting systems 8. Under this sub component the project will carry out a program to improve the availability of quality information with and among the Participating Countries through the development of the required information and communications technology infrastructure for cross-sectoral interoperability of surveillance and reporting systems at the country and regional level, and encompassing the provision of goods and consulting services required for: a) Developing by the Participating countries of a</p>

	<p>strategy for an integrated paper-based and electronic real-time reporting system to link among the Participating Countries for public health surveillance, including operational plans and data standards; b) Developing by the participating countries of training materials and implementing of a training plan for surveillance and data management staff on health management information system and data management, analysis and use; c) Establishing by the participating countries of a process for routine monitoring, evaluation and quality improvement of national and sub-national surveillance system, entailing the development and dissemination of guidelines, tools and operating procedures; d) Implementing by the participating countries of interoperable, interconnected, electronic reporting systems at least at the national and sub-national level, entailing the elaboration of an integrated reporting strategy and the needed equipment; e) Establishing by the participating countries of a timely, high-quality reporting at community, facility, sub-national and national levels, encompassing identifying sentinel sites, provision of equipment, training and workshops for data collectors; f) Establishing by the participating countries of a process to ensure that data from case investigations is managed and reported in a standardized way in the Participating Country, through the development and dissemination of harmonized guidelines, protocols and tools, training and workshops, reviewing and updating the national disease priorities; g) Linking by the participating countries of laboratory data management and reporting systems from the Participating Country with its surveillance reporting systems, through the development and dissemination of operating procedures, and the delivery of training and workshops for health workers in animal and human health and laboratory technicians; and h) Establishing linkages by the participating countries between the surveillance and reporting systems in the Participating Country to its national incident management systems, involving the provision of communication technology equipment and the development of guidelines, protocols and tools.</p>
	<p>Sub-Component 1.3: Laboratory diagnosis capacity 9. Under this sub component the project will carry out a program to develop the participating countries' public health and veterinary laboratories ability to respond to disease outbreaks in a coordinated manner, and encompassing the provision works, goods (including reagents), consulting services, non-consulting services and training and the financing of Operational Costs required for:</p> <p>a) Developing and upgrading by the participating countries of a functional country network of public health and veterinary laboratories aimed to strengthen capacities and collaboration of national veterinary and health laboratories and public health institutes, most notably in the areas of surveillance, pathology for the early identification and diagnosis of priority infectious disease pathogens, and antimicrobial resistance, and for sharing timely information across the participating countries and learn and share knowledge, consisting of this component the project will carry out by the</p>

	<p>Participating countries of an assessment of the existing human and animal health laboratories and networks and the provision of supplies and equipment to support integrated laboratory information systems and the interoperability with disease surveillance and reporting systems, entailing:</p> <p>(i) the assessment of existing national human and animal health surveillance systems and networks for prioritization of interventions within and across key sectors; (ii) the review and update of the participating countries' national and regional disease priorities, and the review and development of harmonized guidelines, protocols and tools to enhance surveillance and reporting processes at national and regional levels; (iii) the development at national and regional levels of common and harmonized methodologies and protocols (applicable to both public and private actors involved in disease surveillance) for efficient flow and utilization of surveillance data; (iv) the development of the required information communication and technology infrastructure to facilitate cross-sectoral interoperability of surveillance and reporting systems at the national and regional level; and (v) the improvement of procedures and of information and communications technology with a view to establish the necessary linkage of surveillance and reporting systems to national incidence management systems;</p> <p>b) (i) Improving the Participating countries' data management and specimen management systems by linking national laboratory networks in each of the participating countries through this component the project will carry out by the participating countries of a streamlining laboratory specimen referral process, the delivery of capacity building to laboratory technicians to analyze and use laboratory surveillance data and laboratory data management systems to report either "up or down", and the strengthening of the quality assurance systems through training and workshops; and (ii) establishing by ECCAS of networks of human and animal regional reference laboratories through (A) the strengthening by ECCAS of regional networking and information sharing between participating countries through a common information platform; and (B) the harmonization by ECCAS of laboratory quality assurance policies across the participating countries on the basis of international standards, notably through the development of common standards, quality assurance systems, procedures and protocols, the introduction of peer review mechanisms, the application of the five-step accreditation process of the WHO's regional office for Africa and support of the accreditation of laboratories, under this component the project will carry out an external quality assessment on inter-laboratory, and recruitment of additional personnel to provide mentorship to laboratories.</p> <p>c) Renovating and upgrading of the participating countries' existing networking laboratories facilities, ensuring adequate supplies and strengthening supply chain management and improved capacity to diagnose diseases, identify public health threats, and conduct surveillance with a view to serve as effective platforms for learning and knowledge sharing; and d) Developing and implementing by the participating countries of a national laboratory strategic plan for point-of-care and laboratory diagnosis of priority human pathogens aimed to establish</p>
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		regional and international networks for testing and reporting on specific pathogens, improving quality management and external quality assurance systems, including accreditation, and establishing laboratory specimen collection, referral and transportations systems at national, subnational and facility levels.
		Sub Component 1.4: Supply chain management systems 10. Under this sub component the project will carry out a program aimed at: (i) improving the supply chain management in the participating countries to support disease detection and diagnosis, including establishing efficient inventory tracking and management systems, through the establishment of efficient inventory tracking and management systems; and (ii) establishing public-private partnerships in the participating countries, to improve supply chain logistics management and planning through
Component 2	US\$66.45 million	<p>Component 2: Strengthening Emergency Planning and Management Capacity to Rapidly Respond to Outbreaks (US\$66.45 million equivalent)</p> <p>42. Proactive planning, testing and financing of emergency management systems is critical to launching a rapid outbreak response. This component will focus on the technical, personnel, legal, infrastructure and community elements that are required to build an effective incident management system and support activation of the system to respond to outbreaks. This component will enhance the scientific base for improving outbreak response by strengthening national and regional capacities for research and evaluation, as well as responding to climate change related events.</p> <p>43. In particular this component will: (i) enhance cross-sectoral coordination and collaboration for preparedness and response; (ii) strengthen capacity to prepare for and respond effectively to animal and human disease outbreaks; (iii) improve country and regional surge capacity to ensure both a rapid response and continuity of essential services during an emergency, and (iv) ensure contingency emergency response; by improving the Government's response capacity in the event of an emergency, following the procedures governed by World Bank Policy, IPF Section III, paragraphs 12 and 13 (Projects in Situations of Urgent Need of Assistance or Capacity Constraints). The five sub-components are: (i) emergency management systems including planning, legal, facilities and communications requirements; (ii) medical countermeasures; (iii) non-pharmaceutical interventions; (iv) research and evaluation; and (v) contingent emergency response.</p> <p>44. This component will support the (i) updating and/or development of cross-sectoral emergency preparedness and response plans (national and regional) for priority diseases; (ii) regular testing, assessment, and improvements of plans; (iii) expansion of the health system surge capacity including the allocation and utilization of existing pre-identified structures and resources (at the national and regional level) for emergency response, infection prevention and control (IPC); (iv) regional exchange of best practices and lessons learned in preparedness and response across</p>

	countries in the region; and (v) establishment of national and regional financing mechanisms for animal health and public health emergencies.
	<p>Sub-Component 2.1: Emergency management systems 12. Under this sub component the project will carry out through participating countries and ECCAS a program to strengthen coordination and communication in outbreak preparedness and response, including: (i) coordinating capacity building in risk reduction and emergency preparedness and response across clinical and public health systems; (ii) introducing regular testing of the systems through response to public health events and after-action reviews or through simulations exercises; and (iii) conducting risk analyses at national, sub-national and district/provincial levels including Ports of Entry and prioritizing public health risks, through the provision of works, goods, consulting services, non-consulting services and training and the financing of Operational Costs as required for: a) Establishing and/or strengthening of the participating countries' management, technical and legal capacity to respond to a public health event including a longer-term health emergency, through the establishment and/or strengthening, as the case may be, of a national public health institute, including the construction or renovation/refurbishment and equipping of the required buildings and the hiring and/or training of personnel; b) Strengthening the participating countries' Emergency Operations Centers and surge capacity at the national and regional levels, to ensure the implementation of established control measures under national and regional emergency response plans at the community, district, regional and national levels, and encompassing: (i) the establishment and management by the participating countries of a database of multidisciplinary rapid response teams for rapid deployment, ensuring they are adequately equipped and trained; (ii) the development and management by the participating countries of stockpiling mechanisms (virtual and physical) to ensure availability of supplies during an emergency response; and (iii) the study and testing by the participating countries of mechanisms for the swift mobilization and deployment of resources in response to major infectious disease outbreaks to limit the need for reallocation of resources and the consequent burden on the health system; c) Developing, upgrading, and testing of the participating countries' operational communication mechanisms; d) Developing by the participating countries of risk communication strategies and training of spokespersons; e) Preparing and test-running by the participating countries of communication materials prior to an outbreak to ensure local acceptance and understanding of contents; f) Improving and harmonizing the participating countries' policies, legislation, and operating procedures, ensuring the inclusion of representation from other relevant sectors such as environment, customs/immigration, education, and law enforcement; and g) Elaborating by the participating countries of the legal frameworks for disease surveillance systems strengthening to enhance collaboration with the private sector in order to maximize the impact of implementing the OH approach; h) Introducing by the participating countries of regular testing of the systems through response to public health events and after-action</p>

		reviews or through simulations exercises; i) Conducting of risk analyses by the participating countries at national, sub-national and district/provincial levels, including Ports of Entry and prioritization of public health risks; j) Coordinating by the participating countries of the capacity building in risk reduction and emergency preparedness and response across clinical and public health systems for animals and humans, through developing, testing and updating the participating countries' contingency plans for major predicted health hazards including infectious disease outbreak and other forms of public health events.
		Sub-Component 2.2: Medical countermeasures 13. Under this sub component the project will carry out a program to address the weaknesses in surge capacity of the Participating Countries' healthcare system hindering the roll-out of effective response interventions during emergencies, encompassing the provision of goods, non-consulting services, consulting services and training as required for: a) Developing by the participating countries of strategies for, and providing relevant vaccinations to, at risk populations during an infectious disease outbreak when appropriate and available; b) Developing by the participating countries of strategies for, and providing relevant drugs for prophylactic use to, at risk populations during an infectious disease outbreak when appropriate and available; c) Developing by the participating countries of strategies for recruitment, deploying and managing of regional and international surge staff; and d) Developing and managing by the participating countries of stockpiling mechanisms (virtual and physical) to ensure availability of supplies in the participating countries' territory during an emergency response.
		Sub Component 2.3: Non-pharmaceutical interventions 14. Under this sub component the project will carry out provision of goods, consulting services, nonconsulting services and training to assist the participating countries in: a) Developing risk communication and community sensitization strategies specific to cultural and language groups in the participating countries' territory; b) Identifying of ethical strategies that limit personal and population movement but are sensitive to reducing personal, social and economic hardships, through the development and testing of culturally sensitive communication materials and the provision of nutrition supplements in case of outbreaks; c) Developing strategies to promote social distance in work, educational and social environments; d) Developing and assessment of plans for necessity for the closure of schools, daycare and other mass gathering locations during outbreaks; and e) Identifying support mechanisms to provide home care for ill persons and inpatient care for household members
		Sub Component 2.4: Research and evaluation 15. Under this sub component the project will carry out a program by the participating countries to develop plans for implementing and managing research and evaluation activities in participating countries' territory during an outbreak, develop protocols, and identify and train new staff to conduct research in emergency settings, entailing the provision of goods, consulting services, non-consulting services and training and the financing

		of Operational Costs as required for: a) Supporting the design and implementation of research of the participating countries, including the use of epidemic-surveillance surveys and use of surveillance data for risk management, the delivery of training of personnel and the provision of reagents, equipment and other laboratory materials; and b) Strengthening the existing capacity of the participating countries for research and support to the management of opera
		Sub Component 2.5: Contingent emergency response 16. Under this component the project will carry out provision by the Participating countries of immediate response to an Eligible Emergency, as needed. 17. Each of the project countries will prepare a CERC Operational Manual as an annex to the PIM within three months of project launch. Triggers for the CERC will be clearly outlined in the PIM. Disbursements will be made against an approved list of goods, works, and services required to support crisis mitigation, response and recovery.
Component 3	US\$47.60 million	<p>Component 3: Public Health Workforce Development (US\$47.60 million equivalent)</p> <p>45. A strong public health workforce is the foundation for any region or individual country to effectively detect and respond to disease threats. However, most human resource systems lack plans for a multi-disciplinary health personnel that includes epidemiologists, data managers, laboratory technicians, emergency management and risk communications specialists, and public health managers.</p> <p>46. This component will focus on activities that support recruitment, training and retention of qualified staff for routine and emergency public health functions including, where possible, coordination with the private sector health workforce. The increased capacity will be critical to having an agile system which can respond to threats, including those resulting from climate change.</p> <p>47. In particular this component will support: (i) the healthcare workforce mapping, planning and recruitment; and (ii) enhance health workforce training, motivation and retention. The three sub-components of this component will include the following: (i) public health staffing; (ii) enhance public health workforce training; and (iii) regulations.</p> <p>48. The component will finance consultant contracts for providing the training, computers, training supplies and materials, communication equipment, travel costs, and workshop costs.</p>
		Sub-Component 3.1: Public health staffing. 19. Strengthening of the participating countries' capacity to plan, implement and monitor human resource interventions, building long-term capacity for improved management of human resources, and including the provision of goods, non-consulting services, consulting services and training required for: a) Implementing by the participating countries of a national human resource for health plan that includes multi-disciplinary technical and management



		public health cadres in surveillance, laboratory, emergency management and risk communications, through the assessment of current workforce (quantity, geographical distribution and capacity), the establishment and management of a database of multidisciplinary technical and management public health cadres; elaboration of an operation manual, guidelines, and evaluation tools; b) Assessment by the participating countries of institutional capacity for planning and managing workforce training, and strengthening of the participating countries' capacity building in its recruitment and retention of public health workers in the government sector; c) Establishing the participating countries' surge capacity to respond to a public health event, including longer term emergencies, for clinical, epidemiological, laboratory, communications, social mobilization and management of surge staffing, through stock-taking of existing staff with the human and animal health systems, the development and dissemination of guidelines, protocols and tools (terms of reference) and the testing of the participating countries' mechanism for swift mobilization and deployment of resources; and d) Using private actors in the participating countries' territory to deliver public sector activities through the delegation of power for planning and managing workforce training programs and, on the basis thereof, provision of the technical assistance required for improved efficiency for surveillance, preparedness and response from the human and animal health systems.
		Sub Component 3.2: Enhance public health workforce training 20. Under this sub component the project will carry out provision of goods, non-consulting services, consulting services and training to the Participating countries to enable it: (i) to assess needs of the participating countries and provide appropriate technical assistance to improve its institutional capacity for planning and managing continuing workforce training programs; and (ii) to deliver training to public health workers, veterinarians, laboratory technicians and clinicians to strengthen surveillance, preparedness and response at the various levels, including the participating countries' community, district, regional and national and regional level, specifically addressing training: (A) for OH community agents in community-based surveillance and response, technical support and supervision of community agents; (B) to support to inter-sectoral interventions combining animal and human health service providers within the systems; and (C) to health workers in core skill sets.
		Sub Component 3.3: Regulations 21. Under this sub component the project will carry out by the participating countries of regulatory mechanisms to oversee the public health workforce, consisting of elaboration or revision of legislation on workforce, on integration of training related to surveillance, preparedness and response to epidemics into curriculum of national training schools, and including the provision of goods, consulting services, nonconsulting services and training and the financing of Operational Costs as required.
Component 4	US\$39.50 million	Component 4: Institutional Capacity Building, Project Management, Coordination and Advocacy (US\$39.50 million equivalent)

	<p>49. This component focuses on all aspects of project management, including financial management (FM) and procurement; M&amp;E; knowledge generation and management; communication; and capacity building, M&amp;E of social and environmental safeguard mitigation measures. It also provides for critical cross-cutting institutional support, meeting capacity-building and training needs identified in the five countries and specific technical capacity-building activities undertaken within the three technical components.</p> <p>50. It will support the routine external independent assessment of critical animal and human health capacities of national systems using reference tools (such as OIE PVS and JEE) to identify weaknesses and monitor progress. More specifically, this component will support: (i) project coordination, fiduciary aspects (FM and procurement), M&amp;E, data generation, and knowledge management; and (ii) institutional support, capacity building, advocacy, and communication at the regional level; and (iii) management (capacity building, M&amp;E) of social and environmental safeguard mitigation measures. The two sub-components are: (i) project coordination, fiduciary management, M&amp;E, data generation, and knowledge management; and (ii) institutional support, capacity building, advocacy, and communication at the regional level. This component will build on and complement other projects and initiatives such as REDISSE I, II and III implemented in ECOWAS countries.</p> <p>51. This component will finance consultant contracts, including contracts with United Nations (UN) Agencies and other international and regional organizations and non-governmental organizations (NGOs); training activities; regional meetings; travel costs; procurement of vehicles for supervision; and office equipment and supplies; including computer equipment and software.</p> <p>52. Across all components, the project will promote partnership with the private sector to improve areas of known weakness in the provision of public goods. Such partnerships will focus on areas in which the private sector has a comparative advantage, or is complementary to, activities in the public sector. These include logistics and supply chain management, information communication and technology development, and improvement of specimen transportation systems. Private medical practitioners, veterinarians and veterinary paraprofessionals may be entrusted with official tasks through contractual arrangements. Under similar contractual mechanisms, the project will explore possible partnerships, with identified centers of excellence and private laboratories with the appropriate capacity to play a critical role in the provision of diagnostic and reporting services for diseases of national, regional and/or global importance.</p>
	<p>Sub Component 4.1: Project Coordination, fiduciary management, monitoring and evaluation, data generation, and knowledge management 23. Under this sub component the project will carry out the strengthening</p>

	<p>of the PCT to support timely and efficient implementation of the Project, and encompassing the provision of works, goods, nonconsulting services, consulting services and training and the financing of Operational Costs required for: (i) strengthening the capacities of the participating countries' national and regional institutions to efficiently perform core project management functions including operational planning, FM, procurement arrangements, and environmental and social safeguards policies; (ii) enhancing M&amp;E systems, including routine health- and animal-management information systems and other data sources; (iii) managing the operational research program implemented by national and regional institutions under Parts 1, 2 and 3 of the Project; (iv) promoting the design and under this component the project will carry out the impact evaluation studies to measure impact of project interventions; and (v) refurbishing and equipping of the PCT office space as needed.</p>
	<p>Sub Component 4.2: Institutional support, capacity building, advocacy, and communication at regional level 24. Under this sub component the project will carry out the enhancement of the services of the Regional Project Coordinating Unit, the RAHC and other cross-cutting regional and international institutions or organizations relevant to animal and human health sector development, and encompassing the provision of works, goods, non-consulting services, consulting services, training and the financing of Operational Costs required for: (i) establishing cross-border surveillance of diseases with epidemic potential in humans and animals, through the setting up of a "OH" multi-sector regional committee, validating regional annual plan of work, and organizing cross-border meetings; (ii) designing regular consultation mechanisms for disease surveillance officers in the participating countries; (iii) developing a regional plan to respond to epidemics and other health emergencies; (iv) drafting and adopting common quality assurance standards, procedures and protocols for the regional human and animal health laboratories in the participating countries; (v) putting in place regional (virtual and physical) stock of medicines, vaccines and consumables for emergencies; (vi) developing with national central medical stores or other viable institutions at the regional level collaboration arrangements for the regional stockpiling platform for the effective management of essential stocks and supplies during an emergency response; (vii) harmonizing regional diagnostic procedures for epidemic-prone diseases among the participating countries; (viii) developing regional standards for laboratory accreditation, and quality assurance among the participating countries; (ix) conducting capacity gap analyses (including staffing, skills, equipment, systems, and other variables); (x) implementing advocacy and communication activities that sustain the OH approach; (xi) organizing regional exchange of best practices and lessons learned in preparedness and response across the participating countries; (xii) the study and testing by ECCAS of mechanisms for the swift mobilization and deployment of resources in response to major infectious disease outbreaks; and (xiii) refurbishing and equipping of the Regional PCU and RAHC office space as needed.</p>

#### Climate Change Co-benefits section

Provided:

92. REDISSE is a multi-country program covering Southern, Central and North Central Africa, with both landlocked and coastal countries. As such there are no summary climatic changes which can be expected across all countries. The World Bank climate country briefs identify extreme precipitation, sea level rise, strong winds and drought as climate risks for the five countries involved in this project. For example, in the north, in the Republic of Chad, there has been an increase in temperature of 0.7° C since 1960. The desert has been advancing at 3 km/year in the north of the country and Lake Chad is expected to disappear in the next 20 years. At the southern end of this project in Angola, sea level rise of up to half a meter by the end of the century is projected to have a significant impact on coastal settlements where half of the country's population lives, whilst recurrent flooding over the last ten years has most seriously affected the Cuanhama basins, and the city of Ondjiva. REDISSE IV has been screened for climate and disaster risk. This identified exposure of the project locations and target beneficiaries as moderate risk due to the likelihood of extreme temperatures, precipitation and flooding and drought. Also, the screening assessed the project as having a moderate risk in terms of its potential impact on women due to communicable disease effects.

93. Each of the identified climatic changes are associated with important potential health impacts. Some of these health impacts may include changes to infectious disease ranges and transmission patterns. Vector-borne diseases are susceptible to changes in temperature, humidity and precipitation; water-borne diseases are correlated with precipitation and flooding; animal migration patterns vary according to climatic conditions affecting water and feed resources. Consequent human displacement can result in novel disease emergence due to geography or population density. Periods of heavy rainfall favor the development of competent mosquito vectors, which in drier regions such as Chad, drives epidemics in both ruminants and people. All REDISSE IV countries are characterized as "hotspots" for climate-sensitive health impacts, meaning they occur in climatevulnerable geographic regions, have vulnerable populations, and have pre-existing burdens of infectious diseases that are likely to increase with climate change.

94. REDISSE IV responds to the threats posed by climate change in a number of ways. The project will contribute to climate adaptation under Component 1 (total ~US\$116.45 million) by significantly increasing the capacity of systems to monitor communicable diseases associated with climate change, such as malaria and dengue. This will ensure early detection of changing conditions and disease patterns at both the national and subnational levels allowing the identification of gaps in information systems to facilitating timely action. Component 2 (total US\$67.20 million) will enhance the scientific base needed to improve context relevant research and knowledge and the outbreak response capacity in each of the five countries. This will enable them to respond to early warnings and mount effective and timely emergency responses to climate related events. Component 3 (US\$46.85 million) will develop the public health workforce. Public health professionals are key to strengthening preparedness and response to health emergencies including those due to climate change. They are also key to advocating for the necessary resourcing and establishment of governance mechanisms needed for the prevention of such eventualities. Overall, because of all the above investments, institutional capacity will increase across the communicable disease infrastructure of the five countries. This will ensure that information can be used most effectively in decisions around health

resources and supply chains, capacity development, and early warning systems to adapt to changing climate risk for health.

95. REDISSE IV adopts important mitigation measures to reduce net greenhouse gas emissions. Under Component 1 (~US\$10 million) any laboratory building, and refurbishment will include the use of climate-smart infrastructure (i.e. solar panels, thermal insulation, the use of modern and efficient water supply and treatment as well as low energy lighting), and the purchase of equipment that is low carbon in manufacture and energy efficient in operation.

**Greenhouse Gas Accounting**

Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.1	36.17	0.5	0	18.085	0	<p>Component 1 will “focus on the regional, national and sub-national levels to establish and scale-up multi-sectoral systems that are both sensitive and of high quality and can be sustainably implemented and managed by national and regional authorities. These systems are vital both to ensuring these countries can adapt to climate change and do so in a way which minimizes GHG emissions.”</p> <p>Sub-component 1.1 will finance “a program to strengthen national and subnational level surveillance structures and processes where gaps exist for detecting events at all levels of the human and animal health systems”.</p> <p>The project’s vulnerability context strongly links the affects of climate change and the health’s sectors of beneficiary regions, noting all regions “are characterized as “hotspots” for climate-sensitive health impacts, meaning they occur in climate vulnerable geographic regions, have vulnerable populations, and have pre-existing burdens of infectious</p>

						<p>diseases that are likely to increase with climate change.”</p> <p>Therefore there is a link between the undertaken activities within Sub-component 1.1 and the provided vulnerability context. The early detection of disease outbreaks using national and sub-national surveillance systems will enhance beneficiary resilience to climate change induced health risks.</p> <p>Regarding the proportionality of adaptation co-benefits within finance for the sub-component, no granular information has been provided to allow accurate calculations. In the absence of both incremental costs and such granular information, a coefficient of 0.5 has been applied to acknowledge that adaptation is one of multiple objectives and to adhere to the principle of conservativeness.</p> <p>There is no evidence of mitigation relevance.</p>
SC 1.2	16.38	0.5	0	8.19	0	<p>Sub-component 1.2 will finance “a program to improve the availability of quality information with and among the Participating Countries through the development of the required information and communications technology infrastructure for cross-sectoral interoperability of surveillance and reporting systems at the country and regional level”.</p> <p>The project’s vulnerability context strongly links the affects of climate change and the health’s sectors of beneficiary regions, noting all regions “are characterized as “hotspots” for climate-sensitive health impacts, meaning they occur in climate vulnerable geographic regions, have vulnerable populations, and have</p>

						<p>pre-existing burdens of infectious diseases that are likely to increase with climate change.”</p> <p>Therefore there is a link between the undertaken activities within Sub-component 1.2 and the provided vulnerability context. The ability for countries to utilise communications technology infrastructure for surveillance will enhance beneficiary resilience to climate change induced health risks.</p> <p>Regarding the proportionality of adaptation co-benefits within finance for the sub-component, no granular information has been provided to allow accurate calculations. In the absence of both incremental costs and such granular information, a coefficient of 0.5 has been applied to acknowledge that adaptation is one of multiple objectives and to adhere to the principle of conservativeness.</p> <p>There is no evidence of mitigation relevance.</p>
SC 1.3	46.27	0.5	incremental	23.135	10.0	<p>Sub-component 1.3 will finance “a program to develop the participating countries’ public health and veterinary laboratories ability to respond to disease outbreaks in a coordinated manner”.</p> <p>The project’s vulnerability context strongly links the affects of climate change and the health’s sectors of beneficiary regions, noting all regions “are characterized as “hotspots” for climate-sensitive health impacts, meaning they occur in climate vulnerable geographic regions, have vulnerable populations, and have pre-existing burdens of infectious diseases that are likely to increase with climate change.”</p>

					<p>Therefore, there is a link between the undertaken activities within Sub-component 1.3 and the provided vulnerability context. The ability for countries to utilise adequate laboratories and effectively respond to outbreaks will enhance beneficiary resilience to climate change induced health risks.</p> <p>Regarding the proportionality of adaptation co-benefits within finance for the sub-component, no granular information has been provided to allow accurate calculations. In the absence of both incremental costs and such granular information, a coefficient of 0.5 has been applied to acknowledge that adaptation is one of multiple objectives and to adhere to the principle of conservativeness.</p> <p>The “Climate change (co-benefits)” section states: “REDISSE IV adopts important mitigation measures to reduce net greenhouse gas emissions. Under Component 1 (~US\$10 million) any laboratory building, and refurbishment will include the use of climate-smart infrastructure (i.e. solar panels, thermal insulation, the use of modern and efficient water supply and treatment as well as low energy lighting), and the purchase of equipment that is low carbon in manufacture and energy efficient in operation.”</p> <p>This US\$10 million is assumed to be the incremental amount of mitigation co-benefits resulting from sub-component 1.3. The sub-component qualifies under Common Principles for Climate Change Mitigation Finance Tracking under the eligible activities: “Generation of renewable energy with low lifecycle</p>
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						GHG emissions to supply electricity, heating, mechanical energy or cooling”; and “Brownfield energy-efficiency improvement in energy production to supply electricity, heat, mechanical energy or cooling”.
SC 1.4	27.99	0.5	0	13.995	0	<p>Sub-component 1.4 will aim at “(i) improving the supply chain management in the participating countries to support disease detection and diagnosis, including establishing efficient inventory tracking and management systems, through the establishment of efficient inventory tracking and management systems; and (ii) establishing public-private partnerships in the participating countries, to improve supply chain logistics management and planning through, inter alia, the provision of logistic and supply chain management, training, and laboratory services.”</p> <p>The project’s vulnerability context strongly links the affects of climate change and the health’s sectors of beneficiary regions, noting all regions “are characterized as “hotspots” for climate-sensitive health impacts, meaning they occur in climate vulnerable geographic regions, have vulnerable populations, and have pre-existing burdens of infectious diseases that are likely to increase with climate change.”</p> <p>Therefore, there is an indirect link between the undertaken activities within Sub-component 1.4 and the provided vulnerability context. The ability for countries to support disease detection and diagnosis to effectively respond to outbreaks will enhance beneficiary resilience to climate change induced health risks.</p>

						<p>Regarding the proportionality of adaptation co-benefits within finance for the sub-component, no granular information has been provided to allow accurate calculations. In the absence of both incremental costs and such granular information, a coefficient of 0.5 has been applied to acknowledge that adaptation is one of multiple objectives and to adhere to the principle of conservativeness.</p> <p>There is no evidence of mitigation relevance.</p>
SC 2.1	32.99	0.5	0	16.495	0	<p>Component 2 will finance “a program to improve the participating countries’ local, national and regional capacities to prepare for impending epidemics and respond effectively to human and animal disease outbreak threats.”</p> <p>Sub-component 2.1 will finance “a program to strengthen coordination and communication in outbreak preparedness and response, including: (i) coordinating capacity building in risk reduction and emergency preparedness and response across clinical and public health systems; (ii) introducing regular testing of the systems through response to public health events and after-action reviews or through simulations exercises; and (iii) conducting risk analyses at national, sub-national and district/provincial levels including Ports of Entry and prioritizing public health risks”.</p> <p>The project’s vulnerability context strongly links the affects of climate change and the health’s sectors of beneficiary regions, noting all regions “are characterized as “hotspots” for climate-sensitive health impacts, meaning they occur in climate</p>

						<p>vulnerable geographic regions, have vulnerable populations, and have pre-existing burdens of infectious diseases that are likely to increase with climate change.”</p> <p>Therefore there is a link between the undertaken activities within Sub-component 2.1 and the provided vulnerability context. Strengthened emergency planning and management capacity to respond to disease outbreaks will enhance beneficiary resilience to climate change induced health risks.</p> <p>Regarding the proportionality of adaptation co-benefits within finance for the sub-component, no granular information has been provided to allow accurate calculations. In the absence of both incremental costs and such granular information, a coefficient of 0.5 has been applied to acknowledge that adaptation is one of multiple objectives and to adhere to the principle of conservativeness.</p> <p>There is no evidence of mitigation relevance.</p>
SC 2.2	14.59	0.5	0	7.295	0	<p>Sub-component 2.2 will finance “a program to address the weaknesses in surge capacity of the Participating Countries’ healthcare system hindering the roll-out of effective response interventions during emergencies”.</p> <p>The project’s vulnerability context strongly links the affects of climate change and the health’s sectors of beneficiary regions, noting all regions “are characterized as “hotspots” for climate-sensitive health impacts, meaning they occur in climate vulnerable geographic regions, have vulnerable populations, and have pre-existing burdens of infectious</p>

						<p>diseases that are likely to increase with climate change.”</p> <p>Therefore, there is a link between the undertaken activities within Sub-component 2.2 and the provided vulnerability context. Strengthened surge capacity when responding to disease outbreaks will enhance beneficiary resilience to climate change induced health risks.</p> <p>Regarding the proportionality of adaptation co-benefits within finance for the sub-component, no granular information has been provided to allow accurate calculations. In the absence of both incremental costs and such granular information, a coefficient of 0.5 has been applied to acknowledge that adaptation is one of multiple objectives and to adhere to the principle of conservativeness.</p> <p>There is no evidence of mitigation relevance.</p>
SC 2.3	9.63	0.5	0	4.815	0	<p>Sub-component 2.3 will finance “provision of goods, consulting services, non consulting services and training to assist the participating countries” to develop strategies to manage risk and emergencies .</p> <p>The project’s vulnerability context strongly links the affects of climate change and the health’s sectors of beneficiary regions, noting all regions “are characterized as “hotspots” for climate-sensitive health impacts, meaning they occur in climate vulnerable geographic regions, have vulnerable populations, and have pre-existing burdens of infectious diseases that are likely to increase with climate change.”</p> <p>Therefore there is a link between the undertaken activities within Sub-</p>

						<p>component 2.3 and the provided vulnerability context. Strengthened emergency planning and management capacity to respond to disease outbreaks will enhance beneficiary resilience to climate change induced health risks.</p> <p>Regarding the proportionality of adaptation co-benefits within finance for the sub-component, no granular information has been provided to allow accurate calculations. In the absence of both incremental costs and such granular information, a coefficient of 0.5 has been applied to acknowledge that adaptation is one of multiple objectives and to adhere to the principle of conservativeness.</p> <p>There is no evidence of mitigation relevance.</p>
SC 2.4	5.92	0.5	0	2.96	0	<p>Sub-component 2.4 will finance “a program by the participating countries to develop plans for implementing and managing research and evaluation activities in participating countries’ territory during an outbreak, develop protocols, and identify and train new staff to conduct research in emergency settings”.</p> <p>The project’s vulnerability context strongly links the affects of climate change and the health’s sectors of beneficiary regions, noting all regions “are characterized as “hotspots” for climate-sensitive health impacts, meaning they occur in climate vulnerable geographic regions, have vulnerable populations, and have pre-existing burdens of infectious diseases that are likely to increase with climate change.”</p> <p>Therefore, there is a link between the undertaken activities within Sub-</p>

						<p>component 2.4 and the provided vulnerability context. Strengthened emergency planning and management capacity to respond to disease outbreaks will enhance beneficiary resilience to climate change induced health risks.</p> <p>Regarding the proportionality of adaptation co-benefits within finance for the sub-component, no granular information has been provided to allow accurate calculations. In the absence of both incremental costs and such granular information, a coefficient of 0.5 has been applied to acknowledge that adaptation is one of multiple objectives and to adhere to the principle of conservativeness.</p> <p>There is no evidence of mitigation relevance.</p>
SC 2.5	3.73	0	0	0	0	No evidence of climate relevance.
SC 3.1	20.31	0.5	0	10.155	0	<p>Component 3 “will carry out a program by the participating countries to develop its institutional capacity for planning and managing workforce training, leveraging existing training structures and programs.”</p> <p>Sub-component 3.1 will finance “capacity to plan, implement and monitor human resource interventions, building long-term capacity for improved management of human resources”.</p> <p>The project’s vulnerability context strongly links the affects of climate change and the health’s sectors of beneficiary regions, noting all regions “are characterized as “hotspots” for climate-sensitive health impacts, meaning they occur in climate vulnerable geographic regions, have vulnerable populations, and have pre-existing burdens of infectious</p>

						<p>diseases that are likely to increase with climate change.”</p> <p>Therefore there is a link between the undertaken activities within Sub-component 3.1 and the provided vulnerability context. Strengthened capacity and human resources in the sector and laboratories will enhance beneficiary resilience to climate change induced health risks.</p> <p>Regarding the proportionality of adaptation co-benefits within finance for the sub-component, no granular information has been provided to allow accurate calculations. In the absence of both incremental costs and such granular information, a coefficient of 0.5 has been applied to acknowledge that adaptation is one of multiple objectives and to adhere to the principle of conservativeness.</p> <p>There is no evidence of mitigation relevance.</p>
SC 3.2	22.71	0.5	0	11.355	0	<p>Sub-component 3.2 will finance “Participating countries to enable it: (i) to assess needs of the participating countries and provide appropriate technical assistance to improve its institutional capacity for planning and managing continuing workforce training programs; and (ii) to deliver training to public health workers, veterinarians, laboratory technicians and clinicians to strengthen surveillance, preparedness and response at the various levels, including the participating countries’ community, district, regional and national and regional level”.</p> <p>The project’s vulnerability context strongly links the affects of climate change and the health’s sectors of beneficiary regions, noting all regions</p>

						<p>“are characterized as “hotspots” for climate-sensitive health impacts, meaning they occur in climate vulnerable geographic regions, have vulnerable populations, and have pre-existing burdens of infectious diseases that are likely to increase with climate change.”</p> <p>Therefore, there is an indirect link between the undertaken activities within Sub-component 3.2 and the provided vulnerability context. Strengthened training and its delivery in the sector will enhance beneficiary resilience to climate change induced health risks.</p> <p>Regarding the proportionality of adaptation co-benefits within finance for the sub-component, no granular information has been provided to allow accurate calculations. In the absence of both incremental costs and such granular information, a coefficient of 0.5 has been applied to acknowledge that adaptation is one of multiple objectives and to adhere to the principle of conservativeness.</p> <p>There is no evidence of mitigation relevance.</p>
SC 3.3	4.57	0.5	0	2.285	0	<p>Sub-component 3.3 will finance “regulatory mechanisms to oversee the public health workforce, consisting of elaboration or revision of legislation on workforce, on integration of training related to surveillance, preparedness and response to epidemics into curriculum of national training schools”.</p> <p>The project’s vulnerability context strongly links the affects of climate change and the health’s sectors of beneficiary regions, noting all regions “are characterized as “hotspots” for</p>



						<p>climate-sensitive health impacts, meaning they occur in climate vulnerable geographic regions, have vulnerable populations, and have pre-existing burdens of infectious diseases that are likely to increase with climate change.”</p> <p>Therefore, there is an indirect link between the undertaken activities within Sub-component 3.3 and the provided vulnerability context. Strengthened education systems regarding the sector will enhance beneficiary resilience to climate change induced health risks.</p> <p>Regarding the proportionality of adaptation co-benefits within finance for the sub-component, no granular information has been provided to allow accurate calculations. In the absence of both incremental costs and such granular information, a coefficient of 0.5 has been applied to acknowledge that adaptation is one of multiple objectives and to adhere to the principle of conservativeness.</p> <p>There is no evidence of mitigation relevance.</p>
SC 4.1	24.96	0	0	0	0	<p>Component 4 will finance “a technical capacity program focused on all aspects of project management, including, inter alia, FM, procurement, M&amp;E, knowledge generation, and social and environmental safeguard aspects”.</p> <p>Sub-component 4.1 will finance “the strengthening of the PCT to support timely and efficient implementation of the Project, and encompassing the provision of works, goods, non consulting services”</p> <p>There is no stated link between the activities of the sub-component and</p>

						the vulnerability context, and no evidence of mitigation co-benefits.
SC 4.2	14.54	0	0	0	0	<p>Sub-component 4.2 will finance “the enhancement of the services of the Regional Project Coordinating Unit, the RAHC and other cross-cutting regional and international institutions or organizations”.</p> <p>There is no stated link between the activities of the sub-component and the vulnerability context, and no evidence of mitigation co-benefits.</p>

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
123.2	118.765	3.6%	11.4	10.0	12.3%

Reported climate finance	Assessed climate finance	Error
134.6	128.765	4.3%

Project Number: P169927

<b>Project Name</b>	Romania Health Program for Results
<b>Project Document URL</b>	<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/902651569031265960/romania-health-program-for-results-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/902651569031265960/romania-health-program-for-results-project</a>
<b>Financing Instrument</b>	Program-for-Results
<b>Financial product</b>	Loan
<b>Lowest level of granularity</b>	Disbursement Linked Indicator

<b>Climate Change Vulnerability Context</b>	Provided in the Climate Co-Benefits section, pages 63-65.
<b>Intent to Address Vulnerability</b>	Provided in the Climate Co-Benefits section, pages 63-65.
<b>Link to Project Activities</b>	Provided in the Climate Co-Benefits section, pages 63-65.
<b>Incremental Cost?</b>	None provided.

Name	Value	Description
DLI 1	557.2/8	<p>DLI 1: Access to the basic package of PHC services among the uninsured.</p> <p>55. Rationale. At least 11 percent of Romania’s population are not covered by the social health insurance system. The minimum benefits package these people can access at the PHC level is narrow, resulting in overuse of expensive emergency services for non-urgent and non-emergency conditions. Thus, the lack of health insurance presents a financial barrier to PHC access and increases the overall costs of the health system. In addition, the state budget transfers to the NHIH—which have averaged US\$500 million annually over the past five years—are used predominantly to cover deficits in the NHIF, creating disincentives for the NHIH to operate efficiently. This DLI aims to support the shift from input-based to results-based financing, facilitating improvements in the efficiency and predictability of expenditures in the Romanian health system, while addressing demand-side financial barriers to health care access.</p> <p>56. Description. The Government will revise the Health Reform Law to grant universal access to the basic package at the PHC level. These legislative changes will be translated into modifications of the NHIH framework contract with providers, enabling family physicians to provide a uniform package of services to all Romanian residents, regardless of their health insurance status. State budget transfers to the NHIF will be made annually to finance a uniform basic package for PHC for the uninsured. An estimated 2 million uninsured people will be enabled to</p>

		receive services on the basic package list for PHC at no cost. The Government may need technical assistance in revising the basic package for universal access to PHC, including benefit package defining and costing, and expenditure projections.
DLI 2	557.2/8	<p>DLI 2: Number of underserved communities receiving public community health care in collaboration with primary health care providers.</p> <p>57. Rationale. Difficulties in collaboration between health providers and agencies involved in the provision of basic health services present supply-side barriers to access in underserved communities. A total of 439 local public administration authorities that face supply-side barriers to PHC access are considered underserved. Only 1.5 percent of urban communities and 6.9 percent of rural communities meet the requirement for community health nurses.<sup>23</sup> The local authority administration is expected to facilitate collaboration between community health workers and family physicians to promote access to PHC; however, only 20 percent of family physicians report regular meetings with community health personnel and 18 percent report regular meetings with local authorities. This DLI aims to leverage partnerships among the MoH, local authorities, and largely private family physicians to address these supply-side barriers to PHC use in underserved communities. This DLI will also contribute to promoting knowledge and awareness on climate change risks to the communities, particularly the underserved, by increased outreach of community health workers.</p> <p>58. Description. The MoH will develop and adopt methodological guidelines and household monitoring instruments for community health care, and template agreements for collaboration between community health care and PHC providers. Strategic planning to close supply-side barriers to PHC access will be informed by community needs assessments that characterize population health needs in underserved local authorities. The MoH and the local authority will hire and train community health nurses and will support them in providing health promotion services in at least 300 local authorities, facilitating linkages to PHC where needed. In communities with up to 700 self-identifying Roma, when needed, a Roma health mediator will also be hired, trained, and supported by the MoH and local authority to ensure the registration of vulnerable groups in PHC. The MoH may require technical assistance to develop guidelines for collaboration between community and primary care, assessment of community needs, supervision of care, and training to be provided to primary care providers and community health workers in working effectively with different cultures and ethnic minorities, as needed.</p>
DLI 3	557.2/8	<p>DLI 3: Share of the NHIH budget allocated to primary health care.</p> <p>59. Rationale. The hospital-centric nature of the system is reflected in the relative underfunding of PHC. While 54 percent of annual health expenditure is on hospital care in Romania, relative to 40 percent in the EU, only 6.5 percent is spent on family medicine. The framework contract between NHIH and providers is tailored to budget classifications based on different line items, without orientation toward service delivery results. This DLI aims to support the MoH's efforts to reorient the health system toward PHC by adjusting incentives for</p>

		<p>service provision and increasing overall funding for PHC. This DLI will contribute to supporting resilience of the population to adverse climate-related events or conditions because, by expanding the volume and scope of services in PHC and bringing PHC closer to people, access to information on preventive measures on conditions related to climate change events will be enhanced (e.g., primary physicians will educate on prevention and protection measures during extreme weather conditions such as dehydration, sun exposure avoidance).</p> <p>60. Description. With the rise in the scope and supply of PHC services, the share of the NHIH budget allocated to family medicine will increase from the current level of 6.5 percent to 10 percent by the end of the Program. NHIH is expected to need technical assistance to support the revision of clinical guidelines to expand the scope and supply of PHC services, and of the framework contract to expand the provider payment mechanisms used by NHIH (adjusting capitation and fees for service, and introducing performance-based payment).</p>
DLI 4	557.2/8	<p>DLI 4: Number of family medicine practices receiving grants and loans for the purpose of increasing and improving the supply of primary health care services.</p> <p>61. Rationale. The supply and quality of PHC are constrained by chronic underinvestment in family medicine and lack of collaboration across the institutions involved in its administration. Funding constraints faced by primary care physicians have negative implications for the structural quality of care, that is the availability of infrastructure, equipment, trained staff, supplies, and other inputs for care. In a recent assessment of care for diabetes mellitus, basic tests for case management could not be accessed in PHC, including urine strips for glucose measurement and oral glucose tolerance tests.<sup>24</sup> As 96 percent of family medicine practices are privately owned by individuals, traditional ways of accessing finance through the public sector and commercial financial institutions are infeasible. Incentivizing capital investments in PHC through the public sector requires coordination across national-level agencies on policies and regulation and between the national and district authorities on implementation modalities. Local authorities regulate the sale, lease, or rental of private assets, including infrastructure for PHC. However, the MoPF oversees health care financing, and the MoH defines the regulatory framework for PHC. This DLI aims to address the financial and coordination barriers to incentivizing an increase in the supply and quality of PHC.</p> <p>62. Description. Through routine monitoring systems, the MoH and DPHAs regularly assess structural quality of facilities, including infrastructure, equipment, staff training, which also help determine needs for improvement. The MoPF and the MoH will then set up a de minimis aid scheme to fund capital investments in family medicine, including repairs and small refurbishing of facilities, equipment, training, transport, and other eligible expenditures defined by the assessment. The de minimis aid scheme will come into force through legislation that specifies the criteria for awards of grants or loans<sup>25</sup>, and implementation guidelines. Family medicine practices applying for grants or loans will need to have a minimum of five years agreement for using infrastructure of local authorities (sale, concession, or lease) to ensure their continued presence in the community</p>

		<p>after being awarded by the scheme. Loans will be available for all family physicians who have an active contract with NHIH. Grants will be used to incentivize family physicians to start practice in remote areas. The MoH will call for proposals from family physicians, evaluate proposals and communicate with family physicians on the awarding of funds. These loans and grants are envisioned to be EUR 35,000 on average, with a maximum amount of EUR 50,000. The MoH may need technical assistance for technical design of the de minimis aid scheme including needs assessment, development of operational guidelines, and arrangements ensuring accountability in using grants and loans.</p> <p>63. This DLI will also promote climate smart infrastructures and inclusion of energy efficiency measures in the refurbishing of health facilities in accordance with the European Climate Change Programme (Paris Agreement of 2015). The guidelines for implementation of the de minimis aid scheme will incorporate EU standards for health services, including energy efficiency updates and appropriate waste management.</p>
DLI 5	557.2/8	<p>DLI 5: Scope and effectiveness of PHC traced through the share of diabetes medication initiated by PHC providers and the proportion of adults (40+) receiving annual medical check-ups.</p> <p>64. Rationale. This is a tracer indicator to demonstrate increased scope and effectiveness of PHC as the result of Program implementation. A commonly used diabetes medication, metformin, is chosen to monitor drug regimen initiation at PHC level. There are clear guidelines on how this medication should be prescribed, which will help prevent potential ambiguity of the reported results and unjustified prescription.</p> <p>65. Description. Because of the expanded scope of PHC, the percentage of family physicians who initiate metformin prescriptions for diabetes mellitus type 2 (currently zero) will increase to an estimated 20 percent. In addition, with more funds allocated to family medicine and provider payment mechanisms revised, the proportion of adults receiving annual medical check-ups (currently negligible) will increase to 20 percent.</p>
DLI 6	557.2/8	<p>DLI 6: Efficiency of NHIH expenditure improved through data-driven decision-making process.</p> <p>66. Rationale. Lack of centralized data exchange platforms and mechanisms for accountability in the use of health financing lead to inefficiencies in health spending. The NHIH data system, which captures 67 percent of total health expenditure, has limited mechanisms to identify and prevent the provision of unnecessary services or detect errors in claims and fraud. The disconnect between the NHIH data system and the MoH (including services provided through community health care and the national health programs on prevention) also prevents the review of health expenditure and utilization patterns across the whole system. Lack of a data governance standardization platform limits communication between systems and prevents the introduction of quality assurance mechanisms to hold providers accountable for performance. This DLI will support the development of data governance framework and building IT systems that enable the identification and reduction of ineffective health</p>

		<p>expenditures and promote performance management in service provision. It will also improve epidemiological surveillance, detecting changes in incidence, mortality, and the geographic ranges of health outcomes.</p> <p>67. Description. An inter-institutional agreement for data governance will be developed and implemented, strengthening the stewardship role of the MoH in overseeing the efficient, reliable, complete, and timely collection and reporting of data for decision-making via centralized platforms. The NHIH will develop and implement adaptive algorithms for service delivery reporting from health care providers and use the e-prescription system to improve detection of unnecessary service provision, errors in claims, and fraud. An interoperable system will also be developed to connect data from the NHIH, MoH and providers, enabling the application of advanced algorithms to further identify and reduce inefficient spending. Reducing losses due to inefficient spending<sup>26</sup> will reduce projected total health expenditure by the NHIH by 2.5 percent. Technical assistance will be required to design and implement an upgraded system platform for the interoperable data system.</p>
DLI 7	557.2/8	<p>DLI 7: Efficiency of expenditure improved through implementation of centralized procurement.</p> <p>68. Rationale. In Romania over 350 public hospitals individually procure most medicines, medical supplies, and medical devices, missing opportunities to leverage economies of scale and increase efficiency. Substantial differences between the unit prices of identical goods across hospitals indicate that centralized procurement presents an opportunity for cost savings from the EUR 1.3 billion spending on medical products. The duplication of administrative procurement activities across hospitals also creates inefficiency. ONAC does not carry out centralized procurement in the health sector, because it lacks both the legal mandate and experience. This DLI will facilitate collaboration between relevant agencies to address legislative and capacity barriers to centralized procurement in the health sector by ONAC.</p> <p>69. Description. Procurement legislation will be amended to give ONAC the legal mandate to undertake centralized procurement in the health sector and to specify mechanisms for the coordinated provision of technical specifications for medical supplies and devices through the MoH and other agencies. ONAC will first carry out pooled procurement of selected standardized products, including other standardized products for which ONAC already has the mandate, and for which publicly owned hospitals lack framework agreements. ONAC will then undertake centralized procurement of at least 60 medical supplies and devices for emergency medical services, using technical specifications provided by the Ministry of Interior. Finally, selected medical supplies and devices<sup>27</sup> will be procured centrally for publicly owned hospitals contracted through the District Health Insurance Houses. As a result of the economies of scale, publicly-owned hospital expenditures on medical supplies and devices procured centrally are expected to achieve the savings of at least 5 percent. Technical assistance may be needed to support ONAC in launching and implementing centralized procurement.</p>

		<p>70. This DLI will support centralized procurement of medical supplies and devices using climate smart approaches to reduce the carbon footprint embedded in manufacturing processes. Furthermore, consolidating procurement of these goods will significantly reduce the carbon footprint by increasing the efficiency of the procurement process.</p>
DLI 8	557.2/8	<p>DLI 8: Pharmaceutical measures revised for better efficiency.</p> <p>71. Rationale. Adjustments in pharmaceutical regulation are needed to reduce costs while ensuring the availability of medicines. Pharmaceutical products are a significant cost driver in Romania: between 2006 and 2017, medicines and medical supplies accounted for 37.5 percent of health spending. Price referencing is sporadically implemented every five to six years, and HTAs do not consider the cost-effectiveness of medicines in the Romanian context. Furthermore, in many cases, MEAs are not used to facilitate the introduction of innovative medicines. The number of medicines under MEAs—approximately 30 in 2018—is much lower than in other countries in the region. This DLI will support changes in pharmaceutical policy to ensure regular price referencing, improvement of the HTA methodology, and increase in the uses of MEAs, facilitating access to medicines while ensuring efficiency gains.</p> <p>72. Description. The pricing process for medicines will be completed annually and published on the MoH website, and the list of reference prices calculated on the basis of the prices set by the MoH will be published on the NHIH webpage. The National Agency for Medicines and Medical Devices will revise the HTA methodology for including new drugs on the positive list to take into account the cost-effectiveness of medication in the Romanian context. The MoH will increase the number of drugs with conditioned entry into the list of medicines reimbursed from the NHIH, such that a cumulative 50 percent of newly listed patented drugs will be introduced in the positive list through the revised HTA methodology and reimbursed by the NHIH, subject to MEAs. Technical assistance will be needed in developing and implementing the HTA methodology and in revising the drug list.</p>

**Climate Change Co-benefits section**

Provided:

Exposure

154. Romania is highly vulnerable to the impacts of climate change—droughts, high temperatures, heat waves, heavy precipitation, landslides, earthquakes, and floods. Droughts may become more frequent in some areas because of decreased river runoff and increased demand for and consumption of water due to economic development and population growth. The most common natural disasters—heavy rainstorms, mudslides, landslides, earthquakes, and extreme weather—have resulted in significant physical, social, and financial impacts over recent decades. Increases in the annual average temperature are expected to be in the range of 0.5-1.5°C by 2029, and 2.0-5.0°C by 2099.



