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IDA/R2015-0104/1

May 5, 2015

**Closing Date: Friday, May 22, 2015  
at 6 p.m.**

FROM: The Corporate Secretary

**Zambia**

**Girls' Education and Women's Empowerment and Livelihoods Project**

**Project Appraisal Document**

Attached is the Project Appraisal Document regarding a proposed credit to Zambia for the Girls' Education and Women's Empowerment and Livelihoods Project (IDA/R2015-0104), which is being processed on an absence-of-objection basis.

Distribution:

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Vice Presidents, Bank, IFC and MIGA  
Directors and Department Heads, Bank, IFC and MIGA

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The World Bank

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Report No: PAD1304

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED CREDIT

IN THE AMOUNT OF SDR 47.2 MILLION  
(US\$65 MILLION EQUIVALENT)

TO THE

REPUBLIC OF ZAMBIA

FOR A

GIRLS' EDUCATION AND WOMEN'S EMPOWERMENT AND LIVELIHOODS  
PROJECT

May 1, 2015

*Social Protection and Labor Global Practice*  
*AFRICA*

This document is being made publicly available prior to Board consideration. This does not imply a presumed outcome. This document may be updated following Board consideration and the updated document will be made publicly available in accordance with the World Bank's policy on Access to Information.

## CURRENCY EQUIVALENTS

(Exchange Rate Effective as of March 31, 2015)

Currency Unit = Kwacha (ZMW)  
7.57 ZMW = US\$1  
0.72 US\$ = SDR 1

## FISCAL YEAR

January 1 – December 31

## ABBREVIATIONS AND ACRONYMS

AGI	Adolescent Girls Initiative
CAMFED	Campaign for Female Education
CAS	Country Assistance Strategy
CDAs	Community Development Assistants
CPS	Country Partnership Strategy
CWACs	Community Welfare Assessment Committees
DCD	Department of Community Development
DHS	Demographic and Health Survey
FAWEZA	Forum for African Women Educationalists of Zambia
FISP	Farmers' Input Support Program
FGD	Focus Group Discussion
FSP	Food Security Pack
GDI	Gender Development Index
GEWEL	Girls' Education and Women's Empowerment and Livelihoods Project
GII	Gender Inequality Index
GNI	Gross National Income
GRS	Grievance Redress Service
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IFMIS	Integrated Financial Management Information System
IFR	Interim Financial Report
IPR	Independent Post Review
ILO	International Labour Organization
IPSAS	International Public Sector Accounting Standards
KPIs	Key performance indicators
LCMS	Living Conditions Monitoring Survey
MAL	Ministry of Agriculture and Livestock
MCDMCH	Ministry of Community Development, Mother and Child Health
MESVTEE	Ministry of Education, Science, Vocational Training, and Early Education
MGCD	Ministry of Gender and Child Development
MIS	Management Information System
MoCTA	Ministry of Chiefs and Traditional Affairs

NSPP	National Social Protection Policy
NFEST	Non-Formal Education and Skills Training
OVCs	Orphans and Vulnerable Children
PEs	Procuring Entities
PIM	Project Implementation Manual
POM	Program Operations Manual
PSC	Project Steering Committee
PPR	Procurement Post Review
PWAS	Public Welfare Assistance Program
RSR	Rapid Social Response
SCTS	Social Cash Transfer Scheme
SNDP	Sixth National Development Plan
SOEs	Statements of expenditure
SRB	Single registry of beneficiaries
SWL	Supporting Women's Livelihoods
UNDP	United Nations Development Programme
WEEFs	Women's Economic Empowerment Funds
ZMW	Zambian Kwacha
ZPPA	Zambia Public Procurement Authority

Regional Vice President:	Makhtar Diop
Country Director:	Kundhavi Kadiresan
Senior Global Practice Director:	Arup Banerji
Practice Manager / Manager:	Manuel Salazar
Task Team Leader:	Cornelia Tesliuc



**ZAMBIA**  
**GIRLS' EDUCATION AND WOMEN EMPOWERMENT & LIVELIHOOD PROJECT**

**TABLE OF CONTENTS**

	<b>Page</b>
<b>I. STRATEGIC CONTEXT .....</b>	<b>1</b>
A. Country Context.....	1
B. Sectoral and Institutional Context.....	4
C. Higher-level Objectives to which the Project Contributes .....	7
<b>II. PROJECT DEVELOPMENT OBJECTIVES .....</b>	<b>8</b>
A. PDO.....	8
B. Project Beneficiaries .....	8
C. PDO Results Indicators.....	8
<b>III. PROJECT DESCRIPTION .....</b>	<b>8</b>
A. Project Components .....	8
B. Project Cost and Financing .....	14
C. Lessons Learned and Reflected in the Project Design.....	14
<b>IV. IMPLEMENTATION .....</b>	<b>16</b>
A. Institutional and Implementation Arrangements .....	16
B. Results Monitoring and Evaluation .....	17
C. Sustainability.....	17
<b>V. KEY RISKS AND MITIGATION MEASURES .....</b>	<b>19</b>
A. Risk Ratings Summary Table .....	19
B. Overall Risk Rating Explanation .....	19
<b>VI. APPRAISAL SUMMARY .....</b>	<b>20</b>
A. Economic Analysis .....	20
B. Technical.....	20
C. Financial Management.....	21
D. Procurement .....	21
E. Social (including Safeguards).....	22
F. Environment (including Safeguards) .....	23
G. World Bank Grievance Redress.....	23

<b>Annex 1: Results Framework and Monitoring .....</b>	<b>24</b>
<b>Annex 2: Detailed Project Description.....</b>	<b>31</b>
<b>Annex 3: Implementation Arrangements .....</b>	<b>45</b>
<b>Annex 4: Project Budget .....</b>	<b>60</b>
<b>Annex 5: Economic Analysis.....</b>	<b>69</b>
<b>Annex 6: Impact Evaluation .....</b>	<b>76</b>
<b>Annex 7: Gender Assessment.....</b>	<b>78</b>
<b>Annex 8: Implementation Support Plan .....</b>	<b>82</b>

**PAD DATA SHEET***Zambia**Girls' Education and Women's Empowerment and Livelihood Project (P151451)***PROJECT APPRAISAL DOCUMENT***AFRICA*

Report No.: PAD1304

<b>Basic Information</b>			
Project ID P151451	EA Category C - Not Required	Team Leader(s) Cornelia M. Tesliuc	
Lending Instrument Investment Project Financing	Fragile and/or Capacity Constraints [ ]		
	Financial Intermediaries [ ]		
	Series of Projects [ ]		
Project Implementation Start Date 22-May-2015	Project Implementation End Date 30-Sep-2020		
Expected Effectiveness Date 30-Sep-2015	Expected Closing Date 30-Sep-2020		
Joint IFC No			
Practice Manager/Manager	Senior Global Practice Director	Country Director	Regional Vice President
Manuel Salazar	Arup Banerji	Kundhavi Kadiresan	Makhtar Diop
Borrower: Government of Republic of Zambia			
Responsible Agency: Ministry of Community Development Mother and Child Health (MCDMCH)			
Contact:	Prof. E. Chomba	Title:	Permanent Secretary
Telephone No.:	260211235341	Email:	echomba@zamnet.zm
Responsible Agency: Ministry of Gender and Child Development (MGCD)			
Contact:	Daisy Nkhata Ng'ambi	Title:	Permanent Secretary
Telephone No.:	260211230031	Email:	daisy.ngambi@gmail.com
Responsible Agency: Ministry of Education, Science, Vocational Training, and Early Education (MESVTEE)			
Contact:	Chishimba Nkoshya	Title:	Permanent Secretary
Telephone No.:	260211254138	Email:	nkoshadickson@yahoo.com

Project Financing Data(in USD Million)						
<input type="checkbox"/>	Loan	<input type="checkbox"/>	IDA Grant	<input type="checkbox"/>	Guarantee	
<input checked="" type="checkbox"/>	Credit	<input type="checkbox"/>	Grant	<input type="checkbox"/>	Other	
Total Project Cost:		65.00		Total Bank Financing:		65.00
Financing Gap:		0.00				
Financing Source				Amount		
BORROWER/RECIPIENT				0.00		
International Development Association (IDA)				65.00		
Total				65.00		
Expected Disbursements (in USD Million)						
Fiscal Year	2016	2017	2018	2019	2020	2021
Annual	4.70	15.70	17.70	17.50	9.00	0.40
Cumulative	4.70	20.40	38.10	55.60	64.60	65.00
Institutional Data						
<b>Practice Area (Lead)</b>						
Social Protection & Labor						
<b>Contributing Practice Areas</b>						
<b>Cross Cutting Topics</b>						
<input type="checkbox"/>	Climate Change					
<input type="checkbox"/>	Fragile, Conflict & Violence					
<input checked="" type="checkbox"/>	Gender					
<input type="checkbox"/>	Jobs					
<input type="checkbox"/>	Public Private Partnership					
<b>Sectors / Climate Change</b>						
Sector (Maximum 5 and total % must equal 100)						
Major Sector			Sector	%	Adaptation Co-benefits %	Mitigation Co-benefits %
Education			Secondary education	20		
Health and other social services			Other social services	80		
Total				100		
<input checked="" type="checkbox"/> I certify that there is no Adaptation and Mitigation Climate Change Co-benefits information applicable to this project.						
<b>Themes</b>						

Theme (Maximum 5 and total % must equal 100)		
Major theme	Theme	%
Social protection and risk management	Social Safety Nets/Social Assistance & Social Care Services	35
Social protection and risk management	Other social protection and risk management	35
Social dev/gender/inclusion	Gender	30
Total		100
Proposed Development Objective(s)		
The project development objective is to support the Government of Zambia to increase access to livelihood support for women and access to secondary education for disadvantaged adolescent girls in extremely poor households in selected districts.		
Components		
Component Name	Cost (USD Millions)	
Supporting Women's Livelihoods	36.00	
Keeping Girls in School	25.78	
Institutional Strengthening and Systems Building	3.22	
Systematic Operations Risk- Rating Tool (SORT)		
Risk Category	Rating	
1. Political and Governance	Moderate	
2. Macroeconomic	Moderate	
3. Sector Strategies and Policies	Moderate	
4. Technical Design of Project or Program	Substantial	
5. Institutional Capacity for Implementation and Sustainability	Substantial	
6. Fiduciary	Substantial	
7. Environment and Social	Moderate	
8. Stakeholders	Moderate	
9. Other		
<b>OVERALL</b>	Substantial	
Compliance		
Policy		
Does the project depart from the CAS in content or in other significant respects?	Yes [ ]	No [ X ]
Does the project require any waivers of Bank policies?	Yes [ ]	No [ X ]