155. Climate and disaster risk screening conducted for the Program has confirmed that the risk of exposure to climate change or geophysical hazards for this Program is Moderate. Program activities could be affected by river floods and earthquakes, causing destruction to health facilities and further disturbing the already limited access to health services.

#### Impact of Climate Change on Health

156. The strong increase in the frequency of extremely high values for summer thermal stress since the mid-1980s indicates an increased risk to human health during the summer months in Romania. Heat waves lead to a short-term increase in the number of deaths or the aggravation of certain chronic conditions (especially the cardiovascular and respiratory ones). Longer summers lead to increases exposure to UV radiation, with direct effects on skin health (skin cancer), and the stress on agriculture may influence nutritional status, especially that of the poor population and children.

157. Although Romania has well-established public policies to promote public health, it is still not sufficiently prepared to deal with the range of problems stemming from climate change. It also lacks a climate-smart approach in the health sector. Health has been identified as one of the most vulnerable sectors in the country, and improved access to health care, particularly for vulnerable groups, is one of the adaptation measures to reduce vulnerability to climate change. The low overall enrollment with a PHC practice—particularly among vulnerable groups and in rural areas—and the limited access to technology make it more difficult to monitor disease outbreaks and warn vulnerable populations. In spite of the country's significant risk of exposure to natural events, the levels of awareness, basic education, and protective measures provided by PHC services are still insufficient.

#### Climate Adaptation Measures Supported by the Program

158. Through DLI 1, DLI 2, DLI 3, and DLI 6, the Program will increase access to health services to the residents of Romania, which is critical in case of climate-change-induced natural disasters or epidemics of diseases exacerbated by climate change. This increased access will particularly benefit vulnerable groups such as the elderly, the disabled, children, women, ethnic minorities, and those on low incomes.

- By expanding access to PHC services to the entire population, DLI 1 (EUR 75 million) will increase preparedness for extreme weather conditions and help prevent deaths due to heat waves and the aggravation of chronic conditions (such as cardiovascular disease and respiratory diseases). Consequently, it will strengthen resilience through community access to PHC services and increased utilization of health care.
- As part of the community health care provided under DLI 2 (EUR 75 million), community health workers will educate the population on climate issues and will make first aid readily available to the population in case of extreme climate-related events (such as flooding and earthquake) in underserved areas. By promoting institutional coordination in the sector, the Program will help the Government's response to climate events and enhance emergency preparedness.
- DLI 3 (EUR 75 million) will expand scope and services for PHC by increasing its budget. This will contribute to supporting resilience to climate change events of the overall population, which will have greater access to adequate information and care, including climate-related conditions.

- The establishment of an interoperable health data system under DLI 6 (EUR 50 million) will allow epidemiological surveillance, which can provide early detection of changes in incidence, mortality and geographic range of health outcomes associated with climate change<sup>54</sup> and the development of methodologies to forecast major health problems related to climate change effects.

#### Climate Mitigation Measures Supported by the Program

159. Through DLIs 4 and 7, the Program will support measures to mitigate climate change events.

- DLI 4 (EUR 75 million) will support expenditures on facility rehabilitation and equipment in accordance with the EU standards, encouraging Romanian family physicians to improve climatesmart infrastructures and integrate energy efficiency measures in refurbishing health facilities. This incentive will support expenditures on facility rehabilitation and equipment in accordance with the EU standards in respect of the Paris Agreement of 2015 and EU Directive 2010/31/EU on the requirements for health facilities and services, particularly in relation to the energy efficiency updates and appropriate waste management, which has been translated into the Romanian Law 121/2014 that defines the energy efficiency requirements and requirements to withstand various climate change impacts. Abiding by the Directive is mandatory for all EU member states, including Romania. Adhering to defined norms and standards will, therefore, be mandatory for all beneficiaries of grants/loans. Consequently, the Program will help reduce carbon dioxide (CO<sub>2</sub>) emission caused by the sector and improve energy efficiency, which is in line with the strategy of the European Climate Change Programme.

- DLI 7 (EUR 50 million) will support the centralized procurement of medical supplies and devices, using a climate-smart approach to reduce the carbon footprint of manufacturing processes by ensuring adherence to the EU Directive 2014/24/EU on the following conditions to be included within the procurement processes: a) environmental requirements to be included in technical specifications (Article 23(3)b); b) award decisions and specifications to be based on criteria required by eco-labels (Article 23(6)); c) social and environmental conditions to be included in performance of contracts (Article 26); d) bidders and their suppliers have to demonstrate compliance with environmental obligations (Article 27); e) bidders have to show that they can perform a contract in accordance with environmental management measures (Articles 48(2)f and 50), and f) environmental characteristics can be included in award criteria (Article 53). Furthermore, consolidating procurement of these goods for as many as 300 hospitals would significantly reduce carbon footprint by increasing efficiency of the procurement process.

#### Greenhouse Gas Accounting

None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
DLI 1	75.0	0.125	0	9.375	0	DLI 1 is tied to the prerequisite: "At least 11 percent of Romania's population are not covered by the social health insurance system". Recognising that "the lack of health

					<p>insurance presents a financial barrier to PHC access and increases the overall costs of the health system”.</p> <p>The Climate Co-Benefits section states, “Through DLI 1, DLI 2, DLI 3, and DLI 6, the Program will increase access to health services to the residents of Romania, which is critical in case of climate-change-induced natural disasters or epidemics of diseases exacerbated by climate change. This increased access will particularly benefit vulnerable groups such as the elderly, the disabled, children, women, ethnic minorities, and those on low incomes.” Healthcare access is indirectly resulting in adaptation co-benefits.</p> <p>Regarding adaptation, there is therefore a link between prerequisite activities and the provided vulnerability context. Documentation does not provide granular information regarding the proportionality of adaptation co-benefits within DLI 1 and provides no incremental adaptation costs.</p> <p>The adaptation co-benefits assessment follows 3 steps, acknowledging that:</p> <ol style="list-style-type: none"> <li>(1) The principal ‘objective’ of the DLI is not adaptation related. This results in an initial coefficient of 0.5 being applied.</li> <li>(2) The context surrounding DLI 1 does not provide a comprehensive list of activities, aims, objectives or motivations to calculate proportionality accurately. Furthermore, the various activities resulting from the DLI will require the support of</li> </ol>
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						<p>vastly different sums of money. Adaptation benefits are deemed to result from a minority of the adaptation-related DLI expenditure. This results in a second coefficient of 0.5 being applied.</p> <p>(3) Lastly, due to the significant uncertainty created by the lack of granular information regarding activities and the finance in support of them, and a lack of incremental adaptation costs, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result a third coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.125.</p> <p>No evidence of mitigation relevance.</p>
DLI 2	75.0	0.125	0	9.375	0	<p>DLI 2 is tied to the prerequisite: "Number of underserved communities receiving public community health care in collaboration with primary health care providers". Recognising that "Difficulties in collaboration between health providers and agencies involved in the provision of basic health services present supply-side barriers to access in underserved communities". The principal 'objective' of the DLI is therefore not climate related.</p> <p>The Climate Co-Benefits section states, "Through DLI 1, DLI 2, DLI 3, and DLI 6, the Program will increase access to health services to the residents of Romania, which is critical in case of climate-change-induced natural disasters or epidemics of diseases exacerbated by climate</p>

					<p>change. This increased access will particularly benefit vulnerable groups such as the elderly, the disabled, children, women, ethnic minorities, and those on low incomes.” Adding: “As part of the community health care provided under DLI 2 (EUR 75 million), community health workers will educate the population on climate issues and will make first aid readily available to the population in case of extreme climate-related events (such as flooding and earthquake) in underserved areas. By promoting institutional coordination in the sector, the Program will help the Government’s response to climate events and enhance emergency preparedness.” Healthcare access is indirectly resulting in adaptation co-benefits.</p> <p>Regarding adaptation, there is therefore a link between prerequisite activities and the provided vulnerability context. Documentation does not provide granular information regarding the proportionality of adaptation co-benefits within DLI 2 and provides no incremental adaptation costs.</p> <p>The adaptation co-benefits assessment follows 3 steps, acknowledging that:</p> <ul style="list-style-type: none"> <li>(4) The principal ‘objective’ of the DLI is not adaptation related. This results in an initial coefficient of 0.5 being applied.</li> <li>(5) The context surrounding DLI 2 does not provide a comprehensive list of activities, aims, objectives or motivations to calculate proportionality accurately. Furthermore, the various</li> </ul>
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						<p>activities resulting from the DLI will require the support of vastly different sums of money. Adaptation benefits are deemed to result from a minority of the adaptation-related DLI expenditure. This results in a second coefficient of 0.5 being applied.</p> <p>(6) Lastly, due to the significant uncertainty created by the lack of granular information regarding activities and the finance in support of them, and a lack of incremental adaptation costs, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result a third coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.125.</p> <p>No evidence of mitigation relevance.</p>
DLI 3	75.0	0.125	0	9.375	0	<p>DLI 3 is tied to the prerequisite: "Share of the NHIH budget allocated to primary health care". Recognising that "The hospital-centric nature of the system is reflected in the relative underfunding of [primary health care]". The principal 'objective' of the DLI is therefore not climate related.</p> <p>The Climate Co-Benefits section states, "Through DLI 1, DLI 2, DLI 3, and DLI 6, the Program will increase access to health services to the residents of Romania, which is critical in case of climate-change-induced natural disasters or epidemics of diseases exacerbated by climate change. This increased access will particularly benefit vulnerable groups such as the elderly, the disabled, children, women, ethnic minorities,</p>

					<p>and those on low incomes.” Adding: “DLI 3 (EUR 75 million) will expand scope and services for [primary health care] by increasing its budget. This will contribute to supporting resilience to climate change events of the overall population, which will have greater access to adequate information and care, including climate-related conditions.” Healthcare access is indirectly resulting in adaptation co-benefits.</p> <p>Regarding adaptation, there is therefore a link between prerequisite activities and the provided vulnerability context. Documentation does not provide granular information regarding the proportionality of adaptation co-benefits within DLI 3 and provides no incremental adaptation costs.</p> <p>The adaptation co-benefits assessment follows 3 steps, acknowledging that:</p> <ul style="list-style-type: none"> <li>(7) The principal ‘objective’ of the DLI is not adaptation related. This results in an initial coefficient of 0.5 being applied.</li> <li>(8) The context surrounding DLI 3 does not provide a comprehensive list of activities, aims, objectives or motivations to calculate proportionality accurately. Furthermore, the various activities resulting from the DLI will require the support of vastly different sums of money. Adaptation benefits are deemed to result from a minority of the adaptation-related DLI expenditure. This results in a second coefficient of 0.5 being applied.</li> </ul>
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						<p>(9) Lastly, due to the significant uncertainty created by the lack of granular information regarding activities and the finance in support of them, and a lack of incremental adaptation costs, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result a third coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.125.</p> <p>No evidence of mitigation relevance.</p>
DLI 4	75.0	0	0.125	0	9.375	<p>DLI 4 is tied to the prerequisite: "Number of family medicine practices receiving grants and loans for the purpose of increasing and improving the supply of primary health care services".</p> <p>Regarding adaptation, there is no evidence of a link between prerequisite activities and the provided vulnerability context. No adaptation co-benefits can therefore be counted.</p> <p>Regarding mitigation: The DLI is concerned with setting up a "de minimis aid scheme to fund capital investments in family medicine, including repairs and small refurbishing of facilities, equipment, training, transport, and other eligible expenditures defined by the assessment". Adding "This DLI will also promote climate smart infrastructures and inclusion of energy efficiency measures in the refurbishing of health facilities in accordance with the European Climate Change Programme (Paris Agreement of 2015). The guidelines</p>



					<p>for implementation of the de minimis aid scheme will incorporate EU standards for health services, including energy efficiency updates and appropriate waste management.”</p> <p>There is therefore evidence of mitigation relevance within the DLI. The DLI is of relevant to the eligible activity “Measures that reduce net energy consumption, resource consumption or CO2e emissions, or measures that increase plant-based carbon sinks in new or retrofitted buildings and associated grounds, enabling certification standards to be met”, under the Common Principles for Climate Change Mitigation finance tracking.</p> <p>The mitigation co-benefits assessment follows 3 steps, acknowledging that:</p> <p>(10)The principal ‘objective’ of the DLI is not mitigationrelated. This results in an initial coefficient of 0.5 being applied.</p> <p>(11)There is a lack of granularity regarding the amounts of finance flowing towards the various outcomes of the DLI. The various things financed by the DLI will also require vastly different amounts of finance, they should not be equated with regards to expenditure in support of them. Mitigation co-benefits are assumed to result from only a portion of the expenditure in support mitigation within the DLI (i.e. the incremental costs of mitigation co-benefits). This results in a second coefficient of 0.5 being applied.</p> <p>(12)Due to the lack compounding effects of the above, the</p>
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						<p>principle of conservativeness should be applied, so as to not over-report mitigation co-benefits. As a result, a third coefficient of 0.5 can be applied.</p> <p>The final mitigation co-benefits coefficient is therefore deemed to be 0.125.</p> <p>.</p> <p>. In further recognition that granular information has not been provided regarding the disaggregation of mitigation co-benefits from non mitigation-relevant co-benefits, an additional coefficient of 0.5 can be applied to adhere to the principle of conservativeness, so as to not over-report finance. This results in a final coefficient of 0.25 being applied.</p>
DLI 5	50.0	0	0	0	0	No evidence of climate relevance.
DLI 6	50.0	0.125	0	6.25	0	<p>DLI 6 is tied to the prerequisite: "Efficiency of NHIH expenditure improved through data-driven decision-making process". Recognising that "Lack of centralized data exchange platforms and mechanisms for accountability in the use of health financing lead to inefficiencies in health spending". The principal 'objective' of the DLI is therefore not climate related.</p> <p>The Climate Co-Benefits section states, "Through DLI 1, DLI 2, DLI 3, and DLI 6, the Program will increase access to health services to the residents of Romania, which is critical in case of climate-change-induced natural disasters or epidemics of diseases exacerbated by climate change. This increased access will particularly benefit vulnerable groups such as the elderly, the disabled, children, women, ethnic minorities,</p>

					<p>and those on low incomes.” Adding:  “The establishment of an interoperable health data system under DLI 6 (EUR 50 million) will allow epidemiological surveillance, which can provide early detection of changes in incidence, mortality and geographic range of health outcomes associated with climate change<sup>54</sup> and the development of methodologies to forecast major health problems related to climate change effects.”</p> <p>Regarding adaptation, there is therefore a link between prerequisite activities and the provided vulnerability context. Documentation does not provide granular information regarding the proportionality of adaptation co-benefits within DLI 6, and provides no incremental adaptation costs.</p> <p>The adaptation co-benefits assessment follows 3 steps, acknowledging that:</p> <p>(13)The principal ‘objective’ of the DLI is not adaptation related. This results in an initial coefficient of 0.5 being applied.</p> <p>(14)The context surrounding DLI 6 does not provide a comprehensive list of activities, aims, objectives or motivations to calculate proportionality accurately. Furthermore, the various activities resulting from the DLI will require the support of vastly different sums of money. Adaptation benefits are deemed to result from a minority of the adaptation-related DLI expenditure. This results in a second coefficient of 0.5 being applied.</p>
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						<p>(15) Lastly, due to the significant uncertainty created by the lack of granular information regarding activities and the finance in support of them, and a lack of incremental adaptation costs, the principle of conservativeness should be applied, so as to not over-report adaptation co-benefits. As a result a third coefficient of 0.5 can be applied.</p> <p>The final adaptation co-benefits coefficient is therefore deemed to be 0.125.</p> <p>No evidence of mitigation relevance.</p>
DLI 7	50.0	0	0.125	0	6.25	<p>DLI 7 is tied to the prerequisite: "Efficiency of expenditure improved through implementation of centralized procurement".</p> <p>Regarding adaptation, there is no evidence of a link between prerequisite activities and the provided vulnerability context. No adaptation co-benefits can therefore be counted.</p> <p>Regarding mitigation: The DLI is concerned with "Procurement legislation will be amended to give ONAC the legal mandate to undertake centralized procurement in the health sector and to specify mechanisms for the coordinated provision of technical specifications for medical supplies and devices through the MoH and other agencies".</p> <p>The Climate Co-Benefits section states: "DLI 7 (EUR 50 million) will support the centralized procurement of medical supplies and devices, using a climate-smart approach to reduce the carbon footprint of manufacturing processes by ensuring adherence to</p>

					<p>the EU Directive 2014/24/EU... Furthermore, consolidating procurement of these goods for as many as 300 hospitals would significantly reduce carbon footprint by increasing efficiency of the procurement process.”</p> <p>There is therefore evidence of mitigation relevance within the DLI. Under the Common Principles for Climate Change Mitigation Finance Tracking the DLI is of relevant to the eligible activities: “Measures that reduce net energy consumption, resource consumption or CO2e emissions, or measures that increase plant-based carbon sinks in new or retrofitted buildings and associated grounds, enabling certification standards to be met”; and “Brownfield industrial energy-efficiency improvement”.</p> <p>The mitigation co-benefits assessment follows 3 steps, acknowledging that:</p> <p>(16)The principal ‘objective’ of the DLI is not mitigation related. This results in an initial coefficient of 0.5 being applied.</p> <p>(17)There is a lack of granularity regarding the amounts of finance flowing towards the various outcomes of the DLI. The various things financed by the DLI will also require vastly different amounts of finance, they should not be equated with regards to expenditure in support of them. Mitigation co-benefits are assumed to result from only a portion of the expenditure in support mitigation within the DLI (i.e. the incremental costs of mitigation co-benefits). This</p>
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						<p>results in a second coefficient of 0.5 being applied.</p> <p>(18)Due to the lack compounding effects of the above, the principle of conservativeness should be applied, so as to not over-report mitigation co-benefits. As a result, a third coefficient of 0.5 can be applied.</p> <p>The final mitigation co-benefits coefficient is therefore deemed to be 0.125.</p> <p>.</p> <p>. In further recognition that granular information has not been provided regarding the disaggregation of mitigation co-benefits from non mitigation-relevant co-benefits, an additional coefficient of 0.5 can be applied to adhere to the principle of conservativeness, so as to not over-report finance. This results in a final coefficient of 0.25 being applied.</p>
DLI 8	50.0	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
28.8	34.375	19.4%	12.5	15.625	25%

Reported climate finance	Assessed climate finance	Error
41.3	50	21.1%

**Project Number: P171086**

<b>Project Name</b>
Safety Net Systems for the Poorest (AF) (IDA18 RSW)
<b>Project Document URL</b>
<a href="https://documents1.worldbank.org/curated/en/701121585965827747/pdf/Bangladesh-Safety-Net-Systems-for-the-Poorest-Additional-Financing.pdf">https://documents1.worldbank.org/curated/en/701121585965827747/pdf/Bangladesh-Safety-Net-Systems-for-the-Poorest-Additional-Financing.pdf</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Grant, Restructuring
<b>Lowest level of granularity</b>
Activity

<b>Climate Change Vulnerability Context</b>
Provided in Country Context section, page 7.
<b>Intent to Address Vulnerability</b>
Very briefly provided in the Rationale for Additional Finance Section, page 11.
<b>Link to Project Activities</b>
Provided through the partial relevance of component-level reporting to the provided vulnerability context, as required for IPF.
<b>Incremental Costs?</b>
Not provided.

Name	Value	Description
Component 2	5	Component 2: Strengthening MoDMR Program Administration and Shock-Responsiveness: In addition to the activities under the Original Project, this Component would support DDM in the development and implementation of a shock-responsive EGPP+ to deliver benefits to poor and vulnerable households in Cox’s Bazar district, and establish a mechanism to respond to various crises including economic shocks, natural disasters, and forced displacement by, inter alia: (a) formulating a shock-responsive safety net strategy and all associated manuals and guidelines; (b) strengthening local supervision capacity under the overall direction of the District Relief and Rehabilitation Officer (DRRO), and including coordination with the Refugee Relief and Repatriation Commissioner (RRRC) to ensure technical coherence between EGPP+ and DRP interventions under Part 5 of the Project; (c) establishing implementation partnerships with UN agencies and/or other international/local agencies/organizations to provide support for specific intensive functions, including, inter alia, subproject progress monitoring, beneficiary attendance verification, and grievance management, and designing the content of awareness-raising information activities; (d) establishing a payment strategy using the Recipient’s government-to-person payment platform; and (e) enhancing monitoring and evaluation through the spot checks of program performance.
Component 4	65	Component 4: Strengthening Community Resilience with EGPP+: This Component would provide support to Host Beneficiaries by: (a) carrying out of Public Works Subprojects through the provision of Wages (at rates established

		by MoDMR) to beneficiaries of said subprojects in exchange for their work in activities related to, inter alia, environmental protection, site improvement, economic resilience, and water and sanitation; and (b) carrying out of Community Service Subprojects through the provision of Stipends (at rates established by MoDMR) in exchange for their provision or participation in activities related to, inter alia, communication and social mobilization (relating to climate and disaster risk resilience, adoption of clean energy for cooking, addressing gender-based violence, among others), care-taking, and cleaning.
Component 5	30	Component 5: Strengthening Community Resilience for the DRP: This Component would provide support to DRP Beneficiaries by: (a) carrying out of Community Service Subprojects through the (i) provision of Stipends (at rates established by MoDMR) to beneficiaries of said Subprojects in exchange for their provision or participation in activities related to, inter alia, communication and social mobilization (relating to climate and disaster risk resilience, adoption of clean energy for cooking, addressing genderbased violence, among others), care-taking, and cleaning; (ii) the provision of capital inputs (equipment and tools) for carrying out said subprojects; and (iii) managing and supervising all activities under said subprojects; and (b) carrying out of Community Works Subprojects through the (i) the provision of Wages (at rates established by MoDMR) to beneficiaries of said subprojects in exchange for their work in activities related to, inter alia, environmental protection, site improvement, economic resilience, and water and sanitation; (ii) the provision of capital inputs (equipment and tools) for carrying out said subprojects; and (iii) managing and supervising all activities under said subprojects.

<b>Climate Change Co-Benefits Section</b>
None provided.

<b>Greenhouse Gas Accounting</b>
None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C2	5	0	0	0	0	Adaptation: Benefits are stated to be delivered to households as a result of various crises including economic shocks, natural disasters, and forced displacement. Resultingly the component is not 100% adaptation or climate focused. Components presents no explicit focus on adaptation or addressing the climate vulnerability context. 0/5 activities are explicitly adaptation relevant.  Mitigation: No mention of eligible activities or a mitigation focus.



C4, (a)	32.5	0.5	0	16.25	0	<p>The stated activity is not entirely in response to climate impacts but to societal shocks in general. Resultingly the activity cannot be reported as 100% adaptation or climate focused.</p> <p>Activity (a) is seen to be partially adaptation relevant due to engagement which improve socioeconomic resilience and adaptive capacity using social safety nets in regions where climate vulnerability has been exemplified. Activity (a) is not relevant for mitigation.</p>
C4, (b)	32.5	0.25	0.25	8.125	8.125	<p>The stated activity is not entirely in response to climate impacts but to societal shocks in general. Resultingly the activity cannot be reported as 100% adaptation or climate focused.</p> <p>Activity (b) is assessed to partially relevant towards adaptation and mitigation due to the provision of Stipends in exchange for their provision or participation in activities related to, inter alia, communication and social mobilization (relating to climate and disaster risk resilience, adoption of clean energy for cooking, addressing gender-based violence, among others).</p> <p>A coefficient of 0.5 has been split between adaptation and mitigation finance.</p> <p>Again activity (b) is seen to be adaptation relevant due to engagement which improve socioeconomic resilience and adaptive capacity using social safety nets in regions where climate vulnerability has been exemplified.</p>
C5, (a, i-iii)	15	0.25	0.25	3.75	3.75	<p>3 activities (i through iii) are deemed to be partially relevant to climate change due to the provision of a social safety net in a climate vulnerable region, and engagements with climate and disaster risk resilience and the adoption of clean energy for cooking.</p> <p>The use of clean energy for cooking appears as a screening criteria for multiple eligible activities in the Common</p>

						<p>Principles for Climate Change Mitigation Finance Tracking. More generally, activity (a) is seen to be adaptation relevant due to engagement which improve socioeconomic resilience and adaptive capacity using social safety nets in regions where climate vulnerability has been exemplified.</p> <p>A coefficient of 0.5 has been split between adaptation and mitigation finance.</p>
C5, (b, i-iii)	15	0.5	0	7.5	0	<p>3 activities identified (i through iii) are deemed to be partially relevant to adaptation due to engagement which improve socioeconomic resilience and adaptive capacity using social safety nets in regions where climate vulnerability has been exemplified.</p>

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
32.8 million USD	35.625 million USD	8.6%	6 million USD	11.875 million USD	97.9%

Reported climate finance	Assessed climate finance	Error
38.8 million USD	47.5 million USD	22.4%

Project Number: P164382

<b>Project Name</b>
Samoa Health System Strengthening Program
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/465671575860741445/samoa-health-system-strengthening-program-for-results-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/465671575860741445/samoa-health-system-strengthening-program-for-results-project</a>
<b>Financing Instrument</b>
Program-for-Results
<b>Financial product</b>
Grant
<b>Lowest level of granularity</b>
Disbursement Linked Indicator

<b>Climate Change Vulnerability Context</b>
Provided in the Risk Assessment section, page 43, paragraph 93.
<b>Intent to Address Vulnerability</b>
Provided in the Strategic Context section, page 14, paragraph 13.
<b>Link to Project Activities</b>
Provided in the Program Description section, at the Results Area level.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
DLI 1	9.3/6	DLI 1: Percentage of children (5–12 years old), screened as overweight through the School Nurse Program, referred to and managed under a health promotion program 31. Through the School Nurse Program, primary school children will be provided with health education and preventive and screening services including prospective screening of BMI at the start of the school year with continuous monitoring of child health indicators on a semiannual basis. Children who are overweight/obese and identified at risk of NCDs will be referred to special nutrition and physical activity programs with the aim to change their diet and lifestyle and reduce the overweight. The parents/guardians of the children will also be involved in the relevant programs.
DLI 2	9.3/6	DLI 2: Number of districts with PEN Fa’a Samoa rolled out according to the updated protocol (at least 70% of citizens and at least 60% of men aged 20 years old and older in the district screened) 37. PEN Fa’a Samoa is a community-based NCD screening program which is being implemented by the MOH in the rural villages through working with the VWC. It is the major approach in the country to roll out screening and early detection of hypertension, cardiovascular diseases, and diabetes. Progress is measured based on the number of rural districts where the screening has been performed. Rural district hospitals, and MOH supervision teams, will implement the screening and will report on the progress. The screening will be rolled out in coordination with the deployment of multidisciplinary teams in the district hospitals. The verification will be done by the Samoa Bureau of

		Statistics (SBS) annually, based on verification protocols and criteria specified in the updated protocol for screening.
DLI 3	9.3/6	DLI 3: Percentage of high-risk people, identified through PEN Fa'a Samoa screening, diagnosed within 60 days at designated health facility 38. PEN Fa'a Samoa screening will identify citizens with high risk for NCDs and refer them to the health facility for diagnosis. Currently for the 17 villages where PEN Fa'a Samoa has been implemented, there is no follow-up on whether the citizens referred have ended up in the health facility for diagnosis. This indicator aims to improve the referral and diagnosis after the screening. Progress is measured based on the percentage of the high-risk group identified who actually go to the designated health facility to get the diagnoses within 60 days after the screening. Two rosters will be established: one for confirmed NCD patients and another for NCD high-risk groups.
DLI 4	9.3/6	DLI 4: Number of rural district hospitals with a multidisciplinary team in place 45. Rural district hospitals will play a central role in NCD control in the country. The proposed PforR Program will support the investments in strengthening the service delivery capacity of the rural district hospitals, including deploying a multidisciplinary team (with a primary care physician) to the district hospitals. This will be done gradually over four years because it takes time to build up the health workforce in a health-human-resource-constrained small island state country. The terms of references (TORs) of the multidisciplinary team is being developed under the World Bank Programmatic Preparation Advance (PPA). These TORs will define the composition, functionality, and responsibilities of this team.
DLI 5	9.3/6	DLI 5: Percentage of hypertensive patients, managed by rural health facilities, having their condition under control following WHO definition 46. Standardized disease management will be developed for managing hypertension and diabetes patients. The rural district hospitals will be responsible for disease management, tracking, follow-up of patients in their catchment areas, and managing the referral, if needed, to the main hospitals. This DLI, however, will use hypertension as a tracer condition by measuring only the outcomes of hypertension management at the rural facilities.
DLI 6	9.3/6	DLI 6: Implementation completion rate of annual capacity building plan for NCD program approved by the HPAC 54. The PforR Program will support capacity building and technical assistance needed through formulation and execution of an annual capacity-building plan for the national NCD control program. The plan will be an integrated component of the annual workplan, which the Government will prepare and submit to the Association for review each year. The annual capacity-building plan needs to be reviewed and endorsed by Samoa HPAC. The completion rate will be measured by the number of activities being fully implemented out of total activities planned.

<b>Climate Change Co-benefits section</b>
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Not provided.
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<b>Greenhouse Gas Accounting</b>
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Not provided.
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Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
DLI 1	9.3/6	0.25	0.125	0.775	0.4	<p>DLI 1 is under Results Area 1, which focuses on addressing behavioural risk factors through population-based health promotion. The results area and DLI will enhance the effectiveness of macro-policy interventions to promote healthy lifestyles, and promote healthy lifestyles through community engagement and school-based intervention.</p> <p>Through DLI 1, the School Nurse Program will ensure primary school children will be provided with health education and preventive and screening services including prospective screening of BMI at the start of the school year with continuous monitoring of child health indicators on a semiannual basis. Children who are overweight/obese and identified at risk of NCDs will be referred to special nutrition and physical activity programs with the aim to change their diet and lifestyle and reduce the overweight. The parents/guardians of the children will also be involved in the relevant programs.</p> <p>Documentation then adds “The community and school-based disease prevention and health promotion activities will also raise awareness on the health impacts of climate change and build capacity of communities to implement climate change mitigation and adaptation actions, such as making their diets more climate resilient (see Annex 8 for more details).”</p> <p>The DLI qualifies under the Common Principles for Climate Change</p>

						<p>Mitigation Finance Tracking under the eligible activity: "Education, training, capacity building or awareness-raising focused on climate change mitigation".</p> <p>Through awareness raising on climate resilient diets the project also provides a link between the vulnerability context and the undertaken activities.</p> <p>Climate co-benefits assessments results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Climate activities/objectives/outcomes are not the principal activities/objectives/outcomes of this DLI, which focuses primarily on health in youths. Resulting in a climate coefficient of 0.5 being applied.</li> <li>• The project is cross-cutting in nature with both adaptation and mitigation focuses being stated, yet with a greater stated focus on adaptation. In the absence of granular information regarding proportionality and the disaggregation of climate co-benefits, adaptation and mitigation coefficients of 0.25 can then be applied.</li> <li>• Recognising that awareness raising of climate mitigation in the context of healthcare settings in schools is likely to result in minor mitigation co-benefits, if any, the mitigation coefficient is again halved to 0.125. This adheres to the principle of conservativeness.</li> </ul>
DLI 2	9.3/6	0	0	0	0	No evidence of climate-relevance.
DLI 3	9.3/6	0	0	0	0	No evidence of climate-relevance.
DLI 4	9.3/6	0	0	0	0	No evidence of climate-relevance.

DLI 5	9.3/6	0	0	0	0	No evidence of climate-relevance.
DLI 6	9.3/6	0.5	0	0.775	0	<p>DLI 6 will support capacity building and technical assistance needed through formulation and execution of an annual capacity-building plan for the national [non communicable disease] control program.</p> <p>Context surrounding results area 4 states: “The PforR Program will support capacity building and technical assistance needed through formulation and execution of an annual capacity-building plan for the national NCD control program. The plan will also enhance capacities for data-driven strategic planning in the health sector to prepare for, mitigate, adapt and respond to the impacts of climate change and disasters on the health and well-being of the Samoan population.”</p> <p>Adding: “The PforR will support the GoS program’s efforts to strengthen human resources for health. This will include development of TORs for the multidisciplinary team to be stationed at the district hospitals, training of health workers at rural health care facilities on NCD management, and establishment of the health workforce planning mechanism in the country to inform the development of a health workforce that is more responsive to the needs of the health sector and the Samoan population, including those most vulnerable to the impacts of climate change and natural disasters.”</p> <p>Through data driven strategic planning regarding climate resilient health care sector, the project also provides a link between the vulnerability context and the undertaken activities.</p>

						<p>Adaptation co-benefits assessments results from the following considerations:</p> <ul style="list-style-type: none"> <li>Adaptation activities/objectives/outcomes are not the principal activities/objectives/outcomes of this DLI, which focuses primarily on health in youths. Resulting in a climate coefficient of 0.5 being applied.</li> </ul>
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Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
1.4	1.55	10.7%	0.4	0.4	0%

Reported climate finance	Assessed climate finance	Error
1.8	1.95	8.3%



**Project Number: P170358**

<b>Project Name</b>
Second Additional Financing to the Tajikistan Health Services Improvement Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/507301576983692195/tajikistan-tajikistan-health-services-improvement-project-second-additional-financing-pp">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/507301576983692195/tajikistan-tajikistan-health-services-improvement-project-second-additional-financing-pp</a> (Project Paper)
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Grant
<b>Lowest level of granularity</b>
Component/Sub-component

<b>Climate Change Vulnerability Context</b>
Provided the Background and Rationale for Additional Financing section, page 15, paragraph 26; and in the Description of Additional Financing section, page 24, paragraph 50.
<b>Intent to Address Vulnerability</b>
Provided in the Description of Additional Financing section.
<b>Link to Project Activities</b>
Provided in the Description of Additional Financing section.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Component 1	US\$4.37 million	<p>COMPONENT 1: PBF (US\$5.875 million, thereof IDA US\$4.37 million and expected Gavi co-financing US\$1.505m)</p> <p>31. Continued implementation of a streamlined PBF scheme for PHC services. This will be done by providing quarterly performance-based payments to Eligible PHC Facilities in districts identified in the PBF Manual, based on their performance on a set of criteria agreed upon in writing by the MOHSP and the PHCs and specified in the PBF Manual acceptable to the Association. a. During the first year of the AF2, PBF will continue to be implemented in the 10 pilot PBF districts, however with fewer indicators and smaller incentive payments to encourage sustainability after the project's lifetime. While the quality of primary care will continue to be incentivized according to a quality scorecard, there will be fewer indicators for the quantity payments focused on selected MCH and NCD services as tracers of integrated primary care. These include child health services of vaccination, postnatal counseling, growth monitoring, and treatment of malnutrition. Indicators on hypertension diagnosis and treatment in the original project will be retained, due to a recent World Bank study<sup>11</sup> that found 10 percent or less of adults with hypertension are diagnosed and registered in a health facility in Khatlon and Sogd regions, with the probability of blood pressure</p>

	<p>control in the entire hypertensive population less than 2 percent. Incentive payments associated with each of these six indicators will be reduced to be more sustainable under any future government funding. A seventh indicator will incentivize health workers to visit each household in their catchment area for patient engagement activities, described below. The PBF manual will be revised by the PCG ahead of disbursement. Quarterly internal verification by the State Surveillance Service on Health and Social Protection Activities (SSSHSPA) will be conducted as per the original project. b. Scaling-up of PBF to underserved areas to improve quality of care. During the first year of implementation of the AF2, new project districts will be prepared for the implementation of streamlined PBF. Districts have been selected based on a multi-dimensional index of need (including vaccination coverage and poverty rates) in discussion with the government. Districts selected will not be part of the ECD Project under preparation to avoid duplication. Preparation for PBF will involve: (i) a facility mapping exercise undertaken by the Capital Construction Department and verified by an independent international consultant; and (ii) training of health workers and district management teams in PBF principles and computer literacy, using the revised PBF manual. PBF will commence in these new districts during the second year of implementation.</p> <p>32. Support for the internal and external verification of PBF Scheme through:  a. Internal verification. Quarterly internal verification will be conducted, as per the original project. Capacity building for SSSHSPA,s will be undertaken at the national and subnational level, including training and office equipment, to strengthen service capacity in preparation for national scale-up and transition to government ownership. b. External verification of PBF. External verification of PBF during 2020 will be conducted by UNICEF and is expected to be directly paid for by Gavi (i.e. this expenditure is not part of the expected cofinancing). External verification of PBF after January 1, 2021, will be conducted by UNICEF and paid for by AF2. An amended or new Memorandum of Understanding will be drawn up to undertake external verification of PBF as under the existing scheme.</p> <p>33. Support for comprehensive PHC financing reforms through deepening of per capita financing (PCF), integration of PBF payments, and pilot testing of patient registries. Under AF2, an international consultant will advise on changes that can be made to ease identified bottlenecks to more effective PCF; for example, the move to a single budget line for primary care facilities or flexibility in moving funds across budget lines. An international consultant(s) will also advise on how PBF payments can be incorporated into the PCF payments; for example through an existing dormant financial mechanism in local authorities' budgets. This will be supported by separate funding from the Global Financing Facility in support of Every Women and Every Child to overcome public financial management barriers to more efficient health financing. Training on PCF, PBF, and patient registry principles in primary care will be provided to regional and district managers to improve knowledge.</p>
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		<p>34. Transition to government ownership and sustainability of PBF through the development by the MOHSP, through its technical working group, of an action plan for primary care financing, including scaling up of performance-based payments in primary care, their integration with the nationwide PCF scheme, and the deepening of PCF. In both new and existing PBF districts, payments supported by the Project will be discontinued after four quarters of implementation. District and facility managers will be officially informed of this transition by June 2020 to enable the development of sustainability plans in each district, with phased out support from the PCG for the original PBF districts in the second year of implementation. A Technical Working Group (TWG) on Health Financing has already been established and will develop an action plan for scaling up PBF in primary care, their integration with the nationwide PCF scheme, and the deepening of PCF. Table 3 lays out enablers for national scale-up and sustainability for PBF and how these are supported under AF2 activities.</p>
Component 2	US\$3.68 million	COMPONENT 2: PHC strengthening (US\$4.175 million AF2, thereof IDA US\$3.68 million and expected Gavi co-financing US\$0.495 million).
		Sub-component 2.1: Quality improvement (IDA US\$1.60 million)
		<p>36. Six-month family medicine training for PHC doctors and nurses from new PBF districts. Under the current Project, six months of training in family medicine has been provided to existing nurses and doctors in the PBF districts. Under the AF2, this training will be extended to the staff of the new PBF districts as part of the capacity building plan, which will positively impact the quality of care provided by the facilities. The training will be conducted at the regional MOHSP Family Medicine Clinical and Training Centers for the staff of the new PBF facilities using the existing training material approved by the MOHSP.</p> <p>37. Primary care management training for all heads of PHC facility networks and directors of RHCs across the country. This course will be delivered to all heads of PHC facility networks across the country, who will be trained at the Postgraduate Medical Institute. A shorter course will be delivered to all directors of RHCs across the country in a train-the-trainer approach, whereby the Postgraduate Medical Institute will train staff at the MOHSP Family Medicine Clinical and Training Centers. It is estimated that around 1,000 participants nationwide will attend the course, which is feasible as the PCG has previously trained 825 doctors at the regional and central level in management. Primary care management skills such as planning, data analysis for performance, leadership, and community outreach have been noted to be bottlenecks to improved performance under the PBF scheme in the original project. This training will include sessions on climate-related health issues and resiliency measures.</p> <p>38. Support to graduate doctors for family medicine specialty training during transition to national funding. It was noted in the qualitative study that</p>

	<p>mothers tend to associate provider competence with specialization (paragraph 9). To improve the status of family medicine as a specialty, as well as the quality of primary care, the Swiss Development Cooperation has been supporting the development and implementation of a national two-year post university specialty training in family medicine (known as the PUST program). However, this support is now being phased out, with a plan for a transition to state funding over five years. In this transition period to state funding, around 60 graduates from the Tajik State Medical University will be supported over a two-year period. These graduates will be selected from the new project districts in the hope that they will return to their home districts to work after graduation from specialty training.</p> <p>39. Support for the development, installation, testing of and training on specialized software to improve the quality and coverage of PHC services. In PBF districts, specialized software to improve the quality and coverage of PHC services will be developed, installed and tested; in addition, training for PHC staff will be provided. Implementation is likely to be easier in these districts as the staff is already trained in computer literacy, and facilities have the necessary electronic infrastructure. This will include incorporation of the PBF system as a module in appropriate software, which can then be scaled up nationally. This software will support the monitoring and mitigation of climate-sensitive diseases, particularly when it monitors immunization and uses a messaging function. Continuation of the PBF scheme will also require an upgrade of the PCG server, as well as new software for data protection as required by the Government of Tajikistan.</p>
	<p>Sub-component 2.2: Physical infrastructure improvements (US\$2.575 million, thereof IDA US\$2.08 million and expected Gavi co-financing US\$0.495 million)</p> <p>40. Technical assistance for independent verification of the facility site survey of primary care facilities in districts participating in the PBF scheme to establish physical infrastructure needs (rehabilitation works and basic medical equipment). The facility mapping exercise will be undertaken by the Capital Construction Department of the Republic of Tajikistan. The results will be verified by an independent international consultant and approved by the World Bank. This will determine which facilities require minor refurbishment (with an upper threshold of funding), provision of internet, and the purchase of computers and medical equipment necessary to support the PBF interventions.</p> <p>41. Basic medical equipment bags for primary care doctors and nurses. These bags will contain basic medical equipment (stethoscope, blood pressure monitor, a thermometer to check the temperature is not raised before vaccination, otoscope, tape measure for growth monitoring, etc.). These will be distributed to: (i) family doctors and nurses in GBAO where the level of equipment is poor; and (ii) newly trained primary care nurses and doctors in the new project districts following the six month family medicine training. By ensuring staff has the basic equipment to provide essential</p>

		<p>primary care services, this will directly strengthen the quality of front-line service delivery for child health.</p> <p>42. Minor rehabilitation, equipment, and solar panels for selected primary care facilities, based on the approved site survey of primary care facilities in districts participating in the PBF scheme to establish physical infrastructure needs. Selected primary care facilities will be provided with minor rehabilitation, solar panels and basic medical equipment to ensure basic functionality, vaccine effectiveness, and capacity to fulfill PBF requirements.</p>
Component 3	US\$1.95	<p>COMPONENT 3: Project management, coordination and monitoring and evaluation (US\$1.95 million, thereof IDA US\$1.95 million and expected Gavi co-financing US\$0.0) 43. Support for (i) Project implementation and management at the central, regional and district levels, including provision for Training and Incremental Operating Costs, (ii) monitoring and evaluation, and (iii) Project audits. There are no changes to the scope of this component under the AF2. This component will finance: incremental operating costs, including internal verification costs; office, vehicle, and equipment maintenance; services; limited workshops and training for the project implementation staff at central, regional and district levels; monitoring and evaluation; and project audits.</p>

<b>Climate Change Co-benefits section</b>
<p>Provided:</p> <p>50. Climate vulnerability and co-benefits. The AF2 seeks to address the climate vulnerability identified in the country context. The main contribution of the AF2 is to contribute to improved access to climate-resilient PHC, particularly in rural areas that are highly vulnerable to climate impacts on health. Component 1 address climate vulnerability by strengthening the provision of PHC, promoting vaccination, and enhancing early case detection and treatment through PBF. Component 2 incorporates climate change considerations by (i) scaling-up use of solar panels in RHCs constructed under the parent project; (ii) developing information systems that will improve datasets available for surveillance of climatesensitive diseases; and (iii) district managers and chief doctors of primary care facilities will receive management training as part of project activities. This training will include sessions on climate-related health issues and resiliency measures.</p>

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C 1	4.37	1/6	0	0.73	0	Component 1 will ensure “Continued implementation of a streamlined [performance based finance] scheme for [primary health care] services”.

						<p>The climate co-benefits section states: “The main contribution of the AF2 is to contribute to improved access to climate-resilient [primary health care], particularly in rural areas that are highly vulnerable to climate impacts on health. Component 1 address climate vulnerability by strengthening the provision of [primary health care], promoting vaccination, and enhancing early case detection and treatment”.</p> <p>6 areas are discussed with regards to the support, where 2 are partially adaptation relevant and link the vulnerability context: “Scaling-up of PBF to underserved areas to improve quality of care”; “Support to improve PHC service delivery”.</p> <p>The adaptation co-benefits coefficient results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Adaptation is not the primary objective of the component, despite co-benefits arising.</li> <li>• Due to the lack of granular or incremental information allowing adaptation co-benefits to be disaggregated from non-adaptation related expenditure, the principle of conservativeness should be adhered to.</li> <li>• Final coefficient of <math>(2/6) \times 0.5</math> applied.</li> </ul> <p>No evidence of mitigation relevance</p>
SC 2.1	1.6	0.25	0	0.4	0	<p>Component 2 will strengthen primary health care. Subcomponent 2.1 will provide “Six-month family medicine training for PHC doctors and nurses from new PBF districts”.</p> <p>Documentation adds “This training will include sessions on climate-</p>

						<p>related health issues and resiliency measures.”</p> <p>The adaptation co-benefits coefficient results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Adaptation is not the primary objective of the component, despite co-benefits arising. An initial coefficient of 0.5 can be applied.</li> <li>• Due to the lack of granular or incremental information allowing adaptation co-benefits to be disaggregated from non-adaptation related expenditure, the principle of conservativeness should be adhered to. This results in a second coefficient of 0.5 being applied</li> <li>• Final coefficient of 0.25.</li> </ul> <p>No evidence of mitigation co-benefits.</p>
SC 2.2	2.08	0	1/6	0	0.3	<p>Subcomponent 2.2 will provide “Physical infrastructure improvements”.</p> <p>3 areas are discussed with regards to the support, where 1 are partially mitigation relevant: “Minor rehabilitation, equipment, and solar panels for selected primary care facilities”.</p> <p>The mitigation co-benefits coefficient results from the following considerations:</p> <ul style="list-style-type: none"> <li>• 1/3 areas of support are mitigation relevant. An initial coefficient of 1/3 can therefore be applied.</li> <li>• the mitigation relevant area focuses partially on mitigation, and granular information has not been provided to disaggregate</li> </ul>

						<p>mitigation from non-mitigation expenditure. A second coefficient of 0.5 can therefore be applied.</p> <ul style="list-style-type: none"> <li>Final coefficient of 1/6.</li> </ul> <p>No evidence of adaptation co-benefits.</p>
C 3	1.95	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
0.2	1.13	465%	0.3	0.3	0%

Reported climate finance	Assessed climate finance	Error
0.5	1.43	186%



Project Number: P166694

<b>Project Name</b>
Second Fiscal Consolidation and Inclusive Growth DPF
<b>Project Document URL</b>
<a href="https://documents1.worldbank.org/curated/en/164391567303234180/pdf/Cameroon-Second-Fiscal-Consolidation-and-Inclusive-Growth-Development-Policy-Financing-Project.pdf">https://documents1.worldbank.org/curated/en/164391567303234180/pdf/Cameroon-Second-Fiscal-Consolidation-and-Inclusive-Growth-Development-Policy-Financing-Project.pdf</a>
<b>Financing Instrument</b>
Development Policy Financing
<b>Financial product</b>
Credit
<b>Lowest level of granularity</b>
Prior Actions

<b>Climate Change Vulnerability Context</b>
Covered in INTRODUCTION AND COUNTRY CONTEXT, page 5.
<b>Intent to Address Vulnerability</b>
Provided page 27 - 4.2. PRIOR ACTIONS, RESULTS, AND ANALYTICAL UNDERPINNINGS
<b>Link to Project Activities</b>
Provided page 27 - 4.2. PRIOR ACTIONS, RESULTS, AND ANALYTICAL UNDERPINNINGS
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Pillar 1: Improving fiscal sustainability and public sector management	80 (20 per PA)	<p>Policy Area: Domestic Revenue Mobilization Prior Action #1: To improve revenue mobilization, the 2019 Finance Bill submitted to Parliament for approval includes: (i) specific measures to eliminate tax incentives and exemptions from indirect taxes; (ii) other specific measures to broaden the non-oil tax base and address negative externalities related to tobacco, soft drinks consumption and the level of pollution of imported vehicles; and (iii) the 2017 tax expenditures report covering all tax sources, and assessing tax expenditures related to the 2013 Investment Promotion Act.</p> <p>Policy Area: Public Procurement Reform</p> <p>Policy Area: Civil Service Reform Prior Action #2: To improve public procurement processes (notably for investment projects), increase accountability, ensure better value for money, and improve the quality of public investment projects, (i) the President has issued a new Public Procurement Code in the form of a decree clarifying the responsibilities of stakeholders, the independence of the grievance mechanism, and the separation of regulatory, oversight, and administrative responsibilities in public procurement processes; and (ii) the Minister of Public Contracts has issued an order defining a new performance based method of remuneration for participation in public procurement boards.</p>

		<p>Policy Area: State-Owned Enterprise Management</p> <p>Prior Action #3: To improve the productivity and efficiency of public service delivery, the Prime Minister has issued an order establishing and specifying the terms of reference of an inter-ministerial committee for civil service pay reform to gradually remove disparities in the pay system and develop a new base pay scale to be approved by the Council of Ministers.</p> <p>Prior Action #4: To improve the corporate governance and management of stateowned enterprises (SOEs), the Recipient has issued decrees setting: (i) criteria for the selection, remuneration and evaluation of SOE senior management and board members; and (ii) standards for the presentation and publication of SOE financial and operational information.</p>
Pillar 2: Enhancing Competitiveness	60 (20 per PA)	<p>Policy Area: Energy Sector Reform</p> <p>Prior Action #5: To improve the financial sustainability of the energy sector: (i) the Recipient and key stakeholders have developed and begun implementing a quarterly mechanism to process the payment of the central administration's electricity bills to ENEO, based on quarterly reconciled assessments by the Recipient and ENEO of electricity consumed and payments due; and (ii) ARSEL has issued a regulatory decision re-adjusting the public electricity tariff schedule, stipulating that the electricity rates are as of June 28, 2018, calculated on a quarterly basis with annual consolidation and adjustment of data at the end of the year</p> <p>Policy Area: Transport Sector Reform</p> <p>Prior Action #6: To improve road maintenance and increase the road network's resilience to climate change: (i) the Minister of Finance and the National Director of the BEAC have signed an amendment to the convention governing the dedicated account of the Road Fund at the BEAC, establishing an automatic debiting mechanism of the single Treasury account for the benefit of said dedicated account for in an amount of at least CFAF 5 billion per month to ensure the regular payment of (priority) road maintenance expenses; and (ii) the Minister of Public Contracts has issued an implementing order adopting the Standard Bidding Documents for road maintenance and management programs (OPBCs)</p> <p>Policy Area: Port Sector Reform</p> <p>Prior Action #7: To improve the efficiency of the Port of Douala and the performance of logistics platforms and supply chains, the GUCE has set up an electronic payment platform for all trade-related fees, duties, and taxes.</p>
Pillar 3: Improving social	60 (20)	Policy Area: Health Sector Reform

services and scaling up social protection	per PA)	<p>Prior Action #8: To improve the performance of the public health sector and enhance the quality of care in public health facilities: (i) the Ministry of Finance has disbursed 100 percent of the allocations to PBF subprogram health units under the PBF mechanism; and (ii) the Minister of Public Health has signed an order allowing all public and private health facilities in Cameroon to buy medicines and medical devices from approved public and private suppliers other than CENAME and the Regional Health Funds, and establishing simplified procedures for acquiring these medicines and medical devices that favors high-quality generics offered at a low cost from approved suppliers.</p> <p>Policy Area: Education Reform</p> <p>Prior Action #9: To make textbooks more accessible and available: (i) the Recipient has published the official list of textbooks to be used in primary and secondary schools as of school year 2018/2019, in accordance with the principles set out in the Prime Minister's November 2017 circular; and (ii) the Recipient has adopted an orientation document and a detailed calendar for the development of a new textbook policy for preschool, primary, and secondary education, to be implemented at the beginning of the 2019/2020 school year, based on goals validated in 2017</p> <p>Policy Area: Social Protection</p> <p>Prior Action #10: The President has issued a circular setting out instructions for the preparation of the 2019 Finance Law, stipulating that the Government will make sufficient provision for the extension of poverty-targeted social protection safety net programs to at least 11,250 beneficiary households in 2019.</p>
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<b>Climate Change Co-benefits section</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA1	20	0	0.1666	0	3.3	<p>Mitigation finance:</p> <p>Mitigation is clearly not the principal objective of the project, yet some mitigation activities have been suggested:</p> <p>Part ii) of the Finance Bill includes other measures which includes</p>

						<p>reducing the level of pollution in imported vehicles:  <i>(ii) other specific measures to broaden the non-oil tax base and address negative externalities related to tobacco, soft drinks consumption and the level of pollution of imported vehicles;</i></p> <p>A reduction factor of 3 is applied to the PA.</p> <p>A further reduction factor of 3 to remove externalities related to tobacco and soft drink consumption.</p> <p>Therefore a coefficient of 0.1666 is applied.</p> <p>Eligible activity: Other policy and regulatory activities, including those in non-energy sectors, leading to climate change mitigation or mainstreaming of climate action, such as fiscal incentives for low-carbon vehicles, sustainable afforestation standards</p>
PA2	20	0	0	0	0	No evidence of climate relevance.
PA3	20	0	0	0	0	No evidence of climate relevance.
PA4	20	0	0	0	0	No evidence of climate relevance.
PA5	20	0	0	0	0	No evidence of climate relevance.
PA6	20	0.5	0	10	0	<p>The sub-component is adaptation / climate resilience relevant.</p> <p>The adaptation co-benefits coefficient results from the following:</p> <ul style="list-style-type: none"> <li>Adaptation is not the only objective of the prior action, which also includes improvements to road maintenance as an objective, yet strengthening the road network's resilience to climate change is incorporated as an adaptation co-benefit. An initial coefficient of 0.5 is applied to reflect these dual objectives.</li> </ul>

						<ul style="list-style-type: none"> <li>No incremental adaptation costs have been provided.</li> <li>This results in a final coefficient of 0.5 being applied to the PA6 budget.</li> </ul> <p>Excerpt from Environmental Aspects section:  Prior Action #6 and Trigger #6 relate to climate-resilient road designs and maintenance standards. Authorities need to not only evaluate the impact of road investment projects on infrastructure, economic growth, and fuel consumption, but also their effect on the environment and climate resilience. Road designs and maintenance plans should include climate-risk screening to ensure they do not contribute to climate change. However, these provisions typically increase the costs of new construction projects, which is a challenge for Cameroon's limited public resources. At a minimum, OPBCs and public bidding documents in the construction industry should include provisions and guidelines pertinent to environmental and social due diligence requirements.</p>
PA7	20	0	0	0	0	No evidence of climate relevance.
PA8	20	0	0	0	0	No evidence of climate relevance.
PA9	20	0	0	0	0	No evidence of climate relevance.
PA10	20	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
30	10	67%	2.2	3.3	50%

Reported climate finance	Assessed climate finance	Error
32.2	13.3	65.5%



Project Number: P170248

<b>Project Name</b>
Second Programmatic Energy Sector Development Policy Credit
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/728371591408930480/nepal-second-programmatic-energy-sector-development-policy-credit">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/728371591408930480/nepal-second-programmatic-energy-sector-development-policy-credit</a>
<b>Financing Instrument</b>
Development Policy Financing
<b>Financial product</b>
Credit
<b>Lowest level of granularity</b>
Prior Action

<b>Climate Change Vulnerability Context</b>
None provided.
<b>Intent to Address Vulnerability</b>
None provided.
<b>Link to Project Activities</b>
None provided.
<b>Incremental Cost?</b>
None provided.

Name	Description
Pillar 1 Improving the financial viability of the electricity sector	<p>28. NEA has sustained its impressive financial turnaround. NEA has now been profitable for three consecutive years after more than a decade of financial losses between FY2006-2016. This reflects efforts by NEA to become more efficient by reducing technical and non-technical losses, reduce financing costs through the implementation of a financial restructuring plan, and institute improved financial planning and discipline through its Financial Viability Action Plan (FVAP). Prior actions in DPC1 and DPC2 have contributed significantly to the turnaround in NEA's financial performance.</p> <p>37. Expected results under Pillar 1 are that (a) average electricity tariff covers the full cost of electricity supply from a baseline of average electricity tariff 32 percent below the cost of electricity supply, (b) projected profits before interest, tax, depreciation and amortization (PBITDA) will increase to at least NPR 20 billion from a baseline of NPR 0.49 billion in FY2016, and (c) T&amp;D losses are reduced to less than 18 percent from the baseline of 25.8 percent in FY2016. PBITDA in FY2019 increased to NPR 16.6 billion. T&amp;D losses reached a new low of 15.3 percent in FY2019. NEA has partially achieved result indicators (a) and (b) and exceeded the result indicator (c). However, due to the current COVID19 pandemic (See Annex 7 for details), the upward trend is most likely to be deflected and the full impact is yet to be understood. The target value for PBITDA by end of this DPC series has been adjusted downward from NPR 40 billion to NPR 20 billion.</p>

<p>Prior Action 1. (i) ERC has issued Electricity Consumer Tariff Fixation Directive; and (ii) ERC has accepted NEA tariff application.</p>	<p>29. Prior Action 1 supports ERC to issue a new tariff-setting directive and NEA to publish the new tariff rates following ERC decisions on its tariff application. The ERC issued Electricity Consumer Tariff Fixation Directive in November 2019. The Directive focuses on establishing the initial regulatory basis of annual revenue requirements using existing data and institutes open, transparent process requirements such as public hearings. In subsequent years, the ERC is expected to carry out regular tariff reviews by requiring NEA and other licensees to improve their efficiency and service quality which will lead to positive environmental and climate co-benefits. The new tariff regime includes a new category for electric vehicles (EVs) to facilitate the adoption of electric vehicles (see para 34 for details) replacing fossil fuel consumption and imports. This tariff review will fill a four-year gap since the last tariff adjustment decision was made by the now defunct Electricity Tariff Fixation Committee in 2016. ERC accepted the NEA application in February 2020 and subsequently initiated stakeholder consultations and public hearings. Due to the COVID pandemic, ERC has not been able to complete the review process and reach a decision by Board submission.</p> <p>30. Prior Action 1 builds on actions undertaken in DPC1 and is expected to further strengthen NEA's financial position and achieve financial sustainability. DPC1 supported the approval of NEA financial restructuring plan and the adoption of the first financial viability action plan. Since FY2017, NEA has been able to sustain and increase profits from three consecutive years after decade long financial losses. Prior Action 1 initiates the institutionalization of a regular tariff review process that allows NEA to cover its annual revenue requirements and move toward full cost recovery of its service provision, which is crucial to the financial health and sustainable investments of the sector. The transparent, methodological approach under the new tariff directive represents significant improvement</p>
<p>Prior Action 2. (i) NEA Board of Directors has approved NEA Corporate Development Plan; and (ii) MoEWRI has assigned the responsibility for the regulation of electric vehicles charging stations operation to NEA.</p>	<p>31. Prior Action 2 demonstrates that NEA and Ministry of Energy, Water Resources and Irrigation (MoEWRI) have taken steps to implement the NEA financial viability action plan adopted in 2018 and updated in 2020. NEA Board of Directors has approved a corporate development plan in December 2019, an important component of which is a 5-year investment/financing strategy and implementation plan. The US\$ 3.6 billion plan covers NEA's investments in hydropower development, transmission and distribution as well as electric vehicle charging infrastructure. The capital requirements and potential sources of financing laid out in this strategy will help NEA optimize its cost of supply, a key element of its long-term financial viability.</p> <p>32. To enhance domestic demand for the emerging surplus electricity and reduce fossil fuel consumption and greenhouse gas emissions in the transport sector, MoEWRI has assigned the responsibility for regulating operation of electric vehicle charging stations to NEA. NEA's long-term financial viability calls for optimizing revenue generation from its emerging surplus electricity, particularly during the raining seasons. EVs can be charged during off-peak hours when electricity demand in other sectors is low and use the surplus electricity which would be spilled or curtailed otherwise. Electric mobility is a new frontier that can have transformative impact in replacing fossil fuel consumption with renewable-based electricity and enhance energy security as Nepal spends more than US\$ 1.3 billion annually on</p>



	<p>fossil fuel imports mainly for transport. Promotion of electric vehicles is one of the priorities of NEA's financial viability action plan. GoN adopted a National Action Plan for Electric Mobility in April 2018 and issued other policy incentives such as reduced custom duties<sup>9</sup>, exemption of annual road taxes, and most recently a special tariff category for electric vehicles. However, the fleet of electric vehicles remains low, well short of the target of 20 percent in the total fleet, mainly due to lack of charging station infrastructure and related service standards. Prior action 2(ii) addresses this gap by assigning the responsibilities for service provision modality, quality, safety, and certification of the charging station and related land requirements to NEA in line with the regulatory framework to be developed by ERC. Increased electricity consumption in the transport sector will help implement Nepal's NDC and strength NEA's financial status by increasing the revenue from sales of surplus electricity to EVs. Furthermore, GoN has encouraged to use induction stoves for cooking, and promoted more energy intensive industries. The surplus energy can be sold to Indian exchange markets or short-term markets through bids.</p> <p>33. The updated FVAP confirms the effectiveness of NEA's existing investment strategy in subsidiary companies. Of the 4 subsidiary companies which has been paying dividends in FY2017-19, the average dividends have been more than 27 percent, compared to the industrial benchmark of 16 percent. Given that dividend payments from its subsidiaries are proven to be adequate, there is no need to change NEA's current financial arrangements with its subsidiaries.</p>
<p>Prior Action 3. NEA has (i) implemented immediate priority institutional measures, satisfactory to the Association, to reduce power transmission and distribution losses; and (ii) established a monitoring and evaluation mechanism for the performance of its provincial and district</p>	<p>35. Prior Action 3 will support NEA to reduce T&amp;D losses through implementation of immediate priority institutional measures to reduce T&amp;D losses and establishment of a monitoring and evaluation mechanism for the performance of its provincial and district distribution center chiefs. The NEA has implemented the following immediate priority institutional measures, but not limited to: (i) performance contracts signed with 138 NEA provincial chiefs and district distribution center chiefs; (ii) adoption of a Distribution Activity Information System to monitor losses in a systematic manner; (iii) formation of theft control units in NEA Distribution and Consumer Service Offices. NEA has established a monitoring and evaluation mechanism, including a three-person committee, to evaluate the performance of the provincial and district distribution center chiefs on an annual basis against the performance targets and using the data from Distribution Activity Information System. The evaluation results from the monitoring and evaluation committee go into human resource files and are used for promotion and other career advancement opportunities. Along with these institutional measures, NEA has carried out consumer awareness campaigns and undertaken investments to reduce technical losses through, among others, (i) upgradation of 0.4 kV lines, 11 kV lines and transformers, and 33 kV lines and substations; (iii) replacement of non-functioning meters; and (iv) improvement in meter reading. These loss reduction initiatives help to reduce imports from India, improve the operational efficiency, increase the availability and reliability, displace dieselbased generation and reduce import of fossil fuel-based generation from India.</p> <p>36. Prior Action 3 expands the performance contracts with chiefs of all provincial offices and district distribution centers and establishes a monitoring and evaluation</p>

distribution center chiefs.	mechanism. Performance contracts provided NEA management with an effective institutional tool to reduce system losses, including theft and irregular billing and collection. This initiative has helped bring a “culture change” in NEA. Following the implementation of DPC1 supported performance-based contracts in all districts, NEA has expanded to cover all provincial offices and distribution centers. NEA has also established an evaluation committee for these performance contracts and the evaluation is under way. In DPC3, NEA will build on existing efforts and implement the distribution loss reduction master plan and publish results of performance contracts that demonstrate the milestones of institutional improvements on loss reduction.
Pillar 2: Improving the governance of the electricity sector	<p>38. Nepal is continuing its reforms to address legal, institutional and regulatory bottlenecks that have impeded the performance of the electricity sector. An independent electricity regulator, central to the sector’s reform agenda, has become operational. A new Electricity Act pending Parliamentary approval will help level the playing field for the private sector by, among others, enabling competition in electricity generation and establishing power trade as a licensed activity.</p> <p>54. The expected results under Pillar 2 are that (a) electricity traded and exchanged has increased by at least 20 percent from a baseline of 2,178 GWh which is attributable to Prior Actions 4, 5, and 6, (b) PPAs are signed based on posted tariff and/or succeeding directives from a baseline where PPAs were signed based on negotiations, which is attributable to Prior Actions 4, 6, 7 and 8, and (c) NEA recruitment policy is informed by GESI guidelines with a mandated 45 percent target for women and socially excluded groups of which 33 percent is targeted for women only in new NEA recruitments; the baseline is that NEA recruitment policy is not informed by GESI guidelines, which is attributable to Prior Action 8. Result indicator (a) has been exceeded - electricity traded and exchanged in FY2019 were 2,848 GWh, 30 percent above the baseline. Result indicator (b) has also been achieved - PPA signed based on posted tariff amounted to 955 MW in FY2018-19. Result indicator (c) is newly added and work in progress given NEA GESI guidelines were adopted recently.</p>
Prior Action 4. The Council of Ministers has approved the draft Electricity Bill for the purpose of its submission to the Parliament.	39. Prior Action 4 supports the approval the draft Electricity Bill by the Council of Ministers for the purpose of its submission to the Parliament, the promulgation of which will provide the overarching legal framework for the electricity sector under the new constitution and federal structure. The current Electricity Act (1992) successfully introduced private sector participation—to date, IPPs account for more than half of the installed capacity of the country which is 683 MW. However, the new federal structure and growing size of the sector (almost five times of the size in mid-1990’s) call for a new legal framework. MoEWRI has carried out consultations with a wide range of stakeholders at the federal and provincial level on the draft Electricity Act. The draft Electricity Bill includes major reforms, inter alia, (i) proffers a transition from a vertically integrated utility to an electricity market with multiple buyers and sellers and an independent system operator; (ii) strengthens sector planning and introduces competition for generation; (iii) recognizes trading as a separate licensed activity; (iv) enables thirdparty access and/or open access to the transmission network; and (v) mandates universal access to electricity. The proposed Act aims to align the electricity sector with the Constitution with service

	<p>provision responsibilities shared among the central, provincial and local governments.</p> <p>40. The Electricity Act will strengthen governance and efficiency of service provision and facilitate greater private sector participation to meet growing sector needs. The Electricity Act is a major milestone in realizing government’s vision and priorities outlined in the government’s White Paper and the power sector strategy and action plan, which was supported by DPC1. It will also help establish the enabling condition for Nepal to export hydropower to India and Bangladesh, replacing their fossil-fuel-based generation and reducing greenhouse gas emissions. DPC3 will continue to support implementation of related regulations and guidelines under the Electricity Act and eventually help Nepal achieve a sound legal and regulatory framework.</p>
<p>Prior Action 5. The NEA institutional restructuring plan aimed at separation of its generation, transmission and distribution business functions has been approved by MOEWRI and concurred by the Ministry of Finance of the Recipient.</p>	<p>43. Prior Action 5 supports GoN decision on the sequence, timeline, and milestones for the restructuring of NEA, laying the foundation for the transition from a vertically integrated utility to a competitive electricity market. The aim of the restructuring is to improve the governance and performance of the electricity sector institutions and eventually improve quality and efficiency of electricity services. The government and NEA have adopted a gradual approach to sector restructuring that will see first functional separation of generation, transmission and distribution; corporatization of some of the business units such as generation and distribution and operationalization of Nepal Power Trading Company Limited (NPTCL); and eventually the emergence of provincial distribution companies under Nepal’s federal system and an independent dispatch and system operator. Establishing a level playing field for private developers through NEA restructuring will help Nepal in meeting its aspirations to export hydropower to its neighbors and displace thermal generation in those power systems.</p> <p>44. The separation of generation, transmission, and distribution under an NEA holding company structure (DPC3 - Trigger 5(ii)) will complete NEA’s internal restructuring, an intermediate step toward an electricity market. This will take place once NEA has (i) completed the asset valuation process that is under way, (ii) complied with Nepal Financial Reporting Standards (NFRS) (DPC3 - Trigger 5 (i)), and (iii) established generation, transmission, and distribution companies as separate corporatized entities with their own management and staff. Completion of this milestone will help achieve transparency in pricing and benchmarking costs and standards of service. Compliance with NFRS would strengthen the quality and transparency of NEA’s financial reporting and management system and facilitate the financial separation of its different business functions. The government’s medium to long-term objective is to create a competitive wholesale electricity market. In keeping with international good practice, this is anticipated to happen gradually over an eight- to ten-year period. This will allow Nepal’s electricity system to grow to a sufficiently large size (&gt;3 GW)<sup>11</sup> to justify an electricity market and benefit from competition.</p>
<p>Prior Action 6. NPTCL Board of Directors has approved NPTCL’s</p>	<p>45. Prior Action 6 supports the approval of Nepal Power Trading Company Limited (NPTCL)’s business plan, an important step for strengthening the institutional framework for electricity trade in the country. NPTCL’s business plan lays out the company’s vision, strategic goals, business modalities, and a transition strategy based on domestic and regional power market analysis. It also elaborates</p>

<p>business plan aimed at its transition from a service provider for NEA to a power trading company.</p>	<p>organizational structure, budget, financing and human resource and capacity building requirements to achieve the NPTCL’s strategic goals in the first five years. Before the new Electricity Act is enacted, NPTCL will act as a service provider for NEA to facilitate cross-border trade on a fee-for-service basis. After power trade is recognized as a separate licensed activity under the new Electricity Act, NPTCL will be responsible for trading NEA’s energy surplus or deficit after energy banking. NPTCL is expected to grow to act as bulk procurer/supplier, responsible for buying electricity from existing or new hydropower generation and sign back-to-back contractual agreements with distributors or retailers. This business plan reflects the increasing risk-taking appetite as the company matures. The NPTCL business plan and transition strategy was adopted by the NPTCL Board of Directors in March 2020.</p> <p>46. The approval of a Business Plan will help operationalize the NPTCL, which was established under DPC1. Electricity trade with neighbors allows Nepal to use its seasonal surplus efficiently and significantly improves the financial viability and affordability of the sector. NEA is already relying on imports from India to cope with current shortfall, particularly in peak demand. It has also secured initial agreement on energy banking with India to trade surplus electricity in the wet season and imports in the dry season. Since Nepal is expected to be net exporter of hydropower generation to replace fossil fuels by its neighbors, it will lead to significant environmental and climate adaptation and mitigation co-benefits from this arrangement.</p>
<p>Prior Action 7. NEA has amended the Procedure for Purchase of Electricity from Solar Photovoltaic Systems to increase renewable energy-based generation.</p>	<p>47. Prior Action 7 supports NEA improving the Procedure for Purchase of Solar Photovoltaic (PV)-based Electricity (also known as “net metering procedure”) to increase renewable energy-based generation. The hydropower and solar power purchase agreement (PPA) guidelines under DPC1 enabled NEA to sign take or pay PPAs for more than 955 MW of hydropower capacity and up to 68 MW solar capacity<sup>12</sup>, the 216 MW Upper Trishuli 1 Hydropower being the largest of all. However, individual PV system owners were unable to sell surplus electricity to the grid without a generation license. To fill this void, NEA issued the net metering procedure<sup>13</sup> in 2018 and an amendment in February 2019 to allow individually owned solar generation to sell surplus electricity to NEA and further increase renewable energy-based generation. The original net metering procedure authorizes solar PV systems greater than 500 W to sell solar energy back to the national grid at a pre-set price while receiving regular services from NEA. The amendment incentivizes the owners further by allowing energy netting, i.e. owners are no longer obliged to consume electricity from NEA more than the shortfall from their own generation and can continue to sell surplus electricity back to the national grid at the pre-set price.</p> <p>48. GoN is committed to further improving the transparency and efficiency of hydropower development. Competition at the level of hydropower licenses will be enabled under the new Electricity Act and respective regulations are expected to be adopted in DPC3. Competitive licensing needs to be consistent with the sector’s least cost generation plan. NEA was aspired to use competitive bidding to prioritize the sequence of the PPAs it signs with hydropower independent power producers and optimize its costs of supply. However, under the current Electricity Act, NEA is required to sign PPAs with all developers that have been issued hydropower</p>

	<p>licenses. As such, the original Trigger 8(i) under DPC2 – NEA Board adopting competitive bidding guidelines--was dropped and a new trigger under DPC3 – the Cabinet has issued guidelines on competitive licensing process for hydropower generation—is added.</p>
<p>Prior Action 8. NEA has adopted the Gender Equity and Social Inclusion Strategy and Operational Guidelines to mainstream gender and social inclusion in its projects and work force.</p>	<p>49. Prior Action 8 supports NEA Gender and Social Inclusion (GESI) Guidelines which aim to increase women and vulnerable groups in NEA’s work force and mainstream gender equity and social inclusion in its projects. The government is making continuous effort in strengthening environmental and social management policy framework and procedures which have been listed by the private sector as one of the main constraints in the electricity sector. There exist significant gender gaps in the energy sector, including access to energy services, institutional capacity, asset/endowment voice/agency/participation, and livelihood gaps. Although increasing in number, women representation at NEA remains low, accounting for 13.6 percent (=1,197/8,769) of the total staff with the majority working in administration and support roles. Women receive limited training opportunities in comparison to their male counterparts. The GESI strategy and operational guidelines, developed with support from Asian Development Bank (ADB) and the World Bank, include measures and strategies to ensure that NEA adopts a gender responsive and socially inclusive approach in its human resource strategy i.e. in recruitment – a mandated 33 percent in new positions, revised requirements for promotion, professional and on-the-job trainings to enhance performance of women, and GESI sensitive work environment such as basic amenities (toilets, transportation) in all worksites and offices and zero-tolerance policy to Sexual Exploitation and Abuse/Sexual Harassment. The guidelines also provide guidance on the implementation of gender equality and social inclusion in all aspects of policy reforms/development, program/ project design and implementation processes. The guideline includes plans for operationalizing the strategy with strong commitment from NEA on institutional restructuring, integration in planning and budgeting, capacity development and monitoring. NEA Board has approved the GESI Guidelines in March 2020. The Energy Sector Management Assistance Program (ESMAP)-supported TA led by the World Bank will continue to support the operationalization of the GESI guideline.</p> <p>50. DPC3 will support the Government to develop operational guidelines for offsetting forest clearance and compensating forest-dependent people. The Forest Act 2019 provides for the Government of Nepal to grant approval to priority development projects<sup>14</sup> to use forest areas if there are no alternatives and if the environmental examination indicates no significant impact on the environment. The Procedure with Standard Relating to Use of National Forest Area for National Priority Projects 2019 (also known as Forest Clearance Guidelines 2019) approved by the Government outline the governmental process for assessing and approving such projects and the way the project proponent is to compensate the government for the loss of the forest ecosystem. Regarding compensation, the Forest Clearance Guidelines 2019 improved on the Forest Clearance Guidelines 2017<sup>15</sup> which had introduced a compensatory cash payment option for project developers, in addition to the land-for-land option but had not defined the payment amount. The land-for-land option had proven difficult to implement for proponents of projects that had been approved for using forest areas, as it required them to identify suitable</p>

alternative land and carry out afforestation/reforestation on it themselves. The Forest Clearance Guidelines 2019 operationalize the cash compensation option by specifying values for different types of forest and levels of forest quality, based on which the cash payment amount is to be determined. As such, these new guidelines removed a bottleneck for increasing investments in the energy sector. At the same time, the mechanism to channel the collected funds for carrying out offset afforestation or reforestation and compensating forest dependent people in line with Forest Act 2019 is still under development. The Forest Act 2019 established the Forest Development Fund (FDF) for financing such offsets and compensation. The guidelines to be supported under DPC3 will specify the structure, governance and operational procedures for FDF, including fiduciary and environmental and social safeguards. The Bank will support the development of these guidelines as part of its forest landscape engagement through the performance-based Nepal Emission Reduction Program (P165375, US\$ 45.8 million) and the proposed Forests for Prosperity Project (P170798, US\$ 24 million), and additional technical assistance as needed. In the Letter of Development Policy (Annex 3), the government confirms its commitment to continue developing comprehensive forestry regulations and offsetting the loss of forest ecosystems and livelihoods derived from them by forest-dependent people, as a result of forest clearance.

**Climate Change Co-benefits section**  
 Climate co-benefits assessed for this operation for this operation are significant, thanks to the emphasis of the prior actions on loss reduction and expansion of hydropower generation and solar generation for domestic consumption and exports, displacing diesel generation, imported thermal generation and fossil fuels and fuelwood. Climate adaption and resilience will be strengthened with a more diversified and sustainable power system and strengthened environmental and social risk management framework. The climate adaptation and mitigation co-benefits of the operation are expected to increase exponentially over the medium to long term through export of hydropower to displace thermal generation in the Indian electricity system.

**Greenhouse Gas Accounting**  
 None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA 1	100/8	0	0.25	0	3.125	Prior Action 1 supports ERC to issue a new tariff-setting directive and to publish new tariff rates. The PA will help to establish the initial regulatory basis of annual revenue requirements using existing data and institutes open. Therefore, mitigation is not the principal objective/aim/motivation of the PA. However, the new tariff regime includes a new category for electric vehicles (EVs) to facilitate the adoption of electric vehicles

						<p>replacing fossil fuel consumption and imports – causing mitigation co-benefits.</p> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking: “National, subnational or territorial cross-sectoral policy actions that aim to lead to climate change mitigation actions or technical support for such actions”.</p> <p>As one of multiple motivations of the project, an initial mitigation coefficient of 0.5 has been applied. Due to a lack of granularity to clearly disaggregate mitigation actions and finance from non-mitigation actions and finance (common for Development Policy Financing), and a lack of GHG accounting evidence, the principle of conservativeness has been applied, reducing the final mitigation coefficient to 0.25.</p>
PA 2	100/8	0	0.25	0	3.125	<p>Prior Action 2 demonstrates that NEA and Ministry of Energy, Water Resources and Irrigation (MoEWRI) have taken steps to implement the NEA financial viability action plan adopted in 2018 and updated in 2020. The PA will help to create a business plan as its primary function. Therefore, mitigation is not the principal objective/aim/motivation of the PA. However, the new tariff regime includes a new category for electric vehicles (EVs) to facilitate the adoption of electric vehicles replacing fossil fuel consumption and imports – causing indirect mitigation co-benefits.</p> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking: “National, subnational or territorial cross-sectoral policy actions that aim to lead to climate change mitigation actions or technical support for such actions”.</p> <p>As one of multiple motivations of the project, an initial mitigation coefficient of 0.5 has been applied. Due to a lack of granularity to clearly disaggregate mitigation actions and finance from non-mitigation actions and finance (common</p>

						for Development Policy Financing), and a lack of GHG accounting evidence, the principle of conservativeness has been applied, reducing the final mitigation coefficient to 0.25.
PA 3	100/8	0	1	0	12.5	<p>Entire Prior Action is will result in mitigation co-benefits through reduction in energy losses in transition systems and efficiency improvements.</p> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking: "Brownfield efficiency improvement or reduction of CO2e emissions in transmission or distribution of electricity, heat or gas"</p>
PA 4	100/8	0	0.25	0	3.125	<p>Prior Action 4 "supports the approval the draft Electricity Bill by the Council of Ministers for the purpose of its submission to the Parliament, the promulgation of which will provide the overarching legal framework for the electricity sector under the new constitution and federal structure. The PA will help to create a business plan as its primary function." The Electricity Act will strengthen governance and efficiency of service provision and facilitate greater private sector participation to meet growing sector needs.</p> <p>Mitigation is not seen to be the principal objective/aim/motivation of the PA. However, the PA will also help establish the enabling condition for Nepal to export hydropower to India and Bangladesh, replacing their fossil-fuel-based generation and reducing greenhouse gas emissions – causing indirect mitigation co-benefits.</p> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking: "National, subnational or territorial cross-sectoral policy actions that aim to lead to climate change mitigation actions or technical support for such actions".</p> <p>As one of multiple motivations of the project, an initial mitigation coefficient of 0.5 has been applied. Due to a lack of</p>



						granularity to clearly disaggregate mitigation actions and finance from non-mitigation actions and finance (common for Development Policy Financing), and a lack of GHG accounting evidence, the principle of conservativeness has been applied, reducing the final mitigation coefficient to 0.25.
PA 5	100/8	0	0.25	0	3.125	<p>Prior Action 5 supports GoN decision on the sequence, timeline, and milestones for the restructuring of NEA, laying the foundation for the transition from a vertically integrated utility to a competitive electricity market. The aim of the restructuring is to improve the governance and performance of the electricity sector institutions and eventually improve quality and efficiency of electricity services.</p> <p>Mitigation is not seen to be the principal objective/aim/motivation of the PA. However, establishing a level playing field for private developers through NEA restructuring will help Nepal in meeting its aspirations to export hydropower to its neighbours and displace thermal generation in those power systems – causing indirect mitigation co-benefits.</p> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking: “National, subnational or territorial cross-sectoral policy actions that aim to lead to climate change mitigation actions or technical support for such actions”.</p> <p>As one of multiple motivations of the project, an initial mitigation coefficient of 0.5 has been applied. Due to a lack of granularity to clearly disaggregate mitigation actions and finance from non-mitigation actions and finance (common for Development Policy Financing), and a lack of GHG accounting evidence, the principle of conservativeness has been applied, reducing the final mitigation coefficient to 0.25.</p>
PA 6	100/8	0	0.25	0	3.125	Prior Action 6 supports the approval of Nepal Power Trading Company Limited (NPTCL)’s business plan, an important

						<p>step for strengthening the institutional framework for electricity trade in the country. NPTCL's business plan lays out the company's vision, strategic goals, business modalities, and a transition strategy based on domestic and regional power market analysis.</p> <p>Mitigation is not seen to be the principal objective/aim/motivation of the PA. However, since Nepal is expected to be net exporter of hydropower generation to replace fossil fuels by its neighbours, it will lead to significant environmental and climate adaptation and mitigation co-benefits from this arrangement – causing indirect mitigation co-benefits.</p> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking: "National, subnational or territorial cross-sectoral policy actions that aim to lead to climate change mitigation actions or technical support for such actions".</p> <p>As one of multiple motivations of the project, an initial mitigation coefficient of 0.5 has been applied. Due to a lack of granularity to clearly disaggregate mitigation actions and finance from non-mitigation actions and finance (common for Development Policy Financing), and a lack of GHG accounting evidence, the principle of conservativeness has been applied, reducing the final mitigation coefficient to 0.25.</p>
PA 7	100/8	0	1	0	12.5	<p>Entire Prior Action is will result in mitigation co-benefits through generation of renewable energy.</p> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking: "Generation of renewable energy with low lifecycle GHG emissions to supply electricity, heating, mechanical energy or cooling."</p>
PA 8	100/8	0	0	0	0	No evidence of climate-relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
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0	0	0%	50.0	40.625	18.8%
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<b>Reported climate finance</b>	<b>Assessed climate finance</b>	<b>Error</b>
<b>50.0</b>	<b>40.625</b>	<b>18.8%</b>

## Project Number: P166279

<b>Project Name</b>
Second Rural Economic Development Initiative (REDI II) Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/486861574046096898/jamaica-second-rural-economic-development-initiative-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/486861574046096898/jamaica-second-rural-economic-development-initiative-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Component/Sub-component/Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Sector and Institutional Context section, pages 2-3.
<b>Intent to Address Vulnerability</b>
Provided in the Relevance to Higher Level Objectives section, page 4, and in the Project Description section, pages 4-8.
<b>Link to Project Activities</b>
Provided in the Project Description section, pages 4-8, as required of IPF.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 1. Climate Resilient Agricultural and Community Tourism Investments for Rural Enterprises	US\$26.0 million	<p>The objective of this component is to promote the development of agricultural/community tourism enterprises that are better integrated in productive partnerships or “alliances” and operate more competitively in selected value chains, with more reliable linkages with buyers and markets and increased capacity to manage climate risks.</p> <p>7. This component will finance consulting and non-consulting services, goods, works, and operating costs (through matching grants) for demand-driven and competitively selected agriculture/fisheries or community tourism sub-projects presented and implemented by participating rural enterprises to increase their production and to capture and/or increase their market share and level of profits. Financed activities will support the promotion, identification, design, feasibility, and implementation of competitive and climate-resilient investment sub-projects for business investments and ventures established by beneficiary rural enterprises.</p> <p>8. Approach. The approach will be to promote collective action, with the aim of gaining economies of scale, enhancing bargaining power, facilitating knowledge sharing, and reducing costs of production and service delivery. In agriculture, the project will promote collective action by supporting the formation and/or consolidation of POs and establishing</p>

	<p>partnerships with buyers (aggregators, processors, retailers, and so on). In tourism, the promotion of collective action will involve identifying and forming market-based clusters. A tourism cluster will consist of one or more community tourism enterprises located within a five-mile radius of one another. Clusters will be identified based on points of touristic interest, market demand, product quality, and location less than 90 minutes of driving time from a resort area.</p> <p>9. Project financing through matching grants will be provided to eligible agricultural POs and value added enterprises (VAEs) and tourism CTEs and private tourism enterprises (PTEs) to support the implementation of their sub-projects. Sub-projects could include eligible works, goods, and services required by different enterprises participating in the sub-project to achieve measurable targets in terms of product/service specifications (such as quality, quantity, and delivery conditions) agreed with their respective prospective buyer or customers, within the framework of a joint business plan. Each VAE will be required to enter into an agreement with the final buyer, as well as with its supplying PO. In tourism, the CTE or PTE will be required to enter into a Memorandum of Understanding (MOU) with the community for the operation and to be included in a joint cluster plan (in other words, isolated micro-enterprises will not be supported). Joint business plans and cluster plans will include: (a) a marketing agreement specifying the good or service to be supplied, in terms of quality, quantity, and delivery specifications, as well as the price determination mechanism and payment conditions; (b) a detailed description of the roles and contributions of the parties to the agreement, including those of the REDI II project and potentially other public or private institutions; (c) a detailed account of activities and relevant inputs required to achieve agreed product specifications, including managerial/administrative support for the suppliers that will be financed by the sub-project; and (d) the technical, financial, and safeguard (social and environmental) analyses required to establish feasibility and ensure sustainability.</p> <p>10. Examples of agriculture and community tourism investment sub-projects. Agriculture sub-projects may include: the introduction of new crop varieties adapted to expected higher temperatures and resistant to drought; counter-seasonal production methods and technologies such as greenhouses; the use of integrated pest management; mechanisms for soil management and increasing soil fertility; the introduction of more efficient irrigation and water harvesting methods and alternative (small-scale) sources of energy, such as solar panels; the development of integrated landscape models comprising livestock, crops, and forestry; improvements in stock breeding and management; new capacity for reducing post-harvest losses and increasing food quality; and small group marketing infrastructure such as cold storage facilities, sheds, packing facilities, and sanitary facilities, among others. In the community tourism sector, sub-projects could include the development of new or expansion</p>
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	<p>of existing tourism experiences (eco-hiking trails, waterfalls, mineral baths, culinary expertise, and gastronomic events) and associated equipment for internet access, landscaping, trail development, signage, rehabilitation or safety enhancement of public attractions; construction of simple handicraft markets; equipment for the production, preparation, or packaging of agricultural specialty products, handicrafts, and novelty items (such as basketry, pottery, beauty products, condiments); or gastro-tourism activities and promotion.</p> <p>11. Calls for sub-project proposals and evaluation and prioritization criteria. Potential sub-projects will be identified on a demand-driven basis through public calls for proposals. Calls for proposals could be broadly open or could be tailored to target a key geographic area; a particular value chain, product, or service; or a particular type of beneficiary (youths, women), among other targets. Proposals may be received and considered outside the period established for a given call for proposals, but only on an exceptional basis and only for a proposal meeting the criteria of a previously issued call for proposals. They will also be analyzed following the same criteria and subject to the same rigorous assessment as any other proposal. All sub-project investment proposals prepared and submitted by beneficiary rural enterprises will be selected for project support through a competitive appraisal process based on previously established criteria detailed in the POM, which include (among other factors) market demand, product quality, technical and financial feasibility, environmental and social sustainability, approaches to enhance climate resiliency, potential for local impact, and the level of participation by women and young people.</p> <p>12. Investment support activities. These activities include all “pre-investment” activities carried out prior to sub-project implementation to facilitate the identification of business opportunities, support the preparation of joint business plans to take advantage of those opportunities, and to improve the likelihood that a sub-project will be financed by the project. With that aim, the project will finance consulting services, training, and incremental operating costs to produce, among others: (a) agriculture and tourism sector studies (including analyses of value chains, products, or market demand for promising products and services) and licensing improvements; (b) identification, shortlisting, and assessment of tourism clusters; (c) assessment, organizational strengthening, and business development capacity building for POs and enterprises; (d) communication and dissemination activities to raise awareness of the project and its scope, including public calls for proposals; (e) business networking events such as business roundtables, study tours, and workshops to promote closer market relations between eligible buyers and sellers, and other relevant stakeholders such as financial institutions and other relevant service providers; and (f) development of business plans.</p>
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		<p>Sub-project financing. The project will co-finance sub-projects through matching grants. The amount of the matching grant will be in line with the minimum cash co-financing requirements specified in the POM. Both matching grants and beneficiary counterpart contributions must be used in accordance with the joint business plan and cluster plans, as specified by the provisions of a signed Sub-project Agreement between the grant beneficiaries (the particular POs, VAEs, CTEs, or PTEs involved) and JSIF, clearly stating how the proceeds will be used for works, goods, and services in the context of the approved sub-project exclusively and in accordance with an agreed Sub-project Procurement Plan and implementation schedule. Investment matching grants are not to exceed US\$500,000<sup>20</sup> each (including all types of collaborating enterprises receiving grants within that partnership), or an average of US\$15,000 per individual beneficiary. Cash contributions from beneficiaries will range from 5 percent to 60 percent of total sub-project costs, depending on the type of beneficiary and the size of the matching grant, as detailed in the POM. It is estimated that a total of 90 investment sub-projects will be supported through this component, directly benefitting around 200 rural enterprises. Around 9,000 individual members of these rural enterprises will benefit directly from these investments (of which 40 percent will be women and 30 percent youths).</p>
Component 2. Institutional Strengthening and Capacity Building for Public Entities	US\$8.0 million	<p>This component aims to strengthen the capacity of relevant public sector institutions—the Ministry of Industry, Commerce, Agriculture, and Fisheries(MICAF), MOT, and JSIF—and associated entities (Rural Agricultural Development Authority (RADA), Tourism Product Development Company (TPDCo), and others) to provide the public infrastructure and quality services needed to promote inclusive rural development (based on the agriculture and tourism nexus) and to ensure the sustainability of the rural enterprises and productive partnerships supported by the project. This component has two subcomponents.</p>
Subcomponent 2.1—Public Infrastructure Investments	US\$6.0 million	<p>This subcomponent will finance civil works, goods, and consulting services for the priority public infrastructure investments (to develop new or rehabilitate existing infrastructure) required to improve the efficiency and climate resilience of targeted agri-food and tourism value chains. These investments may include key public or private goods that are currently missing due to market failures or are beyond the capacity of individual sub-projects to provide under Component 1, but that are closely linked to enhancing their success and viability.</p> <p>Examples of public infrastructure Investments. Public infrastructure investments may include: (a) “last mile” investments at the regional or national level to improve access to key services such as electricity, internet, water (for example, small rural water-supply systems such as cisterns), drainage, and others; (b) restoration of facilities for safety enhancements to public attractions (parks and natural reserves, caves, and other sites that are public touristic attractions, and so on); (c) investments aimed at reducing and/or eliminating bottlenecks in the flow of products to market and visitors to attractions (small bridges,</p>