Have these been approved by Bank management?	Yes [ ]	No [ ]
Is approval for any policy waiver sought from the Board?	Yes [ ]	No [ ]
Does the project meet the Regional criteria for readiness for implementation?	Yes [ X ]	No [ ]
<b>Safeguard Policies Triggered by the Project</b>	<b>Yes</b>	<b>No</b>
Environmental Assessment OP/BP 4.01		<b>X</b>
Natural Habitats OP/BP 4.04		<b>X</b>
Forests OP/BP 4.36		<b>X</b>
Pest Management OP 4.09		<b>X</b>
Physical Cultural Resources OP/BP 4.11		<b>X</b>
Indigenous Peoples OP/BP 4.10		<b>X</b>
Involuntary Resettlement OP/BP 4.12		<b>X</b>
Safety of Dams OP/BP 4.37		<b>X</b>
Projects on International Waterways OP/BP 7.50		<b>X</b>
Projects in Disputed Areas OP/BP 7.60		<b>X</b>
<b>Legal Covenants</b>		
<b>Name</b>	<b>Recurrent</b>	<b>Due Date</b>
<b>Description of Covenant</b>		
<b>Conditions</b>		
<b>Source Of Fund</b>	<b>Name</b>	<b>Type</b>
IDA	Project Implementation Manual	Effectiveness
<b>Description of Condition</b>		
The Recipient has adopted the Project Implementation Manual in accordance with the provisions of Section I.B of the Schedule 2 to the Financing Agreement.		
<b>Source Of Fund</b>	<b>Name</b>	<b>Type</b>
IDA	Qualified accountant for each MESTVEE and National Secretariat within MGCD	Effectiveness
<b>Description of Condition</b>		
The Recipient has engaged a qualified accountant for each of MESVTEE and the National Secretariat within MGCD in accordance with the provisions of Section I.A of Schedule 2 to the Financing Agreement.		
<b>Source Of Fund</b>	<b>Name</b>	<b>Type</b>
IDA	Dedicated staff for the DCD in the MCDMCH	Effectiveness

<b>Description of Condition</b>				
The Recipient has engaged a dedicated program coordinator, a monitoring and evaluation specialist, and an accountant for the MCDMCH in accordance with the provisions of Section I.A of Schedule 2 to the Financing Agreement.				
<b>Source Of Fund</b>	<b>Name</b>			<b>Type</b>
IDA	Project Steering Committee			Effectiveness
<b>Description of Condition</b>				
The Recipient has established the Project Steering Committee in accordance with the provisions of Section I.A of Schedule 2 to the Financing Agreement.				
<b>Source Of Fund</b>	<b>Name</b>			<b>Type</b>
IDA	Payments of Productivity Grants			Disbursement
<b>Description of Condition</b>				
The Recipient shall make payments of the Productivity Grants under Part A.2 of the Project through independent payment service providers and shall in this regard, recruit in accordance with the provisions of Section III of Schedule 2 to the Financing Agreement, said independent payment service providers, with qualifications and experience and terms of reference satisfactory to the Association.				
<b>Team Composition</b>				
<b>Bank Staff</b>				
<b>Name</b>	<b>Role</b>	<b>Title</b>	<b>Specialization</b>	<b>Unit</b>
Cornelia M. Tesliuc	Team Leader (ADM Responsible)	Sr Social Protection Specialist	Team Leader and Senior Social Protection Specialis	GSPDR
Wedex Ilunga	Procurement Specialist	Senior Procurement Specialist	Procurement	GGODR
Lingson Chikoti	Financial Management Specialist	Consultant	Financial Management	GGODR
Albab Akanda	Safeguards Specialist	Consultant	Environmental Safeguards	GENDR
Carine Clert	Peer Reviewer	Lead Social Protection Specialist	Peer Reviewer	GSPDR
Charity Inonge Mbangweta	Team Member	Team Assistant	Team Support	AFCS3
Emily Weedon Chapman	Team Member	Social Protection Specialist	Social Protection	GSPDR
Emma S. Mistiaen	Team Member	Social Protection Specialist	Social Protection	GSPDR
Hellen Mbao Chilupe	Team Member	Senior Operations Officer	Social Protection	AFCS3

John Bosco Makumba	Team Member	Operations Officer	Operations Support	GHNDR	
Kathy Eales	Team Member	Consultant	Institutional Expert	GSPDR	
Krishna Pidatala	Team Member	Senior Operations Officer	ICT	GTIDR	
Lucian Bucur Pop	Peer Reviewer	Senior Economist	Peer Reviewer	GSPDR	
Maiada Mahmoud Abdel Fattah Kassem	Team Member	Finance Officer	Finance Officer	WFALA	
Manuel Rodriguez Pumarol	Team Member	Consultant	Cash Transfer Specialist	GSPDR	
Michelle Poulin	Team Member	Consultant	Gender Specialist	GCGDR	
Musonda Rosemary Sunkutu	Team Member	Senior PHN Specialist	Health Specialist	GHNDR	
Nina Rosas Raffo	Team Member	Social Protection Specialist	M&E	GSPDR	
Paula F. Lytle	Safeguards Specialist	Senior Social Development Specialist	Social Safeguards	GSURR	
Samia Ausaf	Team Member	Consultant	Program Review	GSPDR	
Sarah Elizabeth Haddock	Team Member	Operations Officer	Gender Specialist	GCGDR	
Shubha Chakravarty	Team Member	Economist	Gender Specialist	GCGDR	
Sipiwe Janet Chihame	Team Member	Program Assistant	Team Assistant	AFCS3	
Stephen Mugendi Mukaindo	Counsel	Counsel	Lawyer	LEGAM	
<b>Extended Team</b>					
<b>Name</b>	<b>Title</b>	<b>Office Phone</b>		<b>Location</b>	
<b>Locations</b>					
<b>Country</b>	<b>First Administrative Division</b>	<b>Location</b>	<b>Planned</b>	<b>Actual</b>	<b>Comments</b>
<b>Consultants (Will be disclosed in the Monthly Operational Summary)</b>					
Consultants Required ?    Consultants will be required					

## I. STRATEGIC CONTEXT

### A. Country Context

1. **Despite consistent growth during the last decade, poverty remains high in Zambia, particularly in rural areas.** Zambia has registered a growth rate of over 6 percent for more than a decade and is now classified as a lower-middle-income country with a per capita GNI of US\$1,810 in 2013. However, poverty remains high at around 60 percent (as of 2010), and 42 percent of the population live in extreme poverty.<sup>1</sup> Poverty in Zambia is overwhelmingly a rural phenomenon, with roughly two-thirds of the population located in rural areas. In 2010, the moderate poverty rate in rural areas was 74 percent, more than double the urban poverty rate of 35 percent, and the extreme poverty rate in rural areas (58 percent) was four times higher than in urban areas (13 percent).<sup>2</sup>

2. **Zambia's growth needs to become more inclusive to speed up poverty reduction.** Most people in rural areas have not benefitted from the country's growth, which has been driven by capital-intensive industries, mainly mining, construction, and transport. Growth in the rural sector has been hampered by the low productivity of small-scale farmers, a lack of skills, and poor connectivity of many areas to markets. Households in rural areas experience frequent shocks in terms of lack of money, lack of food, and increased food prices. According to data from the 2010 Living Conditions Monitoring Survey (LCMS), 23 percent of households in rural areas reported having experienced a "lack of food," and 15 percent reported experiencing the shock of "changes in food prices." Seven percent of rural households also reported having experienced the shock of a "change in agricultural input prices."

3. **Girls and women are particularly vulnerable, and gender inequality is high.** Although poverty in rural areas does not differ greatly between male-headed and female-headed households,<sup>3</sup> women face many other challenges that make them more vulnerable than men. Girls and young women are particularly vulnerable as a result of many age- and sex-specific social barriers and gender inequalities. For girls under 18 years of age, this vulnerability is outlined in the National Child Policy.<sup>4</sup> According to the UNDP's Human Development Report 2014,<sup>5</sup> Zambia ranks as low as 101 out of 148 countries on the Gender Development Index (GDI)<sup>6</sup> and 134 out of

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<sup>1</sup> People living in moderate poverty are those whose total expenditures are below the national poverty line, which measures the cost of basic food and non-food items. People living in extreme poverty have total expenditures that are below the food poverty line.

<sup>2</sup> Poverty data are from the 2010 Living Conditions Monitoring Survey (LCMS) carried out by the Central Statistical Office.

<sup>3</sup> Overall poverty rates are 77.5 and 79.8 percent respectively for male-headed and female-headed households, and extreme poverty levels are 57.1 percent and 60.4 percent respectively.

<sup>4</sup> National Child Policy (2006)

<sup>5</sup> <http://hdr.undp.org/sites/default/files/hdr14-report-en-1.pdf>

<sup>6</sup> The GDI measures gender gap in human development achievements in three basic dimensions of human development: (i) health measured by female and male life expectancy at birth; (ii) education measured by female and male expected years of schooling for children and female and male mean years of schooling for adults aged 25 and older; and (iii) command over economic resources measured by female and male estimated earned income.