	<p>allweather crossings, minor access road rehabilitation or improvement, for example); (d) investments to improve coverage or quality of public services considered to be essential for providing the enabling conditions for successful implementation of sub-projects under Component 1 (such as agricultural research and extension, training, seed/seedling production and certification); (e) public investments in infrastructure related to climate change adaptation (irrigation rehabilitation, expansion, or improvement, and establishment of renewable sources of energy, among others) that will enhance resilience and reduce emission intensities; (f) investments within the framework of public-private partnerships for the provision of key private services that the private sector is not supplying due to market failures (such as regional collection, processing, packing, or distribution centers, cold/cool storage facilities, nurseries or hatcheries); (g) direction signage and public information tourism billboards; and (h) restoration of vegetative cover in water catchment areas. Increasing climate change resilience and mitigation will be a cross-cutting theme at all stages of these public infrastructure investments, from identification to implementation and operation and maintenance.</p> <p>18. Identification and implementation of public infrastructure sub-projects. Public investment subprojects will be proposed by a relevant public-sector agency or institution participating under REDI II in the socio-economic development of the agricultural, fisheries, or tourism sector, and which will retain ownership and be responsible for the quality, management, operation and maintenance of the investments. These sub-projects will be identified in several ways: (a) through pre-investment activities or as part of the preparation and assessment of proposals under Component 1, where key constraints and limitations on the efficient performance of sub-projects may require a solution beyond the capacity of individual rural enterprises; (b) by value chain studies that identify major bottlenecks or other analytical work to be implemented under Subcomponent 2.2; or (c) a proposal by a public institution based on its own work and analysis. The responsible institution will be required to present a full feasibility study, to be reviewed and approved by JSIF, together with a Procurement Plan, an Implementation Plan and time schedule, and an Operation and Management Plan to ensure adequate use and maintenance of the investments. To the extent possible, the operation and management of the investment is expected to be done through a public-private partnership with a specialized firm (for example through a concession agreement). Further details on the eligibility criteria, basic requirements, and analysis to be carried out for revision, selection, approval, and financing of public investment sub-projects are incorporated in the POM. The amount of grant financing for such investments will be limited to a maximum of US\$1.5 million, but the average amount is expected to be significantly lower. It is estimated that at least 4 public infrastructure investments will be financed under this component. They will be climate resilient, especially along shorelines and other vulnerable areas</p>
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<p>Subcomponent 2.2: Technical Assistance and Capacity Building</p>	<p>US\$2.0 million</p>	<p>This subcomponent will finance technical assistance (consultant and non-consultant services, goods, training, workshops, and study tours) to strengthen the capacity of relevant national organizations and other relevant partner entities responsible for assisting the agricultural and community tourism enterprises. More broadly, this subcomponent will also finance technical assistance for strengthening the overall enabling environment needed for the sustained development of rural enterprises with potential competitive advantages, locally and internationally. Activities to be supported include specific policy and regulatory reviews and assessments; efforts to strengthen the capacity of agricultural and tourism research and extension support services to implement, monitor, and evaluate climate-smart technologies and practices in agriculture; product development and marketing strategies; market studies and competitiveness analyses; support to develop a platform to foster tourism and agribusiness linkages and new, more efficient models of integration; streamlining tourism licensing processes for community-based businesses; and approaches for improving targeting of women and youth beneficiaries, drawing on local knowledge of appropriate gender-sensitive practices and lessons from REDI I.</p> <p>Identification and Implementation of technical assistance and capacity-building programs. JSIF will invite proposals for technical assistance and capacity building from organizations such as RADA, TPDCo, JAS, DCFS, Chambers of Commerce, JSIF itself, and others. Technical assistance and capacity building will include approaches targeted at women and youth, based on local knowledge of appropriate gendersensitive practices and lessons from REDI I. JSIF with the support of the Enterprise Assessment Committee will evaluate proposals for technical assistance and capacity building and include the selected program in a yearly capacity-building plan to be approved by the Steering Committee. JSIF will be responsible for procuring and contracting third-party vendors to provide the services required by these programs. Each program will be monitored and evaluated by JSIF and the results entered into the JSIF central monitoring database and reported in the regular bi-annual progress reports.</p> <p>21. It is estimated that this subcomponent will support at least 10 public institutions and partner entities, with at least 650 of their staff (of which 40 percent will be women and 30 percent youths) benefiting directly from training provided by the project.</p>
<p>Component 3. Project Management, Monitoring, and Evaluation</p>	<p>US\$6.0 million</p>	<p>This component will finance incremental costs associated with the coordination, administration, supervision, monitoring, and evaluation of project implementation by JSIF and the technical PMT that JSIF will establish for REDI II. Costs to be financed include technical expertise (agriculture, tourism, business development, M&amp;E, and so on), salaries of other contractual staff of JSIF supporting the project, staff training, annual audit, vehicles, office equipment, and other operating costs. This component will also ensure that effective arrangements for safeguards, fiduciary management, and M&amp;E are in place during implementation. The</p>

		outputs of this component are the efficient and effective implementation, monitoring, and evaluation of project execution.
Component 4. Contingent Emergency Response	US\$0	This component allows loan proceeds to be reallocated from other components to provide emergency recovery and reconstruction support following an eligible crisis or emergency at the national or subnational level. Given the design of the project, the CERC is expected to be operationalized through a reallocation from Component 1 to provide support for emergency recovery and reconstruction. To ensure that there is capacity to implement this component, the POM includes a CERC annex applicable to eligible disasters, detailing fiduciary, safeguard, monitoring, reporting, and any other necessary implementation arrangements.

#### Climate Change Co-benefits Section

REDI II seeks to maximize its climate co-benefits and thus contribute to the Climate Change Policy Framework, adopted by Jamaica in 2015 to support the Vision 2030 in mainstreaming climate change into sectoral and financial planning and to build the capacity of sectoral institutions to develop and implement their own climate change adaptation and mitigation plans. Since the investment sub-projects under Component 1 of REDI II will be demand-driven and cannot be specified in advance, a precise assessment of expected climate co-benefits cannot be done. Even so, the project will actively promote and support: (a) intensive efforts to raise awareness of the importance of adaptation and resilience to climate change and climate variability, and to integrate measures and activities supporting increased adaptation and resilience into the sub-projects for investments in agriculture and community tourism; (b) adoption of innovations and realization of investments likely to increase the mitigation of greenhouse gas (GHG) emissions and sequestration of carbon; and (c) the review of regulatory reforms and institutional strengthening measures needed to improve productivity and sustainability of the agriculture and tourism sectors, and capacities of the public sector extension services to disseminate new technologies to increase the overall resilience in the sectors (Component 2).

The project has been screened for climate and disaster risks. Potential impacts and risks of current and future climate and geographical hazards are assessed as moderate for the sectors on which the proposed project will focus. Proposed interventions are expected to slow the pace of these impacts. The implementation of investment sub-projects (Component 1) will increase resilience by reducing dependency on rainfall and will protect plants from higher temperatures. Infrastructure improvements (Component 2) will seek to increase resilience to extreme weather events, while technical assistance/institutional strengthening efforts (Component 2) will strengthen the generation and adoption of technologies that enhance resilience to climate change.

#### Greenhouse Gas Accounting

A net carbon balance appraisal of REDI II estimated potential climate change mitigation benefits. The ex-ante carbon-balance tool (EX-ACT) was used to quantify the net carbon balance with regard to tCO<sub>2</sub>e (tons of carbon dioxide emission) resulting from GHGs emitted or sequestered during the project implementation period and a capitalization period (20 years total) compared to the without-project scenario. The project leads to estimated annual climate change mitigation benefits of 5,876 tCO<sub>2</sub>e, compared to a business-as-usual baseline scenario—equivalent to an annual reduction in GHG emissions of 3.6 tCO<sub>2</sub>e per hectare. After 20 years, GHG mitigation benefits will amount to a

reduction of 117,516 tCO<sub>2</sub>e. In addition to the achievement of the PDO, the project also provides intermediate GHG emission reductions as a co-benefit of its implementation.

Carbon sources and sinks. The main carbon source as expected come from livestock, in addition to inputs and infrastructure. The sequestration benefits come principally from afforestation/restoration of degraded areas, followed by the transition from set aside, degraded, and other lands to perennials (agroforestry, orchards, gardens, tree crops, and so on) and the improved management of agroforestry, livestock, and crop systems.

Sensitivity analysis. The uncertainty, as calculated by EX-ACT, is 40.5 percent. This analysis was run using mostly Tier 1 coefficients, which in some cases may provide over or underestimated values. It is a relevant source of uncertainty in the estimation of GHG emission/sequestration scenarios for the REDI II Project.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C1	26	0.25	0.25	6.5	6.5	<p>Component 1 of REDI II will be demand-driven and cannot be specified in advance, a precise assessment of expected climate co-benefits cannot be undertaken. Any reporting of climate finance should therefore adhere to the principle of conservativeness.</p> <p>The stated objective of the component is to: "promote the development of agricultural/community tourism enterprises that are better integrated in productive partnerships or "alliances" and operate more competitively in selected value chains, with more reliable linkages with buyers and markets and increased capacity to manage climate risks." While showing partial climate relevance, it is clear that the project is not principally focused on climate objectives.</p> <p>Therefore, there appear to be two aims behind the objective to fund the development of agricultural/community tourism enterprises, including the promotion of enterprises which are: (1) "better integrated in productive partnerships or "alliances" and operate more competitively in selected value chains,</p>

						<p>more reliable linkages with buyers and markets”; and (2) “more reliable linkages with buyers and markets and increased capacity to manage climate risks.”.</p> <p>1/2 aims are therefore climate-relevant, cross-cutting over adaptation and mitigation objectives. This assessment also fits with the observation that any agricultural projects are likely to be climate-relevant, while tourism projects are not. Mitigation relevance is primarily inferred by the provided GHG accounting information.</p> <p>Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking: “Forestry or agroforestry projects that sequester carbon through sustainable forest management, avoided deforestation or avoided land degradation”.</p>
SC 2.1	6	0.5	0	3	0	<p>Component 2 has the aim: “to strengthen the capacity of relevant public sector institutions—the Ministry of Industry, Commerce, Agriculture, and Fisheries(MICAF), MOT, and JSIF—and associated entities (Rural Agricultural Development Authority (RADA), Tourism Product Development Company (TPDCo), and others) to provide the public infrastructure and quality services needed to promote inclusive rural development (based on the agriculture and tourism nexus) and to ensure the sustainability of the rural enterprises and productive partnerships supported by the project.” The component, and its sub-components, are therefore not entirely focused on climate objectives and any climate relevance is implicitly inferred.</p> <p>Subcomponent 2.1 “will finance civil works, goods, and consulting services for the priority public infrastructure investments (to develop new or rehabilitate existing infrastructure) required to improve the efficiency and climate resilience of targeted agri-food and tourism value chains.” While the</p>

						<p>climate resilience of agri-food and tourism value chains is adaptation relevant, and shows an intent to address the vulnerability context outlined, the efficiency of agri-food and tourism value chains is not. An adaptation coefficient of 0.5 has been applied.</p> <p>The sub-component context does not provide more detailed activities or aims/motivations.</p> <p>While “efficiency” of value chains could infer mitigation relevance, no information in the provided GHG accounting text evidences this.</p>
SC 2.2	2	(1/7)/2	(1/7)/2	0.14	0.14	<p>The objective of Sub-component 2.2 (placed in the broader context of Component 2), to provide “technical assistance (consultant and non-consultant services, goods, training, workshops, and study tours) to strengthen the capacity of relevant national organizations and other partner entities responsible for assisting the agricultural and community tourism enterprises” could contribute to addressing the stated vulnerability context of the project and to implementing enterprises resulting in emissions reductions</p> <p>Activities are outlined in the context surrounding Sub-component 2.2, of which 1 is climate relevant (“strengthening the agricultural and tourism research and extension support services with regard to the implementation, monitoring, and evaluation of climate-smart technologies/practices in agriculture”).</p>
C3	6	0	0	0	0	Context surrounding the component does not evidence climate-relevance through mitigation activities or through an intent to address the stated vulnerability context.
C4	0	-	-	-	-	-

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
12	9.64	19.7%	9.9	6.64	32.9%

Reported climate finance	Assessed climate finance	Error
21.9	16.28	25.7%

Project Number: P170366

<b>Project Name</b>	Senegal - Third Multi-Sectoral Structural Reforms Development Policy Operation - Supplemental Financing
<b>Project Document URL</b>	<a href="https://documents1.worldbank.org/curated/en/121301592618890889/pdf/Senegal-Third-Multi-Sectoral-Structural-Reforms-Development-Policy-Financing-Supplemental-Financing-Supplemental-Financing-Document.pdf">https://documents1.worldbank.org/curated/en/121301592618890889/pdf/Senegal-Third-Multi-Sectoral-Structural-Reforms-Development-Policy-Financing-Supplemental-Financing-Supplemental-Financing-Document.pdf</a>
<b>Financing Instrument</b>	Development Policy Financing
<b>Financial product</b>	Grant, Credit
<b>Lowest level of granularity</b>	Prior Action

<b>Climate Change Vulnerability Context</b>	N/A
<b>Intent to Address Vulnerability</b>	N/A
<b>Link to Project Activities</b>	N/A
<b>Incremental Cost?</b>	N/A

Name	Value	Description
Pillar I: Energy	40 (10 per PA)	<p>Prior Action #1: To enhance transparency in the electricity sector, the Recipient's Ministry of Petroleum and Energy has instructed SENELEC to reorganize, through the creation of: (i) the SENELEC holding company; (ii) separate subsidiaries for the generation, transmission and distribution of electricity; and (iii) a subsidiary associated with the natural gas segment to carry out a gas aggregator role.</p> <p>Prior Action #2: Under a detailed financial plan for the electricity sector that includes payment of public sector arrears and coverage of funds needed by SENELEC for tariff compensation, (i) the Recipient's Ministry of Petroleum and Energy has requested the CRSE and the CRSE has agreed to modify the maximum allowed revenue tariff formula to include an ex-post adjustment of actual investment achievements; (ii) the Recipient has modified the decree (décret sur le fond de préférence pour la compensation tarifaire des concessionnaires de l'électrification rurale) to apply a "passthrough" element corresponding to the shortfall for rural concessionaires as a result of tariff harmonization; and (iii) the CRSE has increased the level of tariffs.</p> <p>Prior Action #3: To enable development of the gas-to-power strategy, the Recipient's Council of Ministers has adopted and submitted to the National Assembly the draft gas law, which provides for planning, regulation and</p>

		<p>institutional arrangements for the gas subsectors in their midstream and downstream segments.</p> <p>Prior Action #4: To enable development of the gas-to-power strategy, (i) PETROSEN has formed a company (special purpose vehicle) that will build and operate the gas transportation system; (ii) the Council of Ministers has discussed the gas-to-power implementation plan and the Recipient's Ministry of Petroleum and Energy has published on its website the main points of implementation, notably the percentage of private/public ownership of the company, identified PETROSEN as the principal public institution that will hold the public sector's participation in the company; and the decision on the source of gas; and (iii) the Recipient's Ministry of Petroleum and Energy has approved an updated electricity masterplan to fully integrate planned use of gas generation and includes renewables forming at least 29 percent of the energy mix in 2025.</p>
Pillar II: ICT Sector	40 (10 per PA)	<p>Prior Action #5: To open access to dominant players' essential infrastructure, the Recipient's ARTP has adopted regulatory decrees strengthening regulation obligations for the dominant operators for the years 2018 and 2019.</p> <p>Prior Action #6: To increase incentives for all telecom operators and new ISPs to expand mobile networks, the Recipient has adopted a decree on radio frequencies introducing a 20 percent decrease in the total amount of fees payable by all telecom players and including discount rates for the use of frequencies by ISPs and in underserved areas.</p> <p>Prior Action #7: To activate the Universal Service Fund pursuant to the Universal Service Decree, the Recipient has: (i) established the new governance bodies namely a strategic committee and a fund coordinator; (ii) adopted the Universal Service strategy's action plan with a focus on closing the digital divide and gender gap in women's access to internet; and (iii) had its first consultation with private operators to cover rural areas.</p> <p>Prior Action #8: To promote open access to ADIE's fiber optic network, the Recipient has published a competitive tender process (avis d'appel à pré-qualification) to select a private concessionaire to operate and expand said network in the Recipient's territory.</p>
Pillar III: Digital Economy	20 (10 per PA)	<p>Prior Action #9: To enhance efficiency and transparency of e-government services, reduce compliance costs for taxpayers and strengthen domestic resource mobilization, the Recipient's Ministry of Finance has: (i) operationalized digital consultation of taxes (through the Ministry of Finance's personalized taxpayer webpage, "my personal space"), which covers at least 10 percent of eligible taxpayers; and (ii) operationalized a riskbased audit selection system, which encompasses at least 50 percent of relevant verifications.</p> <p>Prior Action #10: To create a business environment conducive to entrepreneurship and innovation, the Recipient's Council of Ministers has adopted and submitted to the National Assembly: (i) a draft law on the creation and promotion of start-ups in Senegal; and (ii) amendments to the General Tax Code to streamline MSME taxation through the draft finance law 2020.</p>



<b>Climate Change Co-benefits section</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA1	10	0	0	0	0	No evidence of climate relevance.
PA2	10	0	0	0	0	No evidence of climate relevance.
PA3	10	0	0	0	0	No evidence of climate relevance.
PA4	10	0	1/6	0	1.66	<p>Mitigation evidence: Three prerequisites are mentioned within PA4:</p> <ul style="list-style-type: none"> <li>• PETROSEN has formed a company (special purpose vehicle) that will build and operate the gas transportation system;</li> <li>• the Council of Ministers has discussed the gas-to-power implementation plan and the Recipient's Ministry of Petroleum and Energy has published on its website the main points of implementation, notably the percentage of private/public ownership of the company, identified PETROSEN as the principal public institution that will hold the public sector's participation in the company; and the decision on the source of gas; and</li> <li>• the Recipient's Ministry of Petroleum and Energy has approved an updated electricity masterplan to fully integrate planned use</li> </ul> <p>Activity iii) therefore incorporates the use of renewables into the energy mix as one of its stipulations.</p>

						<p>Mitigation co-benefits assessment results from the following considerations:</p> <ul style="list-style-type: none"> <li>As a single prerequisite is mitigation relevant, an initial reduction factor of 3 is applied.</li> <li>Acknowledging that (iii) is itself only partially mitigation relevant, a further reduction factor of 2 is applied to take into account that the electricity masterplan does not have renewable integration as its only objective.</li> <li>This results in a final coefficient of 1/6</li> </ul> <p>Eligible activity: Energy sector policies and regulations leading to climate change mitigation or the mainstreaming of climate action, such as energy efficiency standards or certification schemes; energy-efficiency procurement schemes; renewable energy policies, power market reform specifically designed to enable renewable energy</p>
PA5	10	0	0	0	0	No evidence of climate relevance.
PA6	10	0	0	0	0	No evidence of climate relevance.
PA7	10	0	0	0	0	No evidence of climate relevance.
PA8	10	0	0	0	0	No evidence of climate relevance.
PA9	10	0	0	0	0	No evidence of climate relevance.
PA10	10	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
0	0	0%	9	1.66	82%

Reported climate finance	Assessed climate finance	Error
9	1.66	82%

**Project Number: P173838**

<b>Project Name</b>
Senegal COVID-19 Response Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/944951585949745666/senegal-covid-19-response-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/944951585949745666/senegal-covid-19-response-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Credit
<b>Lowest level of granularity</b>
Activity.

<b>Climate Change Vulnerability Context</b>
Provided in the Sectoral and Institutional Context section page 12, paragraph 16.
<b>Intent to Address Vulnerability</b>
Provided in the Relevance to Higher Level Objectives section page 13, paragraph 20.
<b>Link to Project Activities</b>
None provided.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
N/A		

<b>Climate Change Co-benefits section</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
Senegal COVID-19 Response Project	20	0	0	0	0	No link has been created between the activities being undertaken and the climate vulnerability context.  No evidence of mitigation relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
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0.1	0.0	100%	0	0	0%
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Reported climate finance	Assessed climate finance	Error
0.1	0.0	100%

## Project Number: P168025

<b>Project Name</b>	Sichuan Water Supply and Sanitation PPP Project
<b>Project Document URL</b>	<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/472661583550163652/china-sichuan-water-supply-and-sanitation-public-private-partnership-ppp-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/472661583550163652/china-sichuan-water-supply-and-sanitation-public-private-partnership-ppp-project</a>
<b>Financing Instrument</b>	Investment Project Financing
<b>Financial product</b>	Loan
<b>Lowest level of granularity</b>	Activity

<b>Climate Change Vulnerability Context</b>	Provided in the Sectoral and Institutional Context section, page 9, paragraph 12, and page 11, paragraph 19.
<b>Intent to Address Vulnerability</b>	Provided in the Project Description section, page 14, paragraph 24.
<b>Link to Project Activities</b>	Provided in the Project Components section.
<b>Incremental Cost?</b>	Not provided.

Name	Value	Description
Component 1	US\$99 million	<p>Component 1: Institutional Strengthening and Infrastructure Investments to Improve WSS Services in Jingyang District (Estimated cost: US\$153.4 million; IBRD loan: US\$99 million) (Water: 34 percent, wastewater: 66 percent)</p> <p>This component has three key activity areas:</p> <p>(a) Establishment of a modern, integrated WSS utility. The project will support the establishment of the WSS utility and systems to enable efficient WSS service delivery. Establishing the utility includes preparing and executing the PPP transaction as well as setting up and developing the institutional systems (for example, management, personnel, administration, and billing and accounting). Project support will also include developing an integrated smart water management platform and installing smart meters to enable the Project Company to monitor, manage, and operate WSS system assets efficiently. Establishing a financially sustainable, efficiently managed, and well-maintained WSS utility will lead to a reduction in NRW and more reliable water and sanitation services with less service interruptions and more consistent water quality. The investments will enhance water security and reduce the discharge of untreated wastewater into the tributaries of the Yangtze River (an important source of water), thereby increasing the reliability</p>

	<p>and quality of the water and making the residents in the targeted areas more resilient to climate change-exacerbated water shortages.</p> <p>(b) Establishment of WSS utility customer service mechanisms. The project will support the WSS utility to set up and conduct ongoing citizen engagement activities, including a community-based customer satisfaction survey, community meetings on WSS service quality, and WASH BCCs. The project will also support establishment of customer feedback mechanisms within the WSS utility, including a customer call center and a smartphone application to address complaints, questions, requests for repairs, and general feedback on the services provided. All of the citizen engagement activities and customer feedback mechanisms will be overseen and managed by a customer relations officer designated within the Project Company and in coordination with a social focal point within the Project Management Office (PMO) (see section III).</p> <p>(c) Support for engineering works. The project will support engineering works for both water supply and sanitation, as listed below. All investments under the project will be implemented and operated by the Project Company, providing the JDG with a single interface and contracting party, rather than the many contractors and operators.</p> <p>(i) For improved access to higher quality and more efficient piped water systems. The project will support consolidation and upgrading of the current 40 treatment facilities operated by different providers (of which 32 utilize groundwater as source, 7 utilize surface water, and 1 utilizes a nearby urban water treatment plant [WTP] as source) to a more integrated configuration using two centralized surface WTPs<sup>27</sup>—one newly constructed (Bailong WTP, with capacity of 25,000 m<sup>3</sup> per day) and one expanded (Xinliu WTP, with capacity of 2,000 m<sup>3</sup> per day)—operated by a single service provider. The above activities will lead to a more efficiently operated utility and an increased supply of good quality water. The project will also support protection of drinking water source sites and water intakes/wells, construction and rehabilitation of pipe networks to expand the network and reduce losses/NRW (including 148 km of transmission main, 347 km of distribution pipes, and 459 km of household connection pipes), and installation of 86,000 smart meters. All these investments will increase the supply of water and the service reliability, thus increasing community resilience to potential climate change-related droughts. The project will also fully finance the costs of household water supply connections, targeting to cover 94 percent of households.</p> <p>(ii) For improved access to higher quality and more efficient sanitation. The project will support upgrading four existing WWTPs<sup>28</sup> with a total capacity of 12,400 m<sup>3</sup> per day and construction of 10 new WWTPs<sup>29</sup> with total capacity of 335 m<sup>3</sup> per day. The project will support construction of 93 km of trunk sewer pipes, 788 km of branch</p>
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		<p>network sewer pipes, 1,063 km of household service pipes, and 51 wastewater pump stations (42 new and 9 existing septic collection tanks converted into pump stations). In hilly areas, the project will support construction of individual household septic tanks to serve 6,712 scattered households. The project will fully finance the costs of household sewer service connections and septic tanks, for a total of 60,086 households. All these activities will reduce the volume of untreated wastewater discharged into water bodies, reducing pollution and lowering health risks to the population, as well as lowering the cost of treating the wastewater to given standards.</p> <p>(iii) Other works. There will also be improvements to public facilities, including providing access to services for the disabled. Recent projects in China have also demonstrated that making small investments in community public areas to enhance residents' experience creates an environment where households are more willing to connect. The Feasibility Study Report (FSR) design includes some small investments for rehabilitation, 'greening', and beautification of public areas.</p>
Component 2	US\$1 million	<p>Component 2: Institutional Capacity Building and Technical Assistance (TA) for PPP Oversight, Project Management, and Scale Up of the PPP Approach (Estimated cost: US\$1.0 million; IBRD loan: US\$1.0 million).</p> <p>This component has four key activity areas:</p> <p>(a) Engagement of a project manager/independent engineer. The project will support the hiring of an independent engineer (consultant) to oversee the performance of the PPP Agreement, to supervise infrastructure construction, and to supervise the environmental and social management of the project. The independent engineer will also be responsible for verifying the KPI results and the energy and water efficiency gains reported by the Project Company against the targets in the PPP Agreement.</p> <p>(b) Local government capacity building for PPP oversight and project management. The public counterpart (especially HUDB and the PMO) will have key functions that are not delegated to the Project Company, including implementation of WSS policy and regulations, regulatory oversight of the Project Company, business planning, tariff setting, long-term asset management, and WSS system planning. The project will include capacity-building activities to support HUDB and the PMO carry out these functions, such as project management and PPP oversight training, technical training, FM, and PPP procurement training, as well as study tours of successful water sector PPP projects in China and abroad. Project management and implementation support will include management of and coordination with the independent engineer; establishment and operation of a monitoring and evaluation (M&amp;E) system; monitoring of Project Company KPI and efficiency performance; and acquisition of office equipment, vehicles, and other operating resources</p>

	<p>(c) Coordination of gender inclusion and citizen engagement (GI&amp;CE) activities. The project will support the PMO to supervise and monitor the GI&amp;CE activities and customer feedback mechanisms executed by the Project Company (described in Subcomponent 1b). The PMO will designate a social focal point to coordinate closely with the Project Company on the communitybased satisfaction survey, the community meetings, and the operations of the customer call center and smartphone application (see the institutional arrangements discussion in section III).</p> <p>(d) Documentation and sharing of project experience (including lessons learned and PPP project templates). The project will support TA activities to identify mechanisms for scaling up the PPP approach developed under this project to other areas across Sichuan and China. In particular, the project's overall lessons in institutional strengthening and structuring the PPP will be highly relevant to upstream PPP policies in China, including the implementation and investment decisions under the ongoing Sichuan Province Three-Year Action Plan (see section I). Specific TA activities include (i) preparing a summary report on experiences and lessons learned in PPP project preparation and procurement, (ii) preparation of PPP template documents to be used in the scale-up and replication of the project approach (for example, model contracts, bidding documents, and project management tools), and (iii) dissemination events/publications at the provincial/national level.</p>
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<p><b>Climate Change Co-benefits section</b></p> <p>Not provided.</p>
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<p><b>Greenhouse Gas Accounting</b></p> <p>Provided:</p> <p>"GHG accounting assessment. The GHG analysis indicates that the project will see an overall net increase in carbon dioxide equivalent (tCO<sub>2</sub>) per year in GHG emissions when compared to the without project case. This is because of the large number of project beneficiaries who currently do not have adequate sanitation services and who will be connected to wastewater collection and treatment systems under the project, and the resulting increase in power use for those systems. However, for the water investments, reduced NRW and improved energy efficiency (from replacement/upgrading of system facilities, reduced leakages, and optimization of treatment and distribution processes using the proposed smart water platform) will contribute a net energy reduction when compared to the without project case, helping to offset the total lifetime GHG emissions. Taking water and wastewater/sanitation activities together, the net impact of the project on GHG emissions would be an increase of 290 tCO<sub>2</sub> per year, or a lifetime increase of 6,089 tCO<sub>2</sub>. The value of net GHG emissions under the project, using the Shadow Price of Carbon, is negative ENPV of US\$ 0.10 million. Details from the GHG accounting assessment for the project's relevant</p>
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water and wastewater/sanitation activities, under the with- and without- project scenarios, are included in annex 5.”

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C 1a	99/3	0.2	0	6.6	0	<p>Component 1 will finance “Institutional Strengthening and Infrastructure Investments to Improve [water supply and sanitation] Services in Jingyang District”.</p> <p>The project’s vulnerability context states: “The project area’s main climate change vulnerability is increased stress on local water resources. The project area lies along the sensitive upper tributaries of the Yangtze River, and unpredictable changes in rainfall patterns potentially threaten water source availability and the project’s ability to supply water to rural beneficiaries. This risk is compounded by the current conditions, where untreated wastewater is being discharged directly into local water bodies. Therefore, properly managing efficient rural WSS systems to save water and duly maintain infrastructure is important for adaptation to climate change-related water stress.”</p> <p>An outcome of Component 1 is stated to be the enhancement of “water security” and reduction of “discharge of untreated wastewater into the tributaries of the Yangtze River (an important source of water), thereby increasing the reliability and quality of the water and making the residents in the targeted areas more resilient to climate change-exacerbated water shortages”.</p> <p>Activity (a) will support the establishment of the WSS utility and</p>

					<p>systems to enable efficient WSS service delivery. There is therefore a link between the activity and the vulnerability context.</p> <p>The adaptation co-benefits coefficient results from the following:</p> <ul style="list-style-type: none"> <li>• Adaptation is not the principal objective of the project and the costs of adaptation in the setting up of a water and sanitation utility (rather than physical infrastructure) is deemed to be low. However, some adaptation co-benefits will result from the activity.</li> <li>• 2 of 5 PDO level indicators (a and b) are deemed to be adaptation relevant, resulting in an initial coefficient of 0.4 being applied.</li> <li>• No incremental adaptation costs have been provided for the activity, or any granular information to calculate proportionality.</li> <li>• Due to the significant uncertainty created by the lack of incremental costs, and in an attempt to adhere to the principle of conservativeness, a further coefficient of 0.5 is applied so as to not over-report adaptation co-benefits.</li> <li>• This results in a final coefficient of 0.2 being applied to the total Component 1 budget.</li> </ul> <p>The Common Principles for Climate Change Mitigation Finance Tracking state: "An activity can be classified as climate change mitigation where the activity, by avoiding or reducing GHG emissions or increasing GHG sequestration, contributes</p>
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					<p>substantially to the stabilisation of GHG concentrations in the atmosphere at a level which prevents dangerous anthropogenic interference with the climate system consistent with the long-term temperature goal of the Paris Agreement”.</p> <p>This project’s GHG accounting results show the project will lead to net increases in emissions. For a project to qualify under the Common Principles for Climate Change Mitigation Finance Tracking, it must be fall into one of the following three categories:</p> <ul style="list-style-type: none"> <li>(1) Negative- or very-low-emission activities, which result in negative, zero or very low GHG emissions and are fully consistent with the long-term temperature goal of the Paris Agreement, e.g., carbon sequestration in land use or some forms of renewable energy.</li> <li>(2) Transitional activities, which are still part of GHG-emissive systems, but are important for and contribute to the transition towards a climate-neutral economy, e.g., energy efficiency improvement in manufacturing that directly or indirectly uses fossil fuels.</li> <li>(3) Enabling activities, which are instrumental in enabling other activities to make a substantial contribution to climate change mitigation, e.g., manufacture of very-low-emission technologies.</li> </ul> <p>This project does not adhere to any of these categories and therefore no</p>
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						mitigation co-benefits should be counted
C 1b	99/3	0	0	0	0	No evidence of climate relevance.
C 1ci	99/9	0.25	0	2.75	0	<p>Activity (c) will support engineering works for both water supply and sanitation. Activity (c) (i) will provide for improved access to higher quality and more efficient piped water systems. There is therefore a link between the activity, to enhance water security and quality, and the vulnerability context.</p> <p>The adaptation co-benefits coefficient results from the following:</p> <ul style="list-style-type: none"> <li>Adaptation is clearly not the principal objective/motivation of the activity, yet some adaptation co-benefits could result from the activity. An initial coefficient of 0.5 is therefore applied in the absence of granular information to calculate proportionality.</li> <li>No incremental adaptation costs have been provided. These are necessary in the context of infrastructure project to accurately estimate adaptation co-benefits.</li> <li>Due to the significant uncertainty created by the lack of incremental costs, and to adhere to the principle of conservativeness, a further coefficient of 0.5 is applied so as to not over-report adaptation co-benefits.</li> <li>This results in a final coefficient of 0.25 being applied to the total Component 1 budget.</li> </ul> <p>The Common Principles for Climate Change Mitigation Finance Tracking state: "An activity can be classified as</p>

					<p>climate change mitigation where the activity, by avoiding or reducing GHG emissions or increasing GHG sequestration, contributes substantially to the stabilisation of GHG concentrations in the atmosphere at a level which prevents dangerous anthropogenic interference with the climate system consistent with the long-term temperature goal of the Paris Agreement”.</p> <p>This project’s GHG accounting results show the project will lead to net increases in emissions. For a project to qualify under the Common Principles for Climate Change Mitigation Finance Tracking, it must be fall into one of the following three categories:</p> <ul style="list-style-type: none"> <li>(1) Negative- or very-low-emission activities, which result in negative, zero or very low GHG emissions and are fully consistent with the long-term temperature goal of the Paris Agreement, e.g., carbon sequestration in land use or some forms of renewable energy.</li> <li>(2) Transitional activities, which are still part of GHG-emissive systems, but are important for and contribute to the transition towards a climate-neutral economy, e.g., energy efficiency improvement in manufacturing that directly or indirectly uses fossil fuels.</li> <li>(3) Enabling activities, which are instrumental in enabling other activities to make a substantial contribution to climate change mitigation, e.g., manufacture of very-low-</li> </ul>
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						<p>emission technologies.</p> <p>This project does not adhere to any of these categories and therefore no mitigation co-benefits should be counted</p>
C 1cii	99/9	0.25	0	2.75	0	<p>Activity (c) (ii) will provide support for improved access to higher quality and more efficient sanitation. The activity will protect untreated sewage entering water bodies and therefore enhance water resource security. There is therefore a link between the activity, to enhance water security and quality, and the vulnerability context.</p> <p>The adaptation co-benefits coefficient results from the following:</p> <ul style="list-style-type: none"> <li>• Adaptation is clearly not the principal objective/motivation of the activity, yet some adaptation co-benefits could result from the activity. An initial coefficient of 0.5 is therefore applied in the absence of granular information to calculate proportionality.</li> <li>• No incremental adaptation costs have been provided. These are necessary in the context of infrastructure project to accurately estimate adaptation co-benefits.</li> <li>• Due to the significant uncertainty created by the lack of incremental costs, and to adhere to the principle of conservativeness, a further coefficient of 0.5 is applied so as to not over-report adaptation co-benefits.</li> <li>• This results in a final coefficient of 0.25 being applied to the total Component 1 budget.</li> </ul>

					<p>The Common Principles for Climate Change Mitigation Finance Tracking state: “An activity can be classified as climate change mitigation where the activity, by avoiding or reducing GHG emissions or increasing GHG sequestration, contributes substantially to the stabilisation of GHG concentrations in the atmosphere at a level which prevents dangerous anthropogenic interference with the climate system consistent with the long-term temperature goal of the Paris Agreement”.</p> <p>This project’s GHG accounting results show the project will lead to net increases in emissions. For a project to qualify under the Common Principles for Climate Change Mitigation Finance Tracking, it must be fall into one of the following three categories:</p> <ul style="list-style-type: none"> <li>(1) Negative- or very-low-emission activities, which result in negative, zero or very low GHG emissions and are fully consistent with the long-term temperature goal of the Paris Agreement, e.g., carbon sequestration in land use or some forms of renewable energy.</li> <li>(2) Transitional activities, which are still part of GHG-emissive systems, but are important for and contribute to the transition towards a climate-neutral economy, e.g., energy efficiency improvement in manufacturing that directly or indirectly uses fossil fuels.</li> <li>(3) Enabling activities, which are instrumental in enabling</li> </ul>
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						<p>other activities to make a substantial contribution to climate change mitigation, e.g., manufacture of very-low-emission technologies.</p> <p>This project does not adhere to any of these categories and therefore no mitigation co-benefits should be counted</p>
C 1ciii	99/9	0	0	0	0	No evidence of climate relevance.
C 2a	0.25	0	0	0	0	No evidence of climate relevance.
C 2b	0.25	0	0	0	0	No evidence of climate relevance.
C 2c	0.25	0	0	0	0	No evidence of climate relevance.
C 2d	0.25	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
4.3	12.1	183.7%	3.6	0	100%

Reported climate finance	Assessed climate finance	Error
7.9	12.1	144.3%



Project Number: P167757

<b>Project Name</b>
Sierra Leone SSN Project Second Additional Financing
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/342271562292188860/sierra-leone-social-safety-net-project-second-additional-financing">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/342271562292188860/sierra-leone-social-safety-net-project-second-additional-financing</a> (additional financing); <a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/211781468101070719/sierra-leone-social-safety-nets-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/211781468101070719/sierra-leone-social-safety-nets-project</a> (original project)
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Grant
<b>Lowest level of granularity</b>
Component

<b>Climate Change Vulnerability Context</b>
The documentation regarding additional financing does not mention climate change or climate vulnerability and does not set out the current and anticipated impacts of climate change on a project's location, sector, and/or beneficiaries. The original Project Appraisal Document also provides no climate vulnerability context, and reports no adaptation or mitigation co-benefits.
Original project documentation makes no reference to climate change impacts or vulnerability, stating that the project results in no climate co-benefits.
<b>Intent to Address Vulnerability</b>
Because there is no explicit provision of a climate vulnerability context, there can be no stated intent to address it.
<b>Link to Project Activities</b>
None. The Common Principles for Climate Change Adaptation Finance Tracking state that this project should not qualify for adaptation finance reporting.
<b>Incremental Cost?</b>
None.

Name	Value	Description
Component 1	US\$2.8 million	Component 1: Development of Systems for Implementation of Social Safety Net Interventions (US\$2.8 million equivalent) 1. The existing targeting system, the MIS, the GRM, and the beneficiary registry will be employed for the proposed AF2. These will be extended to new districts. These systems and procedures will also be revised to allow them to be used to support households affected by shocks, as was done through the SSN in response to Ebola
Component 2	US\$21.2 million	Component 2: Cash Transfers to Extremely Poor Households and Emergency Response (US\$21.2 million equivalent) 11. No major changes to Component 2 are envisaged, although the project will ensure that extremely poor

		households with members who are disabled are included in the project (see Component 1) and introduce funds that would enable the SSN to scale-up in response to shocks. In line with the geographic expansion, the SSN will be expanded to include beneficiaries from all 16 districts in Sierra Leone. The complementary workshops that accompany payments will continue, with an expansion in the menu of topics being offered, an increase in the frequency of delivery, and possible experimentation with different teaching-learning methodologies.
Component 3	US\$6.0 million	Component 3: Project Management and Capacity Building (US\$6 million equivalent) 19. The project will provide additional resources for project management and capacity building, including through hiring of additional staff to support the program expansion. The institutional arrangement for the SSN remains the same as in the parent project.

<b>Climate Change Co-Benefits Section</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
None provided and no indication of mitigation relevance.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C 1	2.8	0	0	0	0	No link has been created between the activities being undertaken and the climate vulnerability context.
C 2	21.2	0	0	0	0	
C 3	6.0	0	0	0	0	
						No evidence of mitigation relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
3.8	0	100%	0	0	100%

Reported climate finance	Assessed climate finance	Error
3.8	0	100%

## Project Number: P167826

<b>Project Name</b>	Somalia - Water for Agro-pastoral Productivity and Resilience
<b>Project Document URL</b>	<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/614911560789014315/somalia-water-for-agro-pastoral-productivity-and-resilience-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/614911560789014315/somalia-water-for-agro-pastoral-productivity-and-resilience-project</a>
<b>Financing Instrument</b>	Investment Project Financing
<b>Financial product</b>	Grant
<b>Lowest level of granularity</b>	Sub-component

<b>Climate Change Vulnerability Context</b>	Provided in Introduction and Strategic Context section, pages 6-7.
<b>Intent to Address Vulnerability</b>	Provided in Project Description section, page 15.
<b>Link to Project Activities</b>	Provided through the partial relevance of a selection of Subcomponents towards climate change objectives, as required in IPF.
<b>Incremental Costs?</b>	Not provided.

Name	Value	Project components
Component 1: Support the Development of Multiple Use Water Sources	15 million USD	Based on detailed basin-level hydrology assessments, micro-watershed action plans, and groundwater investigations, this component will finance investments in key water management infrastructure for harvesting, storing, and delivering water for people, livestock, and agriculture. The infrastructure will be designed to deliver both improved human health outcomes and water for productive uses (mainly agricultural production and agroforestry services for landscape restoration), thereby making the targeted communities more resilient to droughts and floods (restored landscapes suffer less from erosion and are thus more resilient to flooding).
Subcomponent 1.1: Construction of New Community Water Points	11.5 million USD	This subcomponent will support the rehabilitation of existing water infrastructure and small works. The menu of water infrastructure investments will include small sand and subsurface dams in dry river beds (wadis), surface water storage infrastructure (for example, berkads and hafir dams), area infiltration interventions such as semicircular bunds or soil bunds, and rock catchments. As explained above, sand dams are particularly effective at enhancing the resilience of marginal dry-land environments by helping sustain vegetation biomass during drought periods. The improved vegetation biomass and soil management,

		combined with the increased water availability derived from these various infrastructure investments, will facilitate agricultural activities and food production. These will, in turn, increase the targeted communities' resilience to droughts and floods. Solar units will lift water and then use gravity to feed auxiliary structures such as cattle troughs, water points for human use, and so on (Annex 1 describes these technologies). In addition, if no other options are feasible, the component will support construction of boreholes for groundwater extraction. Boreholes are an important source of water during severe drought, especially for humanitarian response, and particularly in non-riverine regions of Somalia.
Subcomponent 1.2: Rehabilitation of Community Water Points	3.5 million USD	This subcomponent will finance the rehabilitation of existing water infrastructure and small prioritizing boreholes. The subcomponent will also finance associated infrastructure to provide multiple-use water services (zero-emission standpipes or shallow wells with hand or solar pumps and watering troughs for livestock). Selected project sites can include multiple interventions to ensure adequate water through periods of drought and for multiple purposes: high-quality water for domestic use and moderate quality for livestock and agricultural uses. These investments will be the anchor assets around which other project activities in each selected sub-catchment will seek to capitalize and manage. The diversification of water sources based on the Wadi Evaluation Tool (WET), extensive ground truthing, and groundwater assessment will increase the supply of water and therefore mitigate the risk of droughts and climate change.
Component 2: Institutional and Capacity Development	6 million USD	As Somalia consolidates its political transition and builds on the resulting peace and security dividends, there is a strong need to support the FRS and the FMS to develop the knowledge systems and institutions needed to deliver essential services and optimize use of the country's natural resources. This component will help build a strong foundation for a gradual transition to more integrated and sustainable agriculture and water development—promoting the farmers' adoption of drought-resistant seed varieties and climate-smart technologies—by strengthening local, state, and national institutions and capacities. Promoting water and agriculture in an integrated and sustainable way based on carefully managed water infrastructure and allocation of water and selection of the most efficient technologies (from a water conservation standpoint) will make the project beneficiary communities more resilient to droughts and floods. The component objectives will be delivered through two subcomponents.

<p>Subcomponent 2.1. National and state Institutional capacity Building</p>	<p>2 million USD</p>	<p>This subcomponent will support strengthening of national and state institutions capacities to plan, implement, and monitor integrated agriculture and water development programs. The Government needs to develop better sector oversight to coordinate external interventions with its own nascent program of domestic investment. The Government needs to establish the policies and laws to regulate the sector and ensure that infrastructure investment is sustainable. This includes developing and implementing construction standards; rangeland management guidelines; key feasibility studies for preparing project interventions (site-specific Environmental Impact Assessments (EIAs), engineering surveys, and hydrological assessments for project areas); and providing improved extension to farmers and pastoralists; management models; and cost recovery mechanisms – all aimed at helping the beneficiaries better deal with the increasing risk of droughts and floods. Better data are also needed to improve knowledge of hydrogeology and groundwater exploration so that aquifer recharge can be optimized, thus further contributing to water security and climate risk reduction. Without improved data, both external and domestic infrastructure investment will continue to be ad hoc and poorly coordinated.</p> <p>To be able to leverage existing expertise, ground presence, and local knowledge, this component will finance a technical assistance agency (for example, FAO, NGO, university, and technical team) to support national and state government agencies in selecting, training, and monitoring nonstate actors for local project implementation. It will also support research and the development of a training needs assessment for relevant government agencies, development of curricula, and delivery of high-value training programs. It will also finance highly targeted exposure visits to neighboring countries to learn from best-practice approaches. This component will also support peer to peer knowledge exchange and sharing of experiences.</p>
<p>Subcomponent 2.2. Community Development and Demand Mobilization</p>	<p>4 million USD</p>	<p>Drawing on lessons from WALP, this subcomponent will finance a holistic community engagement approach that will support activities in Components 1 and 3 through a continuing dialogue about the community's development needs, the resources they have, their priorities for managing them, and how to ensure equitable access. The state-level Project Implementation Units (PIUs) will be responsible for the mobilization process. Given human resource constraints, the PIUs will leverage project funds to contract</p>

	<p>technical assistance for community mobilization and planning activities. The PIUs and FMS ministry staff will work on teams with the mobilization contractor to transfer knowledge of mobilization theory and techniques among government staff and to add technical knowledge into dialogue with communities.</p> <p>Mobilization will broadly (a) increase awareness of the ‘rules of the game’ for participation in the project; (b) introduce the costs and benefits of different technologies to promote informed demand and increase community ownership and sustainable management of infrastructure and other investments; (c) enhance the capacity for community governance by training leaders on meeting management, ensuring inclusion and participation, conflict resolution, and so on; (d) increase awareness of the resource constraints within the community and considerations of equitable resource management across different stakeholder groups; and (e) develop community livelihood development plans to identify priority needs that can be met by collective action, specific project interventions, or leveraging other programs. Anchored by a robust and inclusive consultative process, community mobilization activities will serve to inform the team’s evolving understanding of the risk landscape and, thereby, will help to ensure that project interventions are conflict-sensitive and well aligned with project safeguards. The proposed planning process embeds project exits from the beginning and focuses on building community cohesion, selfreliance, and resilience to droughts and floods after the project closes, as explained in the next paragraph.</p> <p>In existing WALP sites, mobilization will begin immediately to help communities develop a water budget based on ongoing water monitoring activities, water-use priorities, and how to maximize local water resources in the most inclusive way possible. The activity will produce a plan for management of the water infrastructure, including upkeep and maintenance, and for sustainable and equitable allocation and access across stakeholder groups. In addition, it will produce a plan for productive livelihood development with priority investments in land management, cropping, and livestock to be supported by the project. New project sites will begin mobilization once the technical specifications for site selection have been finalized and project communities have been identified. In these communities, in addition to the activities above, the mobilization will help communities select the optimal technology to be financed by the project to increase water capture and storage (for example, sand dams, berkhads, and so on).</p>
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		Technical support for the implementation of livelihood development priorities will be provided through separate contracts to technical service providers issued and managed by each state PIU.
Component 3. Supporting Sustainable Land Management and Livelihoods Development Around Water Points	9.5 million USD	<p>Linking with water infrastructure and community planning and mobilization interventions under Components 1 and 2, this component will catalyze priority investments, facilitated by participating FMS line ministries, to create and strengthen productive livelihoods among target communities. The component will stimulate the growth and development of productive and sustainable income-generating activities through two subcomponents that will (a) improve the health and sustainability of the natural resource base (that is, land, water, and vegetative cover), which underpins all agriculture and pastoralist livelihoods and (b) facilitate communities' access to productive assets and extension services needed for agriculture and livestock production.</p> <p>Component 3 activities will be piloted during Year 1 within existing WALP sites where water assets were installed and Community Development Plans (CDPs) developed during the pilot phase. Pilot activities will initially look to build on the experience of FAO and NGO consortia, for example, SomReP18 and BRCIS, and local NGOs with investments designed to facilitate post-crisis recovery of rural households and livelihoods while building stronger resilience to future climate-related shocks, primarily droughts and floods. The experience gained, and lessons learned from the existing WALP sites will inform the introduction and scale-up of validated approaches during Years 2–5 with target communities elsewhere as CDPs are developed and water assets are delivered. The component will finance, among others, services delivery contracts; field travel per diems; labor-intensive landscape interventions (through cash-for-work); and the purchase and distribution of assets (seeds, tools, irrigation, and other equipment) needed for cropping and livestock activities.</p>
Subcomponent 3.1: Integrated Landscape Management	3.5 million USD	Based on priorities from the community planning and using a micro-watershed approach, this subcomponent will finance through cash-for-work community-led soil and water conservation measures. These include landscape rehabilitation and protection through terracing of irrigable land degraded or endangered by erosion, gully rehabilitation, planting of trees and other vegetation in upland areas, rangeland management to introduce rotational grazing and stocking rate limits, and improved management and sustainable use of

		<p>existing forest and vegetation resources. Together, these activities will encourage better infiltration of water during the rainy season into the surrounding land and reduce loss of valuable topsoil from surface runoff, all contributing to the restoration and management of a healthier ecosystem, one that can more sustainably support rural communities and increase their adaptive capacity to better cope with floods and droughts. This subcomponent would also promote the uptake of alternative energy solutions through awareness building, demonstrations, and financing to curtail local demand for environmentally destructive and unsustainable charcoal production. The subcomponent would also finance establishment of community tree orchards for sustainable fuelwood and charcoal production and would support the promotion and take-up of small-scale solar energy solutions for household use.</p>
<p>Subcomponent 3.2: Agriculture and Livestock Support</p>	<p>6 million USD</p>	<p>Anchored by the water assets delivered under Component 1 and guided by the CDPs developed under Component 2, this subcomponent will support the development and diversification of livelihoods among target communities. It will facilitate the demand-driven delivery of agricultural assets and extension services based on community-specific priorities and context-specific conditions, including estimates of water availability and water-use demand. Activities envisioned under this subcomponent include the establishment of community gardens and fruit tree groves (as demonstration plots); procurement and distribution of improved seeds and other inputs; and introduction of high-efficiency micro-irrigation systems, soil micronutrient assessments, and needed training. These investments will help communities increase their production of more nutritious food for household consumption and, where possible, marketable surpluses. Training would focus on promoting farmer adoption of climate-smart farming techniques that can improve household food and nutrition security while optimizing usage efficiency of available water resources. Beyond soil and water conservation, training would focus on promoting adoption of drought-resistance crops and seed, intercropping and crop diversification, integrated pest management, fodder production and storage, animal health treatment, and household kitchen gardens using harvested rainwater. These training activities (and other activities provided through this subcomponent) will increase the beneficiaries' resilience to floods (through soil conservation) and droughts (through the remaining activities). Component activities will be overseen by technical line</p>



		ministries and delivered through service provider contracts (that is, NGOs and UN agencies).
Component 4: Project Management, M&E, Knowledge Management, and Learning	9 million USD	This component will finance the operational costs of the Project Management Units in participating FMS and Somaliland, as well as project coordination and fiduciary support at the FRS level. The component would also be responsible for M&E, knowledge management and learning, and evidence-based policy input. This component also covers the Contingent Emergency Response (CERC) subcomponent of the project that will support immediate and rapid response emergency needs. Component activities will be delivered through three subcomponents.
Subcomponent 4.1. Project Management	4 million USD	This subcomponent will ensure that the project is implemented efficiently, on time, and in accordance with the Financing Agreement. A strong PIU will be established and staffed by a team of experts at the national, state, and district levels. This subcomponent will support (a) the incremental operating costs for managing the project, (b) the cost of procurement and FM specialists, and (c) outreach and communications on the Government's role and leadership on the project to the broader Somali community.
Subcomponent 4.2. M&E, Knowledge Management, and Learning	5 million USD	The project would support continuous learning and adaptable knowledge management. A web-based management information system (MIS) will be set up to track real-time performance of the project and is linked to an M&E system to focus on project results and outcome. This subcomponent will finance baseline, concurrent monitoring of inputs and outputs and monitoring of safeguards, conflict, and gender and focus on developing and disseminating knowledge generated through various project activities. Subcomponent activities will incorporate new modern technology such as geo-tagging of site investments, collection of field data with tablets/smartphones, and application of geospatial imaging for quantifying before and after comparisons for specific indicators. With a view to obtain more information and knowledge on the extent and period of flood, this subcomponent will support technical work such as flood mapping and support to information sharing.  Given the nascent institutional capacity of multisectoral rural resilience in Somalia, this subcomponent will allow the FRS to engage a suitably qualified and experienced international independent firm to provide quality enhancement and implementation support to the project. The objective of the support will be to provide an additional and independent monitoring and assurance ensuring that project funds are used for the purposes specified in project grant agreements. The firm will

		<p>be contracted by the FRS and will support Somali authorities to fulfill their fiduciary, procurement, monitoring, and supervision obligations with respect to all four project components. The firm will also be responsible for monitoring the development of capacity within recipient organizations and agencies such that they advise on capacity-building needs to carry out the FM, procurement, and project management obligations. Capacity assessment will be done in collaboration with the World Bank task team and the FMS contracted engineering and sustainable land management implementation support entities providing technical assistance and backstopping support for Components 1, 2, and 3. To this extent, the firm will be expected to provide advisory as well as monitoring support to the World Bank.</p>
Subcomponent 4.3. Contingent Emergency Response	0 USD	<p>This subcomponent will support immediate and rapid response to an eligible crisis or emergency, as needed. This zero-cost component will finance eligible expenditures under the Immediate Response Mechanism (IRM) in the case of natural or manmade crises or disasters, severe economic shocks, or other crises and emergencies in Somalia. It can be triggered through formal declaration of a national emergency by the government authority and upon a formal request from the FRS to the World Bank through the Ministry of Finance (MoF).</p> <p>44. In such cases, funds from other project components will be reallocated to finance emergency response expenditures to meet agricultural crises and emergency needs. The emergency response would include mitigation, recovery, and reconstruction following crises and disasters, such as severe droughts, floods, disease outbreaks, and landslides, among others. Implementation of this subcomponent will follow a detailed Contingent Emergency Response Implementation Plan (CERIP) satisfactory to the World Bank that will be prepared for each eligible emergency. The Project Operations Manual (POM) will have a dedicated annex for a Contingency Emergency Response Component (CERC) in line with the October 2017 guidelines.</p>
Contingency	2.5 million USD	<p>The project's component allocation has also considered a contingency of US\$2.5 million to meet price variations on goods and services during implementation.</p>

**Climate Change Co-Benefits Section**

Not provided.

**Greenhouse Gas Accounting**

The World Bank uses the Ex Ante Carbon-Balance Tool (EX-ACT) to estimate the impact of

agricultural investment lending on greenhouse gas (GHG) emissions and carbon sequestration. EX-ACT is a land-based appraisal system for assessing a project's net carbon balance—the net balance of tons of CO2 equivalent (tCO2-eq) of GHGs that were emitted, or carbon sequestered as a result of project interventions—compared to a “without project” scenario. The net emissions for the project are 12,580 tCO2-eq over the project's 15-year economic lifetime. The average annual emissions are 838 tCO2-eq. The gross lifetime emissions are 18,084 tCO2-eq. The greenfield supply systems under Component 1 have estimated net emissions of 13,758 tCO2-eq due to electricity use and zero-emissions baseline scenario. The brownfield rehabilitation water supply systems under Component 1 have estimated net emissions of –1,178 tCO2-eq due to an estimated 10 percent increase in energy efficiency gains, which is a respectable level of net emission reductions for a project of this size in a country where the World Bank has only recently started financing projects again. The systems to be replaced are still within their original economic lifetimes. In addition, both the brownfield and greenfield investments are expected to lock in the use of solar pumping and other solar systems, as well as zero-emissions gravity use.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
Subcomponent 1.1: Construction of New Community Water Points	11.5 million USD	0.5	0.5	5.75	5.75	<p>Evidence regarding adaptation assessment: Sub-component is entirely climate-relevant. Focus is on access to water in drought prone areas, with the aid of solar pumps, and therefore strongly links to the project's vulnerability assessment/intent to address that vulnerability.</p> <p>Evidence regarding mitigation assessment: Brownfield energy efficiency improvement in water supply systems through deployment of low-energy-consumption technologies or equipment, promotion of better auditing practices, or reduction of water losses</p> <p>Coefficient of 0.5 applied for both adaptation and mitigation finance in the absence of more granular information.</p> <p>Evidence regarding mitigation assessment: Brownfield energy efficiency improvement in water supply systems through deployment of low-energy-consumption technologies or equipment, promotion of better auditing practices, or reduction of water losses</p>

Subcomponent 1.2: Rehabilitation of Community Water Points	3.5 million USD	0.5	0.5	1.75	1.75	<p>Evidence regarding adaptation assessment: Sub-component is entirely climate-relevant. Focus is on access to water in drought prone areas, with the aid of solar pumps, and therefore strongly links to the project's vulnerability assessment/intent to address that vulnerability.</p> <p>Evidence regarding mitigation assessment: Brownfield energy efficiency improvement in water supply systems through deployment of low-energy-consumption technologies or equipment, promotion of better auditing practices, or reduction of water losses</p> <p>Coefficient of 0.5 applied for both adaptation and mitigation finance in the absence of more granular information.</p>
Subcomponent 2.1. National and state Institutional capacity Building	2 million USD	1	0	2	0	<p>Evidence regarding adaptation assessment: Sub-component is entirely climate-relevant. Focus is on building capacity of state institutions to reduce climate risk related to droughts, and therefore strongly links to the project's vulnerability assessment/intent to address that vulnerability.</p>
Subcomponent 2.2. Community Development and Demand Mobilization	4 million USD	1	0	4	0	<p>Evidence regarding adaptation assessment: Sub-component is entirely climate-relevant. Focus is on building community development and demand mobilization to reduce climate risk related to droughts, and therefore strongly links to the project's vulnerability assessment/intent to address that vulnerability.</p>
Subcomponent 3.1: Integrated Landscape Management	3.5 million USD	0.5	0.5	1.75	1.75	<p>Evidence regarding adaptation assessment: Sub-component is entirely climate-relevant. Focus is on sustainable resource management, both regarding water and soil, in drought prone areas. The sub-</p>

						<p>component therefore strongly links to the project's vulnerability assessment/intent to address that vulnerability.</p> <p>Evidence regarding mitigation assessment: Renewable energy generation; Brownfield displacement of a carbon-intensive fuel with a different, lower-carbon fuel to supply electricity, heat, mechanical energy or cooling.</p> <p>Coefficient of 0.5 applied for both adaptation and mitigation finance in the absence of more granular information.</p>
Subcomponent 3.2: Agriculture and Livestock Support	6 million USD	1	0	6	0	<p>Evidence regarding adaptation assessment: Sub-component is entirely adaptation-relevant. Focus is on sustainable resource management, both regarding water and soil, in drought prone areas. The sub-component therefore strongly links to the project's vulnerability assessment/intent to address that vulnerability.</p>
Subcomponent 4.1. Project Management	4 million USD	0	0	0	0	No evidence of climate relevance.
Subcomponent 4.2. M&E, Knowledge Management, and Learning	5 million USD	0.5	0	2.5	0	<p>Evidence regarding adaptation assessment: Sub-component is partially adaptation-relevant. Focus is on continuous learning and knowledge management. With a view to obtain more information and knowledge on the extent and period of flood, this subcomponent will support technical work such as flood mapping and support to information sharing. The sub-component therefore partially links to the project's vulnerability assessment/intent to address that vulnerability.</p> <p>Coefficient of 0.5 applied for adaptation finance in the absence of more granular information.</p>
Subcomponent 4.3. Contingent	0 USD	0	0	0	0	No evidence of climate relevance.

Emergency Response						
Contingency	2.5 million USD	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
27.1 million USD	23.75 million USD	12.4%	14.9 million USD	9.25 million USD	38%

Reported climate finance	Assessed climate finance	Error
42 million USD	33 million USD	21.4%

**Project Number: P171780**

<b>Project Name</b>
Strengthening Fiscal Management and Private Sector Employment Opportunities Development Policy Credit
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/303231587952842423/bhutan-third-programmatic-strengthening-fiscal-management-and-private-sector-employment-opportunities-development-policy-credit">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/303231587952842423/bhutan-third-programmatic-strengthening-fiscal-management-and-private-sector-employment-opportunities-development-policy-credit</a>
<b>Financing Instrument</b>
Development Policy Financing
<b>Financial product</b>
Credit
<b>Lowest level of granularity</b>
Prior Action

<b>Climate Change Vulnerability Context</b>
Provided in the Prior Actions, Results and Analytical Underpinnings section, pages 30-31.
<b>Intent to Address Vulnerability</b>
Provided in the Prior Actions, Results and Analytical Underpinnings section, pages 30-31.
<b>Link to Project Activities</b>
Provided in the Prior Actions, Results and Analytical Underpinnings section, at the Prior Action level.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
PA 1	40/12	Prior Action 1: The Recipient, through its MoF, has amended the “Bhutan Economic Stabilization Fund Rules and Regulations (2018)” through the issuance and publication on the MoF’s website of the “BESF Rules and Regulations 2020 ” to stabilize hydropower revenue inflows into the national budget; as evidenced by the notification Ref MOF/FS-35/2019-20/DMEA/1068, dated January 22, 2020.
PA 2	40/12	Prior Action 2: The Recipient has submitted the Goods and Services Tax (GST) Bill for Royal Assent, following Parliamentary approval.
PA 3	40/12	Prior Action 3: The Recipient, through its MoF, has established interconnectivity of new/existing PFM information systems for automated exchange of data; as evidenced by the notification Ref MOF/DPA/e-payment/2019/318, dated September 9, 2019.
PA 4	40/12	Prior Action 4: The Recipient, through its MoF, has adopted the cash-based International Public Sector Accounting Standards (IPSAS) beginning with the annual financial statement for FY 2019-2020 as evidenced by the notification Ref MOF/DPA(IPSAS)/2019-20/7006, dated January 13, 2020.
PA 5	40/12	Prior Action 5: The Recipient, through its Royal Monetary Authority’s Executive Committee, has approved the “Payment Systems Oversight Framework” for the National Payments System, which establishes a dedicated unit for this purpose; as evidenced by the letter Ref RMA/DPSS/OSU/19-20/4272 dated December 25, 2019.

PA 6	40/12	Prior Action 6: The Recipient, through its Cabinet, has approved the revised Foreign Direct Investment (FDI) Policy on July 8, 2019; as evidenced by the letter Ref C-3/30/289 dated September 18, 2019.
PA 7	40/12	Prior Action 7: The Recipient, through its Cabinet, has approved the National Competition Policy on January 21, 2020; as evidenced by letter Ref C-3/47/2020/422 dated January 23, 2020.
PA 8	40/12	Prior Action 8: The Recipient, through its MoH, has approved the Operational Manual for implementing the Accelerating Mother and Child Health Program (AMCHP) on January 22, 2020; as evidenced by letter Ref. MOH-PPD/PPMS/26/2020/9895 of the same date.
PA 9	40/12	Prior Action 9: The Recipient, through its MoE, has approved the Bhutan Professional Standards for Teachers, published by the MoE Royal Government of Bhutan on May 1, 2019, ISBN: 978-99980-41-01-1.
PA 10	40/12	<p>Prior Action 10: The Recipient, through its Cabinet, has approved the National Energy and Conservation Policy on July 30, 2019; as evidenced by letter Ref C-3/32/227 dated August 15, 2019.</p> <p>These aspects will be supported by the current operation through the approval of the National Energy Efficiency and Conservation Policy. The policy outlines institutional responsibilities, defines procedures for energy conservation and sets targets for the domestic appliances, building, industry and transport sector. The policy is complemented by a roadmap for implementation which targets specific interventions in each sector, such as LED lightbulbs, glass wool insulation for houses and electric taxis, and sets standards and targets for their adoption. The roadmap, which has already been finalized and is under implementation, further envisions the development of energy efficiency codes and energy auditing and reporting guidelines for building and industry, as well as the distribution and promotion of select energysaving appliances, including LED bulbs and electric Taxis. The roles and responsibilities of relevant agencies in undertaking the measures outlined in the action plan are clarified in the policy. For example, the Ministry of Information and Communication is responsible for the promotion of energy efficient transport systems which includes but is not limited to: (i) Mass transportation systems; (ii) Electric and hybrid vehicles; and (iii) Non-motorized transportation, like walking and cycling.</p>
PA 11	40/12	Prior Action 11: The Recipient, through its Cabinet, has approved the National Climate Change Policy on January 21, 2020; as evidenced by letter Ref C-3/47/2020/422 dated January 23, 2020.
PA 12	40/12	Prior Action 12: The Recipient, (i) through its Cabinet, has approved the National Gender Equality Policy on January 21, 2020; as evidenced by letter Ref C-3/47/2020/422 dated January 23, 2020; and (ii) through the National Commission for Women and Children, has approved the Standard Operating Procedures for the Prevention of Gender-Based Violence, as evidenced by letter Ref 2 (7) NCWCCommission Meeting/2020/, dated January 23, 2020.

**Climate Change Co-benefits Section**

Not provided.



**Greenhouse Gas Accounting**

Page 43-44, paragraph 109: “The Energy Efficiency and Conservation policy is further complemented by a Green Transport Project that provides public transport systems and introduces energy efficient and cleaner fleets. The policy implementation will further result in generating additional revenue through the export of saved electricity and reduced imports of petroleum products. This will contribute towards a reduction in greenhouse-gas (GHG) emissions as India has a highcarbon, coal-based grid and petroleum products contribute to higher GHG emission. This can also relieve the government’s fiscal burden on energy subsidies and reallocate resources for other developmental activities. The Climate Change Policy will help Bhutan adopt mitigation measures to maintain its carbon neutral status and will thus also positively impact the environment. It will also help build adaptive capacity and resilience to reduce vulnerability to climate change and coordinate actions to address climate change issues.”

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA 1	40/12	0	0	0	0	Pillar 1, covering PAs 1-4, focuses on: “Strengthening the policy framework to improve fiscal management” in the hydropower sector”.  There is no evidence of climate co-benefits in PA 1
PA 2	40/12	0	0	0	0	There is no evidence of climate co-benefits in PA 2
PA 3	40/12	0	0	0	0	There is no evidence of climate co-benefits in PA 3
PA 4	40/12	0	0	0	0	There is no evidence of climate co-benefits in PA 4
PA 5	40/12	0	0	0	0	Pillar 2, covering PAs 5-X, focuses on: “Enhancing policies to promote private sector employment opportunities”.  There is no evidence of climate co-benefits in PA 5
PA 6	40/12	0	0	0	0	There is no evidence of climate co-benefits in PA 6
PA 7	40/12	0	0	0	0	There is no evidence of climate co-benefits in PA 7
PA 8	40/12	0	0	0	0	There is no evidence of climate co-benefits in PA 8
PA 9	40/12	0	0	0	0	There is no evidence of climate co-benefits in PA 9
PA 10	40/12	0	1	0	3.3	Prior Action 10 states “The Recipient, through its Cabinet, has approved the National Energy and Conservation Policy on July 30, 2019; as evidenced

						<p>by letter Ref C-3/32/227 dated August 15, 2019.”</p> <p>It seeks to promote “an efficient and environmentally sustainable private sector” to meet Bhutan’s jobs and economic transformation.</p> <p>The National Energy and Conservation Policy “outlines institutional responsibilities, defines procedures for energy conservation and sets targets for the domestic appliances, building, industry and transport sector. The policy is complemented by a roadmap for implementation which targets specific interventions in each sector, such as LED lightbulbs, glass wool insulation for houses and electric taxis, and sets standards and targets for their adoption.”</p> <p>Finance in support of PA 10 qualifies as mitigation co-benefits under the “National, subnational or territorial cross-sectoral policy actions that aim to lead to climate change mitigation actions or technical support for such actions” eligible activity of the Common Principles for Climate Change Mitigation Finance Tracking.</p>
PA 11	40/12	0.5	0.5	1.7	1.7	<p>Prior Action 11 states “The Recipient, through its Cabinet, has approved the National Climate Change Policy on January 21, 2020; as evidenced by letter Ref C-3/47/2020/422 dated January 23, 2020.”</p> <p>The National Climate Change Policy provides a framework for coordinated action to fulfil national and international obligations. The document is anchored in four policy statements: carbon neutral development, resilience to climate change, ensuring means of implementation, and effective and coordinated actions.</p>

						<p>The National Climate Change Policy is also adaptation relevant and the activities are linked to the stated vulnerability context.</p> <p>Finance in support of PA 11 qualifies as mitigation co-benefits under the “National, subnational or territorial cross-sectoral policy actions that aim to lead to climate change mitigation actions or technical support for such actions” eligible activity of the Common Principles for Climate Change Mitigation Finance Tracking.</p> <p>The project is assessed to be entirely climate-relevant, and cross-cutting between adaptation and mitigation objectives.</p>
PA 12	40/12	0	0	0	0	There is no evidence of climate co-benefits in PA 12

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
1.7	1.7	0%	5.0	5.0	0%

Reported climate finance	Assessed climate finance	Error
6.7	6.7	0%

Project Number: P166868

<b>Project Name</b>
Strengthening Teaching-Learning And Results for States
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/789561593309621894/india-strengthening-teaching-learning-and-results-for-states-operation">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/789561593309621894/india-strengthening-teaching-learning-and-results-for-states-operation</a>
<b>Financing Instrument</b>
Program-for-Results, Investment Project Financing
“The proposed support under STARS is in the form of a hybrid operation with two lending instruments: (a) a Program component using the Program for Results (PforR) instrument (475 million), and (b) a technical assistance (TA) component and a Contingent Emergency Response Component using the Investment Project Financing (IPF) instrument (25 million).”
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Disbursement Linked Indicator

<b>Climate Change Vulnerability Context</b>
Provided in the Climate Change Co-benefits Assessment, Annex 10, page 115.
<b>Intent to Address Vulnerability</b>
Provided in the Environment and Social section, page 44, paragraph 101, and in the Climate Change Co-benefits Assessment, Annex 10, page 115.
<b>Link to Project Activities</b>
The project documentation provides a implicit links between climate-related activities, DLI’s, and the vulnerability context. The 6 DLIs are listed on page 19, and outlined in more detail in Annex II, page 70. DLI 2 and 6 are noted in the Climate Change Co-benefits Assessment, Annex 10, to be climate-relevant.
The Program Components section makes no reference to adaptation or mitigation, or to vulnerability, resilience or emissions in an explicitly climate relevant context. The Theory of Change related to the selection of DLIs makes no reference to adaptation or mitigation co-benefits.
Climate-relevance within the project can only be inferred within isolated and somewhat discrete “climate change co-benefits” sections. These sections do not clearly link the Program Components, budget, DLI’s and climate co-benefits (in a financial sense).
With this information it is not possible to make any reliable estimate of climate co-benefits, furthermore because climate activities are clearly a minor component of the project (as evidenced by the sparsity of the topic within the document) under a principle of conservativeness no climate finance has been calculated to result from this project.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
DLI 1. Increase in students	50	The indicator measures improvement in grade 3 language scores in selected states as measured by their performance on a national standardized assessment. The indicator also tracks the usage of the assessment results for

<p>achieving minimum proficiency in grade 3 language in select states</p>		<p>development of time bound action plans for the improvement of learning levels. The DLI will be achieved when: Year 1: National Report for NAS 2017 with state and subject wise scaled scores for Grade 3 published by NCERT; and officially shared with selected states by the MHRD. Year 2: First round of national standardized assessment for grade 3 language is completed by MHRD and baselines established for the percentage of students achieving minimum proficiency in language in each selected state. Year 3: Results from first round of national standardized assessment analyzed, published, and a time bound action plan prepared for each selected state. Year 4: No DLI target. Year 5: Second round of national standardized assessment for grade 3 in language completed by MHRD and at least 2 percentage points increase in students achieving minimum proficiency in language over baseline in each selected state.</p> <p>In year 1, MHRD will formally submit a document published by the NCERT; detailing state and subject wise scaled scores for Grade 3 from NAS 2017 In years 2 and 5, MHRD will formally submit the assessment framework and assessment report, which will be reviewed for adequacy. In year 3, MHRD will formally submit the publicly accessible national standardized assessment results report for grade 3. MHRD in partnership with the 6 selected states, will also submit an official document that includes a review and analysis of the assessment results and provides a time bound action plan for improvement of learning levels (over a three-year period).</p>
<p>DLI 2. Improvement in secondary school completion rate in select states</p>	<p>30</p>	<p>The indicator tracks the number of students sitting for grade 10 examination as a percentage of number of children enrolled in grade 9 in the previous year. The DLI will be achieved when: Year 1: MHRD publicly releases the UDISE Flash Statistics 2017-18; and each selected state improves secondary school completion rate by 0.4 percentage points over baseline. Year 2: No DLI target. Year 3: Each selected state improves secondary school completion rate by 1.1 percentage points over baseline. Year 4: No DLI target. Year 5: Each selected state improves secondary school completion rate by 2.0 percentage points over baseline.</p> <p>In year 1, the IVA will check if MHRD has publicly released the UDISE Flash Statistics (2017-18) In year 1, 3 and 5, MHRD will officially submit MIS data for state wise secondary school completion rate.</p>
<p>DLI 3. Improvement in governance index scores in select states</p>	<p>20</p>	<p>The indicator tracks improvement on an index comprising of nine 'governance' related indicators that are a subset of the set of indicators used by MHRD for annual performance grading of states. This subset of indicators tracks performance on teacher management; decentralized school management; school level planning; and human resource adequacy at state and district level teacher training institutions. The DLI will be achieved when: Year 1: The report of the second performance grading index (academic year 2018-19) is released by MHRD. Year 2: Each selected state improves its governance index score by at least 4 points over baseline. Year 3: No DLI target. Year 4: Each selected state improves its governance index score by at least 8 points over baseline. Year 5: Each selected state improves its governance index score by at least 10 points over baseline.</p>

		<p>In year 1, MHRD will formally submit the documents detailing the design (including scoring methodology), data collection and validation, and results of the second performance grading index. In year 2, 4 and 5, MHRD will formally submit the raw data used for computing scores; either along with the publicly accessible version of the year performance grading index report; or as a standalone electronic spreadsheet in case the index is not computed/released in the particular year.</p>
DLI 4. Strengthened learning assessment systems	25	<p>The indicator tracks India's planning, preparation, and participation in the Programme for International Student Assessment (PISA) 2021. Further, it tracks the extent to which the institutions established to manage India's participation in PISA 2021, and the investments made in their capacity development, are leveraged to enhance the national standardized assessment program. The DLI will be achieved when: Year 1: Field trial for PISA 2021 is completed and field trial report finalized; and notification of the establishment of a national assessment center that can manage India's national level student assessment as well as India's participation in international level student assessments. Year 2: PISA 2021 main survey is completed. Year 3: India's national report for PISA 2021 is publicly released and designated Assessment Agency is operational. Year 4: A detailed analysis of national results for PISA 2021 is completed, and report published by MHRD highlighting proposed policy actions for the country; and setup of the national assessment center is completed by MHRD. Year 5: No DLI target.</p> <p>In years 1 to 4, for PISA-related DLI targets, MHRD will officially submit the Field Trial report for PISA 2021; the PISA main survey completion report; and India's national report for PISA 2021. For Assessment Agency-related DLI targets, MHRD will submit the official document designating an Assessment Agency for managing international and national assessments in India.</p>
DLI 5. Partnerships developed to facilitate cross-learning between states	10	<p>The indicator tracks the extent to which initiatives, learning and materials developed by selected states are shared with non-selected states to facilitate adaptation and replication of best practices. The DLI will be achieved when: Year 1: MHRD identifies and establishes at least 12 interstate learning partnerships by connecting each selected state with at least two non-selected states. Year 2: At least one knowledge sharing workshops held under each inter-state learning partnership. Year 3: At least one knowledge sharing workshops held under each inter-state learning partnership. Year 4: At least one knowledge sharing workshops held under each inter-state learning partnership. Year 5: At least one knowledge sharing workshops held under each inter-state learning partnership.</p> <p>In Year 1, MHRD will submit a document listing out the various inter-state partnerships proposed under the operation along with the rationale for each proposed partnership. In year 2 to 5, MHRD will submit a brief report summarizing the learning objective for each workshop held, the lessons/best practices shared/discussed, and a listing of any resource material shared between the states.</p>

DLI 6. State-level improved service delivery	340	<p>The indicator tracks state performance and progress on a state incentive grant scorecard. The DLI will be achieved when: Year 1: State Incentive Grant Manual prepared, released and adopted by MHRD; and at least one selected state scores 20 percent on at least the 'Strengthened Service Delivery' SIG component in accordance with the terms of the SIG Manual Year 2: At least one selected state scores 40 percent on at least the 'Strengthened Service Delivery' SIG component in accordance with the terms of the SIG Manual Year 3: At least one selected state scores 60 percent on at least the 'Strengthened Service Delivery' SIG component in accordance with the terms of the SIG Manual Year 4: At least one selected state scores 80 percent on at least the 'Strengthened Service Delivery' SIG component in accordance with the terms of the SIG Manual Year 5: At least one selected state scores 100 percent on at least the 'Strengthened Service Delivery' SIG component in accordance with the terms of the SIG Manual.</p> <p>In year 1, MHRD will submit the State Incentive Grant Manual In year 1 to 5, MHRD with support from states will share the data/information on various SIG scorecard components and indicators. The IVA will validate the data/information submitted and compute the indicator and component wise scores. For data/information validation, the IVA will rely on a combination of government notification/ documents; and disclosed education MIS.</p>
CERC (IPF component)	25	<p>A CERC will be added to STARS to enable the operation to be more responsive any natural, manmade, and health disasters. It will help the government respond to situations leading to loss of learning such as school closures/infrastructure damage; inadequate facilities and technology for facilitating remote learning etc. The CERC component would facilitate the rapid recategorization of financing, and the utilization of streamlined financing request procedures. This component would be implemented in accordance with the Bank's Special Considerations under IPF through OP 8.00, Rapid Response to Crises and Emergencies and all expenditures would be appraised, reviewed and found to be acceptable to the World Bank prior to any disbursements. Disbursements would be made against a positive list of critical goods (both domestic and imported) or for the procurement of goods and consulting services (including audit costs) required to support the immediate technical assistance for response and recovery needs of the Gol. The proposed WBG response to COVID-19 will include emergency financing, policy advice, and technical assistance, building on existing instruments to support addressing the education sector and broader development impacts of COVID-19. The allocation to this component will be finalized in discussion with MHRD.</p>

<b>Climate Change Co-benefits section</b>	
Provided:	<p>101. Climate Co-Benefits: Three states supported under STARS (Kerala, Maharashtra, and Odisha) have coastlines and are prone to natural disasters, such as floods, cyclones, etc. The schools located around these coastlines especially in Odisha and Kerala are used as evacuation shelters during</p>

floods/disasters and also withstand significant damage to learning spaces. The Samagra framework for Implementation successfully mainstreams disaster-mitigation measures and environmental good practices across key program interventions. Under STARS, Program interventions will (a) support roll-out of green skills under the vocational/occupational training intervention; (b) support eco-clubs in schools to empower students to participate and take up meaningful environmental activities and projects, and engage their parents and neighborhood communities to promote sound environmental behavior; (c) build capacity among midlevel professionals (e.g., BRPs and CRPs) on evacuation measures in the case of disasters; and (d) promote good practice measures, such as water-harvesting, nurturing kitchen gardens, plantations drives, etc., especially in co-located schools (see Annex 10 for details).

197. An unusually hot and extreme summer months in the next twenty years is projected in India. An increase in intra-seasonal variability in the summer monsoon precipitation of 10 percent is projected. Droughts are also expected to pose an increasing risk in parts of north-western India (Turn Down the Heat, World Bank 2013). Three states supported under STARS i.e. Odisha, Maharashtra and Kerala have a coastline and are prone to natural disasters such as floods, cyclones, etc. The schools located around these coastlines especially in Odisha and Kerala are used as evacuation shelters during floods/disasters and also withstand significant damage to learning spaces. The state of Himachal Pradesh could see an increase in precipitation which will result in flash floods and landslides as well higher temperatures will likely result in melting of glaciers causing flooding. Droughts in Rajasthan and Madhya Pradesh are expected to increase with the rise in temperatures. Natural disasters result in extended- closures of school. It may cause damage to school facilities, including water and sanitation facilities. Schools are also used as shelters during the disasters.

198. The Samagra framework for Implementation<sup>50</sup> successfully mainstreams disaster mitigation measures and environmental good practices across key program interventions. Under STARS, the following DLIs support climate mitigation and adaptation co-benefits activities.



DLI	Component	Climate Actions Incorporated
DLI 6 State level improved service delivery	2	<p><b>Mitigation:</b> Construction of new or rehabilitated classrooms and toilets will integrate design layouts to ensure natural light, ventilation, seating, display, storage, DRR, energy efficiency measures and environment friendly features.</p> <p><b>Adaptation:</b> Adaptation measures, including (i) implementing the Guidelines on School Safety Policy, February 2016 prepared by National Disaster Management Authority (NDMA) as well as National Building Code; (ii) eco-clubs in schools to empower students to participate and take up meaningful environmental activities and projects; (ii) reach out to influence, engage their parents and neighborhood communities to promote sound environmental behavior; (iii) build capacity in schools and among mid-level professionals such as BRPs and CRPs on evacuation measures in the case of disasters; and (iv) promote good practice measures such as water-harvesting, nurturing kitchen gardens, plantations drives, etc. especially in co-located schools..</p>
DLI 2 Improvement in secondary completion rate in selected states and DLI 6 State level improved service delivery	2	<p><b>Mitigation:</b> EHS curriculum will raise awareness on climate change mitigation</p> <p><b>Adaptation:</b> Adaptation measures, including development and implementation of EHS curriculum to support all vocational training courses</p>

Greenhouse Gas Accounting
None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
DLI 1. Increase in students achieving minimum proficiency in grade 3 language in select states	50	0	0	0	0	No evidence of climate change relevance.
DLI 2. Improvement in secondary school completion rate in select states	30	0	0	0	0	There is no link provided between the DLI and the climate vulnerability context. Aside from the separate and discrete Climate Change Co-benefits sections, information on how climate co-benefits will arise are completely lacking in the context surrounding this DLI and the project more generally.

						<p>It is important to note: climate change is only a minor component of this project; incremental costs of adaptation and mitigation have not been provided; there is no tangible quantitative link between the supposed climate-relevant activities and actual financial expenditure.</p> <p>Estimations of climate co-benefits should be conservative in the face of inadequate information, therefore no adaptation or mitigation finance is reported for this DLI.</p>
DLI 3. Improvement in governance index scores in select states	20	0	0	0	0	No evidence of climate change relevance.
DLI 4. Strengthened learning assessment systems	25	0	0	0	0	No evidence of climate change relevance.
DLI 5. Partnerships developed to facilitate cross-learning between states	10	0	0	0	0	No evidence of climate change relevance.
DLI 6. State-level improved service delivery	340	0	0	0	0	<p>There is no link provided between the DLI and the climate vulnerability context. Aside from the separate and discrete Climate Change Co-benefits sections, information on how climate co-benefits will arise are completely lacking in the context surrounding this DLI and the project more generally.</p> <p>It is important to note: climate change is only a minor component</p>

						<p>of this project; incremental costs of adaptation and mitigation have not been provided; there is no tangible quantitative link between the supposed climate-relevant activities and actual financial expenditure.</p> <p>Estimations of climate co-benefits should be conservative in the face of inadequate information, therefore no adaptation or mitigation finance is reported for this DLI.</p>
CERC (IPF component)	25	0	0	0	0	No evidence of climate change relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
44.7	0	100%	30	0	100%

Reported climate finance	Assessed climate finance	Error
74.7	0	100%

Project Number: P172426

<b>Project Name</b>
Supporting Egypt's Universal Health Insurance System
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/528341591123310893/egypt-supporting-egypt-s-universal-health-insurance-system-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/528341591123310893/egypt-supporting-egypt-s-universal-health-insurance-system-project</a>
<b>Financing Instrument</b>
Investment Project Financing instrument with Performance Based Conditions (IPF-PBC)
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Performance Based Condition (PBC)

<b>Climate Change Vulnerability Context</b>
Provided in the Project Appraisal Summary section, pages 53-56.
<b>Intent to Address Vulnerability</b>
Provided in the Project Appraisal Summary section, pages 53-56.
<b>Link to Project Activities</b>
Provided in the Project Appraisal Summary section, pages 53-56, and in the Project Components section.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 1: Enrollment and empanelment of the population into UHIS	US\$208 million	<p>This component will focus on carrying out an annual program of activities to support the enrollment of the target population (including the vulnerable groups who are eligible for premium subsidies as per the UHIL) in Phase I Governorates into the UHIS as well as the empanelment of enrollees with general practitioners (GPs). Given that women in Egypt are less likely to be covered by health insurance due to their lower labor force participation rate, the project will particularly benefit the largely female uninsured population therefore narrowing the existing gender gap. Disbursement under this component will be based on the verified achievement of two PBCs, which constitute Results Area 1.</p> <p>Results Area 1: Increasing population coverage and empanelment for UHIS (US\$208 million)</p> <ul style="list-style-type: none"> <li>• PBC 1: Number of people enrolled with UHIA and empanelled with a GP in Phase I Governorates(excluding targeted vulnerable people) (US\$28 million). This PBC will support various processes and systems to ensure that all population subgroups are enrolled and empanelled. This will include the support for active mechanisms to target some difficult-to-reach population subgroups, for example, informal non-poor and nomadic/tribal</li> </ul>

		<p>concentrations in remote areas. Multiple channels will be used to inform beneficiaries on enrollment to effectively meet specific needs of women and men, especially women in poorer areas who may have a more limited access to public health information. To encourage uptake of female enrollment with UHIA, orientation to inform beneficiaries will be offered through mass media campaigns in targeted governorates including social media, face-to-face outreach at health facilities and workplaces. In addition, to ensure that women who may not have access to relevant information due to gender norms that restrict women’s mobility, mobile buses will be used for outreach and will serve as registration points. The establishment of a hotline to address queries on enrollment will contribute to addressing access gaps for females, particularly those who do not work outside the home. Given the geographical scope of Phase I Governorates, PBC 1 will include populations that are particularly vulnerable to climate change, including people who reside in specific geographic areas that temporarily experience a natural or manmade disaster. This PBC will therefore help increase their resilience to climate change, especially through improving access to care for climate-sensitive diseases.</p> <ul style="list-style-type: none"> <li>• PBC 2: Number of targeted vulnerable people enrolled with UHIA and empanelled with a GP in Phase I Governorates (US\$180 million). This PBC will support results in identifying, enrolling, empaneling, and subsidizing of contributory premiums and/or co-payments of designated vulnerable groups in Phase I Governorates as stipulated in the UHIL. The six underprivileged groups that meet the public treasury criteria 18 to have their contributions covered by the UHIS, live in the same geographical areas prone to climate change as those under PBC 1. Given their disadvantaged status, they are more vulnerable to natural hazards (such as extreme precipitation and flooding and sea-level rise) and the resulting price changes, have less access to support to cope and adapt to extreme climate events and fluctuations in heat, and are at higher risk of vector-borne diseases. They are particularly vulnerable to health impacts of climate change, thus the safety net in health provided by the project is all the more critical. Moreover, the project will prioritize participants of the ongoing cash transfer programs supported by the World Bank - Takaful and Karama - with about 90 percent of the beneficiaries being female, supported through subsidies for contributory premiums and/or co-payments. Thus, the project is expected to reduce the burden of OOP expenditures, especially for low-income women, reducing the gap with high-income women and men.</li> </ul>
Component 2: Strengthening UHIS governance, systems and facilitating environment	US\$132 million	Establishing and strengthening the UHIS governance mechanism, capacity, and operational protocols early in the program are crucial for the subsequent implementation of the UHIS. This component will focus on carrying out an annual program of activities to: (a) strengthen UHIS governance and institutional arrangements, including the UHIS oversight and coordination platform; (b) create an enabling environment for private sector participation and citizen engagement mechanisms at both the central and governorate levels through the establishment of coordination