152 on the Gender Inequality Index (GII).<sup>7/8</sup>

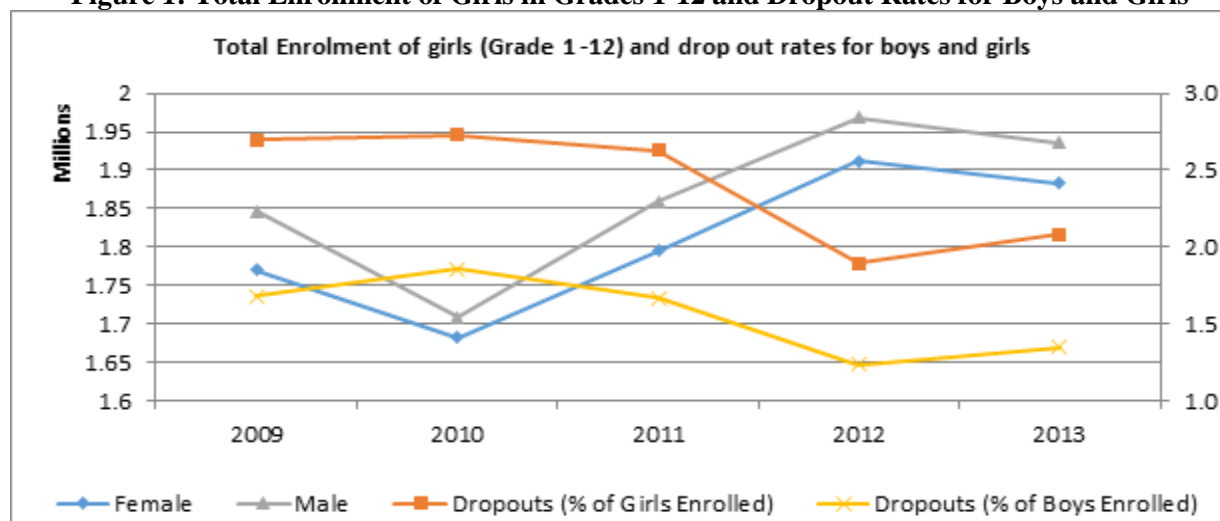
4. **Educational attainment among women is very low.** While enrollment and gender parity has risen at the basic education level, keeping girls in school at higher grades remains a challenge. While equality between girls and boys has significantly improved in the lower grades (primary and junior secondary school), there are more boys than girls at the senior secondary level (Grades 10 to 12). The gender parity level (see Table 1 below) shows that, at lower grade levels, the index is almost one, while at higher grade levels it is slightly above 0.8. Also, dropout rates are consistently higher among girls than boys. In the period between 2009 and 2012, more girls dropped out of school than boys. In 2009, of the total number of boys enrolled, 1.7 percent dropped out compared to 2.7 percent of girls. Enrollment rates seem to be in the same proportion (see Figure 1 below).<sup>9</sup>

**Table 1: Gender Parity in School Enrollment**

Gender Parity	2006	2007	2008	2009	2010	2011	2012	2013
Grade 1-9	0.96	0.96	0.96	1	0.99	0.97	0.99	0.98
Grade 10-12	0.8	0.83	0.82	0.93	0.86	0.82	0.8	0.84

Source: EMIS data, Ministry of Education

**Figure 1: Total Enrollment of Girls in Grades 1-12 and Dropout Rates for Boys and Girls**



Source: Authors' computation using EMIS data

5. **A large proportion of women in rural areas are employed in the informal agricultural sector, and many are unpaid family workers.** The 2010 LCMS data indicate that over 90 percent of women in rural areas are involved in informal agricultural employment. Forty-five percent of employed women in rural areas are unpaid family workers (compared with 16.1 percent of men).

<sup>7</sup> The GII measures gender inequalities in three important aspects of human development: (i) reproductive health measured by the maternal mortality ratio and adolescent birth rates; (ii) empowerment, measured by the proportion of parliamentary seats occupied by females and the proportions of adult females and males aged 25 years and older with at least some secondary education; and (iii) economic status expressed as labor market participation and measured by the labor force participation rates of females and males aged 15 years and older.

<sup>8</sup> UNDP (2014) Zambia Human Development Report 2014

<sup>9</sup> Michelle Poulin (2015), *Gender Assessment, Rural Zambia: A Qualitative Inquiry*, March.

Most other employed women are self-employed (48 percent), and the most recent poverty assessment for Zambia suggests that those working in household enterprises earn the lowest income. The findings of a recent gender assessment in Zambia confirm these general trends, noting that women's livelihood strategies center on: (i) subsistence farming; (ii) small-scale business activity, including the selling of fish or produce, brewing and selling beer, selling charcoal, and the rearing and selling of livestock; and (iii) providing services for other households.<sup>10</sup>

**6. Most Zambian women farm only at the subsistence level, and their activities are not productive enough to sustain the viable agribusinesses to which many women aspire.** The recent gender assessment highlighted numerous constraints to women's productivity, including a lack of access to quality inputs, markets, and credit. Data from the most recent poverty assessment confirms these constraints preventing women from accessing productive inputs. Rural women report that not being able to afford agricultural inputs is the most important reason for their (self-assessed) poverty.<sup>11</sup>

**7. A recent economic brief for Zambia described increasing the earnings of the working poor by raising their productivity as a "development priority."**<sup>12</sup> The report confirmed that improving employment outcomes in the Zambian economy will mainly depend on increasing productivity as opposed to employment *per se*. Zambians are already working because they cannot afford not to; unemployment in Zambia is low for both men and women (2.2 percent and 2.8 percent respectively). The report emphasizes that increasing productivity in the agriculture sector, where the working poor are primarily concentrated, will be key.

**8. For girls, economic constraints, marriage, and pregnancy seem to be the major reasons for dropping out of school.** First, the costs of secondary education remain a constraint to keeping older girls in school, unlike primary education, for which tuition is free. The direct and indirect costs of secondary school (starting in Grade 8) are often prohibitive for the poorest families. The cost of one year of school fees in a secondary day school can account for up to 30 percent of the average annual expenditure of an extremely poor household, while boarding school can account for up to 64 percent. Considering that these households are already struggling to meet their basic food needs, most find it impossible to afford the high cost of sending a child to secondary school. Between 2002 and 2010, most of those who dropped out of school reported that it was because of a lack of financial support.<sup>13</sup> In the Northern Province, 19 percent of women aged 20 to 24 had been married by the age of 15 according to the 2007 Demographic and Health Survey (DHS). Even in the absence of child marriage, girls are often forced to leave school when they become pregnant. The 2007 Zambia DHS data show that 28.5 percent of all 15 to 19 year old women had been pregnant or had had a child. This means that Zambia is one of the 20 countries with the highest prevalence of early pregnancy in the world.<sup>14</sup> More adolescent girls in rural areas get pregnant than their counterparts in urban areas. Between 2009 and 2012, 80 percent of reported pregnancies among school-going girls were in rural areas.<sup>15</sup>

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<sup>10</sup> Michelle Poulin (2015), Gender Assessment, Rural Zambia: A Qualitative Inquiry, March

<sup>11</sup> 2010 LCMS

<sup>12</sup> World Bank Group. 2013. "Zambia's Jobs Challenge: Realities on the Ground." *Zambia Economic Brief*, Issue 2. Washington, DC: World Bank Group.

<sup>13</sup> 2002-2010 LCMS

<sup>14</sup> UNICEF (2012)

<sup>15</sup> Education Management Information System (2009-2012)

## B. Sectoral and Institutional Context

9. **The Government of Zambia is committed to supporting women and adolescent girls through its social protection and gender equality agendas.** The Sixth National Development Plan (SNDP) for 2011 to 2015 and its revised version (for 2013 to 2016) both highlight the need to empower low-capacity households, provide social assistance to incapacitated households, and support various vulnerable groups. The SNDP also stresses that the Government will continue to ensure that gender issues are mainstreamed in the development process and to promote the empowerment of women. Also, Vision 2030, the National Gender Policy, and the National Social Protection Policy (NSPP)<sup>16</sup> include strategies and objectives to guide programs in various sectors such as health, education, water and sanitation, agriculture, social protection, and disability.

10. **The NSPP highlights the need to tailor Zambia’s social protection system to the specific needs of the country’s different poor and vulnerable populations and to promote empowerment in the immediate term and for future generations.** To alleviate the current challenge of poverty in Zambia, the Government is focusing on income support targeted to extremely poor and labor-constrained households and on increasing the livelihood productivity of extremely poor households with labor. Specifically, for extremely poor and labor-constrained households, the Government has prioritized the provision of regular, targeted cash transfers through the Social Cash Transfer Scheme (SCTS).<sup>17</sup> For extremely poor households with the potential to carry out productive and income-generating activities, the Government aims to provide livelihood and empowerment services. Then, to help to break the intergenerational transmission of poverty, the Government is committed to increasing access to education for children in poor households, with a particular emphasis on getting more girls into secondary school. Through the adoption of such complementary programs, the Government will create a more coherent social protection system that will be more effective in reaching those most in need. The aim of this system will be to address not only the needs of households with different poverty profiles (for example, with and without available labor) but also the differing needs of people throughout the lifecycle (for example, children and adolescents as compared to adults).

11. **The Government is already working to foster inclusive growth and make public spending more pro-poor.** A first step in this direction was the substantial increase in 2014 in the budgetary allocation for the SCTS, which almost doubled compared to previous years. As the economy continues to grow and the existing subsidies in agriculture and other sectors are better targeted, it is conceivable that there will be more fiscal space available in the future to support well-targeted and well-implemented safety net programs.

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<sup>16</sup> The NSSP was approved by the Cabinet in June, 2014. The Gender Policy was approved by the Cabinet in October, 2014.

<sup>17</sup> The SCTS currently targets extremely poor labor-constrained households, and “labor-constrained” is defined as those : households where “all its members are unfit” or those with “a high dependency ratio (equal or greater than three).” This means that there are three or more dependents per fit member. A person is considered unfit if he or she is (i) younger than 19; (ii) older than 64; or (iii) between 19 and 64 and terminally ill, severely disabled, or still going to school. A person is considered to be terminally ill or severely disabled if he or she is permanently unable to work due to physical or mental ill health.

12. **A variety of different social protection programs are being implemented in Zambia, but limited spending and a lack of coordination mean that coverage of the poorest is low.** According to a review of safety net programs carried out by the World Bank in 2013, only about 0.2 percent of GDP is spent on safety net programs for the poor, which is well below the regional average of about 0.5 percent to 3.5 percent. Furthermore, these programs are fragmented, and there is little coordination between implementing agencies and no systematic way of coordinating the targeting of the poorest beneficiaries. Even if existing programs were to be perfectly targeted, they would be able to cover only 1 to 2 percent of the extreme poor, with the exception of the SCTS, which reaches about 6 percent of the total population.<sup>18</sup>

13. **A number of programs support productive livelihoods (particularly for women), but they involve a variety of operational challenges.** There are two main Women's Economic Empowerment Funds (WEEFs) that provide grants or micro-credit to individuals or groups of women. One is implemented by the Ministry of Community Development, Mother and Child Health (MCDMCH) and the other by the Ministry of Gender and Child Development (MGCD). In addition, the MCDMCH in partnership with the Social Protection Platform and Care Zambia is piloting an initiative to teach savings and business planning skills to beneficiaries of the SCTS. However, the Government has identified several operational issues that are hampering the efficiency of the WEEFs, including a lack of training for beneficiaries on how to effectively use the funds, inadequate business startup grants, difficulties in targeting the most deserving beneficiaries, the misuse of funds, and a lack of coordination in the monitoring and impact evaluation of the programs. A recent review of existing empowerment and livelihood programs also highlighted some issues, including unreliable budget allocations, insufficient personnel to implement the programs, and a lack of solid design parameters and systems (including targeting, enrollment, M&E mechanisms, and management information systems).<sup>19</sup>

14. **The Government is subsidizing secondary school fees through two programs, but their coverage is small, and there is a need for greater coordination and more operational efficiency.** Through its Public Welfare Assistance Scheme (PWAS) in the MCDMCH, the Government is providing *ad hoc* support for secondary school fees to a small percentage of the most destitute families as identified by community welfare assistance committees. However, its coverage is limited, and a study undertaken by Kimetrica in 2008 showed that the targeting approach of the PWAS can be unduly influenced by the community members charged with its implementation.<sup>20</sup> Through the Ministry of Education, Science, Vocational Training, and Early Education (MESVTEE), the Orphans and Vulnerable Children (OVC) Bursary Scheme provides secondary school bursaries to OVCs. However, a lack of sufficient resources severely restricts its coverage, with only 20,676 pupils having received bursaries in 2013.<sup>21</sup> According to MESVTEE staff, this only covers about 10 percent of deserving OVCs. Also, none of these programs directly targets adolescent girls. In addition to these government-financed programs, there are a large

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<sup>18</sup> World Bank (2013). "Zambia: Using Social Safety Nets and Transfers to Accelerate Poverty Reduction"

<sup>19</sup> World Bank (2015). "Livelihood Programs Institutional Review." Background paper

<sup>20</sup> Kimetrica (2008). "Alternative Methods for Targeting Highly Vulnerable Groups: Full Report and Summary Report." Kimetrica, Washington D.C., February.

<sup>21</sup> MESVTEE (2013), Educational Statistical Bulletin

number of OVC bursary schemes operated by NGOs,<sup>22</sup> and there is a need for more coordination among these various initiatives to improve targeting and to increase their efficiency.

**15. In response to the need for more coordination among programs targeted to the poor and for more accurate identification of beneficiaries, the Government has embarked on a number of activities.** First, it has adjusted the targeting of the SCTS based on the recommendations of a recent external review.<sup>23</sup> In the long run, the Government aims to have a single targeting mechanism for all poverty-targeted programs (which is one of the reasons why it is proposed to use the SCTS targeting system in this project). Second, the Government is creating a single registry of beneficiaries with the aim of increasing the accuracy of targeting in all safety net programs (this effort is being led by the MCDMCH with support from the Rapid Social Response Multi-donor Trust Fund with technical assistance from the World Bank). The trust fund is supporting the design and setting up of the system, but continued commitment and support will be needed to ensure the effective launch and roll-out of the system. Third, the Government is attempting to develop a Women Empowerment Program (consisting of various existing programs) for better harmonization and will further harmonize and consolidate women’s empowerment, livelihood initiatives, and bursary schemes with support from this project. Activities supported through the proposed project are further expected to contribute to harmonization and consolidation in the sector, and it is anticipated that existing (and future) funding will be directed through the well-targeted safety nets proposed in Components 1 and 2 of this project (see project description), thus leading to more pro-poor spending.

**16. The Government is committed to increasing the access of adolescent girls to secondary schools but wants to ensure that such support reaches those most in need.** When introducing a secondary school bursary scheme for adolescent girls, the Government is keen to: (i) ensure that such support reaches the neediest (girls in the SCTS households are considered among the neediest since their households are classified as labor-constrained and extremely poor); and (ii) encourage households to contribute to the other costs associated with secondary school attendance, such as the costs of uniforms and books. However, this can be difficult for extremely poor households, unless they already receive a cash transfer that could be partly used for this purpose (as in the case of SCTS beneficiary households). It is for these reasons that this project proposes to target adolescent girls living in SCTS households (under Component 2).

**17. The MCDMCH is the lead ministry on social protection, while the MGCD is responsible for gender and child development policies.** The National Gender Policy clearly outlines the role to be played by the MGCD in coordinating all programs nationwide that empower women as well as in gender mainstreaming. Under the NSPP, the MGCD also provides complimentary empowerment opportunities for women, in particular through the WEEF. Within the MCDMCH, two departments implement most social protection programs: (i) the Department of Social Welfare oversees interventions for extremely poor, labor-constrained households;<sup>24</sup> and

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<sup>22</sup> Two of the largest are operated by the Campaign for Female Education (CAMFED) and the Forum for African Women Educationalists of Zambia (FAWEZA).

<sup>23</sup> Oxford Policy Management (2013). “Assessment of the Zambia Social Protection Expansion Programme’s Targeting Mechanisms.”

<sup>24</sup> Including the Social Cash Transfer Scheme (SCTS), which provides regular cash transfers to extremely poor families with no labor (see footnote 21), and the Public Welfare Assistance Scheme (PWAS), which provides one-off assistance to help extremely poor households to cope with emergency situations

(ii) the Department of Community Development focuses on interventions that support extremely poor households that are not labor-constrained.<sup>25</sup>

### C. Higher-level Objectives to which the Project Contributes

18. **The proposed project is directly aligned with the Government’s development priorities and with its recognition that human development and economic productivity are inter-related.** Vision 2030 outlines the Government’s efforts to attain middle-income status for Zambia and recognizes that reducing national poverty and income inequality will be critical for attaining this goal. The SNDP states that “the strategic focus of the sector will be to promote human development and dignity through the provision of skills, financial assistance, agriculture inputs, and access to services to low-capacity and incapacitated households and other vulnerable persons.” These national documents recognize the correlation between economic and social outcomes and the need for programs to help poor and vulnerable households to overcome the constraints that they face.

19. **Specifically, the Government has requested the World Bank’s help to achieve these national priorities by developing a more cohesive women’s empowerment and social protection system.** The proposed project is designed to focus on increasing the complementarity and coverage of social protection programs that are specifically aimed at empowering poor and vulnerable women. The project aims to contribute to this goal through activities designed to alleviate the challenges currently faced by poor women, to promote the empowerment of women through longer-term investments, and to enhance the Government’s capacity to manage such interventions through a systems approach.

20. **The proposed project is also aligned with Objective 1 of the Country Partnership Strategy (CPS) 2013-2016 for Zambia, the title of which is “Reducing poverty and the vulnerability of the poor.”** The CPS, which was discussed by the World Bank’s Board of Executive Directors in March 2013,<sup>26</sup> specifically emphasizes women’s livelihoods. Outcome 1.2 of the CPS (“Improved access to resources for strengthening household resilience and health in targeted areas”) aims to deepen the World Bank’s engagement in social protection, particularly by implementing sustainable safety net programs with an emphasis on income generation for the poor.

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<sup>25</sup> Including the Food Security Pack (FSP), which provides seeds and fertilizers, and the Community Self-help Public Works, which helps communities to improve their basic infrastructure. The Ministry of Agriculture and Livestock implements the Farmers’ Input Support Program (FISP), which provides agricultural extension services and inputs to improve farming practices and is the country’s largest social transfer program (both in terms of budget allocation and number of beneficiaries).

<sup>26</sup> World Bank (2013) Country Partnership Strategy for the Republic of Zambia for the period FY13-FY16, Report Number 75089-ZM.

## II. PROJECT DEVELOPMENT OBJECTIVES

### A. PDO

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

### B. Project Beneficiaries

22. The main beneficiaries of the proposed project will be women aged 19 to 64 years old who are fit for work and adolescent girls aged 14 to 18 years old living in extremely poor households in rural areas. To support the Government in building a single registry for selecting the poor beneficiaries of various targeted programs, the project proposes to build on the existing system used to target the SCTS. The SCTS targeting system consists of an initial screening by the CWACs to identify the households who meet certain categorical criteria, after which these households are enumerated and ranked by the MCDMCH using a proxy means test that is designed to approximate household living conditions to exclude the relatively well off. The final list is then validated by the community at a public meeting.

23. Components 1 and 2 will both target extremely poor households, but the categorical targeting used in each component will differ to avoid the same households benefitting from both interventions. Component 1 will target women in households that are not SCTS beneficiaries but are extremely poor and have available labor. Component 2 will target adolescent girls aged 14 to 18 years old in extremely poor households that have high labor dependency ratios and in which the household head is unfit for work. Eligibility for Component 2 will be linked to household enrollment in the SCTS since they represent the most vulnerable households in Zambia (see Annex 2).

### C. PDO Results Indicators

24. The PDO will be measured by the following indicators:

- i. **Number of women who receive support for improved livelihoods.** This indicator measures the number of women age 19 to 64 who participate in a comprehensive package of activities designed to increase their productivity and earnings.
- ii. **Number of girls supported by the project who are enrolled in secondary school.** This indicator reflects the number of girls aged 14 to 18 who receive support through the project to attend secondary school.

## III. PROJECT DESCRIPTION

### A. Project Components

25. The project consists of three components. The first component supports women's livelihoods, the second component supports the Keeping Girls in School Initiative, and the third

component supports institutional strengthening and system building. The proposed project will not only improve livelihoods and expand access to education through Components 1 and 2 but also aims to improve targeting by building and strengthening systems for implementation. The creation of these systems under this project is expected to further increase the interest of the Government (and external financiers) in investing in livelihood interventions and in covering secondary school fees by channeling funds through the systems that will be set up through this project. Annex 4 presents a list of the activities to be supported by the project.