	<p>bodies for UHIS at the national level and in all Phase I Governorates; and (c) support UHIS positive environmental, climate, and social outcomes. This will be achieved by providing support, among others, in: (a) developing and rolling out the systems and processes for the new UHIS agencies, (b) clearly defining the benefits package and pricing, including addressing women’s health needs/risks; (c) defining the contract terms of references (TORs) and contracting both public and private health providers; (d) establishing and improving provider payment mechanisms to align financial incentives for better performance and quality; (e) supporting the rollout of a modular IT system in terms of beneficiary enrollment, provider management, and claims management (the project support for the IT system will apply advanced technology in terms of data security, privacy, and access management; both national laws and best international practice in the field will be followed to mitigate against the risk of data breaches and inappropriate use of personal data; and the Project Operations Manual (POM) will outline in detail what measures will be put in place); (f) strengthening accreditation and provider contracting; (g) strengthening governance and the mechanism to facilitate private sector participation; and (h) adopting mitigation and adaptation measures to make the UHIS more environment- and climate-friendly. Critical activities in this component will aim to be completed in the first three years of the project. Disbursement under this component will be based on verified achievements of six PBCs, which constitute Result Areas 2 and 3.</p> <p>Results Area 2. Strengthening UHIA (US\$90 million)</p> <ul style="list-style-type: none"> <li>• PBC 3: Development and adoption by UHIA of a benefit package for the continuum of care (primary care, secondary, and tertiary hospital care) (US\$10 million). This PBC will support the process of development and adoption of a benefit package for all levels of care as well as related rules such as referrals, co-payments, deductibles (if any), and waiting lists. The process will take account of factors such as cost-effectiveness, financial protection, and equity. The benefit package will include interventions to: (a) build climate resilience in health, and (b) promote the use of care at the lower levels which have a smaller carbon footprint. The UHIS benefit package will be tailored to the needs of women including screening for chronic diseases and cancer and will strengthen some of the maternal health packages. According to the Demographic Health Survey 2014, cesarean deliveries make up about 52 percent of all deliveries in Egypt, one of the highest rates globally. As excessive cesarean deliveries pose greater risks for both women and their babies, the new benefit package will price normal deliveries similarly to cesarean deliveries to reduce moral hazards.</li> <li>• PBC 4: Supporting modular UHIS information technology system rollout (US\$35 million). This PBC will support capacity building for the rollout of a modular UHIS IT system for enrollment and empanelment of the target population, provider management, and claims management by the UHIA. The modules will be integrated within a currently underdeveloped</li> </ul>
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	<p>backbone IT infrastructure that would link different modules as the system matures. Support will also be extended to the procurement module managed by the EASPMTM to ensure effective value-based supply chains for pharmaceuticals, medical equipment, and technology for quality services by public UHIS providers. The new data infrastructure will be energy-efficient. The following PBRs are proposed:</p> <ul style="list-style-type: none"> <li>• PBR 4.1: Development and rollout of beneficiary enrollment module within UHIA (US\$10 million)</li> <li>• PBR 4.2: Development and rollout of provider management module within UHIA (US\$10 million)</li> <li>• PBR 4.3: Development and rollout of claims management module within UHIA (US\$10 million)</li> <li>• PBR 4.4: Development and rollout of the procurement module within EASPMTM. (US\$5 million)</li> </ul> <p>• PBC 5: Strengthening accreditation and provider contracting (US\$25 million). This PBC will support strengthening accreditation and provider contracting functions for different types of services under UHIS (including hospitals, radiology services, individual pharmacies, laboratories, ambulatory services, and telemedicine services - both public and private). This will ensure the realization of two of the key UHIL principles, specifically: (a) provision of quality services by UHIS providers, (b) freedom of choice for beneficiaries, and (c) private sector inclusion and a level-playing field for market competition. The introduction of accredited telemedicine services will offer a potentially ideal approach to deliver targeted support to women in a manner that does not require traveling long distances. The following PBRs also support contracting of individual provider entities, regardless of their affiliation with bigger holding/ownership arrangements to boost their responsiveness and autonomy:</p> <ul style="list-style-type: none"> <li>• PBR 5.1: Accreditation by GAHAR and contracting by UHIA of 20 hospitals, of which 5 are non-governmental hospitals in Phase I Governorates (US\$10 million)</li> <li>• PBR 5.2: Accreditation by GAHAR and contracting by UHIA of 30 pharmacies, of which 20 are non-governmental pharmacies in Phase I Governorates (US\$3 million)</li> <li>• PBR 5.3: Accreditation by GAHAR and contracting by UHIA of 8 radiology services providers, of which 4 are non-governmental radiology services providers in Phase I Governorates (US\$3 million)</li> <li>• PBR 5.4: Accreditation by GAHAR and contracting by UHIA of 15 laboratory service providers, of which 10 are non-governmental laboratory service providers in Phase I Governorates (US\$3 million)</li> <li>• PBR 5.5: Accreditation by GAHAR and contracting by UHIA of 15 ambulatory service providers, of which 5 are non-governmental ambulatory service providers in Phase I Governorates (US\$3 million)</li> </ul>
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		<ul style="list-style-type: none"> <li>• PBR 5.6: Accreditation by GAHAR and contracting by UHIA of three telemedicine service providers, of which two are non-governmental telemedicine service providers in Phase I Governorates. (US\$3 million)</li> </ul> <p>• PBC 6: Strengthening provider payment (US\$20 million). This PBC will enhance both the UHIS' and providers' financial sustainability by: (a) strengthening UHIS provider payment mechanisms for accredited service providers through development and adoption of appropriate regulations to achieve an optimal payment mechanism mix (capitation, FFS, per diems, episode-based payments, and pay for performance) and to help improve efficiency and quality of contracted services, and (b) strengthening the UHIA's capacity to process payment for providers on time and monitoring efficacy of payment of claims.</p> <ul style="list-style-type: none"> <li>• PBR 6.1: Development and adoption of a provider payment mechanism regulation by UHIA (US\$5 million)</li> <li>• PBR 6.2: Annual percentage of payments by UHIA that are paid less than 60 days from the date of claim submission to UHIA by contracted service providers in Phase I Governorates (US\$15 million)</li> </ul> <p>Results Area 3. Strengthening governance and creating a facilitating environment for UHIS (US\$45 million) 44. This results area will strengthen UHIS governance frameworks (including coordination, human resource planning, and staffing), incorporating social inclusion measures, environmental and climate mitigation and adaptation measures under the UHIS, and monitoring and evaluation of the short- to medium-term effects of the rollout of the UHIS.</p> <ul style="list-style-type: none"> <li>• PBC 7: Strengthen governance of UHIS and enhance stakeholder participation and input (US\$27 million) <ul style="list-style-type: none"> <li>• PBR 7.1: Creation of coordination bodies for UHIS at the national level and in all Phase I Governorates (US\$10 million). This PBR will support the creation of a suitable body that will provide oversight and coordination for the UHIS and serve as a dialogue platform for various stakeholders in UHIS-related decision-making. It will also ensure equal representation for women and men.</li> <li>• PBR 7.2: Development and adoption of the respective organizational structure and multi-year human resource plan for UHIA, GAHAR and HCO (US\$2 million). This PBR will support the costs associated with development and adoption, through a decree, of the organizational structure and multi-year human resource plan for each of the three agencies with the following attributes: (i) enhancing accountability to the public and other stakeholders; (ii) being able to discharge its statutory duties of ensuring orderly, informed, and fair operations; and (iii) providing suitable capacities to perform its respective business objectives.</li> </ul> </li> </ul>
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		<p>finetuning of environmental and social measures for the UHIS in general and project activities in particular. The assessment will follow the World Bank guidelines for environmental and social assessments based on the World Bank Environmental and Social Framework (ESF) including potential climate adaptation/mitigation risks and measures.</p> <ul style="list-style-type: none"> <li>• PBR 8.3: Development and adoption of a green health insurance system strategy (US\$2 million). This PBR will support the development and adoption by the UHIA of a new Green Health Insurance System Strategy. The new strategy will be aligned with the 'Go Greener' initiative adopted by the GOE and will include mandatory measures including, but not limited to: (i) improved energy efficiency in health facilities; (ii) a Climate and Health Vulnerability Assessment (CHVA); (iii) use of digital health records; (iv) promotion of the use of telemedicine; (v) use of local food sources; (vi) waste reduction; (vii) energy-conscious sourcing and construction; and (viii) reduction in usage of non-recyclables. PBR 8.3 will include climate adaptation measures, particularly through the promotion of telemedicine which helps reduce the carbon footprint related to travel to health facilities.</li> <li>• PBR 8.4: Satisfactory adoption and implementation by three hospitals (including 2 public hospitals and one non-governmental hospital) of the green health insurance system strategy in Phase I Governorates (US\$5 million). Disbursement will be made against the verification that at least three hospitals (public and non-governmental) have met the requirements under the adopted Green Health Insurance System Strategy.</li> </ul>
<p>Component 3: Providing temporary financial protection against high OOP health expenditures for vulnerable populations outside of Phase I Governorates</p>	<p>US\$50 million</p>	<p>This component will provide temporary support, for three fiscal years, to the most vulnerable segments of the society who are affected by the negative health and economic implications of the COVID-19 pandemic in Egypt, and finance the costs associated with their utilization of the PTES. Women are particularly at risk as they are less likely to be covered by health insurance, tend to spend more on health care, and even when employed, they are more likely to be engaged in precarious employments/contracts which offer poorer health and social insurance<sup>19</sup>. The PTES is fully funded by the treasury and covers Egyptians who are not able to afford private treatment and are not affiliated with any of the existing public and/or private insurance systems. In 2019, the total number of patients who received medical treatment through the PTES reached 3.625 million, worth US\$628.8 million according to CAPMAS. The costs for treatment in 2019 reflected a 23.4 percent increase on the year before. While the PTES will be phased out with the rollout of the UHIS, the program is expected to remain the best available tool to provide equity and health care financial protection in the governorates that have not yet introduced the UHIS. Under this project, support will be extended to the population segments in governorates that are not yet included under Phase I of the UHIS. The aim here is to help alleviate the financial burden associated with high OOP health expenditures for those population</p>

		<p>subgroups (including low-income women) and prevent them from being pushed into poverty until the period when they have regained their livelihoods.</p> <p>Results Area 4: Providing financial coverage for vulnerable population subgroups that are most susceptible to the COVID-19 health and economic implications 46.</p> <ul style="list-style-type: none"> <li>• PBC 9: Number of other vulnerable people benefiting from the PTES in Other Governorates (US\$50 million). This PBC will target to support the PTES expenditure covering a population subgroup who are: (a) 50 years of age or above; (b) non-HIO beneficiaries; (c) utilizing the PTES for hospitalization; and (d) residing in the poorest 11 governorates (by percentage share of the poor) outside of Phase I Governorates, namely Assyut, Sohag, Minya, North Sinai, Matrouh, Red Sea, Beheira, Qena, Beni-Suef, Giza, and Cairo.20 Low-income women are expected to benefit as they are more likely not to be insured and proportionally tend to spend more on health care compared to high-income women and men</li> </ul>
<p>Component 4: Institutional Capacity Building, Technical Assistance and Project Management</p>	<p>US\$10 million</p>	<p>This component will support TA, including capacity building and analytical activities for the establishment of the new UHIS. It will help strengthen capacity of the agencies responsible for implementation and supervision of project activities, including UHIA, HCO, GAHAR, EASPMTM, and the Economic Justice Unit (EJU) of the MOF. Project management and project monitoring and evaluation (M&amp;E) will also be supported through this component.</p> <p>(a) Project management and monitoring and evaluation (US\$4 million). This will include support for the Project Management Unit (PMU), training for the MOHP and UHIA staff, contracting an Independent Verification Agent (IVA), financial auditors, and so on. The support to the PMU will involve supervision activities, contracting of additional required staff to the PMU, and costs of holding supplemental working groups.</p> <p>(b) Strengthening the institutional capacity of the key relevant UHIS agencies involved in delivering the different functions of UHIS (US\$6 million). It will also provide TA and research support for the rollout of UHIS, its pertinent financial and actuarial sustainability, and various project activities. Specifically, the component will support the following activities by agency:</p> <ul style="list-style-type: none"> <li>• (i) EJU at MOF (US\$2.5 million). Within its capacity to monitor, evaluate, and follow up on the financial sustainability and results of the major MOF supported programs, the project will support the EJU to: <ul style="list-style-type: none"> <li>○ Revise and update the actuarial model of the UHIS by Year 4 of the project and as stipulated by the UHIL;</li> <li>○ Conduct yearly studies to evaluate the efficiency of the existing financial revenues and for the UHIS to ensure the financial sustainability of the system. This will include</li> </ul> </li> </ul>

		<p>exploring and assessing potential budgetary sources for the UHIS, their expected social and financial impact, as well as their impact on the efficiency of other existing general budget resources, when they materialize;</p> <ul style="list-style-type: none"> <li>○ Conduct institutional assessments of the four UHIS agencies (UHIA, GAHAR, HCO, and EASPMTM) in the first year of implementation which will inform the development of the organizational structure and multi-year staffing plan for each agency.</li> <li>○ Train staff on gender-sensitive data management (collection of genderdisaggregated data, development of gender analysis, and so on); and</li> <li>○ Strengthen capacity of designated staff on M&amp;E functions for the UHIS.</li> </ul> <ul style="list-style-type: none"> <li>• (ii) UHIA (US\$1.5 million). Within its role as a national payer for the UHIS, the project will support institutional capacity building for the UHIA to strengthen and enhance designated staff capacity on the following: <ul style="list-style-type: none"> <li>○ Understanding UHC and health financing reforms;</li> <li>○ Business process definitions, design, and production of the business processes manual;</li> <li>○ Benefit package development, operationalization, and improvement;</li> <li>• Health service provider contracting for both public and private facilities;</li> <li>○ Health service provider payment mechanism design;</li> <li>○ Costing of the health services;</li> <li>○ Pre-authorization functions to service providers;</li> <li>○ Claims processing;</li> <li>○ Data analysis and fraud control management using automated tools; and</li> <li>○ The usage, interpretation, analytics of the electronic dashboards of the UHIS information system and health care financing tools and analytics.</li> </ul> </li> <li>• (iii) HCO (US\$500,000). Within its mandate for operating all public primary care facilities and secondary and tertiary hospitals, the HCO capacity will be strengthened through: <ul style="list-style-type: none"> <li>○ Improving its governance and management of health care institutions;</li> <li>○ Improving its internal financial systems and capacity within the costing, claims, and internal audit departments;</li> <li>○ Building the capacity of the Human Resources Department through staff training and developing staffing and staff compensation plans for the organization including relevant KPIs;</li> <li>○ Development of streamlined internal clinical protocols across affiliated facilities; and</li> <li>○ Conducting a study on institutionalizing a homecare-based model of care of nursing and physiotherapy.</li> </ul> </li> </ul>
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		<ul style="list-style-type: none"> <li>• GAHAR (US\$1 million). The project will support GAHAR to: (i) realize its role as the accreditor, quality auditor, and regulator of the UHIS for both public and private sector health providers, and (ii) achieve key priorities in its strategic plan. The following areas in GAHAR's plan will be supported: <ul style="list-style-type: none"> <li>○ Health care accreditation and registration program. Complementing the project results-based support through PBC 5 for finalization, adoption, and field implementation of the accreditation tools, the project will also support the surveying capacity of GAHAR for accreditation purposes by training 30 surveyors and financing nearly 100 surveying visits to different types of provider facilities.</li> <li>○ Clinical governance program. The project will support: (i) phased development of clinical standards, guidelines, and protocols for clinical services; (ii) training and continuous development of nearly 100 clinical auditors; (iii) development of a clinical audit process design; and (iv) development of clinical measures, data collection, and reporting mechanisms.</li> <li>○ Egypt Certified Auditor Program (EGYCAP). Aiming at training staff affiliated with different health care providers on developing internal quality auditing skills, the project will support the curricula setting, trainer readiness of the EGYCAP, and the selection, training, and certification of 50 graduates in the early phases of the program.</li> <li>○ Self-Assessment Program. The project will finance the development of the required tools and technical skills of 10 GAHAR staff on the institutional selfassessment mechanisms with a view to strengthening internal audit and anticorruption functions.</li> </ul> </li> <li>• EASPMTM (US\$500,000). This agency will be responsible for procuring pharmaceuticals, consumables, and medical equipment as well as managing the efficient use of medical technology within all publicly owned health care facilities and hospitals, including those which are funded by development partners (DP). With bulk purchasing, the EASPMTM is expected to have negotiation power for better prices of pharmaceuticals, consumables, and equipment. The negotiated price will also be available for private sector facilities so that private health facilities benefit from the UHIS bulk purchasing. The organization will also carry out the functions of Health Technology Assessments (HTAs) on behalf of all public health care facilities. In this context, the project will support: <ul style="list-style-type: none"> <li>○ Establishment and operationalization of an International Medical Procurement Department (IMPD) within the organizational structure of the EASPMTM. The support will enable the IMPD to handle procurement based on international best practices, including those used by DPs. Specifically, the project will support: (i) development of</li> </ul> </li> </ul>
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		<p>IMPD procedures and regulations (for example, regulation on the participation of the private health providers in the EASPMTM procurement); (ii) selection and training of staff on national and international procurement regulations; (iii) acquisition and installation of appropriate procurement IT software and hardware equipment and training on use of said equipment; and (iv) on-the-job training during actual procurement activities. The World Bank procurement specialists will be engaged in such capacity building activities.</p> <ul style="list-style-type: none"> <li>○ Institutional capacity building of the HTA unit for handling advance evaluations of various health technologies. The project will support: (i) the selection and technical capacity building of staff, (ii) partnering with a world renowned HTA academic institution for technology and skill transfer training to designated staff, and (iii) acquisition and installation of appropriate IT software packages and office computers.</li> </ul>
Component 5: Contingent Emergency Response Component (CERC)	US\$0 million	<p>In the event of an eligible crisis or emergency, the project will contribute to providing immediate and effective response to said crisis or emergency. This component would draw from uncommitted loan funds from other components to cover the emergency response. To facilitate a rapid response, in case the CERC is activated, the restructuring of the project is deferred to within three months after the CERC is activated.</p>

**Climate Change Co-benefits section**

None provided. Pages 33-34, paragraph 56, states: “the project is making substantial investments in environmental and climate measures by: (a) developing and adopting a Green Health Insurance System, that is incorporating environmentally friendly practices including those that address the effects of climate change, which will include introducing energy efficiency measures, decreased use of non-recyclable materials, and enhanced waste management (medical and nonmedical) that will be rolled out nationwide; (b) improving resilience of the population by reducing their high OOP health expenditures by providing them with enhanced affordable and accessible health services that also cater to the ill-health effects of climate change; and (c) improving the availability of quality health services at the local level, decreasing the frequency of travel and time required for seeking care at distant facilities and hence minimizing gas emissions.”

112. Climate screening. This project was screened for climate risk and assessed as being at ‘Moderate’ risk from extreme precipitation and flooding, and sea-level rise. Although climate change risks on project outcomes are considered ‘Low’, Egypt faces vulnerabilities related to climate change. The vast majority of the population and infrastructure in Egypt are concentrated in the Nile Delta and along the Mediterranean coast, with agriculture being the biggest employer (over 31.2 percent of the total population, contributing 14 percent to GDP in 2009), 28 making Egypt particularly vulnerable to the impacts of sea-level rise, particularly inundation and salt intrusion. Vulnerabilities include mean annual temperature which is expected to increase by 2°C to 3°C by 2050, with warming increasing more rapidly in the interior regions, while rainfall is projected to reduce by 7 percent near the coast by 2050 and by 9 percent in central Egypt. 29, In addition, changes to precipitation patterns are

expected to lead to heavy rains, causing urban flooding (along coastal areas) and flash floods (in Upper Egypt and Sinai), inevitably causing storm damage, coupled with more frequent heat waves and dust storms. Rain-induced floods can wash away property, cause displacement of people, loss of life, a substantial reduction in agricultural productivity, and an increase in the prevalence of vector-borne diseases. In the short term, extreme heat waves, strong dust storms, and urban floods would affect the ability of those in need of health care services to reach health facilities. In the long term, some health care facilities in vulnerable areas in the Northern Delta would be inundated.

113. Impact of climate change on health. The health sector is affected by climate variability through both direct and indirect pathways, including extreme climate events (for example, heat waves, hurricanes/storms, floods, and droughts) and gradual changes (for example, water, food, and air quality) that negatively influence human health. While climate change has a significant impact on disaster management efforts and poses a significant threat to the efforts to meet the growing needs of the most vulnerable populations, the most direct link between climate change and ill health is air pollution, which kills 7 million people per year.<sup>30</sup> Globally, over 90 percent of the air breathed by urban populations contains levels of outdoor air pollutants that exceed the WHO's guidelines<sup>31</sup> and a warming climate will worsen air quality. In the context of Egypt, the risk of vector-borne diseases is also Substantial given the potential for flooding.

114. The project will reduce vulnerability to climate change, specifically, project activities will enhance the adaptive capacity of the population, contributing to their climate resilience which is critical for poor and vulnerable households who are often at the highest risk to the effects of climate change. Specific project activities which will support climate change adaptation include the following:

- PBC 2 will target populations that are particularly vulnerable to the impacts of climate change, including people who reside in specific geographic areas that temporarily experience a natural or manmade disaster. The six groups of underprivileged people who meet the public treasury criteria to have their contributions to the UHIS covered are those who are more vulnerable to natural hazards (such as extreme precipitation and flooding and sea-level rise) and the resulting price changes and have less access to support to cope and adapt to extreme climate events and fluctuations in heat and are at higher risk of vectorborne diseases. By aiming to provide national UHC to vulnerable groups, the project will create a safety net that will improve access to quality health care so that the beneficiaries can adapt to and be treated for the potential increase in vector-borne diseases (for example, malaria and dengue fever) due to flooding, and receive health advice on how to manage health impacts resulting from increasing air pollution and rising annual temperatures.
- PBC 3 will enhance population climate resilience by providing access to a package of health services which responds to the population's health needs and burden of disease.
- PBC 8: Climate and Health Vulnerability Assessment (CHVA). The project will finance a CHVA to identify the specific health threats faced by the Egyptian population and to ensure most efficient targeting of resources to deal with the risks faced now and into the future. The CHVA will consider climate-related exposures such as rising temperature and changing precipitation as well as extreme weather events, current and future climate-related health outcomes such as malaria and other vector-borne diseases, nutrition and maternal and child health threats, and the capacity of the system to cope with these challenges. The CHVA will provide national- and state-level findings and recommendations designed to be embedded into current government initiatives, including the UHIS.

115. The project will support climate change mitigation through the following activities:

- Under Component 1, PBC 1 and PBC 2 will target the enrollment of the population of Phase I Governorates in the UHIS and its empanelment with PHC service points and therefore health provision will be closer to patient's households. This will result in the reduction of travel time and the requirement for journeys avoiding transport-related emissions. This mitigation measure is particularly important in the context of Egypt where motor vehicle emissions and transportation are major contributors to air pollution.
- Reduction of energy consumption in health facilities. Health care systems at their core require enormous amounts of energy, from the supply chain to individual health care facilities, while hospitals are energy-intensive buildings. The UHIS project aims to address some of the inherent climate vulnerabilities as part of the support under the project. Normative performance standards (for energy efficiency) will be developed for inclusion in the accreditation criteria of health facilities under the new UHIS.
- Digital health records under PBC 4. To reduce waste and increase sustainability and climate mitigation measures, the new UHIS will be encouraged to switch to digital health records, to reduce the paperwork generated by both health care facilities and their suppliers and to reduce waste dumped in landfills and paper production, which requires large amounts of water and emissions of methane as it decomposes. The shift to digital record storage, will simultaneously help keep patient data more secure and easily accessible by both patients and health care providers. In addition, increasing the quality and availability of health services at the local level will reduce the health system's carbon footprint through a decrease in the need for patients to travel to distant facilities to achieve the services they require.
- Telemedicine under PBC 5, as part of accreditation. To better identify vulnerable populations in regions affected by climate disasters and more effectively and efficiently reach these households, the use of telemedicine will be introduced to allow patients to schedule appointments and receive laboratory services without having to leave their home, reducing emissions resulting from commutes to health care facilities. Telemedicine gives patients access to their primary care provider and other health professionals through remote channels, such as telephones and video chats. Through telemedicine, health care professionals will evaluate, diagnose, and provide treatment options to patients from a distance, allowing the disabled, the elderly, and patients in remote areas to receive care they may not have otherwise been able to obtain.
- Local Food, waste reduction, and sustainability. Health facilities will be encouraged to invest in sourcing local food, reducing waste, and improving sustainability. Hospitals will consider the environmental impacts of their food suppliers, purchasing locally sourced food products. This will strengthen the local economy, cut down on food miles, and reduce dependence on fossil fuels and air pollution. Less miles traveled also means that there is less risk of food contamination or spoilage, keeping patients healthier. Hospitals will also work with local composting companies to haul away food waste that can be used as fertilizer in sustainable farming.
- Energy-conscious sources and construction. Construction of new health facilities and renovation of existing facilities will be built taking into account 'green' principles: (a) designing buildings to maximize the amount of sunlight they receive; (b) constructing green roofs, which help to stem the flow of storm water; (c) construction waste being diverted to recycling; (d) use of green building



materials (including low-emission paint and forest certified wood); (e) water-saving fixtures to reduce usage in comparison to more conventional plumbing systems; (f) energy-efficient chillers, boilers, and insulation units; and (g) motion-sensing lights. The use of alternative energy (including solar power) will not only help offset energy consumption but it will also positively affect human health by lowering greenhouse gas emissions and reduce air pollutants, including sulfur and nitrogen, improving air quality.

116. Embedding a systematic approach to integrating 'Green Health Insurance' and energy efficiency interventions in the Egyptian health sector will take advantage of potential energy savings and climate co-benefits. To achieve this, the following activities will be carried out in conjunction with the World Bank Health, Climate, and Environment Program and the Energy Sector Management Assistance Program. First, normative performance standards (for EE) will be developed for inclusion in the accreditation criteria of health facilities under the new UHS. Second, a series of in-country energy efficiency audits of a range of health facilities will be carried out with the objective to identify opportunities for energy savings in health facilities in advance of accreditation.

**Greenhouse Gas Accounting**

None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PBC 1	28	0.25	0	7	0	<p>PBC 1 will “support various processes and systems to ensure that all population subgroups are enrolled and empanelled” in the Universal Health Insurance System. It is further noted that PBC 1 “will include populations that are particularly vulnerable to climate change, including people who reside in specific geographic areas that temporarily experience a natural or manmade disaster. This PBC will therefore help increase their resilience to climate change, especially through improving access to care for climate-sensitive diseases”.</p> <p>The PBC therefore creates a link between the activities being funded and the provided vulnerability context, showing an intent to address it (indirectly).</p>

						<p>Due to a lack of more granular information, an initial coefficient of 0.5 can be applied based on the following reasoning:</p> <ul style="list-style-type: none"> <li>- Adaptation is not the fundamental or primary driver of the project. Adaptation co-benefits will be indirect.</li> <li>- More informed proportionality calculations are not possible due to a lack of more granular information regarding activities/aims/motivations.</li> </ul> <p>Due to the lack of incremental adaptation cost figures and granular information regarding adaptation co-benefits, a further coefficient of 0.5 is applied resulting in a final coefficient of 0.25. The final coefficient adheres to a principle of conservativeness so as to not over-report adaptation co-benefits where there is uncertainty.</p> <p>No evidence of mitigation relevance.</p>
PBC 2	180	0.25	0	45	0	<p>PBC 2 will “will support results in identifying, enrolling, empaneling, and subsidizing of contributory premiums and/or co-payments of designated vulnerable groups in Phase I Governorates”. It is further noted that “The six underprivileged groups that meet the public treasury criteria 18 to have their contributions covered by the UHIS, live in the same geographical areas prone to climate change as those under PBC 1”.</p> <p>The PBC therefore creates a link between the activities being funded and the provided vulnerability context, showing an intent to address it (indirectly).</p> <p>Due to a lack of more granular information, an initial coefficient of</p>

						<p>0.5 can be applied based on the following reasoning:</p> <ul style="list-style-type: none"> <li>- Adaptation is not the fundamental or primary driver of the project. Adaptation co-benefits will be indirect.</li> <li>- More informed proportionality calculations are not possible due to a lack of more granular information regarding activities/aims/motivations.</li> </ul> <p>Due to the lack of incremental adaptation cost figures and granular information regarding adaptation co-benefits, a further coefficient of 0.5 is applied resulting in a final coefficient of 0.25. The final coefficient adheres to a principle of conservativeness so as to not over-report adaptation co-benefits where there is uncertainty.</p> <p>No evidence of mitigation-relevance.</p>
PBC 3	10	(1/3)/2	0	1.67	0	<p>PBC 3 will “support the process of development and adoption of a benefit package for all levels of care as well as related rules such as referrals, co-payments, deductibles (if any), and waiting lists”. It is further noted that “The benefit package will include interventions to: (a) build climate resilience in health, and (b) promote the use of care at the lower levels which have a smaller carbon footprint.”</p> <p>The PBC therefore creates a link between the activities being funded and the provided vulnerability context, showing an intent to address it (indirectly).</p> <p>Due to a lack of more granular information, an initial coefficient of 1/3 can be applied based on the following reasoning:</p>

						<ul style="list-style-type: none"> <li>- Adaptation is not the fundamental or primary driver of the project. Adaptation co-benefits will be indirect.</li> <li>- 1/3 activities under Component 2 (“(a) strengthen UHIS governance and institutional arrangements, including the UHIS oversight and coordination platform; (b) create an enabling environment for private sector participation and citizen engagement mechanisms at both the central and governorate levels through the establishment of coordination bodies for UHIS at the national level and in all Phase I Governorates; and (c) support UHIS positive environmental, climate, and social outcomes”) are climate-relevant.</li> </ul> <p>While context surrounding PBC 3 mentions mitigation co-benefits, paragraph 115 does not. Detail provided in PBC 3 context is not sufficient to deduce an eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking. The final coefficients adhere to a principle of conservativeness so as to not over-report climate co-benefits where there is uncertainty.</p>
PBC 4	35	0	0	0	0	<p>PBC 4 will “support capacity building for the rollout of a modular UHIS IT system for enrollment and empanelment of the target population, provider management, and claims management by the UHIA”.</p>

					<p>Regarding adaptation, the PBC therefore does not create a link between the activities being funded and the provided vulnerability context. Adaptation co-benefits cannot be counted.</p> <p>There is no explicit mitigation-relevance indicated in the context immediately surrounding PBC 4, however, paragraph 115 states: "Digital health records under PBC 4. To reduce waste and increase sustainability and climate mitigation measures, the new UHIS will be encouraged to switch to digital health records, to reduce the paperwork generated by both health care facilities and their suppliers and to reduce waste dumped in landfills and paper production, which requires large amounts of water and emissions of methane as it decomposes."</p> <p>An initial coefficient of 0.5 can be applied based on the following reasoning:</p> <ul style="list-style-type: none"> <li>- Mitigation is not the fundamental or primary driver of the project.</li> <li>- More informed proportionality calculations are not possible due to a lack of more granular information regarding activities/aims/motivations.</li> </ul> <p>Due to the lack of granular mitigation information, and to ensure conservativeness is adhered to, a final coefficient of 0 is applied. The final coefficient recognises that project documentation makes no reference to net emissions or GHG accounting and aims to ensure mitigation co-benefits are not over-reported in the face of uncertainty.</p>
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PBC 5	25	0	0	0	0	<p>PBC 5 will “support strengthening accreditation and provider contracting functions for different types of services under UHIS (including hospitals, radiology services, individual pharmacies, laboratories, ambulatory services, and telemedicine services - both public and private).”</p> <p>0/3 guiding “key UHIL principles” are climate-relevant, and 0/6 sub-PBCs evidence climate-relevance.</p> <p>Regarding adaptation, the PBC therefore does not create a link between the activities being funded and the provided vulnerability context. Adaptation co-benefits cannot be counted.</p> <p>There is no explicit mitigation-relevance indicated in the context immediately surrounding PBC 5, however, paragraph 115 states: “Telemedicine under PBC 5, as part of accreditation. To better identify vulnerable populations in regions affected by climate disasters and more effectively and efficiently reach these households, the use of telemedicine will be introduced to allow patients to schedule appointments and receive laboratory services without having to leave their home, reducing emissions resulting from commutes to health care facilities.”</p> <p>An initial coefficient of 0.5 can be applied based on the following reasoning:</p> <ul style="list-style-type: none"> <li>- Mitigation is not the fundamental or primary driver of the project.</li> <li>- More informed proportionality calculations are not possible due to a lack</li> </ul>
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						<p>of more granular information regarding activities/aims/motivations.</p> <p>Due to the lack of granular mitigation information, and to ensure conservativeness is adhered to, a final coefficient of 0 is applied. The final coefficient recognises that project documentation makes no reference to net emissions or GHG accounting and aims to ensure mitigation co-benefits are not over-reported in the face of uncertainty.</p>
PBC 6	20	0	0	0	0	<p>PBC 6 will "enhance both the UHIS' and providers' financial sustainability by: (a) strengthening UHIS provider payment mechanisms for accredited service providers through development and adoption of appropriate regulations to achieve an optimal payment mechanism mix (capitation, FFS, per diems, episode-based payments, and pay for performance) and to help improve efficiency and quality of contracted services, and (b) strengthening the UHIA's capacity to process payment for providers on time and monitoring efficacy of payment of claims."</p> <p>0/2 mentioned activities are climate-relevant, and 0/2 sub-PBCs evidence climate-relevance.</p> <p>Regarding adaptation, the PBC therefore does not create a link between the activities being funded and the provided vulnerability context. Adaptation co-benefits cannot be counted.</p> <p>There is no evidence to show that PBC is mitigation-relevant.</p>
PBC 7	27	0	0	0	0	<p>PBC 7 will "Strengthen governance of UHIS and enhance stakeholder participation and input". It is further noted that PBC 7 is part of Results</p>

						<p>Area 3, which will “strengthen UHIS governance frameworks (including coordination, human resource planning, and staffing), incorporating social inclusion measures, environmental and climate mitigation and adaptation measures under the UHIS, and monitoring and evaluation of the short- to medium-term effects of the rollout of the UHIS.”</p> <p>0/7 sub-PBCs evidence climate-relevance. Furthermore, paragraphs 114 and 115, which outline where climate co-benefits arise, make no mention of PBC 7.</p> <p>The PBC therefore creates only a very weak link between the activities being funded and the provided vulnerability context, and shows no explicit intent to address it.</p> <p>Due to the lack of incremental adaptation cost figures and granular information regarding adaptation co-benefits, a coefficient of 0 is applied. The final coefficient adheres to a principle of conservativeness so as to not over-report adaptation co-benefits where there is uncertainty.</p> <p>No evidence of mitigation relevance.</p>
PBC 8	15	<p>0.5 (sub-SBCs 8.1 and 8.2)</p> <p>0.5 (sub-SBCs 8.3 and 8.4, which cross-cut across adaptation and mitigation)</p>	<p>0 (sub-SBCs 8.1 and 8.2)</p> <p>0.5 (sub-SBCs 8.3 and 8.4, which cross-cut across adaptation and mitigation)</p>	7.5	3.5	<p>PBC 8 is concerned with “Development and adoption of a set of complementary regulations and strategies for UHIS”. It is further noted that PBC 8 is part of Results Area 3, which will “strengthen UHIS governance frameworks (including coordination, human resource planning, and staffing), incorporating social inclusion measures, environmental and climate mitigation and adaptation measures under the UHIS, and monitoring and evaluation of the short- to medium-term effects of the rollout of the UHIS.”</p>



						<p>Of the 4 sub-PBCs: 8.1 (US\$ 6 million) and 8.2 (US\$ 2 million) are partially adaptation relevant; 8.3 (US\$ 2 million) and 8.4 (US\$ 5 million) are entirely climate relevant.</p> <p>The PBC therefore creates a link between the activities being funded and the provided vulnerability context, and shows an explicit intent to address it.</p>
PBC 9	50	0	0	0	0	<p>PBC 9 is concerned with “Number of other vulnerable people benefiting from the PTES in Other Governorates”, under component 3, which aims towards “Providing financial coverage for vulnerable population subgroups that are most susceptible to the COVID-19 health and economic implications”.</p> <p>There is no evidence of a link between the stated activities and the provided climate vulnerability context. There is no evidence of mitigation relevance.</p>
C 4 (a)	4	0	0	0	0	<p>Component 4 aims to “support TA, including capacity building and analytical activities for the establishment of the new UHIS”. Activity (a) will support “Project management and monitoring and evaluation”. There is no evidence that the activity is climate relevant.</p>
C 4 (b)	6	0	0	0	0	<p>Component 4 aims to “support TA, including capacity building and analytical activities for the establishment of the new UHIS”. Activity (b) will support the “Strengthening the institutional capacity of the key relevant UHIS agencies involved in delivering the different functions of UHIS”.</p> <p>0/5 sub-activities are climate-relevant.</p>
C 5	0	0	0	0	0	No evidence of climate-relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
116.2	61.2	47.3%	3.9	3.5	10.3%

Reported climate finance	Assessed climate finance	Error
120.1	64.7	46.1%

## Project Number: P170329

<b>Project Name</b>	Supporting the Electricity Social Tariff Transition in the Province of Buenos Aires
<b>Project Document URL</b>	<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/912851567994464056/argentina-supporting-the-electricity-social-tariff-transition-in-the-province-of-buenos-aires-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/912851567994464056/argentina-supporting-the-electricity-social-tariff-transition-in-the-province-of-buenos-aires-project</a>
<b>Financing Instrument</b>	Investment Project Financing/Program-for-Results
<b>Financial product</b>	Loan
<b>Lowest level of granularity</b>	Activity/Disbursement Linked Indicator

<b>Climate Change Vulnerability Context</b>	A partial vulnerability assessment is provided in the Relevance to Higher Level Objectives section, page 13, paragraph 29.
<b>Intent to Address Vulnerability</b>	Provided in the Relevance to Higher Level Objectives section, page 13, paragraph 29.
<b>Link to Project Activities</b>	None provided.
<b>Incremental Cost?</b>	None provided.

Name	Value	Description
Component 1: Institutional capacity building on Social Tariff implementation and Energy Efficiency	US\$ 8 million	Component 1: Institutional capacity building on Social Tariff implementation and Energy Efficiency (US\$ 8 million). In the short term, this Component includes technical assistance activities which aim at strengthening the PBA structure (roles and responsibilities) to manage the ST and the capabilities to administer information resources for monitoring. 34. This Component comprises three sub-components that provide technical assistance to: i) strengthen the PBA's capacity to manage, coordinate, and monitor the social tariff; including capacity of provincial regulatory agencies (OCEBA and the ENRE/new AMBA agency) and at the level of electricity distribution providers; ii) integrate and close information gaps on ST users -this may involve combining additional administrative sources and updating the users' registry; and iii) generate capacity to carry out sectorial studies to improve, inter alia, the ST targeting design and the consumption behaviors among ST beneficiaries' households. This Component is expected to be implemented over three years. Activities under the three sub-components will be implemented by the provincial Directorate of Subsidies (DS), in coordination with the Provincial Directorate of Public Services (DPSP) and will be financed using current IPF procurement and financial management procedures. 35. The three sub-components will address the transfer of responsibilities for ST from the federal government to the PBA from institutional and operational angles. Activities will be developed in parallel across sub-

		<p>components. While Sub-component 1.1 aims at establishing the broad institutional arrangements and the information system supporting its functioning, Sub-component 1.2 aims at improving data collection on users, and Sub-component 1.3 focuses on setting up the bases for analytical capabilities and improving sectorial practices.</p>
<p>Sub-component 1.1: Institutional strengthening on ST management, information procedures and transparency.</p>		<p>This Sub-component will be focused on: (i) enhancing the PBA's institutional structure to manage the ST, including the revision of roles and responsibilities to implement and monitor the ST; (ii) providing solutions to information gaps of the ST program by improving management procedures and strengthening the data systems of the Directorate of Subsidies and Directorate of Public Services; and (iii) improving transparency through access to information on ST, and upgrading grievance mechanisms related to ST.</p> <p>37. Main activities financed under Sub-component 1.1 include, inter alia: a) developing agreements with protocols and related software for a systemic exchange of information among OCEBA, ENRE and the province; b) procuring goods to strengthen the information technology capacity of participating agencies; c) delivering training to provincial agencies and distribution companies' staff on new procedures and information mechanisms; d) supporting improvements in regulatory agencies' grievance redress mechanisms; e) organizing data exchange with other public stakeholders at the federal and provincial levels; f) consolidating a unified data collection system on electricity users; and g) developing and publishing a regular report on the ST program.</p>
<p>Sub-component 1.2: Gathering information at the local level and from other provincial and national agencies</p>		<p>Sub-component will support efforts to complete missing information on the 28 percent of electricity users that currently prevents them from being considered as potential ST beneficiaries. Activities will be concentrated on: (i) updating the user's information from the field (re-empadronamiento) and other complementary actions, especially for the users without identification data; and (ii) combining additional administrative sources for cross-checks to provide information on users without socioeconomic attributes. A set of complementary activities to strengthen the information management system will be jointly implemented by the Directorates of Public Services and Subsidies to achieve these goals.</p> <p>39. Main activities financed under Sub-component 1.2 include, inter alia: a) supporting the improvement of beneficiary information for selected distribution companies through the preparation of an action plan containing the list of users with missing information by distribution company; b) developing the methodology to collect missing information based on an agreed and unified instrument; c) developing coordination activities and protocols for transferring the data from OCEBA and ENRE to the provincial database; d) carrying out communication campaigns and preparation of dissemination materials for electricity users on eligibility criteria for ST; e) combining additional administrative sources ensuring interoperability across different databases (for cross-checks); and f)</p>

	defining unified criteria and procedures to assess ST inclusion by claims and ad hoc mechanisms
Sub-component 1.3: Assessing the Social Tariff and promoting Energy Efficiency behavior.	<p>This Sub-component will support the PBA in their efforts to: i) strengthen its analytical capabilities to evaluate ST policies to generate evidence-based recommendations and guidelines; and ii) assess, design and implement (when feasible) energy efficiency measures for ST beneficiaries to assure that vulnerable populations have access to affordable and quality electricity services, while maintaining or improving their wellbeing. If energy efficiency is fostered, vulnerable populations can improve their living conditions while maintaining or reducing their electricity consumption, thus avoiding increased expenditures and exceeding the social tariff threshold. Therefore, the project will support the PBA to better understand the possibilities of medium-term ST reforms and promoting energy efficiency behavior of the ST beneficiaries and to design policies, programs and activities that could help promote energy efficiency in general electricity users and especially in vulnerable households and ST implementation.</p> <p>41. Main activities financed under Sub-component 1.3 include, inter alia: a) developing tools and instruments to combine data sources and perform distributive analysis on ST and other subsidies; b) carrying out an evaluation of the electricity ST to identify potential measures or reforms that can substantially reduce inclusion and exclusion errors; c) conducting research aimed at achieving a better understanding of energy consumption patterns in vulnerable households and potential sources for efficiency improvements; d) carrying out communication and education campaigns for general electricity users (i.e., encouraging electricity efficiency improvement in lighting and appliances, understanding the communication challenges of social tariff); e) sharing knowledge on electricity social tariff reforms across the world, and with other provinces implementing ST; and f) delivering information and training at different institutional levels and through agencies (especially the ones in direct contact with users).</p> <p>42. As part of the studies to be carried out under this Sub-component, explicit activities to improving targeting could be carried out beyond the sectoral studies. For instance, specific analysis to assess the fiscal costs and targeting on measures such as moving from individual-based to household-based information on electricity users could be considered. Additionally, following the evaluation of the ST, the sub-component could support the piloting of measures that are being considered, which require further quantitative and qualitative data collection. Potential activities within this Sub-component could also be related to gaps identified in the Environmental and Social Framework. The province will also analyze the potential of implementing programs for: a) replacing inefficient appliances; b) fostering solar thermal technologies for water heating, c) improving thermal isolation in existing houses; and d) installing pre-paid meters.</p>

		<p>43. Activities included in Component 1 and its sub-components will finance consultant and non-consultant services, goods (IT equipment, furniture and software), training, and operating costs.</p>
<p>Component 2: Social Tariff Scheme financing</p>	<p>US\$ 140.5 million</p>	<p>This DLI-based component will support improvements in the management and implementation of the ST. Improvements will be reflected in a set of DLIs that, once achieved, will disburse against eligible expenditures defined as the ST subsidies for eligible residential beneficiaries. The Component is expected to reimburse the cost of approximately 36.6 percent of the program spending during its implementation. Disbursements will take place in the first two years of the Project. The amount to be disbursed will be higher in the short term, as fiscal restrictions are tighter. Hence, the Component is expected to disburse US\$52.1 million in the first semester after effectiveness, and then decline in the following months.</p> <p>45. Disbursements will be authorized only after: (i) DLI targets at the particular time of disbursement have been met, and this has been certified through the report issued by the independent technical agency (for scalable indicators); and (ii) Eligible Expenditures Spending Report with information on the amount of subsidies granted to the eligible beneficiaries has been submitted and verified.</p> <p>46. The first DLI package of institutional milestones, administrative procedures and standards (DLIs 1.1 to 1.7) reflects the progress of the Provincial Government's efforts in the institutional dimension to manage and implement the ST. The institutional dimension provides the basis for accountability, transparency, and information availability to ensure that the system is working.</p> <p>47. The second, third, and fourth DLIs show advancements in closing information gaps, through the reduction in the number of users with no identification data, the reduction in the number of users without socioeconomic information to apply eligibility criteria, and reduction in the number of beneficiaries included via claims and ad hoc additional assessments. These DLIs are scalable.</p> <p>DLI 1: Package of institutional milestones, administrative procedures and standards  DLI 2: Percentage of electricity users with ST included by claims and ad hoc additional assessment mechanisms (i.e., non-automatic mechanisms) according to reports issued by DPSS based on data provided by the Regulatory Agencies  DLI 3: Number of electricity users without identification data according to reports issued by DPSS based on data collected and cross-checked by SINTyS</p>

		DLI 4: Number of electricity users with missing socio-economic data according to reports issued by DPSS based on data collected and cross-checked by SINTyS
Component 3: Project Management, Monitoring and Evaluation	US\$ 1.125 million	<p>This Component will support: (i) the Project Management Team (PMT) which will be responsible for fiduciary activities; and (ii) activities to strengthen the Directorate of Subsidies capacity on ST monitoring and evaluation.</p> <p>49. The PMT will sit in the Provincial Directorate of Multilateral Organizations and Bilateral Financing (DPOMFB). The technical responsibilities for monitoring and evaluation as well as conducting studies to design a comprehensive proposal of ST will be coordinated by the Directorate of Subsidies. Both Directorates are under the provincial Minister of Economy.</p> <p>50. Component 3 will finance consultant and non-consultant services (publications), international technical assistance, training (workshops, knowledge sharing at subnational level), goods (IT equipment, hardware and software), and operating costs.</p>

Climate Change Co-benefits section
<p>None provided.</p> <p>Page 13, paragraph 29 states: "In addition, programs like the ST provide support to populations, vulnerable to extreme weather events which are exacerbated by climate change. The ST, in coordination with a whole set of comprehensive policies, is key to continue supporting these populations and to strengthening their capacity to adapt to climate change. Substantial portions of vulnerable populations in the AMBA reside in areas with high-flooding risks, which are set to worsen due to climate change. According to estimations, 7 percent of the population in AMBA is at risk of flooding (70 percent of the population in the most vulnerable districts) and 23 percent of the population is at risk from high-speed winds (with up to 100 percent of the population in the most vulnerable districts, and 80 percent in several others).<sup>16</sup>With projected variations in precipitation, the flood risks are expected to increase due to intensified frequency and intensity. Considering that social vulnerability is an important factor contributing to overall climate change vulnerability, measures for improving people's living conditions, including through the continued existence of the ST scheme, would result in improved resilience to extreme weather events for these populations."</p>

Greenhouse Gas Accounting
<p>None provided.</p> <p>Page 26, paragraph 85 states: "The Project will neither finance nor support any physical interventions and potential adverse environmental impacts are considered not significant, while some of the activities are expected to contribute to higher energy efficiency with positive impacts on the environment, which may also provide climate change mitigation co-benefits."</p>

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.1	8/4	0	0	0	0	This assessment is prefaced by the fact the project's vulnerability context and intent to
SC 1.2	8/4	0	0	0	0	

SC 1.3	8/4	0	0	0	0	<p>address that vulnerability are sparsely detailed. The Project Components section makes no reference to adaptation or mitigation relevant terms, explicitly or implicitly.</p> <p>As a result, there is no explicit link between the project activities detailed in this sub-component and the vulnerability context. Because no incremental adaptation costs have been provided, no adaptation co-benefits have been recorded following the principle of conservativeness.</p> <p>Regarding mitigation co-benefits, there is no clear mitigation relevance indicated for any component/sub-component in the Project Components section. No granular information regarding mitigation co-benefits/costs, or GHG accounting information has been provided in project documentation. Following the principle of conservativeness no mitigation co-benefits have been recorded.</p>
SC 1.4	8/4	0	0	0	0	
C 2	140.5	0	0	0	0	No evidence of climate relevance. 0/4 DLIs climate-relevant.
C 3	1.125	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
0	0	0%	0.9	0	100%