### **Component 1: Supporting Women's Livelihoods (US\$36 million equivalent)**

26. This component will target about 75,000 poor and vulnerable women aged 19 to 64 in 51 districts in Zambia and will provide them with opportunities to increase the productivity of their livelihood activities and their economic empowerment. To this end, the Supporting Women's Livelihoods (SWL) component will finance a comprehensive package of activities for beneficiaries, including context-specific training, mentoring, and peer support, the provision of productivity grants, and help with setting up savings clubs.

27. The Government recognizes the efficiencies that could result from increasing coordination among and reducing the fragmentation of women's livelihood and empowerment programs. This component will support efforts to this end. However, a review of existing livelihood programs highlighted a number of operational challenges that limit the potential to build or expand on current interventions. To help the Government set up a solid system that can be used to consolidate similar programs in the future, this component proposes the introduction of a new initiative with a design informed by lessons from existing programs (both government and non-government led), including the voluntary group savings/loans schemes and mentoring and entrepreneurship training led by community development assistance. Specifically, the project will support the Government in designing and launching the SWL initiative and in building government capacity to implement and monitor the program. This component also supports the development of a strategy and an action plan for the harmonization and consolidation of existing schemes. It will fund a comprehensive impact evaluation to inform future policy decisions about women's livelihood support programs. As outlined below, the project will adopt a phased approach in order to enable the development of strong operational tools for implementing the SWL initiative. The component will have two sub-components.

#### ***Sub-component 1a: Adoption and Roll-out of the Supporting Women's Livelihoods***

28. This sub-component will finance the provision of training in life, business, and saving skills, the provision of grants and savings assistance, and peer support, mentoring, and links to other relevant programs.

29. *Life, Business, and Savings Skills Training.* The training curriculum will provide the beneficiaries with lessons about life, business, and savings skills in each module and will use practical, relatable examples to make it easier for them to learn the material. In accordance with the findings of the Gender Assessment as well as lessons learned from ongoing government programs and international evidence, the following topics will be covered during the training: leadership, self-esteem and confidence, communications, community relations and conflict

resolution, household relationships, business planning, identifying business opportunities, marketing, basic arithmetic, record keeping, savings methods (including voluntary savings and loan groups), and understanding interest rates. Given the prevalence of farming among the project's intended beneficiaries, the training will also emphasize lessons on agri-business, including strategies for increasing agricultural productivity. The curriculum will be designed to be accessible to illiterate and low literacy learners.

30. *Productivity Grants and Savings Assistance.* The SWL initiative will provide a grant of ZMW 1,500 (about US\$198) directly to each beneficiary and will help interested women to use a portion of this transfer to create savings and loan clubs. The provision of grants rather than pre-determined goods will give the women the flexibility to decide how to allocate these resources according to their unique circumstances, which may encourage more productive investments. Women will receive the grant after completing the initial training activities.

31. *Peer Support, Mentoring, and Linkages.* Assessments of the Government's ongoing programs have strongly endorsed the need for beneficiaries to be supported with continuous mentoring. Short weekly meetings will cover specific activities and will reinforce life and business skill lessons and coincide with the savings groups meetings organized by participants. They will also help to ensure that the women are getting together regularly and serving as a peer support network for one another. At each meeting, the participants will go through a detailed checklist regarding the proper operation of the savings (and eventually loan) clubs to ensure that they are on track. In addition, the community development assistants and community volunteers will give the women information about other programs available in their areas in which they might be interested. The weekly meetings will cover the entire program period of six to eight months, including the period of initial training.

32. Following the finalization of the Operational Manual, the project will fund the roll-out of the SWL activities in three phases. The first phase will target 11 districts, the second will extend the coverage to an additional 20, and the third will add 20 more districts to reach the target of 51. These 51 districts are those that are currently underserved by other community development interventions.

#### ***Sub-component 1b: Building National Implementation and Monitoring Capacity***

33. In order to ensure the success of the SWL initiative, technical assistance will be provided under this sub-component to strengthen the capacity of the staff of the Department of Community Development (DCD) in the MCDMCH and to build the operational systems needed to implement the SWL initiative. This will include creating and filling critical staff posts in the DCD, including a dedicated program manager, program officers, an M&E specialist, and a project accountant specifically to manage the productive grant transfers and other staff as needed. Capacity will also be built in the DCD by ensuring that its staff is properly trained and equipped to conduct regular and timely field visits and to provide mentoring and linkages with other programs through access to information. In addition, the project will fund the hiring of international and local experts for specialized tasks, such as training in the management information system (MIS), monitoring and evaluation (M&E), and ICT/mobile money as necessary throughout the project's implementation. An NGO with demonstrated experience in implementing similar activities in Zambia will also be

engaged to provide technical assistance and operational support throughout the project's implementation and gradually build the capacity of the DCD to efficiently implement the SWL initiative. Support will also be provided to develop an MIS, an M&E system, a complaints and grievance redress mechanism, adequate ICT, and basic equipment for the DCD.

## **Component 2: Keeping Girls in School (US\$25.78 million equivalent)**

34. This component will support adolescent girls in extremely poor households to access secondary education. Although economic constraints are the main factor preventing adolescent girls in extremely poor households from attending secondary school, it is recognized that this is not the only factor. Even though this component supports regular monitoring activities to keep track of adolescent beneficiaries who drop out of school,<sup>27</sup> it should be recognized that it is beyond the scope of this project to address all of the wide variety of constraints and challenges that hinder adolescent girls from attending secondary school. Girls eligible to benefit from the project will be selected using the Government's existing targeting mechanism for the SCTS. The component also aims to harmonize and consolidate other existing programs aimed at increasing access to secondary education in Zambia and to build capacity within the MESVTEE to implement the Keeping Girls in School Initiative. The component has two sub-components – Secondary Education School Fees and System Strengthening and Consolidation. The following are the key features of the three sub-components, but a detailed Operations Manual for the initiative will be developed by the MESVTEE before project effectiveness, including detailed operational procedures and clear roles and responsibilities.

### ***Sub-component 2a: Secondary Education School Fees***

35. This sub-component will finance the Keeping Girls in School Initiative by paying the secondary school fees of approximately 14,000 targeted adolescent girls between the ages of 14 and 18 from extremely poor households in selected districts where the SCTS has been operating since 2014.

36. *Geographic Targeting.* The 29 districts where the SCTS has been operating since 2014 will be ranked according to a composite index that will take into account the poverty incidence, the enrollment rates, and the number of OVCs in each district. Support will be provided to all eligible adolescent girls in the districts that rank lowest on the index.

37. *Supply Capacity Assessment.* Once the districts have been selected, a capacity assessment will be undertaken by MESVTEE to identify the number of government secondary schools that exist in the selected districts and to ensure that they have the capacity to absorb all eligible adolescent girls.

38. *Awareness Creation.* The MCDMCH will be responsible for creating awareness of the Keeping Girls in School Initiative among potential beneficiary households, while the MESVTEE will be responsible for creating awareness among secondary schools.

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<sup>27</sup> Social Welfare Officers will follow up on these cases to understand the reasons why adolescent girls drop out of school.

39. *Beneficiary Identification.* The beneficiaries will be selected using the following eligibility criteria: (i) adolescent girls aged 14 to 18 years in households that are beneficiaries of the SCTS; and (ii) proof of enrollment in a government secondary school. In the beneficiary selection process, the MCDMCH will be responsible for: (i) updating the existing MIS with the information needed for the Keeping Girls in School Initiative such as reconfirming the name, age, and secondary school grade level of the adolescent girls; and (ii) providing the MESVTEE with a list of eligible households with this updated information. Schools will thereafter provide a list of enrolled girls to the District Education Officer, who will verify the adolescent girls against the list of potential beneficiaries provided by the MCDMCH and enter the information into the MIS in the MESVTEE to enable the MESVTEE to prepare lists of payments to be made to the schools.

40. *Benefit.* The benefit level will vary depending on the secondary school in which the adolescent girl is enrolled, but it will be sufficient to cover the school fees for public secondary schools. There are both secondary day schools and secondary boarding schools in Zambia, but in rural areas boarding schools are most common. The yearly fees range between ZMW 1,500 (about US\$198) for day schools to ZMW 3,000 (about US\$396) for boarding schools.

41. *Payments.* The payments will be made directly by the MESVTEE to the schools where the girls are enrolled. The MESVTEE will produce lists of the payments that it will be making to schools to cover the fees of the beneficiary students at the beginning of each school term. The MESVTEE will then wire the requisite amount of funds to each school's bank account. Each school will then produce a receipt for each beneficiary student that will indicate the amount of money received from the MESVTEE and will send it to the MESVTEE for payment reconciliation purposes.

### ***Sub-component 2 b: System Strengthening and Consolidation***

42. The MESVTEE has established a Project Steering Committee (PSC) to implement the Keeping Girls in School Initiative, but it will need further support to put in place the key systems and procedures needed for its efficient implementation. Since this is a new initiative that will introduce new operational procedures and processes, the project will provide support to build the necessary implementation capacity within the MESVTEE at the national, provincial, district, and local levels to implement the Keeping Girls in School Initiative.

43. MESVTEE will be supported to strengthen its capacity by: (i) developing an MIS to process all information flows related to the Keeping Girls in School Initiative; (ii) creating a complaints and grievance mechanism; and (iii) developing a monitoring system to monitor the attendance of beneficiaries and refer cases to the Department of Social Welfare within the MCDMCH to follow up on students where they drop out between one semester and the next and to find out why they did so. Support will also be provided for various evaluations, including spot checks, a beneficiary satisfaction survey, and an overall design, process, and implementation evaluation, which will be undertaken after one year of implementation.

44. Sub-component 2b will finance activities to support system strengthening and provide implementation support to the MESVTEE including, *inter alia*: (i) training of staff; (ii) the hiring of any additional temporary staff or local consultants needed to implement the Keeping Girls in

School initiative (based upon an agreed staffing plan); (iii) the purchase of essential equipment for the HQ and the local offices; and (iv) the operational costs of implementing the Keeping Girls in School Initiative.