Reported climate finance	Assessed climate finance	Error
0.9	0	100%



**Project Number: P168590**

<b>Project Name</b>
Tamil Nadu Housing and Habitat Development Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/671411590112928230/india-tamil-nadu-housing-and-habitat-development-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/671411590112928230/india-tamil-nadu-housing-and-habitat-development-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Component/Activity

<b>Climate Change Vulnerability Context</b>
Provided in the Strategic Context section pages 10-11.
<b>Intent to Address Vulnerability</b>
Provided in the Relevance to Higher Level Objectives section.
<b>Link to Project Activities</b>
Provided in the Project Components section.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 1	US\$35 million	<p>Component 1. Enabling private sector participation in affordable urban housing provision (Total cost: US\$57 million of which IBRD financing will be US\$35 million)</p> <p>20. This component will provide equity (Class B shares) to TNSF for the implementation of affordable housing Subprojects. The TNIFMC – which is legally mandated to manage the TNSF - will select and invest in eligible subprojects per an investment methodology and criteria acceptable to the Bank. Financing of subprojects will be through investments in legal entities, such as special purpose vehicles, that will develop the affordable housing projects. This component is expected to address a market gap in the housing finance sector by supporting private sector developers to structure and by co-financing eligible private or public-private projects that comprise EWS, LIG and middle-income group (MIG) that are commercially viable through cross-subsidization but not sufficiently attractive to the current housing developers (or are deemed too risky). The equity contribution to TNSF is also expected to reduce the perceived risk and to ultimately contribute to a robust supply of affordable housing which can substitute highly subsidized publicly provided units in the long run. TNSF can only invest in commercially viable projects whereby the expected return may be lower due to inclusion of affordable housing</p>

		<p>compared to projects focusing exclusively on high- and middle-income housing. To achieve this, the TNSF has established an adequate governance framework and eligibility criteria to standardize, pilot and demonstrate affordable housing projects that are commercially viable, and thus attractive to private investors encouraging them to enter this segment. Each project will be evaluated and approved individually, based on a process described and adopted by the Fund's investment Manual (IM) which includes environmental, social and governance considerations and that has been reviewed and approved by the Bank (See Annex 3 for a financial analysis and regulatory and governance arrangements of the TNSF). There are currently two projects in the pipeline: a women's hostel and a rental project for industrial workers (see Annex 2 for more details).</p>
Component 2	US\$14.875 million	<p>Component 2. Strengthening Tamil Nadu's urban housing institutions for enhanced sustainability (Total cost: US\$14.875 million IBRD funds) 21. This component will finance technical assistance and capacity building support to state-level institutions and their programs. Under this component, support will be extended to TNSCB, CMDA, and TNIFMC to improve their institutional performance and capacity, and to enhance the effectiveness of their programs and sustainability. This component will also support a program of knowledge exchange on development experience among India's states and between India and other developing countries, on the strengthening of the housing sector through the Lighthouse India program.</p>
		<p>Sub-component 2.1: technical support to diversify and improve housing programs and planning solutions</p> <p>22. Provide technical assistance to TNSCB, including by: (i) improving the institutional and regulatory framework, and business procedures for housing institutions;; (ii) enhancing sustainability of the existing housing programs; (iii) improving targeting and eligibility criteria; (iv) designing new housing programs; (v) promoting housing finance for EWS households from affordable housing finance companies, small finance banks, nonbanking financial companies, and microfinance institutions; and (vi) carrying out additional technical support to improve the performance of housing institutions (see Annex 2 for details).</p> <p>23. Technical assistance support to CMDA will focus on strengthening its analytical and coordination capacities for the preparation of the new Master Plan for Chennai. This would include support for: the development of a comprehensive vision for the future urbanization of Chennai plugging into and supporting the proposed Chennai City Partnership program; strengthening of urban planning systems (i.e. setting-up a multisectoral geo-spatial data system); the preparation of guidelines that support the Master Plan process; capacity building for establishing modern and inclusive land use planning systems; and twinning with an international city on metropolitan planning functions (see Annex 2 for details).</p>
		<p>Sub-component 2.2: technical assistance support for innovations in affordable housing finance 24. Provide technical assistance to TNIFMC, by</p>

	<p>supporting tools and innovations towards leveraging external capital in affordable housing and providing capacity building support to pilot the implementation of these tools. Areas of intervention will include, inter-alia, undertaking social impact and market assessments, building in-house technical capacity for identifying and structuring potential pipeline projects, supporting green certified housing development, undertaking outreach activities to the market and other states, and building capacities for effective implementation of the Environmental, Social and Governance Management Systems (ESMS) framework (see Annex 2 for details). 25. Front end fees. The front-end fee is US\$0.125 million; this will be fully financed through IBRD funds.</p> <p>Technical assistance to TNIFMC will aim to (i) develop tools and innovations to leverage external capital in affordable housing, and (ii) extend capacity building support to pilot implementation of these tools. This may include, inter-alia, development of tools and innovations for leveraging external capital in affordable housing; undertaking social impact and market assessments; building in-house technical capacity for identifying and structuring potential pipeline projects; supporting green certified housing development; undertaking outreach activities to the market and other states; building capacities for effective implementation of the ESMS; and extending capacity building support for development and pilot implementation support.</p> <p>20. Lighthouse effect. The project will seek to showcase the institutional transformation of TNSCB, TNIFMC and CMDA for cross-learning among Indian states as well as for other countries as part of the Lighthouse India Initiative. Lighthouse India includes amplifying the country's role as a leader on key global development issues and leveraging its experience to provide for two-way learning between different states, as well as initiating and sustaining a dialogue among policy influencers and the private sector in the South Asia region to sharpen awareness and strengthen coalitions for action on common development challenges within and across states/countries.</p>
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<p><b>Climate Change Co-benefits Section</b></p> <p>Not provided.</p> <p>Additional information from documentation: Page 17, paragraph 36: "The proposed project is expected to build climate resilience and lead to positive climate change impacts. Climate change will disproportionately affect the most vulnerable. The project aims to enhance private investments in affordable housing that consider climate change impacts especially extreme weather patterns. The TNSF ESMS requires an upfront climate risk screening that feeds into both the project selection process and the subsequent subproject design improvements for all TNSF projects, regardless of the source of funding. The ESMS risk screening tool ensures that subprojects need to incorporate green building and/or climate responsive architecture design. TNIFMC, the asset manager of TNSF, has a corporate commitment that all subprojects applying to TNSF and TNIF would require a Green Building</p>
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Certification by IFC-EDGE 30 or equivalent. Component 2 supports TNSCB and CMDA on undertaking activities to strengthen climate and disaster resilience. The TA support to CMDA includes undertaking a climate and disaster resilience study and geo-spatial mapping to feed into Master Plan 2046 preparation, as well as undertaking analytics on river drainage basin and flood plain mapping. These will ensure that the future growth trajectory of Chennai will aim to strengthen disaster and climate resilience of the city. The TA support to TNSCB includes the preparation of resilient urban design guidelines, and environment and climate resilience guidelines for TNSCB's housing program. These guidelines will address climate and disaster screening for site selection, use of energy efficient products, implementation of ECBC norms, use of resilient construction material including manufactured-sand and fly ash, plantation of trees to reduce heat island effects, rainwater harvesting, and green certification of housing units. Overall, improved access to housing is likely to also result in access to improved water supply and improved sewerage, leading to an overall improvement in public health outcomes and build the climate adaptability of the most vulnerable populations"

**Greenhouse Gas Accounting**

Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C 1	35	0	0	0	0	<p>Component 1 will select and invest in eligible affordable housing subprojects. This component is expected to address a market gap in the housing finance sector by supporting private sector developers to structure and by co-financing eligible private or public-private projects.</p> <p>Project documentation, including detailed component descriptions in Annexes, make almost no reference to emissions reductions or energy efficiency. Mitigation of GHG emissions is not noted as an activity/objective/aim or motivation of this (or any other) component. While mitigation could easily result from the portions of finance funding housing development, there is no explicit evidence to support the assessment and awarding of mitigation co-benefits.</p>

						<p>It is noted that Development Policy Financing has been provided regarding the Tamil Nadu housing sector which will influence the outcomes of this project. However, climate co-benefits cannot be calculated implicitly and evidence should be provided in documentation, particularly when the objectives of this project regard market development.</p> <p>There is no insufficient evidence provided in documentation to suggest this component is climate-relevant.</p>
SC 2.1	14.875/2	0.5	0	3.72	0	<p>Sub-component 2.1 will provide technical assistance support for diversifying public sector housing and planning solutions.</p> <p>Regarding technical assistance to TNSCB, 6 outlined activities are outlined: “(i) improving the institutional and regulatory framework, and business procedures for housing institutions; (ii) enhancing sustainability of the existing housing programs; (iii) improving targeting and eligibility criteria; (iv) designing new housing programs; (v) promoting housing finance for EWS households from affordable housing finance companies, small finance banks, nonbanking financial companies, and microfinance institutions; and (vi) carrying out additional technical support to improve the performance of housing institutions “</p> <p>Of these, (i) and (iii) are adaptation relevant:</p> <p>(i) Will support the review and updating of regulatory frameworks (including</p>

						<p>social/financial sustainability framework, environmental framework, and urban resilience framework). The resilient urban design framework is adaptation-relevant.</p> <p>(ii) Will provide capacity building for enhanced environmental management, disaster risk and climate resilience consideration in the existing housing programs” and is partially adaptation relevant.</p> <p>Three aims are outlined regarding technical assistance support to CMDA: “The support to CMDA will aim to (i) develop a metropolitan growth vision for CMA; (ii) develop a multi-sectoral analytical underpinning by establishing a geospatial platform towards the preparation of land use planning approaches that increase the affordability of housing; and (iii) build the capacity of the institution to coordinate and aggregate multi-sector spatial information towards the preparation of the next Master Plan.” Documentation adds: “The multi-sector approach to land use planning will include looking at sectoral analytics on housing, water resource and wastewater management, flooding and drainage, resilience, open space, and urban mobility”. Therefore, 2/3 activities in support of CMDA are deemed to be partially adaptation-relevant.</p>
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						<p>The combined adaptation coefficient calculated from the relevance of technical support to TNSCB and CMDA is therefore 0.5.</p> <p>There is no evidence of mitigation relevance.</p>
SC 2.2	14.875/2	0	0	0	0	<p>Sub-component 2.2 will provide technical assistance support to CMDA will focus on strengthening its analytical and coordination capacities for the preparation of the new Chennai Master Plan.</p> <p>Of the 7 areas of intervention, “supporting green certified housing development” could be climate relevant, however no information is provided regarding the certification and its potential to ensure climate-co-benefits. To adhere to the principle of conservativeness no co-benefits have been counted here.</p>

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
5.8	3.72	35.8%	31.9	0	100%

Reported climate finance	Assessed climate finance	Error
37.7	3.72	90.1%

Project Number: P164321

<b>Project Name</b>
THIRD STRENGTHENING GROWTH AND FISCAL POLICY DEVELOPMENT POLICY FINANCING
<b>Project Document URL</b>
<a href="https://documents1.worldbank.org/curated/en/854731576983706908/pdf/Sao-Tome-and-Principe-Third-Strengthening-Growth-and-Fiscal-Policy-Development-Policy-Financing.pdf">https://documents1.worldbank.org/curated/en/854731576983706908/pdf/Sao-Tome-and-Principe-Third-Strengthening-Growth-and-Fiscal-Policy-Development-Policy-Financing.pdf</a>
<b>Financing Instrument</b>
Development Policy Finance
<b>Financial product</b>
Grant
<b>Lowest level of granularity</b>
Prior Actions

<b>Climate Change Vulnerability Context</b>
Not provided.
<b>Intent to Address Vulnerability</b>
Not provided.
<b>Link to Project Activities</b>
Not provided.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Objective A.1: Introduce growth-enabling reforms in the financial sector and business environment	1.25	Result Indicator 1: Number of banks below the Central Bank's minimum Capital. Adequacy Ratio (12 percent) Baseline (2015): 3 Target (2020): 0  Result Indicator 2: Share of the population with access to formal financial services (e.g. bank accounts). Baseline (2017): 39 percent Target (2020): 45 percent  Result Indicator 3: Share of real estate properties and mortgages registered and digitized in the Public Notary Registry. Baseline (2015): 0 percent Target (2020): 70 percent.
Objective A.2: Introduce growth-enabling reforms in the infrastructure sector	1.25	Result Indicator 4: EMAE's operational profit/loss (in millions LCU). Baseline (2015): - 224.9 million LCU Target (2020): -194.7 million LCU  Result Indicator 5: Number of complaints received by EMAE Baseline (2015): 6,542 Target (2020): 3,000
Objective B.1: Generate fiscal	1.25	Result Indicator 6: Tax revenues except custom duties on oil (in millions LCU) Baseline (2016): 831.1 million LCU Target (2020): 1050.0 million LCU



resources and savings		Result Indicator 7: number of SOEs' performance monitoring systems in place. Baseline (2015): 0 Target (2020): 2
Objective B.2: Improve the quality of public expenditures	1.25	Result Indicator 8: Share of ongoing and finalized projects with basic information included in the National Investment Portfolio Database. Baseline (2015): 0 percent Target (2020): 95 percent  Result Indicator 9: Number of beneficiaries enrolled in the three core social protection programs and receiving regular payments as set in law. Baseline (2015): 0 Target (2020): 4,000 (of which 50 percent has received payments through the formal financial system).

<b>Climate Change Co-benefits section</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
Objective A.1: Introduce growth-enabling reforms in the financial sector and business environment	1.25	0	0	0	0	Not relevant
Objective A.2: Introduce growth-enabling reforms in the infrastructure sector	1.25	0	0.5	0	0.625	Eligible activity under PA5: Energy efficiency improvement in lighting, appliances and equipment, including energy-management systems  PA5: The exchange of low efficient incandescent bulbs to higher efficient LED can bring environmental benefits (Prior Action #5). Positive environmental impacts on deployment of LED bulbs are related to its lifecycle environmental impacts, which

						<p>are significantly less in comparison to the traditional incandescent bulbs. Moreover, the use of LED bulbs can contribute to significant energy savings, lower local pollution, and reduce greenhouse gas (GHG) emissions.</p> <p>PA4 is not relevant, and therefore half of this objective is marked relevant.</p>
Objective B.1: Generate fiscal resources and savings	1.25	0	0	0	0	<p>While PA6 promotes the use of increasing renewable energy as part of the Prior action, it primarily promotes the reduction in costs of energy. As a result it is also promoting the use of Heavy Fuel Oil (HFO), which is a cheap but highly polluting fossil fuel.</p> <p>PA6 suggests that: <i>“The government should seek to attract reputable private-sector developers that are interested in developing an IPP for an HFO plant on the island through a competitive process”</i>.</p> <p>On the principle of complementarity, this prior action is therefore not eligible for being marked as mitigation finance.</p> <p><b>“Complementarity:</b> Reporting institutions should seek to ensure that only climate change mitigation activities that neither conflict with nor undermine the wider objectives of the Sustainable Development Goals be considered and reported.”</p>

						<p>PA6:  A reduction in the cost of energy and an increase in the share of renewable energy can bring environmental benefits (Prior Action #6). The Least-Cost Development Plan, which has identified hydropower as a priority source of energy to attain National Development Contribution targets, will guide stakeholders in how to develop sub-sector plans that meet the country's energy and development needs at the least cost to the economy and environment. All activities related to capacity expansion of the power sector will have to follow the prescriptions integrated in the LCPDP, which includes compliance with environmental standards. In addition, environmental clauses will be included in the bidding documents and contractual arrangements. Current and upcoming operations in the energy sector will dedicate resources to improve coverage and effectiveness of the current ESIA systems, especially enforcement and compliance monitoring. Participation of civil society in the process of preparing ESIA, and dialogues about environmental policies will incrementally increase accountabilities in environmental and social management activities and ensure proper oversight.</p>
Objective B.2: Improve the quality of public expenditures	1.25	0	0	0	0	Not relevant

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
0	0	0%	0.6	0.625	4.2%

Reported climate finance	Assessed climate finance	Error
0.6	0.625	4.2%

**Project Number: P170558**

<b>Project Name</b>
Tuvalu First Resilience Development Policy Operation with a Catastrophe-Deferred Drawdown Option
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/787921576551746568/tuvalu-first-resilience-development-policy-operation-with-a-catastrophe-deferred-drawdown-option">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/787921576551746568/tuvalu-first-resilience-development-policy-operation-with-a-catastrophe-deferred-drawdown-option</a>
<b>Financing Instrument</b>
Development Policy Financing
<b>Financial product</b>
Grant with Catastrophe-Deferred Drawdown Option
<b>Lowest level of granularity</b>
Prior Action

<b>Climate Change Vulnerability Context</b>
Provided in the Introduction and Country Context section, pages 4-5.
<b>Intent to Address Vulnerability</b>
Provided in the Proposed Operation section, page 17.
<b>Link to Project Activities</b>
Provided through the partial relevance of a selection of Prior Actions towards climate change objectives, as required in DPF.
<b>Incremental Costs?</b>
Not provided.

Name	Value	Project components
PA1	-	Prior Action #1. The Recipient, through its Cabinet, has established the Tuvalu Medical Treatment Scheme (TMTS) Review Committee and directed the TMTS Review Committee to develop a draft policy to reduce overseas medical treatment costs. Indicator: Spending on overseas medical treatment as a percentage of GDP.
PA 2	-	Prior Action #2. The Recipient, through its Cabinet, has approved: (i) the Public Procurement Manual; (ii) the Procurement Complaints and Appeals Rules of Procedure; and (iii) the Procurement Suspension and Debarment Procedure. Indicator: Level of competition -average percentage of major procurement (value) through competition.
PA 3	-	Prior Action #3. The Recipient, through its Cabinet, has approved the Tuvalu Asset Management Framework. Indicator: Asset investment plans (based on disaster and climate vulnerability) under implementation for selected asset classes.  International Infrastructure Management Manual (2015). A formal policy framework, with Asset Management plans developed and used, and annual activities and financial planning linked to the plans, is essential to risk management and sustainability of infrastructure.

		<p>The Tuvalu Asset Management Framework (TAMF) has been developed to ensure that the public sector infrastructure assets in Tuvalu deliver their intended functions throughout the assets' service life with economic efficiency, without compromising public health and safety. The TAMF applies to all physical infrastructure with individual asset value greater than US\$10,000, owned by the Government of Tuvalu, municipal government (kaupule), and major public sector enterprises. The classes or categories of infrastructure assets under the TAMF include buildings, water and sanitation, coastal protection, roads and other transport infrastructure. Infrastructure asset management in Tuvalu presents some very unique and difficult challenges with significant implications related to disaster- and climateresilience, including the following: i. The NSAP identifies the following climate change-related impacts: (i) projections for all emissions scenarios indicate that the average annual air temperature and sea surface temperature in Tuvalu will increase, up to the range of 0.4-1.0°C by 2030; (ii) the majority of the global climate models project an increase in average annual and seasonal rainfall around Tuvalu over the course of the 21st century; (iii) extreme rainfall is likely to occur more often; and (iv) the sea level is expected to continue to rise: under a high emissions scenario, in the range of 4-14cm by 2030 and in the range 19-58cm by 2090. The 2018 IPCC Report further indicates threats to fresh water supply due to saltwater intrusion into groundwater reserves as a consequence of coastal flooding. ii. With the maximum land elevation in Tuvalu at only 4.5 MASL, assets are exposed to coastal erosion, as well as frequent tidal and wave-related flooding. Tropical cyclones can cause storm surge and wind damage, while recent droughts and ongoing saltwater intrusion have further constrained already limited fresh water supplies. In March 2015, the storm surge associated with Cyclone Pam resulted in waves of 3 to 5-meter height, causing extensive damage to buildings and infrastructure and contaminating fresh water supplies. iii. The asset operating environment in Tuvalu is exceptionally harsh. Unless suitable mitigation measures are built into asset design, operation, and maintenance, infrastructure will degrade rapidly. Because of the low elevations and narrow land masses of the islands, assets are subjected to near-constant wave over-wash. Combined with high mean ambient temperatures, this results in accelerated metal corrosion and asset aging, and contributes to significant structural vulnerability and degradation of most of the country's infrastructure. 24 60. For each asset class covered by the Asset Management Framework, guidelines (supported by the Pacific Region Infrastructure Facility and the ADB) are provided for: (a) assessing vulnerability of assets to extreme climate events and (b) improving the resilience of assets to climate change through asset renewal as well as during planned asset maintenance. The approach is for improved site selection and design for new assets, combined with climate- and disaster-risk informed asset maintenance for ongoing risk reduction.</p>
PA 4	-	<p>Prior Action #4. The Recipient has enacted and published the Building Act 2019 to improve the quality of buildings. Indicator: Percent of new public buildings and dwellings complying with Building Regulations and Code.</p> <p>World Bank: Building Regulations for Resilience (2015). Developing building standards that are accessible, affordable, and implementable by the poor and</p>

		<p>vulnerable contributes to the reduction loss of life and property in future hazard events. World Bank - Pacific Catastrophe Risk Assessment and Financing Initiative: Tuvalu Country Risk Profile (2011). The replacement cost of exposed assets in Tuvalu -- including buildings (public and private), as well as infrastructure (ports, airports, roads, bridges) -- was estimated at US\$268 million (approximately 85 percent represents buildings and 14 percent represents infrastructure).</p> <p>As the scale, frequency, and severity of natural hazards continue to rise, so too will future expected losses in the built environment of Tuvalu. Building code implementation has a crucial role to play in disaster risk reduction but until recently it has not received adequate attention. This prior action supports a shift in focus from managing disasters to addressing the underlying drivers of physical risk. Reducing risk to buildings (particularly dwellings) is crucial to saving lives and protecting communities, and more resilient buildings and dwellings are fundamental to the safety of occupants during tropical cyclones. They would also contribute to protecting households' assets, particularly among the poor and vulnerable. Poor households often invest their savings in incremental housing construction. Thus, a single structural failure or natural disaster can destroy not only a building, but also a household's entire savings.</p>
PA 5	-	<p>Prior Action #5. The Recipient, through its Cabinet, has approved the Waste Management (Levy Deposit) Regulation 2019 and the Waste Management (Prohibition on the Importation of Single-Use Plastic) Regulation 2019. Indicator: Quantity of recyclable waste exported.</p> <p>Tuvalu Integrated Waste Policy and Action Plan 2017-2026 (2017). In addition to raising awareness and community engagement, an improved regulatory framework is required to clearly elucidate the responsibilities of citizens in solid waste management. PRIF – Pacific Region: Solid Waste Management and Recycling Country Profiles 2018). Financing for solid waste management services has increased substantially, from AUD200,000 (2013) to AUD493,000 (2016). However, despite the increases, the current levels of financing are still considered insufficient.</p> <p>Tuvalu's solid waste sector has changed rapidly over in recent years, but there are still many challenges. Tuvalu's consumption patterns have significantly changed in the past few decades with the increase of imports, resulting in greater quantities and diversity of waste materials not traditionally encountered. This means having to contend with considerable geographical constraints, such as (a) an extreme lack of land availability for final disposal, (b) small dispersed population across the islands, leading to increased collection and transport costs, (c) limited overall financial resources, and (d) limited institutional and human capacity. Funafuti is one of the highest-performing cities for waste disposal in the Pacific region with 80 percent of households having access to solid waste collection services, but illegal dumping and burning of waste is still commonly practiced. Evidence from 2014-2016, indicates that only white goods (e.g. refrigerators, stoves, air conditioners) and tires are being exported for recycling, which leaves a lot of materials on the islands with recyclable potential (e.g. aluminum cans, used motor/cooking oil, scrap steel/nonferrous metals, used batteries, polyethylene terephthalate (PET)</p>

		<p>beverage containers). Plastic ocean waste is considered a significant issue in Tuvalu.</p> <p>To address the challenges, Tuvalu has been steadily improving its legal and regulatory frameworks with support from the European Union (EU). As a result of the Waste Operations and Services Act of 2009, the Waste Management Unit of Tuvalu (under the Ministry of Home Affairs) was formed in 2010. Apart from overseeing the delivery of waste services, the Waste Management Unit is also responsible for waste management planning, financing, awareness programs, and enforcement of the Act. Since 2014, Tuvalu has also been extending solid waste management services to the outer islands. Tuvalu’s planning is directed by the comprehensive Tuvalu Integrated Waste Policy and Action Plan 2017-2026. Financing for solid waste management services has also increased substantially. In 2013, the annual budget for solid waste management was approximately AUD200,000, but this has increased annually reaching AUD493,000 by 2016. However, despite the increases, the current levels of financing are still considered insufficient according to a 2018 PRIF study.</p> <p>The objectives of the Levy Deposit Regulation are to: support the recovery, processing, treatment and shipment of end-of-life goods (for example beverage containers and lubricating oil); and encourage waste avoidance and resource recovery behavior. The levy applies to a wide range of consumer goods including white goods, construction 27 equipment and vehicles. The proceeds from the levy will be used to facilitate resource recovery of recyclable commodities and avoid landfilling. The Single-Use Plastic Regulation prohibits the importation, manufacture, sale or distribution of single use plastics with potential adverse environmental impacts (e.g. plastic shopping bags). The Integrated Waste Policy and Action Plan notes that the need to ban the importation of substandard goods which quickly become waste was highlighted by communities during outer islands consultations. The waste levies are expected to provide for sustainable financing of waste management services, and for a sinking fund that will cover long-term equipment costs and segregated collection to maintain a composting program (also previously supported by international donors). The waste levy incorporates an equitable “polluter-pay” upfront fee collection and is set to replace the current (problematic) fee collection system.</p>
PA 6	-	<p>Prior Action #6. The Recipient, through its Cabinet, has approved the Tuvalu National Policy for Persons with Disability.</p> <p>Indicators: #1: Number of employed teachers who are trained in inclusive and special education. #2: Community disaster plans and school evacuation plans include provision for people with disabilities</p>

<b>Climate Change Co-Benefits</b>
None provided.

<b>Greenhouse Gas Accounting</b>
None provided.



Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA1	-	0	0			Not climate relevant.
PA 2	-	0	0			Not climate relevant.
PA 3	-	0.5	0	$((13.5/6)*0.5) = 1.125$		<p>Evidence within project documentation states that increasing the resilience of building to disasters would target earthquakes, alongside climate induced natural disasters. The financial losses used to evidence Pillar 2 indicates earthquakes and tsunamis are causing the majority of damage and financial loss: "It is also estimated that over a very long term, tropical cyclone loss exceeding US\$1.4 million (equivalent to 4.4 percent of 2010 GDP), and losses from earthquake and tsunami exceeding US\$4.2 million (equivalent to 13.1 percent of 2010 GDP) have a 1 percent chance of occurring in any given year".</p> <p>The World Bank's Reference Guide on Adaptation Co-benefits states that "if a component/sub-component/prior action/DLI is designed to adapt to climate change-induced natural disasters and earthquakes, only 50% of its financing amount or incremental cost for adaptation to climate change can be counted."</p> <p>A ceiling of 50% of the finance for this PA can be considered as adaptation finance.</p>
PA 4	-	0.5	0	$((13.5/6)*0.5) = 1.125$		Evidence within project documentation states that increasing the resilience of building to disasters would target earthquakes, alongside climate induced natural

						<p>disasters. The financial losses used to evidence Pillar 2 indicates earthquakes and tsunamis are causing the majority of damage and financial loss: “It is also estimated that over a very long term, tropical cyclone loss exceeding US\$1.4 million (equivalent to 4.4 percent of 2010 GDP), and losses from earthquake and tsunami exceeding US\$4.2 million (equivalent to 13.1 percent of 2010 GDP) have a 1 percent chance of occurring in any given year”.</p> <p>The World Bank’s Reference Guide on Adaptation Co-benefits states that “if a component/sub-component/prior action/DLI is designed to adapt to climate change-induced natural disasters and earthquakes, only 50% of its financing amount or incremental cost for adaptation to climate change can be counted.”</p> <p>A ceiling of 50% of the finance for this PA can be considered as adaptation finance.</p>
PA 5	-	0	0.5		$\frac{((13.5/6)*0.5)}{= 1.125}$	<p>PA 5 sets out to address “<b>poor waste management that contributes to environmental degradation and emissions.</b>”</p> <p>The approval of two policies provides the conditions for this Prior Action: the Waste Management (Levy Deposit) Regulation 2019; and the Waste Management (Prohibition on the Importation of Single-Use Plastic) Regulation 2019.</p>

						<p>The objectives of the Levy Deposit Regulation are to: support the recovery, processing, treatment and shipment of end-of-life goods (for example beverage containers and lubricating oil); and encourage waste avoidance and resource recovery behaviour. "Waste collection and transport" is an eligible activity within the Common Principles for Climate Change Mitigation Finance Tracing, therefore this PA.</p> <p>The objectives of the Waste Management Regulation are to prevent land degradation through the creation of a safer waste management system.</p> <p>The Levy Deposit is seen to qualify as an eligible activity, while the Waste Management Regulation is not. Therefore a coefficient of 0.5 has been applied to PA 5.</p>
PA 6	-	0	0			Not climate relevant.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
4.8 million USD	2.25 million USD	53.1%	1 million USD	1.125 million USD	12.5%

Reported climate finance	Assessed climate finance	Error
5.8 million USD	3.375 million USD	41.8%

Project Number: P170466

<b>Project Name</b>
Uganda Investing in Forests and Protected Areas for Climate-Smart Development Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/304401587952865863/uganda-investing-in-forests-and-protected-areas-for-climate-smart-development-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/304401587952865863/uganda-investing-in-forests-and-protected-areas-for-climate-smart-development-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Credit, Grant
<b>Lowest level of granularity</b>
Component/Sub-component/Activity

<b>Climate Change Vulnerability Context</b>
Detailed vulnerability context provided in the Strategic Context section.
<b>Intent to Address Vulnerability</b>
Provided in the Relevance to Higher Level Objectives section, pages 13-15.
<b>Link to Project Activities</b>
Provided in the Project Description section, at the sub-component/activity level.
<b>Incremental Cost?</b>
None provided.

Name	Value	Description
Component 1	US\$46.7 million	<p>Component 1. Improved management of protected areas (US\$46.7 million, including IDA credit US\$34.7 million equivalent, IDA grant US\$6 million, and IDA RSW grant US\$6 million)</p> <p>48. This component will provide support to NPs, WRs, and CFRs in the project area to strengthen their on-the-ground management. Geographically, investments under this component will focus on NPs, WRs, and CFRs selected on the basis of agreed selection criteria.48 Activities under this component will be implemented by UWA in NPs and WRs and the NFA in CFRs. It is expected that the enhancements in management of forests and improvements in forest stock as a result of activities under this component will also increase the forests' climate change mitigation capacity.</p>
		<p>Subcomponent 1.1. Improvement of infrastructure and equipment for the management of PAs (US\$24 million equivalent, all IDA credit)</p> <p>49. This subcomponent will provide investments and maintenance support costs for (a) Grading and maintenance of tracks and trails, including climate-proofing, within PAs to improve access for park management; (b) Boundary planning (including community consultations) and demarcation where needed/appropriate;49 (c) Infrastructure (such as fencing and walls to reduce human-wildlife conflicts, staff accommodation, and ranger posts); (d)</p>

	<p>Field communication equipment, field equipment for PA operations, and office equipment; (e) Field vehicles for protected area operations; and (f) Support for the National Forest Monitoring System (NFMS) which was established with the support of the World Bank through the Forest Carbon Partnership Facility readiness mechanism (Uganda FCPF Readiness [P124296]).</p> <p>50. To address wildfire management and control of invasive plants, the project will support (a) Consultancy services to support development of landscape-level strategies for fire management<sup>50</sup> and eradication of invasive species; (b) Training and equipping NFA and UWA staff for fire management; (c) Establishment and maintenance of fire breaks in target forest reserves, NPs and Wildlife areas and savannah woodlands; (d) Equipment and construction of fire towers for fire detection and suppression; (e) Community sensitization, response, and monitoring; (f) Introduction of more efficient fire management systems at the landscape level; and (g) Implementation of appropriate invasive species eradication measures.</p> <p>51. This will also include consideration of satellite-based monitoring systems. The invasive species strategy will recommend cost-effective eradication techniques for specific sites and propose partnership with institutions experienced with invasive species removal. The project will finance removal of invasive species through community collaboration.</p>
	<p>Subcomponent 1.2. Increasing the involvement of local communities in the management of forest and wildlife areas by increasing their access and benefits from these areas (US\$6.7 million equivalent, all IDA credit)</p> <p>52. This subcomponent will support technical assistance packages and training aimed at developing the skills at the community level to actively participate in and benefit from the management of forest and wildlife resources, including to enhance the adaptive capacity of forest dependent communities for climate resilience by strengthening their coping strategies, diversifying forest management-related employment opportunities and livelihoods, and supporting adaptive forest planning and management. The technical assistance packages will include targeted support for women to empower them to participate and take leadership roles in natural resources management. At the field level, support will be provided for community engagement in the management of forest resources within PAs. This will include establishment of up to 75 new CRM groups and at least 28 new CFM groups and support of livelihood activities within existing groups.</p>
	<p>Subcomponent 1.3. Restoration of degraded natural forests and habitats in forest reserves (US\$4 million equivalent, all IDA credit)</p> <p>53. This subcomponent will target degraded areas in key CFRs, including areas where invasive species management (including operations supported under Subcomponent 1.1) has led to the removal of vegetation. The project aims to restore up to 15,000 ha of forest. Restoration will be implemented through natural regeneration (based on enclosure of areas) and, where</p>

		needed, enrichment planting, to enhance integrity of forests and their mitigation capacity, through engaging and employing local communities.
		<p>Subcomponent 1.4. Increased forest protection in CFRs and WRs in close proximity to refugee settlements (US\$12 million equivalent, including US\$6 million IDA grant and US\$6 million IDA RSW grant)</p> <p>54. At a small number of locations in close proximity to refugee settlements<sup>51</sup>, the project will deploy additional resources to improve PA management where there are site-specific threats to high-value forest assets, either as a direct result of refugee incursion or indirectly by the added commercial demand for forest products arising from their presence. These resources will enable UWA and the NFA to engage local communities in resource management efforts, including forest restoration, and strengthen enforcement efforts to better protect the remaining natural forests in these PAs. Project-supported activities will include (a) Community livelihood activities (such as beekeeping and wild mushroom growing); (b) Removal of invasive species; (c) Forest restoration; (d) Improvements for basic PA management (communication and other equipment, vehicles, ranger posts, and essential infrastructure); (e) Improvements for wildfire management (fire observation towers and equipment); and (f) Boundary demarcation where required and appropriate.</p>
Component 2	US\$38.5 million	<p>Component 2. Increased revenues and jobs from forests and wildlife protected areas (US\$38.5 million equivalent, all IDA credit) <sup>55</sup>. This component will increase revenues and jobs from PAs through targeted investments in tourism and productive forestry and will include the following sub-components.</p>
		<p>Subcomponent 2.1. Investments in tourism (US\$16 million equivalent, all IDA credit)</p> <p>56. This subcomponent, implemented by UWA and the NFA, will invest in tourism infrastructure and products in select NPs and CFRs in the project area. Although the individual General Management Plans<sup>52</sup> of NPs and Forest Management Plans of CFRs already identify some investment priorities, the project will rely on a more informed and comprehensive process (by the marketing, planning, and product development specialists) to define and plan investments that can achieve the aim of adding value to the tourist experience and helping Uganda reach and sustain new and more diverse markets. Direct investments will fall into two broad categories: (a) tourist reception, information, and interpretive facilities in identified PAs and (b) infrastructure for new (or improving existing) tourist products and activities. It is expected that investments in the infrastructure for tourist products and activities will increase climate resilience of target protected areas as well as communities involved in these tourism activities.</p> <p>57. Tourist reception, information, and interpretive facilities will be used to improve the visitor experience in the PAs and to encourage visitors to stay longer at each site. The project will support the development of this infrastructure in the following PAs: Bwindi Impenetrable, Queen Elizabeth,</p>

	<p>Kibale, Rwenzori Mountains, Semuliki, and Murchison Falls NPs and Kasyoha-Kitomi and Echuya CFRs. Other sites may be added as new priorities emerge.</p> <p>58. The project will provide investments in infrastructure that leverage private and community investment and support for the diversification of tourism products. These investments fall into three categories: • Infrastructure investments to unlock confirmed private sector investment in PA-based tourism. These investments will complement already-confirmed private sector investment, for example, through the ‘Space for Giants’ program. Many of the new concessions under this initiative will be in areas of NPs that have poor access or game viewing tracks. Investors are negotiating these concessions with the condition that the GoU (through UWA) provide required access and other infrastructure (for example water, and electricity connections). Project investments will include visitor centers, access gates, tracks, trails, bridges, climbing ladders, and boardwalks. In some areas near the boundaries of the NPs fencing may also be required. • Infrastructure investments for new or for improving existing tourism products. This will include the development or enhancement of a range of products such as picnic sites, canopy walks, hiking trails, jetties, zip lines, bird hides, and multipurpose tourism centers to enhance diversification and overall quality of tourism products. • Provision of support to community-based enterprises that could add value to the overall tourism offerings. The Project Implementation Manual (PIM) will include criteria for selection of recipients of this support.</p>
	<p>Subcomponent 2.2. Investments in productive forestry (US\$ 22.5 million equivalent, all IDA credit)</p> <p>59. This subcomponent will be implemented by the MWE and will invest in plantation forestry and wood value chains with the aim of enabling plantation forestry to become a strong and self-sustaining economic sector in Uganda. To accomplish this, two types of investments will be made: (a) investments to further increase plantation areas to reach a critical mass that can meet the demands of the local and regional markets (with most subcomponent investments dedicated to these activities) and (b) investments to support processing and utilization of forest products to produce higher-value wood products. This subcomponent will build on the successful model developed by the SPGS.</p> <p>60. Investments to further increase plantation area. This will address about half of the current shortfall in supply from timber plantations through the provision of incentives that will continue to expand plantation area and improve quality standards of planting stock. Key to achieving this objective will be to increase private sector investment and participation. This subcomponent will fund a performance-based subsidy scheme that will focus on ‘clusters’ around well-established commercial tree growers. Supporting such participation with a public subsidy scheme that provides partial financing and extension support offers a cost-effective way of achieving this and has demonstrated impressive results to date (under the SPGS) by</p>

		<p>leveraging substantial private sector investment. This approach is designed to strengthen the integration of smallholder growers into wood value chains while also creating improved economies of scale for commercial tree growers. Specifically, the project will</p> <ul style="list-style-type: none"> <li>• Provide conditional grants<sup>53</sup> to private tree growers for the establishment of over 36,000 additional hectares of plantations with commercial timber species, matching grants to investors in wood processing, and co-financing for skilling and training in vocational skills for wood processing;</li> <li>• Support the functioning of a new plantation scheme operator that will (a) manage the issuance of calls for performance-based contracts, (b) manage and monitor performancebased contracts including quality assurance, and (c) provide technical support for silvicultural and value chain development;</li> <li>• Provide capacity-building and technical support to the NFA for improved oversight of plantation concessions in CFRs. The implementation unit will support the NFA to ensure that CFR concessions are better managed, performance targets are met, and permits are annulled for planters who do not meet their agreed targets;</li> <li>• Support the improvement of wood processing training facilities at Nyabyeya Forestry College and co-financing of skilling and training of operators of the new equipment;</li> <li>• Support training on safe tree felling and extraction and loading; and</li> <li>• Conduct a study on the feasibility of harnessing revenues from plantations for future investments in production forestry. It will draw upon experience and evaluation of the performance grants under the existing plantation subsidy scheme. Such a mechanism could be introduced under the ongoing Forest Policy Review process.</li> </ul>
Component 3	US\$58 million	<p>Component 3. Improved landscape management in refugee-hosting areas (US\$58 million equivalent, including IDA Grant US\$6 million and IDA RSW grant US\$52 million)</p> <p>61. This component will improve forest landscape management in refugee-hosting areas by supporting forestry development and sustainable woodland management on both private and customary land to enhance the resilience of local communities and landscapes to climatic changes and to refugee-related environmental impacts. The activity package is informed by two analytical studies commissioned by the World Bank that show growing deficits of wood fuels around refugee settlements.<sup>54</sup> These studies identified priority interventions to improve environmental management, ensure access to woodfuel resources for the host and refugee communities, and contribute to building livelihood resilience.</p> <p>62. Activities under this component will be led by the MWE, which will engage qualified technical service providers (TSPs) to implement activities in close coordination with and involvement of DLGs (through the District Forest Service). The selected TSPs will work closely with district forest officers to draw upon their expertise and local knowledge and to build their capacity for providing support to the development of community-level forestry interventions in the longer term.</p>



	<p>Subcomponent 3.1. Increased tree cover on community and refugee-hosting areas (US\$44 million equivalent, including US\$6 million IDA grant and US\$38 million IDA RSW grant)</p> <p>63. This subcomponent will support residents of refugee-hosting areas to develop agroforestry systems, commercial woodlots, and community institutions for the sustainable management of natural woodlands. More specifically, the project will support the following:</p> <ul style="list-style-type: none"> <li>• Development of intensive, mixed-use agroforestry systems on household plots, with a strong orientation toward multipurpose woody species for fruit, fodder, fencing, fuel, shade, and nitrogen-fixing, in intensive, multilayered systems suitable for small areas. The chosen TSP will work with the DLG staff to (a) identify interested households, raise awareness, and provide training in agroforestry techniques; (b) identify context-appropriate species of multipurpose trees and shrubs for mixed-use agroforestry systems; and (c) extend the existing network of tree nurseries for agroforestry species and design a strategy for disseminating seedlings. In addition to responding to demand for favored fast-growing trees, these systems will incorporate woody perennials that are often overlooked, such as pigeon pea, Calliandra, Leucaena, and okra, which can provide food, fuel, and nitrogen-fixing services. The project will aim to reach approximately 9 percent of rural households in target districts with a target of 0.2 ha per household for agroforestry development (thus a total of approximately 17,500 ha).</li> <li>• Support for development of woodlots on private land to enhance the supply of timber, poles, fuel, and other plantation products. Context-appropriate seedlings, including indigenous tree species, will be supplied from a quality-controlled private nursery network. The project will also provide training and extension support to maintain technical standards and maximize seedling survival. To ensure sustainability and engagement, a performancebased grant (equivalent to 50 percent of labor costs over the first four years) will be paid to qualifying woodlot owners upon physical verification at one year. Only woodlots with survival of at least 60 percent of seedlings will qualify for the grant. The project aims to establish woodlots of average size of 0.25 ha per household covering about 4 percent of rural households in the target area, for a total of about 9,700 ha.</li> <li>• Enhanced management and protection of natural forests outside PAs. Natural forests on customary, leasehold, and freehold land are crucial for protecting ecosystem services but are under ongoing threat of degradation and deforestation from the related processes of agricultural expansion and removals for timber and woodfuel. Under this subcomponent, the project will first develop and secure assent for community forest regulations under the framework of the NFTP (2003) and ensure dissemination and awareness-raising. This will be undertaken through a consultative process that builds on existing guidelines and experiences, working with legal experts and the GoU. Formation of community forests is a bottom-up consultative process; only communities interested in pursuing a community forest will be supported by the project. The project will then facilitate the implementation of community forest management by (a) raising wider awareness of the</li> </ul>
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	<p>community forestry model; (b) identifying priority areas; (c) supporting resource assessment, management planning, gazettement, and demarcation; (d) supporting institutional development (building on existing clan and elder structures where possible), providing training, and developing financial sustainability plans; and (e) providing inputs to assist in the restoration, protection, and sustainable management of these forests. The regulations will support implementation and allow community institutions to legitimize their rights and responsibilities for natural forests on their land. Registration of community forests is an important element of reducing the unsustainable use of forest resources. Community forestry support will be directed to specific districts: Kiryandongo, Hoima, and Kikuube districts will be targeted, as they are relatively well endowed with natural forest and also well connected to the wood product markets of central Uganda. This should ensure sufficient commercial demand to generate the necessary revenue flows to support community-based forestry institutions and their forest management operations. Fifteen community forests averaging 250 ha in area will be supported under this subcomponent.</p> <ul style="list-style-type: none"> <li>• The project will also provide support for target District Forest Officers through the provision of basic support packages of office equipment, motorbikes, and incremental operational costs, as well as capacity-building support to facilitate their participation in the above activities.</li> </ul>
	<p>Subcomponent 3.2. Supporting farm forestry for refugee fuel supply (US\$14 million equivalent, all from IDA RSW)</p> <p>64. The project will set up a program to purchase fuelwood from Ugandan landowners and supply it to persons with specific needs (PSN)<sup>55</sup> within the refugee settlements in the project areas, as agreed with the OPM and UNHCR, and consistent with the Water and Environment Sector Refugee Response Plan. This will simultaneously stimulate farm forestry, provide an energy lifeline to the most vulnerable refugees to help them cope with increasing woodfuel scarcity, and reduce pressure on natural woodlands. The program will be scaled to provide about 50 percent of the woodfuel needs of PSNs.<sup>56</sup> This scheme will be operated for the first three years of the project, to cover the acute emerging woodfuel shortages.</p> <p>65. The project will engage one group of service providers, under competitive tender, to organize and manage the firewood supply, and another to verify quantities and quality, and ensure fair and equitable allocation at settlement level. Firewood will be purchased in bulk, using cubic meter stacks as measurement units. Private sector cooperatives or tree growing associations may be engaged to aggregate supply from multiple producers. Wood will be sole-sourced from eucalyptus<sup>57</sup>, as this is readily identifiable, produces good-quality fuelwood, and stacks with minimal air space. A minimum harvesting distance from each settlement will be defined, ideally at least 10 km (twice the maximum distance that refugees currently travel on foot), to avoid overlapping harvesting zones. Refugees will benefit from the distributed fuel, though they will not be engaged as wood suppliers as they do not own land in the proposed source areas or have well-</p>

		established tree plantations. Distribution within the settlements will be managed by a team of supervisory staff and distribution clerks based on guidance from the OPM and UNHCR. The PIM will provide more details of how the firewood purchase and distribution scheme will operate.
Component 4	US\$5 million	<p>Component 4. Project management and monitoring (US\$5 million equivalent, all from IDA credit)</p> <p>66. This component will support project management support activities to ensure cost-efficient, timely, and quality delivery of project activities and results, including monitoring and evaluation (M&amp;E) and project reporting. This will include support for overall project management, fiduciary management aspects, including procurement and financial management (FM), environmental and social risk management, social inclusion and gender competency development including a monitoring implementation of the gender action plan, M&amp;E and reporting. This component will provide support for the preparation of midterm and project completion reports.</p>

**Climate Change Co-benefits section/Additional information on climate relevance from documentation**

Not provided.