45. The Government recognizes the need to harmonize the existing initiatives that provide bursaries to cover secondary school fees and to streamline them into one consolidated program. This sub-component will also provide funding for the shift towards this consolidated program. In order to learn lessons from similar programs elsewhere, this sub-component will also support South-South learning exchanges.

***Sub-component 2 c: System Strengthening for MCDMCH to support Keeping Girls in School Initiative***

46. This sub-component will provide funding to the MCDMCH for activities related to the Keeping Girls in School Initiative. This will include support to (i) identify and update information on potential beneficiaries; (ii) create awareness of the existence of the Keeping Girls in School Initiative among potential beneficiary households; and (iii) develop a case management system to follow-up as needed with adolescent girls at risk of dropping out from the Keeping Girls in School Initiative.

**Component 3: Institutional Strengthening and Systems Building (US\$3.22 million equivalent)**

47. This component aims to strengthen institutional capacity and build systems to increase the efficiency and coordination of targeted programs. Once the extent of the gains that can be realized by adopting a cohesive systems approach to targeted social assistance becomes apparent, this could engender momentum toward the implementation of the Government's recent social protection policy. This component will particularly provide capacity-building support to the MGCD and the MCDMCH, since this will play a key role in increasing the efficiency of targeted programs in Zambia. The MGCD is the coordinating ministry for the Government's overall Women's Empowerment Program and will provide the National Secretariat function for the Project Steering Committee (see the section on implementing arrangements). The MCDMCH is the lead agency for social protection, is leading the development of the single registry of beneficiaries (SRB), and will play an important role in the implementation of the Keeping Girls in School Initiative. The MESVTEE also has an important role to play in increasing the efficiency of targeted programs, but the project will provide support for institutional strengthening and systems building to the MESVTEE separately under Component 2. In addition, specific support will be provided to the DCD in the MCDMCH under Component 1 to increase the harmonization and coordination of livelihood programs.

***Sub-component 3a: Institutional Strengthening and Systems Building for the MGCD***

48. The Government is committed to harmonizing existing livelihoods programs, and as part of this commitment, it aims to take a more programmatic approach to women's empowerment programs. To strengthen the capacity of the MGCD to facilitate, monitor, and coordinate women's empowerment programs in Zambia, to increase its monitoring and evaluation capacity, and to build

its capacity to mainstream gender into government led-programs, this sub-component will provide support within the following areas: (i) policy development; (ii) monitoring and evaluation; and (iii) project management.

***Sub-component 3b: Institutional Strengthening and Systems Building for the MCDMCH***

49. The Government is spending a lot of resources on a variety of social protection programs designed to reduce poverty. However, there is fragmentation, incoherent information flows, and overlap among these programs, and the Government is committed to increasing coordination in the sector. As a first step towards this, the Government is committed to improving the targeting of social protection programs by creating a SRB, as well as by developing an online database and tools for existing programs and by setting up coordination mechanisms at the local level. The project will provide specific support under Component 1 to harmonize livelihood support programs and under Component 2 to pay secondary school fees. This sub-component will provide additional support to the MCDMCH for the development and strengthening of key institutional systems and tools to increase the efficiency of the social protection sector in the following areas: (i) policy development; (ii) targeting/single registry; and (iii) coordination among programs.

**B. Project Cost and Financing**

50. The total cost of the Project is US\$65 million equivalent, which will be fully funded by an IDA credit to the Government. Development partners have expressed some initial interest in providing funding to scale up the project, particularly Component 2, but no firm commitments have yet been made. However, the World Bank will continue its dialogue with cooperating partners and the Government about potential future additional financing.

<b>Project Components</b>	<b>Project Cost</b>	<b>IDA Financing</b>	<b>% Financing</b>
1. Supporting Women’s Livelihoods	US\$36 million	US\$36 million	100%
2. Keeping Girls in School	US\$25.78 million	US\$25.78 million	100%
3. Institutional Strengthening and Systems Building	US\$3.22 million	US\$3.22 million	100%
Total Project Costs Front-End Fees <b>Total Financing Required</b>	US\$65 million	US\$65 million	

**C. Lessons Learned and Reflected in the Project Design**

51. The proposed project builds on the lessons learned from the Adolescent Girls Initiative (AGI) in Africa, a review of social safety nets and gender, and several women’s empowerment and adolescent girls’ initiatives in Zambia implemented by both the Government and non-government actors. In addition, the World Bank team conducted two assessments during project preparation: (i) a qualitative gender assessment to investigate the main constraints that women face

in their livelihood activities and (ii) an institutional review of key women's empowerment programs to assess the capacity to implement this project. The following key lessons have been reflected in the design of the project.

52. ***International research has produced overwhelming evidence of the correlation between women's economic productivity and their empowerment.***<sup>28</sup> In recognition of this lesson, the project focuses on enhancing women's productivity and earning capacity.

53. ***The lessons learned from the AGI projects show that, in order to increase women's earning levels, programs need to help them overcome a combination of constraints,*** including a lack of skills, information, and capital.<sup>29</sup> Recent research jointly conducted by the Overseas Development Institute and BRAC Development Institute reconfirmed the need for comprehensive and complementary programs, particularly when the goal is not only to achieve economic outcomes but also to empower women.<sup>30</sup> Supporting Women's Livelihoods will be a comprehensive intervention combining life skills and core business training, financial assistance, support for voluntary group savings, and peer support together with mentoring and the dissemination of information about other available programs.

54. ***Providing resources to women can increase their bargaining power within their households.*** Several impact evaluations of safety net transfers reviewed by the World Bank's Independent Evaluation Group (IEG) have shown that, when women are the recipients of transfers, they make decisions that are pro-children. Therefore, this project will provide grants to women and give them the freedom to decide how to invest the money.

55. ***Programs should be tailored to the needs of women.*** The Gender Assessment identified some key parameters that have been included in the design of the Supporting Women's Livelihoods. For example, the planned activities will be easily accessible to the beneficiaries, within walking distance of their homes if possible. The activities will also need to be flexible so that women can fit them into their busy daily lives. They will use simple training materials that will enable women to be involved regardless of their literacy levels as well as creating peer groups and providing mentoring.

56. ***Many women in Zambia are unable to take advantage of the opportunities available to men because of their high level of illiteracy.*** Almost 50 percent of women in Zambia are illiterate compared with only 23.4 percent of men, and only 15 percent of women in rural areas have any secondary education. The project includes a Keeping Girls in School Initiative, the aim of which is to increase access to secondary education for girls from poor households by covering the cost of their school fees.

57. **The sustainability of the initiatives supported by the project will depend on the Government having enough capacity.** Both components will be implemented by existing

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<sup>28</sup> World Bank (2012). "World Development Report Gender Equality and Development," Washington D.C.

<sup>29</sup> <http://documents.worldbank.org/curated/en/docsearch?query=AGI%20learning%20from%20practice%20series>

<sup>30</sup> Siddiki, Holmes, Jahan, Chowdhury, and Hagen-Zanker (2014). How Do Safety Nets Contribute to Social Inclusion in Bangladesh? Evidence from the Chars Livelihoods Project and the Vulnerable Group Development Program, April

government structures but will also invest in strengthening its capacity and in building modern systems (MIS, ICT, and M&E) to increase the efficiency and effectiveness of the project's implementation.

#### **IV. IMPLEMENTATION**

##### **A. Institutional and Implementation Arrangements**

58. This project will be coordinated by a PSC comprised of the Permanent Secretaries of the three implementing ministries; the MCDMCH, the MESVTEE, and the MGCD. This PSC will be chaired by the Secretary to the Cabinet. The PSC will focus on oversight of the project, policy and coordination with other Ministries, including Ministry of Agriculture and Livestock (MAL) and Ministry of Chiefs and Traditional Affairs (MoCTA). The role of the PSC will be to provide policy guidance, approve annual work plans and budgets, oversee project progress, ensure coordination across the three ministries and approve the audited financial reports. The PSC will meet on a quarterly basis.

59. The PSC will be supported by a National Secretariat, housed in the MGCD, with the Director of Planning and Information serving as the overall National Project Coordinator. The National Secretariat will be responsible for: (i) preparing the integrated interim financial reports (IFRs) based on input from the other line ministries; (ii) consolidating progress reports from the individual ministries (although each ministry will be responsible for reporting to the PSC on progress made on the implementation of each of the components) and preparing the overall quarterly progress report for the project; (iii) preparing the consolidated procurement plan based on input from the other line ministries; (iv) calling meetings of the PSC, taking and distributing minutes, and following up on decisions of the PSC for action; and (v) advising the PSC as necessary. Each of the three ministries will have its own designated account and will manage its own funding flows.

60. Component 1: Supporting Women's Livelihoods will be implemented by existing and supplementary DCD staff at the national, provincial, district, and community levels who will be assisted by community volunteers from the targeted communities. The Government has a national registry of pre-qualified volunteers who are engaged by the Government and NGOs on an as-needed basis for various programs. The MCDMCH will select qualified people from this registry and, in keeping with common practice, will compensate these people for their work supporting the program. An NGO will be engaged to provide technical assistance to the DCD team. This NGO will be selected based not only on its direct capacity to deliver livelihood support programs but also on its demonstrated experience in building and transferring capacity. Component 2: Keeping Girls in School will be implemented by the Department of Planning and Information in the MESVTEE and by the Department of Social Welfare in the MCDMCH (particularly targeting and the beneficiary awareness activities). Funds will be transferred electronically directly from the MESVTEE to each participating school at the beginning of each term following confirmation that the beneficiary girls remain enrolled and are attending school. Component 3: Institutional Strengthening and Systems Building will focus on strengthening management systems, monitoring and evaluation, policy awareness, and capacity for policy development within the MCDMCH and MGCD in addition to the support provided under Components 1 and 2. Institutional strengthening

and systems building activities will also be supported within the MESVTEE as part of Component 2.

61. Within each of the three ministries, the Director of Planning and Information will be the focal person for project coordination supported by relevant officials within each ministry.

## **B. Results Monitoring and Evaluation**

62. The MGCD will monitor and evaluate progress towards the achievement of the proposed indicators and will produce reports every quarter. The data to measure progress towards the PDO and intermediate indicators will come from various sources including the programs' MISs, impact evaluations of Supporting Women's Livelihoods, and periodic process and implementation evaluations to be supported by the project. The current capacity of the MCGCD, MCDMCH, and MESVTEE for reporting on inputs, outputs, results, and impact is rather limited. However, there is a good base to build on in the Department of Social Welfare, which has qualified staff dedicated to M&E, operates an automated MIS for various key operations, and has developed the capacity to coordinate rigorous impact and implementation evaluations for the SCTS. Furthermore, the Department of Planning in the MCDMCH has recently appointed one new staff member specifically dedicated to M&E and has strengthened its ICT department. The MESVTEE also has an existing comprehensive MIS, but limited M&E activities have been undertaken for the existing secondary school bursary scheme. The project will support the MGCD, MCDMCH, and MESVTEE in strengthening their M&E capacity, specifically through: (i) the development of an M&E framework and action plan; (ii) staff training, South-South exchanges, and temporary consultants to help to build in-house capacity for M&E; (iii) the development of MISs for Components 1 and 2; (iv) the strengthening of the single registry; (v) the piloting of innovative ways to use ICT in data collection and monitoring; (v) the implementation of various monitoring and evaluation activities; and (vi) ICT equipment.

63. The project will include a rigorous impact evaluation of the SWL intervention (see Annex 6). The methodology for the impact evaluation will be jointly designed by the World Bank team, the MCDMCH, the MGCD and one or more external researchers based on the Government's priorities. The evaluation will have an experimental design, with a random selection of some beneficiaries and a control group at the individual or local level. Emphasis will be put on generating evidence on innovative approaches, operationally relevant trade-offs, and potentially highly cost-effective interventions within the project. The inclusion of a rigorous evaluation is particularly salient given that evidence of the impact of women's livelihood and business training programs is still scarce, and impact evaluations conducted so far have yielded mixed results.

## **C. Sustainability**

64. The sustainability of the project will be determined by a number of key factors, based on which the project is considered to be sustainable and affordable.

65. ***Political Leadership and Ownership.*** The Government is committed to supporting women and adolescent girls in its policy agenda. In addition, there is demonstrated political commitment at the highest level of Government to ensure gender equity and equality through programs,

including the Girls' Education and Women's Empowerment and Livelihoods (GEWEL) project. The SNDP (2011-2015) and its revised version (2013-2016) highlight the need to empower low-capacity households, provide social assistance to incapacitated households, and support various vulnerable groups. The SNDP also stresses that the Government will continue to ensure that gender issues are mainstreamed in the development process and to promote the empowerment of women. Furthermore, the new NSPP approved by the Cabinet in 2014 emphasizes the need to promote livelihood opportunities for vulnerable households and to increase their human capital. The MGCD and the MCDMCH are very committed to women's empowerment, and each has its own WEEF, while the MESVTEE operates a bursaries scheme to cover secondary school fees.

66. ***Strong Technical Implementation and Rigorous Evaluation.*** How successfully a program is implemented has a bearing on its sustainability. Strong technical design and implementation capacity is fundamental, and the design of this project reflects the most recent evidence gleaned from effective programs in Zambia and worldwide. The project will support the Government in building its capacity to implement Supporting Women's Livelihoods and the Keeping Girls in School Initiative beyond the life of the project by building on existing government structures at the national, provincial, district, and, in particular, the community levels. In addition, it will promote greater coordination between the Departments of Community Development and Social Welfare, especially at the district level as well as with other relevant entities, which will avoid any duplication of activities and services at the community level.

67. At the same time, the project will aim to increase the efficiency of existing related initiatives by improving targeting and increasing harmonization and coordination in the long run, thus helping to create fiscal space. Future support for the two initiatives in the medium and long terms will also depend on whether they are seen to meet their objectives. Therefore, the collection and dissemination of evidence from rigorous evaluations can play an important role in creating positive perceptions. The Government is committed to ensuring that these programs are evaluated systematically with a view to scaling them up. The Government has recently scaled up the SCTS after an impact evaluation demonstrated that it had had positive results on the beneficiaries, including increased household consumption, increased engagement in productive activities, keeping their children in school, and improved sanitation. Therefore, the project will fund a rigorous evaluation of Supporting Women's Livelihoods to collect evidence of its positive impact on women's empowerment. It will also finance various M&E activities for the Keeping Girls in School Initiative to demonstrate its impact on girls' educational attainment.

68. ***Fiscal Sustainability.*** In any targeted program, there is a need to balance the aim of increasing coverage with the need to ensure the program's long-term sustainability. The total amount of funding to be provided by the project represents less than 1 percent of the Government's total spending in Zambia. In addition, it is expected that spending on existing livelihood interventions (particularly those focusing on women's empowerment) and secondary school fees will become more efficient through harmonization and better coordination. The single registry is also expected to improve targeting and, therefore, increase the efficiency of spending in the social protection sector as a whole. It will make it possible to identify and target the neediest households more efficiently while at the same time eliminating double dipping and increasing synergies among programs so that households can avoid being dependent on transfers over the long term. In addition, the effective implementation of the programs, with appropriate control and accountability

mechanisms, will increase the possibility of raising additional funding from development partners and other financiers.

69. *Investment in Human Capital Development.* At the level of individual beneficiaries, investments in their human capital (through participation in training and mentoring under Supporting Women’s Livelihoods and secondary school attendance under the Keeping Girls in School Initiative) will yield sustained benefits over time, including improved livelihoods and better income opportunities, that will be of a higher value to Zambia than the programs’ costs. Evidence shows that women engaging in entrepreneurial activities in rural areas are much less likely to be poor than similar women who only engage in subsistence farming. Also, with every additional year of education, income increases and the probability of being poor declines.

## V. KEY RISKS AND MITIGATION MEASURES

### A. Risk Ratings Summary Table

<b>Risk Category</b>	<b>Rating</b>
1. <b>Political and governance</b>	Moderate
2. <b>Macroeconomic</b>	Moderate
3. <b>Sector strategies and policies</b>	Moderate
4. <b>Technical design of project or program</b>	Substantial
5. <b>Institutional capacity for implementation and sustainability</b>	Substantial
6. <b>Fiduciary</b>	Substantial
7. <b>Environment and social</b>	Moderate
8. <b>Stakeholders</b>	Moderate
<b>OVERALL</b>	<b>Substantial</b>

### B. Overall Risk Rating Explanation

70. The overall risk rating for the project is considered to be Substantial. While there is demonstrated political commitment to the social sector, the current tight budgetary fiscal space may limit further expansion of the funding given to the sector. At the technical level, although the project’s design is not complex, Component 1 introduces a relatively new approach that has not been previously implemented by the Government, and there are several risks related to the successful implementation of that component. To mitigate these risks, the design incorporates lessons from similar initiatives in Zambia and elsewhere. The project has also been designed to be as simple as possible, using existing government structures, and it includes support to strengthen the Government’s capacity.

71. There is also a substantial risk that the Government’s weak institutional capacity may adversely affect the success of the project, while there are significant gaps in the Government’s monitoring and evaluation mechanisms. The fiduciary risk has been assessed as substantial because both MCDMCH and MGCD have relatively little experience in implementing Bank-

funded projects and they have relatively new staff whose capacity still needs to be strengthened. In particular, in procurement area, both MCDMCH and MGCD have not undertaken much public, high value, and complex procurements. As the Government will be introducing a new approach under both Components 1 and 2, it is critical that adequate institutional and fiduciary support be provided and maintained. All three components of the project have been carefully designed to provide such support. In addition, the project will be implemented by three different ministries, all of which have only limited experience with implementing World Bank supported operations. There is a risk that poor coordination between the three ministries might hamper the project's implementation and the achievement of the PDO. However, the roles and responsibilities of the three ministries have been clearly defined to mitigate this risk. In addition, the project will finance capacity building and system strengthening.

72. A climate and disaster risk screening has been conducted and identified no significant risks.

## **VI. APPRAISAL SUMMARY**

### **A. Economic Analysis**

73. The economic analysis of the project is presented in Annex 5. In the cost-benefit analysis, the main benefit analyzed is the expected increase in household earnings as a result of program participation. Data from the 2010 LCMS were used to estimate the baseline earnings of the participants, while the assumptions about the estimated effect on earnings of each component were built on the available empirical evidence. It is important to note that, although the main benefit analyzed was the impact on earnings, both components are expected to have other wide-ranging benefits that are difficult to monetize.

74. Overall, the impact of both components on household earnings is likely to be significant. The results for Component 1 (SWL) indicate that, even with a modest 10 percent increase in income that is sustained and the more conservative measure of baseline earnings, the investment in each woman is recouped within seven years. More optimistic estimates, which are in line with those reported in recent experimental impact evaluations in Africa, lead to a much faster recovery of costs. For Component 2 (Keeping Girls in School), the investment in each girl, including administration costs, is recouped through her increased earnings potential within two to three years for day school and four to five years for boarding school. Considering that each additional year of schooling increases earnings potential, the most cost-effective results are obtained for those girls who are supported for the full four years of the project's lifespan.

### **B. Technical**

75. The proposed design of the SWL initiative is based on national and international evidence of the constraints to productivity faced by poor women and of approaches that can help them to overcome these constraints. Specifically, it builds on lessons learned from Zambian programs that have helped to mitigate extreme poverty, from two recent research assessments undertaken by the World Bank task team in close consultation with the Government, and from international evidence on how to help households to transition from extreme poverty to sustainable livelihoods. International evidence shows that employment and livelihood programs that provide complementary services to beneficiaries are more effective in increasing earnings than more

traditional approaches that focus only on training. Therefore, the SWL initiative will finance a comprehensive package of activities for beneficiaries, including core business skills training, mentoring and peer support, the provision of productivity grants, and help with setting up savings clubs.

76. The proposed design of the Keeping Girls in School Initiative builds on the existing systems of the SCTS and incorporates lessons from existing bursaries programs in Zambia and elsewhere. The SCTS has solid systems for targeting the most vulnerable on which the second component will build and which it will strengthen. The MESVTEE bursaries schemes for subsidizing secondary school fees have also been considered in the design of the second component, which reflects lessons about how to keep implementation simple in places with low implementation capacity.