**Greenhouse Gas Accounting**

Not provided, yet reference is made to the results of an Ex-Ante Carbon-Balance Tool: “Based on the available data analysis using the Ex-Ante Carbon-balance Tool, the project will generate net GHG emissions reductions of around 62.5 million tons”.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
SC 1.1	24.0	$((0.5/6))*12$	$(1/6)*12$ + $(4.5/7)*12$	1.0	9.71	Component 1 aims towards “Improved management of protected areas. It will support “NPs, WRs, and CFRs in the project area to strengthen their on-the-ground management. Criteria for choosing NPs, WRs and CFRs for management include “(a) Absence of social risks requiring involuntary resettlement/land compensation (encroachment); (b) high potential for carbon abatement, high provisions of ecosystem goods and services (especially, water), biodiversity protection; (c) high potential for revenue generation from nature-based tourism; (d)

					<p>potential for plantation development/value chains investments; (e) reducing barriers to biodiversity conservation; (f) reducing impact of refugees on forests/woody biomass availability; (g) landscape connectivity; and (h) value addition and complementarity.”</p> <p>Sub-component 1.1 aims towards “Improvement of infrastructure and equipment for the management of [Protected Areas]”.</p> <p>Two sets of activities are presents and are assumed to be financed by 12.0 million each.</p> <p>Within the first set of 6 activities:</p> <ul style="list-style-type: none"> <li>• (a) “Grading and maintenance of tracks and trails, including climate-proofing, within PAs to improve access for park management;” is partially adaptation relevant. Adaptation coefficient of 0.5 applied.</li> <li>• (f) “Support for the National Forest Monitoring System (NFMS) which was established with the support of the World Bank through the Forest Carbon Partnership Facility readiness mechanism (Uganda FCPF Readiness [P124296]).” is mitigation relevant with regards to the “National, subnational or territorial cross-sectoral policy actions that aim to lead to climate change mitigation actions or technical support for such actions” eligible activity.</li> </ul>
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						<p>Within the second set of activities will “address wildfire management and control of invasive plants”:</p> <ul style="list-style-type: none"> <li>• 4.5/7 activities relate to wildfire management (where “Uganda’s National REDD+ Strategy identifies fire as the lead factor of GHG emissions from forests in Uganda”), and qualify as mitigation co-benefits under the “Forestry or agroforestry projects that sequester carbon through sustainable forest management, avoided deforestation or avoided land degradation” eligible activity. Activity (a) is deemed to be partially mitigation relevant due to its combined motivations of tackling invasive species (to enhance biodiversity) alongside fire management strategies.</li> <li>• None are adaptation relevant.</li> </ul>
SC 1.2	6.7	0.5	0	3.35	0	<p>Sub-component 1.2 aims towards “Restoration of degraded natural forests and habitats in forest reserves”. The sub-component will “support technical assistance packages and training aimed at developing the skills at the community level to actively participate in and benefit from the management of forest and wildlife resources, including to enhance the adaptive capacity of forest dependent communities for climate resilience by strengthening their coping strategies, diversifying forest management-related employment opportunities and livelihoods, and supporting adaptive forest planning and management.”</p>

						Documentation therefore creates a link between the activities and the provided vulnerability context. In recognition that adaptation is not the principal objective of the sub-component a coefficient of 0.5 has been applied in the absence of more granular information regarding proportionality.
SC 1.3	4.0	0	1	0	4.0	<p>Sub-component 1.3 aims towards “Increasing the involvement of local communities in the management of forest and wildlife areas by increasing their access and benefits from these areas”. The sub-component will “target degraded areas in key [Central Forest Reserves], including areas where invasive species management (including operations supported under Subcomponent 1.1) has led to the removal of vegetation. The project aims to restore up to 15,000 ha of forest.”</p> <p>The sub-component therefore qualifies as mitigation co-benefits under the “Forestry or agroforestry projects that sequester carbon through sustainable forest management, avoided deforestation or avoided land degradation” eligible activity of the Common Principles for Climate Change Mitigation Finance Tracking.</p>
SC 1.4	12.0	0	(2/6)	0	4	<p>Sub-component 1.4 aims towards “Increased forest protection in CFRs and WRs in close proximity to refugee settlements”.</p> <p>The sub-component will “deploy additional resources to improve PA management where there are site-specific threats to high-value forest assets, either as a direct result of refugee incursion or indirectly by the added commercial demand for forest</p>

						<p>products arising from their presence.”</p> <p>Within the 6 activities outlined:</p> <ul style="list-style-type: none"> <li>• 2 are mitigation relevant: (c) Forest restoration; (e) Improvements for wildfire management (fire observation towers and equipment) and qualify as mitigation co-benefits under the “Forestry or agroforestry projects that sequester carbon through sustainable forest management, avoided deforestation or avoided land degradation” eligible activity of the Common Principles for Climate Change Mitigation Finance Tracking.</li> </ul> <p>None are adaptation relevant.</p>
SC 2.1	16.0	0.125	0	2	0	<p>Sub-component 2.1 will provide “will invest in tourism infrastructure and products in select NPs and CFRs in the project area”.</p> <p>Documentation states “Direct investments will fall into two broad categories: (a) tourist reception, information, and interpretive facilities in identified PAs and (b) infrastructure for new (or improving existing) tourist products and activities. It is expected that investments in the infrastructure for tourist products and activities will increase climate resilience of target protected areas as well as communities involved in these tourism activities.”</p> <p>The sub-component therefore creates a weak link between the vulnerability context and the activities. The adaptation co-benefits assessment follows the following steps:</p>

						<ul style="list-style-type: none"> <li>• An initial coefficient of 0.5 recognises the dual motivation of the project, into both tourist reception and infrastructure. Where only infrastructure is linked to adaptation.</li> <li>• Within the infrastructure investments, granular information regarding specific activities which target adaptation are lacking but are assumed to be in the minority. This results in a second coefficient of 0.5 being applied.</li> <li>• Due to a lack of incremental costs and granularity outlined above, the amount of adaptation co-benefits resulting from the sub-component is uncertain. To adhere to the principle of conservativeness, so as to not over-report, a final coefficient of 0.5 is applied.</li> <li>• Final coefficient = 0.125</li> </ul> <p>No evidence of mitigation relevance.</p>
SC 2.2	22.5	0	0.75	0	16.875	<p>Sub-component 2.2 will invest in productive forestry. The sub-component will “invest in plantation forestry and wood value chains with the aim of enabling plantation forestry to become a strong and self-sustaining economic sector in Uganda”.</p> <p>Two activities are outlined: “(a) investments to further increase plantation areas to reach a critical mass that can meet the demands of the local and regional markets (with most subcomponent investments dedicated to these activities) and (b) investments to support processing and utilization of forest products to</p>



					<p>produce higher-value wood products. This subcomponent will build on the successful model developed by the SPGS.”</p> <p>It is stated that (a) receives the majority of sub-component funds, and finance is weighted 3:1 in support of it as compared to (b).</p> <p>Activity (a) qualifies as mitigation co-benefits under the “Forestry or agroforestry projects that sequester carbon through sustainable forest management, avoided deforestation or avoided land degradation” eligible activity of the Common Principles for Climate Change Mitigation Finance Tracking.</p> <p>Because plantations are to be used in forest products, activity (b) is potentially eligible under the “Projects that contribute to reduction of GHG emissions through production of biomaterials/bioenergy from biomass” eligible activity.</p> <p>Criteria for eligibility are:  - The entity applying the Common Principles shall demonstrate a substantial reduction in net GHG emissions or carbon intensity (tCO2e/unit of outcome).  - Biomass shall be supplied from sustainable and socially acceptable sources, as demonstrated through compliance with internationally accepted certification schemes, and the activity shall not compete with food crop production or supply.</p> <p>Such evidence has not been provided. To follow the principle of conservativeness, no mitigation co-benefits have been counted from activity (b) here.</p>
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SC 3.1	44.0	0	1	0	44.0	<p>Sub-component 3.1 aims towards “Improved landscape management in refugee-hosting areas”. Sub-component 3.1 will “Increased tree cover on community and refugee-hosting areas”.</p> <p>The sub-component therefore qualifies as mitigation co-benefits under the “Forestry or agroforestry projects that sequester carbon through sustainable forest management, avoided deforestation or avoided land degradation” eligible activity of the Common Principles for Climate Change Mitigation Finance Tracking.</p>
SC 3.2	14.0	0	0	0	0	<p>Sub-component 3.2 aims towards “Supporting farm forestry for refugee fuel supply”. Sub-component 3.1 will “set up a program to purchase fuelwood from Ugandan landowners and supply it to persons with specific needs”.</p> <p>There is no evidence of climate co-benefits resulting from the sub-component.</p>
C 4	5.0	0	0	0	0	No evidence of climate-relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
5.3	6.35	19.8%	114.4	78.585	31.3%

Reported climate finance	Assessed climate finance	Error
119.7	84.935	29.0%

Project Number: P166420

<b>Project Name</b>
Urban Youth Employment Project II
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/479171587866505054/papua-new-guinea-second-urban-youth-employment-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/479171587866505054/papua-new-guinea-second-urban-youth-employment-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Credit
<b>Lowest level of granularity</b>

<b>Climate Change Vulnerability Context</b>
Provided in the Project Appraisal Summary, page 32, paragraph 32. Stated exposure and vulnerability with regards to both climate induced natural disasters and earthquakes.
<b>Intent to Address Vulnerability</b>
Provided in the Project Appraisal Summary, page 32, paragraph 32.
<b>Link to Project Activities</b>
Provided in the Project Components section.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Component 1	US\$18.3 million	COMPONENT 1: YOUTH JOB CORPS (US\$18.3 million) will raise the awareness of the project in targeted urban areas among youth in their communities, mobilize eligible youth, provide them with Basic Life Skills and Job Readiness Training (BLST) and place them in public works schemes. The overall design includes key changes based on lessons from the original UYEP I, including: (i) reinforcing the importance of soft skills by integrating the soft skills learned into public work placements; (ii) allowing for more capital and skills-based intensive works, the development of hard/technical skills and the inclusion of young women and youth with disabilities; and (iii) adopting a merit-based approach to training, whereby all selected participants are required to complete classroom-based and practical training in public works as a prerequisite for further skills training. As with UYEP I, the works and services will consist of waste management services, maintenance activities and public infrastructure repair and improvement works, which are closely aligned with the urban development planning priorities of the city authorities and their communities. Completion of both the ten-day BLST and 30-day public works activities will be a pre-condition for further training.
		Subcomponent 1a: Communications and Mobilization (US\$0.9 million) will support community awareness and mobilization campaigns, communications and related activities to identify eligible youth and inform them on the

	<p>procedures and requirements for participation under the project. As for UYEP I, the campaign will inform youth of the project and selection criteria to mitigate risks of complaints from youth about perceived biases in the application and screening process. The community mobilization process and Grievance Redress Mechanism (GRM) have been continually reviewed and adjusted throughout UYEP I. Activities for the communications and media program will be set out in a Community Consultation Plan (CCP) developed by the project, which will include a nuanced engaged strategy targeted to different groups who meet the selection criteria, such as young women, indigenous youth and disabled youth. The project will finance the development and dissemination of communication materials, consultations with local stakeholders in each city to plan for the screening and recruitment of youth and implementation of the GRM. The CCP and GRM will be the main instruments for the project's community outreach and citizen engagement.</p>
	<p>Subcomponent 1b: Basic Life-Skills and Job Readiness Training (US\$4.3 million) will provide Basic Life Skills and Job Readiness Training (BLST) to approximately 6,700 youth (5,360 in NCD and 1,340 in Lae) to increase their knowledge and preparedness for transitioning into the work place both in the formal and informal economy. Drawing on UYEP I, which highlighted the importance of the soft skills training, the BLST will be modified and extended from five to ten days, which is expected to allow young women and men with low literacy more time to absorb the training topics.<sup>63</sup> The curriculum will cover: (i) basic literacy and numeracy, (ii) social diversity, gender equity, GBV awareness and prevention,<sup>64</sup> (iii) personal health, hygiene, and nutrition (especially related to environmental sanitation and maternal-child health), (iv) work place health and safety, (v) basic finance and budgeting-business skills, (vi) banking and savings,<sup>65</sup> (vii) work place behavior, communication and relationships with co-workers and supervisors and problem solving, and (viii) preparing basic work-related documents, e.g., job applications, CVs, etc. In addition, the BLST will collect socio-economic data as part of its registration process; setup bank accounts for beneficiaries; and orient youth to a set of referral services provided by the project. The BLST involves classroom-based training using adult learning methods delivered in the communities where youth reside. Based on lessons acquired under UYEP I, the training's instructional design will focus on special learning needs of female and male trainees with low literacy, disability and be delivered by National Training Council (NTC) certified facilitators. Learning achievements will be measured through a baseline pre-training test, in-classroom assessment by the trainers, and a post-training test. Trainers will receive prior training on the curriculum and on the delivery of coaching and support services. Course accreditation, which was recognized by UYEP I participants as being important for future training and employment, will be provided by the NTC. Participants will be provided with lunch during training. If feasible, the training will be delivered in the Ward or settlement where youth reside and/or in a facility within safe walking distance</p>
	<p>Subcomponent 1c: Urban Works and Services (UW&amp;S) (US\$13.0 million) will generate approximately 183,000 labor days for 6,100 participants,<sup>66</sup> enabling youth to develop technical skills and apply the soft skills learned</p>

	<p>through public works for 30 paid days after they complete the BLST.67 Through the Urban Works and Services scheme, youth will be engaged in short-term public works and acquire work place, and marketable skills in one or more of the following: basic road maintenance, the construction of pedestrian pathways and landscaping (including tree planting, both of which will improve the project’s climate change mitigation benefits), drainage cleaning and clearing, mixing and laying concrete, concrete block making, laying of bricks and pavers, painting, fencing and other practical skills as well as health and safety in construction. It is expected that the road and drainage maintenance activities will contribute to the infrastructure’s climate resilience due to an anticipated reduction in flooding, and climate resilient construction practices. In addition, based on consultations during preparation, the menu of works and services will be expanded to improve inclusion of young women and youth with disabilities. Tasks such as painting, clearing of debris, weeding, planting and paving will be identified and can be performed by young women and youth68 with disabilities. Examples of infrastructure and services to be delivered include: pedestrian pathways, steps, driveways and parking lots, recreational and market shelters, the beautification and landscaping of public areas, maintenance and repair of roads and drainage, schools and other public buildings, waste management and streetlighting. Climate resilient design considerations (e.g., use of suitable construction materials and standards to enhance resilience) will be incorporated. Women would be encouraged to perform other infrastructure work to break gender stereotypes and give them skills not otherwise available to them. Completion of both the BLST and public works activities will be mandatory for further training. The public works scheme will be closely aligned with the local development priorities of the municipal authorities. Infrastructure improvements and maintenance needs are similar both in NCD and Lae, and joint planning will be undertaken with City Authorities in support of their urban development plans. In addition to supporting their core functions and services, the investments will enable them to achieve more than they could otherwise with limited financial means. Households in target neighborhoods and the general urban population not regularly served under the City Authorities current arrangements will benefit from the infrastructure and services provided.</p>
	<p>Subcomponent 1d: Other Technical Assistance Activities (US\$0.15 million). The project, through NCDC, will finance a set of technical assistance activities, such as studies and diagnostics, that will inform the design and implementation of violence prevention and/or labor mobility pilot initiatives in subsequent years, drawing on global best practices69 and available evidence.70 A concept note for the studies and diagnostic work will be developed by NCDC in collaboration with relevant stakeholders. The foundation work will subsequently inform the development of a concept note for the implementation of a multi-year pilot that is designed to identify and test innovative approaches to youth inclusion and their development, including identifying opportunities for example, for their labor mobility. International best practices suggest that youth development strategies are</p>

		most effective when they build on a strong participatory approach and combine social and situational evidence-informed interventions.
Component 2	US\$8.9 million	<p>COMPONENT 2: SKILLS TRAINING (US\$8.9 million) will provide a range of market-oriented training programs for approximately 5,700 youth to improve their general and technical skills needed in the work place.<sup>71</sup> Stakeholder and youth consultations suggested that the UYEP I was successful in providing recognition to youth in society and giving them the basic skills required in the job market, but youth expressed a desire for more opportunities for skills development and qualifications to be competitive in the labor market.<sup>72</sup> The training and skills development activities will aim to build basic competency and provide a skill development pathway for employment in the formal and informal sectors. The training will involve creating a competency framework for each course, and, to the extent possible, putting youth on a pathway for accreditation or certification/licensing. The project will coordinate with NTC and the National Trade and Testing Board (NTTB) to develop a competency-based certification that will be issued to participants on course completion or trade testing. While participants can self-select into one of two training programs, criteria such as satisfactory trainee performance during BLST and Urban Works and Services and numeracy and literacy may be applied to guide the process of selection to ensure suitability and competitiveness.</p>
		<p>Subcomponent 2a: Internships (US\$6.7 million) will provide an approximately 4,600 youth the opportunity to work with employers on a three-month internship in entry level jobs.<sup>73</sup> Building on UYEP I, the labor-market insertion scheme provides youth with firm training and on-the-job experience in areas that have shown consistent demand supported by a training stipend and facilitation services. Growing participation in UYEP I confirmed employer demand for such training and the wage subsidy, and consultations with employers revealed that the project should continue to emphasize the importance and monitoring of life and job skills progression during the internship. The project will establish a scoring system for the internship using a score card to be completed by the employer at the beginning, and end of the internship period together with regular coaching and counselling sessions to be provided by the project. The value proposition offered to employers is the three-month wage subsidy in the form of a training stipend provided to participant youth in addition to the screening, training and job matching services provided by the project. The program offers employers a low-risk opportunity to observe and assess trainees for potential employment, subject to vacancies. The project will aim to match youth into appropriate jobs based on expressed demand, levels of numeracy and literacy with additional provisions for mentoring and coaching. The project will maintain attendance and performance data for certification where possible.</p>
		<p>Subcomponent 2b: Vocational Training (US\$2.2 million) will develop entry-level competencies for approximately 1,100 youth<sup>75</sup> in selected trades relevant to both the formal and informal sectors by providing existing short courses offered by accredited training providers or industry-linked training providers for duration of three months.<sup>76</sup> In addition to the minerals sector,</p>

		<p>GoPNG's Medium Term Development Plan III 2018-2022 (MTDP) identifies tourism and agriculture as key areas for economic growth. However, consultations with employers and other development partners confirm that the tourism and construction sectors provide the most immediate potential for job growth. Employers surveys, 77 experience with the OJT under UYEP I and consultations with vocational training organizations suggest that relevant trades considered suitable for trainees are: (i) hospitality, (ii) kitchen operations, 78 (iii) office, customer care and basic computing skills, (iv) building and construction and (v) machine and plant operators. 79 Therefore, based on a labor market analysis carried out under the UYEP I, 80 the project will finance existing short courses in response to expressed demand by employers in the tourism/hospitality, administration and construction sectors. Training service providers will be required to provide accredited trainers, physical facilities equipped with learning equipment matching with the industry requirements and have established linkages with the relevant industry. The building and construction related training will also include climate resilient/energy efficient building techniques. Provision for financial literacy and basic business skills during the training will be relevant for youth seeking to pursue self-employment opportunities; and those youth will be further assisted through the referral services on training or enterprise development desks. Such courses will help youth to build basic competencies in relevant trades along with basic financial and business skills over a three-month period. The course certification will follow the national certification system and target training or trade Certificate I and II for these purposes. The project will work closely with the training provider to quality assure their training policies and competency assessments. Participants will be provided with lunch and a transport stipend together with regular coaching and counselling sessions. The coaching and counselling support will include both career path coaching and address behavioral and personal issues.</p>
Component 3	US\$3.2 million	<p>COMPONENT 3: REFERRAL SERVICES AND MONITORING AND EVALUATION (US\$3.2 million) will build on the systems and processes developed under UYEP I, aimed at screening and referring youth to other specialized organizations and delivering data and analysis to support project operations and inform policy development. This component will also include a set of services that respond to recommendations arising from UYEP I, that facilitate pathways to employment, engagement in micro-enterprises and training beyond the project, and utilize more specialized counseling services, drawing upon the expertise of service providers in those fields.</p>
		<p>Subcomponent 3a: Referral Services (US\$1.8 million) will provide a set of job, training and microenterprise support services designed to screen and refer eligible youth to identify and access potential career pathways beyond the project. The subcomponent will comprise two streams: First, the provision of job search, microenterprise and training referral services beyond the project; and second, referral to specialized GBV services. Both streams will be integrated with the mentoring and coaching services to be provided through all components of the project, so that participants receive consistent guidance towards appropriate pathways. Coaching and mentoring will be</p>

		strengthened by specialized training for PMU staff and the adoption of a structured approach to delivery of these services, including systematic recording of information. Participants will be offered a basic set of exit services consisting of a career advice session and CV preparation advice and facilities. There will be three types of referral services in the first stream: (i) Employment; (ii) Training; and (iii) Micro-Enterprise services. They will be implemented in partnership with other institutions such as: Employers, Accredited Training Agencies and Financial Services (micro-lending) Institutions. The services will aim to go beyond the provision of general information and refer youth to known opportunities identified through a network of partnerships, like the arrangements, resourcing and direct relationships pursued under the Internships (or "OJT" in UYEP I). However, services will be limited to screening and referrals.
		Subcomponent 3b: Surveys, Monitoring and Evaluation (US\$1.4 million) will include a set of surveys designed to evaluate the achievement of project outcomes and impacts, including the value and effects of individual interventions. As with UYEP I, a Management Information System (MIS) will be used to record most of the project's operational information, including registration, allocation of trainees to work-sites, attendance and performance score cards, survey data, electronic stipend payments, and training certificates. Responding to lessons learned in the UYEP I, the evaluation surveys will include carefully designed procedures to maintain statistically rigorous randomized control and treatment groups, within the practical constraints of project operations. The number of surveys will also be reduced to balance data collection and analysis against practical constraints, including resources. Biometric identification based on fingerprint scanning or facial recognition will be implemented, where appropriate, to ensure that control and treatment groups remain separated for the planned periods. The set of surveys comprise a Baseline when youth enter the project, Follow-Up Surveys (FUS) administered at the project's mid-line and end-line, and a set of additional Community Perception and Employer surveys. Follow-Up Surveys are planned to take place around 12 months and 24 months after participants are screened. Execution of the FUS will preferably be done by a professional survey firm contracted for the purpose, working closely with the PMU. A second option of working with an individual consultant to guide the PMU's own survey team has also been identified, in case a well-qualified firm cannot be procured within the available budget. Assessment of participants performance at key stages, such as entry and exit of BLST, exit from Urban Works and Services; exit from internships or vocational training; and assessments obtained during coaching and mentoring sessions, designed to monitor their development as they progress through the project, will be introduced. The MIS will be enhanced as needed to record and present this information and will be an increasingly important tool in the provision of targeted services to participants as they progress through the project and later, for referrals to other opportunities and services.
Component 4	US\$4.6 million	Component 4: PROJECT MANAGEMENT (US\$4.6 million) will finance project management support, including safeguards oversight, communications and



		media, short-term technical assistance, training, grievance management, financial management, procurement, project management and support staff, goods, and incremental operating costs. The key elements consist of two Project Management Units (PMU)s attached to NCDC and LCA, respectively, as the Implementing Entities, coordinated by a Project Coordination Office (PCO) co-located with the NCDC PMU. Each implementing agency will host a PMU led by a Project Manager. The staffing structures and contracting within the two PMUs will essentially be a mirror of each other, although the size of the LCA PMU will be smaller because of the smaller number of throughput beneficiaries. Some joint activities will also be undertaken but led by the NCDC PMU on behalf of both entities, such as the impact evaluation and specialist surveys although both teams need to be involved at some level. The PMUs will house the back-office functions such as accounting, procurement, and administration essential to operate the project. The major activities under the project will be led by Team Leaders, each with supporting technical and operational staff.
		Technical and operational assistance, capacity building activities and training will be provided to support NCDC on project management, implementation, coordination, communications and media. A PCO will manage inter-agency coordination and carry out certain overarching activities including national communications, coordinating with NYDA on project implementation, partnerships, joint PMU training, and consolidated accounting and reporting to the Association, DOT, DNPM and PSC (where appropriate). For efficiency and operational reasons, the PCO will be co-located with the NCDC PMU in office space provided by NCDC. The NCDC Project Manager and PCO Manager will formally report to the NCDC City Manager but will also be functionally accountable to the PSC Co-Chairs (Department of Provincial and Local Government Affairs [DPLGA], the parent ministry for NCDC and LCA, and National Youth Development Authority [NYDA]) in terms of governance and reporting.
		Subcomponent 4b: PMU in Lae City (US\$2.0 million) implemented by LCA. Technical and operational assistance, capacity building activities and training will be provided to support LCA on project management, implementation, coordination, communications and media. The LCA Project Manager will report to the LCA Chief Executive Officer but also be functionally accountable to the PSC Co-Chairs.

<b>Climate Change Co-benefits section</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
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SC 1a	0.9	0	0	0	0	<p>Component 1 will “will raise the awareness of the project in targeted urban areas among youth in their communities, mobilize eligible youth, provide them with Basic Life Skills and Job Readiness Training (BLST) and place them in public works schemes”.</p> <p>Sub-component 1a will “will support community awareness and mobilization campaigns, communications and related activities to identify eligible youth and inform them on the procedures and requirements for participation under the project”.</p> <p>No evidence of climate relevance.</p>
SC 1b	4.3	0	0	0	0	<p>Sub-component 1b will “provide Basic Life Skills and Job Readiness Training (BLST) to approximately 6,700 youth (5,360 in NCD and 1,340 in Lae) to increase their knowledge and preparedness for transitioning into the work place both in the formal and informal economy”.</p> <p>No evidence of climate relevance.</p>
SC 1c	13.0	0.125	0.125	1.625	1.625	<p>Sub-component 1c will “generate approximately 183,000 labor days for 6,100 participants,66 enabling youth to develop technical skills and apply the soft skills learned through public works for 30 paid days after they complete the BLST”.</p> <p>Youth will engage in public works, including: “: basic road maintenance, the construction of pedestrian pathways and landscaping (including tree planting, both of which will improve the project’s climate change mitigation benefits), drainage cleaning and clearing, mixing and laying concrete, concrete block making, laying of bricks and pavers, painting, fencing and other practical skills as</p>

					<p>well as health and safety in construction”</p> <p>Documentation adds: “It is expected that the road and drainage maintenance activities will contribute to the infrastructure’s climate resilience due to an anticipated reduction in flooding, and climate resilient construction practices”. While mitigation co-benefits will arise from tree planting and LED use in street lighting, both as part of road maintenance + pedestrian pathway and landscaping activities.</p> <p>The document therefore creates a link between the undertaken activities and the climate vulnerability context.</p> <p>Regarding proportionality, the climate co-benefits coefficient results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Neither climate change mitigation nor adaptation are the principal objective of the sub-component, despite co-benefits being mentioned. This results in a coefficient of 0.5 being applied.</li> <li>• No granular information has been provided to disaggregate climate co-benefits from non-climate-relevant expenditure. Furthermore, the incremental costs of mitigation and adaptation-relevant activities have not been provided. In light of the uncertainty this creates, a further coefficient of 0.5 has been applied to adhere to the principle of conservativeness.</li> <li>• Final coefficient of 0.25 is deemed to be cross-cutting.</li> </ul>
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						Eligible activity under the Common Principles for Climate Change Mitigation Finance Tracking: “Forestry or agroforestry projects that sequester carbon through sustainable forest management, avoided deforestation or avoided land degradation”.
SC 1d	0.15	0	0	0	0	No evidence of climate relevance.
SC 2a	6.7	0	0	0	0	No evidence of climate relevance.
SC 2b	2.2	0.1	0.1	0.22	0.22	<p>Component 2 will “provide a range of market-oriented training programs for approximately 5,700 youth to improve their general and technical skills needed in the work place.”</p> <p>Sub-component 2b “will develop entry-level competencies for approximately 1,100 youth<sup>75</sup> in selected trades relevant to both the formal and informal sectors by providing existing short courses offered by accredited training providers or industry-linked training providers for duration of three months”.</p> <p>5 sectors are stated as being targeted: “: (i) hospitality, (ii) kitchen operations,<sup>78</sup> (iii) office, customer care and basic computing skills, (iv) building and construction and (v) machine and plant operators”.</p> <p>Re. construction, documentation states: “The building and construction related training will also include climate resilient/energy efficient building techniques.” The document therefore creates a link between the undertaken activities and the climate vulnerability context.</p> <p>Therefore 1/5 sectors are seen to be partially climate-relevant (coefficient of 0.2, split between adaptation and mitigation).</p>
SC 3a	1.8	0	0	0	0	No evidence of climate relevance.

SC 3b	1.4	0	0	0	0	No evidence of climate relevance.
SC 4a	2.6	0	0	0	0	No evidence of climate relevance.
SC 4b	2.0	0	0	0	0	No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
1.6	1.845	15.3%	4.0	1.845	53.9%

Reported climate finance	Assessed climate finance	Error
5.6	3.69	42.9%

Project Number: P172796

<b>Project Name</b>
UY - COVID-19 Response & Economic Recovery
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/510831593396031201/uruguay-covid-19-and-economic-recovery-emergency-development-policy-financing">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/510831593396031201/uruguay-covid-19-and-economic-recovery-emergency-development-policy-financing</a>
<b>Financing Instrument</b>
Development Policy Financing
<b>Financial product</b>
Loan
<b>Lowest level of granularity</b>
Prior Action

<b>Climate Change Vulnerability Context</b>
Provided in Introduction and Country Context section, pages 6-7.
<b>Intent to Address Vulnerability</b>
Provided in Introduction and Country Context section, page 7.
<b>Link to Project Activities</b>
Provided through the partial relevance of a selection of Prior Actions towards climate change objectives, as required in DPF
<b>Incremental Costs?</b>
Not provided.

Name	Value	Project components
PA 1	-	PA#1: The Borrower has adopted the following measures of a countercyclical nature to contain the impact of COVID-19: (a) creating a COVID-19 fund to cover sanitary, economic, and social needs and other consequences of the pandemic; (b) allowing the temporary entry or exit, free of all taxes, and subject to a simplified customs procedure, for assistance and rescue shipments of specific medical supplies needed for COVID-19 testing and treatment; (c) providing tax relief by deferring VAT payments for small companies; and (d) reducing the personal and employer contributions for micro-enterprises in retail and industry, as evidenced, respectively, by: (i) Law No. 19,874, promulgated on April 8, 2020, and published in the Official Gazette on April 16, 2020; (ii) MEF Resolution SN/020 promulgated on March 24, 2020 and published in the Official Gazette on March 27, 2020; (iii) DGI Resolution No. 550/2020 dated March 20, 2020 and published in the Official Gazette on March 23, 2020 ; and (iv) Law No. 19,872 promulgated on April 3, 2020 and published in the Official Gazette on April 16, 2020.
PA 2	-	PA#2: The Borrower has strengthened three social assistance programs to alleviate the impacts of the COVID-19 pandemic on the most vulnerable population, including: (a) the one-time doubling of monthly benefits paid through its “Tarjeta Uruguay Social” program that supports vulnerable families to buy basic goods; (b) the payment of an additional amount equivalent to fifty percent of the monthly benefit to participants of its “Asignaciones FamiliaresPlan de Equidad” cash transfer program for children of socially vulnerable families and (c) the

		introduction of a program of distribution of food baskets among poor households that don't receive other government transfers, as evidenced by: (i) Presidential Resolution No. DS/14 dated April 1, 2020; (ii) MEF Resolution No. 53/020 dated April 3, 2020; and (iii) Letter, dated May 11, 2020, from the Minister of the Economy and Finance
PA 3	-	PA#3: The Borrower has adopted emergency measures to protect workers by: (a) putting in place a temporary unemployment scheme that complements its existing one by providing salary replacement in case of partial suspensions; and (b) modifying the sickness benefits regulations to allow workers aged over sixty-five, to maintain their income while staying quarantined for up to thirty days, as evidenced, respectively, by (i) MTSS Resolutions No. 524/020, 525/020, and 539/020, dated March 18, 2020, March 20, 2020, and April 3, 2020, respectively, published in the Official Gazette on May 19, 2020 (the first two), and on May 20, 2020 (the third one); and (ii) Decree No. 109/020, promulgated on March 25, 2020 and published in the Official Gazette on April 2, 2020
PA 4	-	PA#4: The Borrower has strengthened its institutional response to violence against women and children, particularly domestic and intimate violence, as evidenced by Decree No. 339/019 promulgated on November 11, 2019, and issued in the Official Gazette on November 27, 2019.
PA 5	-	PA#5: The Borrower has adopted emergency measures to support access to finance for MSMEs in the face of economic shocks due to COVID-19 by: (a) Enhancing risk coverage through a new enhanced credit guarantee program (SIGA Emergencia) for affected small businesses; and (b) providing liquidity to firms by expanding ANDE's directed credit program for MSMEs that have been financially affected by COVID-19, as evidenced, respectively, by: (i) Minutes of the Meetings between CND, MEF, and ANDE No. 01-2020 dated April 6, 2020, and No. 02-2020 dated April 8, 2020 (Actas de Sesión No. 01-2020 and 02-2020), resolving to create SIGA Emergencia and subsequently to modify it to increase the percentage of coverage to 80%; and (ii) Minutes of ANDE's Board of Directors Meeting No. 10/2020, dated March 25, 2020.
PA 6	-	PA#6: The Borrower has adopted measures to reduce its tax expenditures by reducing the discount of the VAT in transactions related to gambling, gastronomic services, catering services and car rental services, as evidenced by Decree No. 97/020, promulgated on March 11, 2020 and published in the Official Gazette on March 23, 2020.
PA 7	-	PA#7: The Borrower has adopted measures to improve its business environment by reducing the administrative complexity and costs of business registration, as evidenced by Law No. 19,820, promulgated on September 18, 2019 and published in the Official Gazette on September 27, 2019.
PA 8	-	PA#8: The Borrower has strengthened its institutional capacity to prepare for, and respond to emergency and disaster risk by: (a) issuing regulations for the functioning of the National Emergency System ("SINAE"); and (b) adopting a new national policy for comprehensive management of emergency and disaster risks in Uruguay for the period 2019-2030, as evidenced, respectively, by: (i) Decree 65/020 dated February 17, 2020 and published in the Official Gazette on March 4, 2020; and (ii) Decree 66/020 dated February 17, 2020, published in the Official Gazette on March 5, 2020.

PA 9	-	PA#9: The Borrower has adopted a national plan for adaptation to climate variability and climate change for the agriculture sector, as evidenced by MGAP Resolution No. 1723, dated November 22, 2019.
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<b>Climate Change Co-Benefits Section</b>
None provided.

<b>Greenhouse Gas Accounting</b>
None provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
PA1		0	0			PA 1 is principally focused on short term economic interventions in the context of COVID-19. No evidence of climate relevance, or of a link between the Prior Action and the project's vulnerability assessment/intent to address vulnerability.
PA 2		0	0			PA 2 is principally focused on short term economic interventions in the context of COVID-19. No evidence of climate relevance, or of a link between the Prior Action and the project's vulnerability assessment/intent to address vulnerability.
PA 3		0	0			PA 3 is principally focused on short term economic interventions to protect workers in the context of COVID-19. No evidence of climate relevance, or of a link between the Prior Action and the project's vulnerability assessment/intent to address vulnerability.
PA 4		0	0			PA 4 is principally focused with institutional responses to violence against women and children. No evidence of climate relevance, or of a link between the Prior Action and the project's vulnerability assessment/intent to address vulnerability.
PA 5		0	0			PA 5 is principally focused on emergency measures to support access to finance for MSMEs in the face of economic shocks due to COVID-19. No evidence of climate relevance, or of a



						link between the Prior Action and the project's vulnerability assessment/intent to address vulnerability.
PA 6		0	0			PA 6 is principally focused on measures to reduce its tax expenditures by reducing the discount of the VAT in transactions related to gambling, gastronomic services, catering services and car rental services. No evidence of climate relevance, or of a link between the Prior Action and the project's vulnerability assessment/intent to address vulnerability.
PA 7		0	0			PA 7 is principally focused on measures to improve its business environment by reducing the administrative complexity and costs of business registration. No evidence of climate relevance, or of a link between the Prior Action and the project's vulnerability assessment/intent to address vulnerability.
PA 8		0.5	0	(400/9)*0.5		<p>PA 8 is principally focused on strengthening institutional capacity to prepare for, and respond to emergency and disaster risk related to two crises (or "motivations").</p> <p>The two motivations behind PA 8 are COVID-19 and climate-related emergencies and disasters. Therefore, the PA shows evidence of partial climate relevance and a partial link between the required prior actions and the project's climate vulnerability assessment/intent to address that vulnerability. The National Emergency System is not only focused on climate-related emergencies, therefore any support towards it cannot be deemed to be entirely climate-relevant.</p> <p>½ motivations are climate relevant - coefficient of 0.5 applied.</p>
PA 9		1	0	400/9		PA 9 is principally focused on the adoption of a national plan for adaptation to climate variability and climate change for the agriculture sector.

						<p>The PA shows evidence that it is principally focused on climate change adaptation and the prior actions required by the PA 9 are 100% relevant to the project's climate vulnerability assessment/intent to address that vulnerability.</p> <p>Coefficient of 1 applied.</p>
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Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
88.9 million USD	66.7 million USD	25%	0 million USD	0 million USD	0%

Reported climate finance	Assessed climate finance	Error
88.9 million USD	66.7 million USD	25%

**Project Number: P171114**

<b>Project Name</b>
Zimbabwe Idai Recovery Project
<b>Project Document URL</b>
<a href="https://documents.worldbank.org/en/publication/documents-reports/documentdetail/882841563588185132/zimbabwe-idai-recovery-project">https://documents.worldbank.org/en/publication/documents-reports/documentdetail/882841563588185132/zimbabwe-idai-recovery-project</a>
<b>Financing Instrument</b>
Investment Project Financing
<b>Financial product</b>
Grant
<b>Lowest level of granularity</b>
Activity

<b>Climate Change Vulnerability Context</b>
Detailed vulnerability context provided in the Strategic Context section, page 9, paragraph 8.
<b>Intent to Address Vulnerability</b>
Provided in the Relevance to Higher Level Objectives section, page 14, paragraph 23.
<b>Link to Project Activities</b>
Provided in the Project Components section.
<b>Incremental Cost?</b>
Not provided.

Name	Value	Description
Component 1	US\$27 million	<p>Component 1: Providing Immediate Support for Cyclone Recovery (US\$27 million): This component will provide immediate and integrated livelihoods and healthcare solutions to the affected people, including:</p> <ul style="list-style-type: none"> <li>Restoring livelihoods and providing food and cash assistance for the most vulnerable: 46 This intervention will provide food assistance through unconditional cash transfer, targeting affected and vulnerable households (includes labor constrained households). This intervention will also provide cash-for work (conditional) to provide food assistance<sup>47</sup> to vulnerable households across affected districts in exchange for low-skilled manual labor for simple light works (equipment will only be used for transport), such as debris removal, replanting vegetation, and collecting debris materials for reconstruction;</li> <li>Under this intervention, the provision of cash transfers in US\$ will be considered to mitigate inflation risks faced by households in the development of the Project Operational Manual (POM), particularly vis-a-vis the targeting and transaction-making procedures being developed. The on-ground consensus from partners in the field already engaged in cash transfers is the use of electronic mobile transfers of money to beneficiaries, and on potentially moving to US\$. Such mobile cash transfers will be considered in areas where food markets are assessed to be functioning; in</li> </ul>

		<p>areas with nonfunctional markets, direct food will be provided to project beneficiaries. This will be further elaborated in the POM. Finally, the exact targeting mechanisms for cash transfers will also be elaborated in the POM, together with appropriate risk mitigation measures against mistargeting and potential leakages;</p> <ul style="list-style-type: none"> <li>• Restoring agricultural crop and livestock production: This intervention will provide agricultural inputs such as maize, sorghum, cowpea, and horticulture crops to small farmer households and for community gardens, providing a nutritious source of food before the main harvest. This intervention will also re-stock livestock, poultry, and small ruminants, while also providing supplementary feedings to breeding stock of vulnerable households and veterinary services to ensure the good health of livestock; and</li> <li>• Accelerating the revitalization of basic health service provision: This intervention includes the provision of a basic package of health services, and referral pathways related to Gender-Based Violence (GBV)/Sexual Exploitation and Assault (SEA) and child protection measures.</li> </ul> <p>Targeting: Beneficiary selection will use both geographic and community-based approaches, prioritizing vulnerable groups and drawing on the SCOPE database and UN Inter-Agency Joint Verification Assessment (May 2019, and based on the minimum food expenditure basket). A database on potential beneficiary targets will be developed by FAO to identify targeted beneficiaries in line with centralized project-specific targeting and information management systems.</p>
Component 2	US\$33.4 million	<p>Component 2: Enabling Medium-term Cyclone Recovery and Resilience-building (US\$33.4 million): This component will support the rehabilitation of critical community infrastructure such as water and sanitation systems, irrigation networks, community schools and community roads as well as community level structural mitigation efforts for risk reduction, such as slope protection and environmental rehabilitation. These may include:</p> <ul style="list-style-type: none"> <li>• Rehabilitating communal WASH services: This intervention will support community-led rehabilitation of communal water and sanitation systems in line with protection standards, 48 including for toilets/latrines, boreholes, small piped schemes fed by boreholes or springs, ancillary infrastructure, and solid waste facilities— targeting schools, clinics, and households as well as the distribution of hygiene kits;</li> <li>• Restoring communal irrigation schemes in support of agrarian livelihoods: This intervention will support community-led restoration of damaged irrigation schemes such as the reconstruction of storm drains and waterways, the reclamation of gullies and desilting of weirs, etc.;</li> <li>• Rehabilitating damaged community schools: This intervention will rehabilitate and re-equip damaged primary and secondary community</li> </ul>

		<p>schools, as well as provide technical assistance for the restoration of teaching services; and</p> <ul style="list-style-type: none"> <li>• Rehabilitating damaged community infrastructure and providing community risk mitigation solutions: This intervention will primarily: (a) rehabilitate community roads and other miscellaneous community-level social and productive infrastructure to improved climate proofing standards; (b) identify and carry out community risk reduction and protection works such as reprofiling landslip debris, soil stabilization (terracing, replanting of vegetation), rehabilitating retaining walls, culverts, gullies, embankments, small reservoirs and storm-water drainage; (c) replanting the debris areas and afforestation, and; (d) rehabilitation of damages to small-and-medium enterprises and their re-equipping.</li> </ul>
Component 3	US\$8.6 million	<p>Component 3: Providing Project Management and Technical Assistance (US\$8.6 million): This will include:</p> <ul style="list-style-type: none"> <li>• Project Management: This will include project management support for UNOPS, for overall coordination and oversight functions and for centralized project services, across all components, such as M&amp;E, safeguards and quality assurance, grievance redressal, GBV, SEA and referral and protection systems, and for engaging an independent verification agent for project results validation; and</li> <li>• Technical Assistance (TA): Under the Project, this will include a range of activities that will be progressively determined on a needs basis, to facilitate the strengthened implementation of the various project interventions. These could include but not necessarily be restricted to: (a) community risk assessments and monitoring and preparedness planning; (b) enhancing existing systems for displacement monitoring and targeting and conduct of IDP intention surveys; (c) health information and epidemic surveillance systems, and; (d) strengthening project strategic communications and citizen engagement.</li> </ul>

<b>Climate Change Co-benefits section</b>
Not provided.

<b>Greenhouse Gas Accounting</b>
Not provided.

Name	Value	Ad coefficient	Mit coefficient	Ad finance	Mit finance	Assessment comments
C 1	27	1/3	0	9	0	Component 1 aims to provide immediate support for cyclone recovery. Finance will provide immediate and integrated livelihoods

					<p>and healthcare solutions to the affected people through 3 activities:</p> <ul style="list-style-type: none"> <li>• Restoring livelihoods and providing food and cash assistance for the most vulnerable: This intervention will provide food assistance through unconditional cash transfer, targeting affected and vulnerable households.</li> <li>• Restoring agricultural crop and livestock production: This intervention will provide agricultural inputs such as maize, sorghum, cowpea, and horticulture crops to small farmer households and for community gardens, providing a nutritious source of food before the main harvest.</li> <li>• Accelerating the revitalization of basic health service provision: This intervention includes the provision of a basic package of health services.</li> </ul> <p>There is therefore a link between the financed activities, to respond to a cyclone, and the provided vulnerability context, which highlights that Zimbabwe is vulnerable to cyclones (which are exacerbated by climate change).</p> <p>Yet the above activities contain portions of humanitarian assistance, short term infrastructure rehabilitation, and longer term resilience building</p> <p>The adaptation co-benefits coefficient results from the following considerations:</p> <ul style="list-style-type: none"> <li>• Under the PDO three actions/motivations for the project are noted, of which</li> </ul>
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						<p>(c) is deemed to be adaptation relevant due to its focus on, and intent to, address climate relevant vulnerability:</p> <ul style="list-style-type: none"> <li>a) a surge of high-impact, immediate interventions for enhancing the coping capacity of the affected communities while humanitarian operations continue in tandem through other partners;</li> <li>b) activities that transition toward medium-term recovery such as restoration of productive capacities of the communities and rehabilitation of critical community infrastructure across multiple sectors; and</li> <li>c) interventions to reduce community hazard risk vulnerability through community level structural and non-structural mitigation.</li> </ul> <ul style="list-style-type: none"> <li>• As a result, an adaptation coefficient of 1/3 has been applied.</li> </ul> <p>No evidence of mitigation relevance.</p>
C 2	33.4	1/2	0	16.7	0	<p>Component 2 aims to enable Medium-term Cyclone Recovery and Resilience-building. Finance will support the rehabilitation of critical community infrastructure such as water and sanitation systems, irrigation networks, community schools and community roads as well as community level structural mitigation efforts for risk reduction:</p>

					<ul style="list-style-type: none"> <li>• Rehabilitating communal WASH services: This intervention will support community-led rehabilitation of communal water and sanitation systems in line with protection standards.</li> <li>• Restoring communal irrigation schemes in support of agrarian livelihoods: This intervention will support community-led restoration of damaged irrigation schemes such as the reconstruction of storm drains and waterways, the reclamation of gullies and desilting of weirs.</li> <li>• Rehabilitating damaged community schools: This intervention will rehabilitate and re-equip damaged primary and secondary community schools, as well as provide technical assistance for the restoration of teaching services.</li> <li>• Rehabilitating damaged community infrastructure and providing community risk mitigation solutions.</li> </ul> <p>There is therefore a link between the financed activities, to respond and build resilience to a cyclone, and the provided vulnerability context, which highlights that Zimbabwe is vulnerable to cyclones (which are exacerbated by climate change).</p> <p>Yet the above activities contain portions of short-term infrastructure rehabilitation, alongside longer term resilience building</p> <p>The adaptation co-benefits coefficient results from the following considerations:</p>
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						<ul style="list-style-type: none"> <li>Under the Component, two motivations can be inferred, of which (b) is deemed to be adaptation relevant due to its focus on enhancing resilience to climate impacts in the long term: <ul style="list-style-type: none"> <li>a) the rehabilitation of critical community infrastructure;</li> <li>b) community level structural [risk] mitigation efforts for risk reduction</li> </ul> </li> <li>As a result, an adaptation coefficient of 1/2 has been applied.</li> </ul>
C 3	8.6	0	0	0	0	No evidence of mitigation relevance. No evidence of climate relevance.

Reported ad finance	Assessed ad finance	Error	Reported mit finance	Assessed mit finance	Error
24	25.7	7.1%	1.2	0	100%

Reported climate finance	Assessed climate finance	Error
25.2	25.7	6.7%