### **C. Financial Management**

77. A financial management assessment (FM) for all the three implementing agencies (the MGCD, MCDMCH, and MESVTEE) of the GEWEL Project was carried out by the World Bank in February 2015. The assessment concluded that the financial management arrangements in place meet the World Bank's minimum requirements under OP/BP10.00 and therefore are adequate to provide, with reasonable assurance, accurate and timely information on the status of the project. The overall FM risk rating of the project is Substantial because: (i) neither the accounting nor the internal audit staff of the implementing agencies have much experience in implementing Bank-financed projects, and (ii) both the MGCD and the MCDMCH have new staff whose capacity will need to be strengthened. However, this risk rating is expected to be reduced to Moderate after the risk mitigation measures have been taken. Therefore, it is recommended that training of both accounting and audit staff is conducted on a regular basis. In addition a Project Implementation Manual (PIM) that includes financial management procedures should be prepared before project effectiveness.

### **D. Procurement**

78. The World Bank has updated the procurement capacity assessment for the MCDMCH (which was originally proposed as the lead ministry for the project) that it carried out using the World Bank's Procurement Risk Assessment and Management System (P-RAMS) in September 2013 for another World Bank-funded project, the Zambia Health Services Improvement Project (Project ID No P145335). The World Bank has also carried out a Procurement Risk and Management Assessment for the MGCD on March 2, 2015 and for the MESVTEE on March 18, 2015.

79. The World Bank discussed the findings and key recommendations or risk mitigation measures with all three implementing agencies namely, the MCDMCH, MGCD, and MESVTEE. The responsibility for the overall coordination of the implementation of this project rests with the MGCD, but each agency or ministry will implement its own activities. The overall procurement risk for this project is rated as Substantial, but the risk is expected to be reduced to Moderate after the risk mitigation measures have been taken. The World Bank gave the project this rating largely because: (i) the MCDMCH and MGCD have relatively little experience in implementing Bank-funded projects and procurement in particular; (ii) the MCDMCH and MGCD have not undertaken

much public, high-value, and complex procurement; (iii) the MCDMCH and MGCD both have relatively new staff whose capacity still needs to be strengthened; (iv) due diligence is not routinely conducted on the winning bidders for contracts to ensure that they are legitimate, reputable, and technically capable firms; (v) as is the case for other public entities in Zambia, neither the MCDMCH nor the MGCD have a complaints mechanism in place, which may deter contractors from bidding for the contracts; and (vi) the MCDMCH has no procedures in place to monitor the delivery of goods, works, and services to verify their quantity, quality, and timeliness and to control inventories.

80. The MESVTEE, on the other hand, has more experience in carrying out procurement but mostly using Government of Zambia financing and procurement systems, which restrict competition and in some cases limit the participation of international firms based on the procurement provisions in the Citizens Economic Empowerment Act. In order to conform with the World Bank's policies on procurement, staff implementing this project will not be able to apply certain provisions of the National Public Procurement Act, as the World Bank rules encourage open bidding and participation by all firms, national and international, without restrictions. The capacity of the MESVTEE staff will also need to be built. In particular, the project will support a review of the responsibilities of procurement staff. Currently, some staff only procure goods, others only procure works, while others only procure consulting services. This limits the professional growth of staff and limits institutional and staff capacity. Based on new developments in procurement, the MESVTEE will need to prepare a procurement manual going beyond the provisions of the Public Procurement Act (PPA) and its regulations that will include internal MESVTEE institutional arrangements for procurement.

81. The procurement procedure to be followed for National Competitive Bidding (NCB) will be the open international bidding procedure set forth in the Public Procurement Act, 2008, Act No.12 of 2008, as amended by the Public Procurement (Amendment) Act, 2011, Act No. 15 of 2011 (the "PPA"), and in the Public Procurement Regulations, 2011, Statutory Instrument No. 63 of 2011 (the "Regulations"); provided, however, that this procedure is subject to the provisions of Section I and Paragraphs 3.3 and 3.4 of Section III, and Appendix 1 of the Guidelines for Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits & Grants by World Bank Borrowers (January 2011, revised July 2014). Consultants for the project will be selected based on the provisions of the "Guidelines Selection and Employment of Consultants under IBRD Loans and IDA Credits & Grants by World Bank Borrowers dated January 2011, revised July 2014." Information on the procedures governing the procurement of works, goods, and non-consultant services and the selection of consultants will be further elaborated in the procurement plans.

#### **E. Social (including Safeguards)**

82. The project is anticipated to have a positive social impact at both the individual and community level. As noted above, gender inequality in Zambia is acute, and the project activities are designed to promote gender empowerment among the targeted beneficiaries. Based on international evidence of the strong links between economic productivity and women's empowerment, Component 1 aims to support increased access to livelihood opportunities for targeted women. A Gender Assessment was also undertaken and has informed the design of

Component 1 (see Annex 7). Component 2 focuses on increasing secondary school enrollment among adolescent girls. The proposed activities will not trigger the World Bank's social safeguards.

#### **F. Environment (including Safeguards)**

83. The project is not expected to have any significant negative environmental impact and therefore is rated Category C: Not Required in accordance with World Bank Safeguard Policy on Environmental Assessment (OP/BP 4.01). Component 1 aims to increase the productivity of the livelihoods of targeted women. However, as shown in the Gender Assessment conducted during project preparation, the livelihoods that the Component is likely to support are at the household level and very small scale from homestead gardening to petty trade (including selling produce, fish, and small goods) to individual labor services. None of these activities would trigger any environmental or social safeguards. Components 2 and 3 do not finance any activities that might have an environmental impact. Hence, there are no activities that would trigger environmental or social safeguards.

#### **G. World Bank Grievance Redress**

84. Communities and individuals who believe that they have been adversely affected by a World Bank supported project may submit complaints to existing project-level grievance redress mechanisms or to the World Bank's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project-affected communities and individuals may submit their complaints to the World Bank's independent Inspection Panel, which determines whether harm occurred, or could occur, as a result of the World Bank's non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and the Bank management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate GRS, please visit <http://www.worldbank.org/GRS>. For information on how to submit complaints to the World Bank Inspection Panel, please visit [www.inspectionpanel.org](http://www.inspectionpanel.org).

## Annex 1: Results Framework and Monitoring

### Zambia: Girls' Education and Women's Empowerment and Livelihood Project

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#### Project Development Objectives

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##### PDO Statement

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

**These results are at** | Project Level

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#### Project Development Objective Indicators

Indicator Name	Baseline	Cumulative Target Values				
		YR1	YR2	YR3	YR4 <sup>31</sup>	End Target
Direct project beneficiaries (Number) - (Core)	0.00	7,000.00	26,000.00	45,000.00	89,000.00	89,000.00
Female beneficiaries (Percentage - Sub-Type: Supplemental) - (Core)	0.00	7,000.00	26,000.00	45,000.00	89,000.00	89,000.00
Number of women who receive support for improved livelihoods (Number)	0.00		12,000.00	34,000.00	75,000.00	75,000.00
Number of girls supported by the project who enroll in secondary school (Number)	0.00	7,000.00	11,000.00	14,000.00	14,000.00	14,000.00

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<sup>31</sup> The project includes a fifth year of implementation to allow for completion of the planned impact evaluation activities.

## Intermediate Results Indicators

Indicator Name	Baseline	Cumulative Target Values				
		YR1	YR2	YR3	YR4	End Target
Beneficiaries of Labor Market programs (number) (Number) - (Core)	0.00		12,000.00	34,000.00	75,000.00	75,000.00
Beneficiaries of Labor Market programs - Supporting entrepreneurship (number) (Number - Sub-Type: Breakdown) - (Core)	0.00		12,000.00	34,000.00	75,000.00	75,000.00
Beneficiaries of Labor Market programs - Female (number) (Number - Sub-Type: Breakdown) - (Core)	0.00		12,000.00	34,000.00	75 000.00	75 000.00
Share of women participating in savings group (Percentage)	0.00		30.00	40.00	50.00	50.00
Share of women who complete training (Percentage)	0.00		60.00	65.00	70.00	70.00
Number of community volunteers trained as trainers (Number)	0.00		150.00	300.00	650.00	650.00
Beneficiaries of Safety Nets programs (number) (Number) - (Core)	0.00	7,000.00	11,000.00	14,000.00	14,000.00	14,000.00
Beneficiaries of Safety Nets programs - Conditional cash transfers (number) (Number - Sub-Type: Breakdown) - (Core)	0.00	7,000.00	11,000.00	14,000.00	14,000.00	14,000.00

Beneficiaries of Safety Nets programs - Female (number) (Number - Sub-Type: Breakdown) - (Core)	0.00	7,000.00	11,000.00	14,000.00	14,000.00	14,000.00
Share of beneficiaries of SWL satisfied with the program (Percentage)	0.00		40.00	55.00	70.00	70.00
Share of beneficiaries of KGS satisfied with the program (Percentage)	0.00	50.00	60.00	70.00	80.00	80.00
Number of government staff training on policy, implementation, and/or M&E (Number)	0.00	50.00	75.00	100.00	100.00	100.00
Strategy for harmonization of women's livelihood programs developed by MCDMCH (Text)				Strategy developed	Strategy and implementation plan developed	Strategy and implementation plan developed
Strategy for harmonization of bursary schemes developed by MESVTEE (Text)				Strategy developed	Strategy and implementation plan developed	Strategy and implementation plan developed
Single registry with links to databases of at least three targeted programs (Text)	SR not established	SR functional	SR linked to SCTS MIS	SR linked to SWL MIS	SR linked to KGS MIS	SR functional and linked to SCTS, SWL, and KGS programs

## Indicator Description

### Project Development Objective Indicators

Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
Direct project beneficiaries	Direct beneficiaries are people or groups who directly derive benefits from an intervention (i.e., children who benefit from an immunization program; families that have a new piped water connection).	Quarterly	MIS	MCDMCH
Female beneficiaries	This indicator measures the percentage of the beneficiaries who are female.	Quarterly	MIS	MCDMCH
Number of women who receive support for improved livelihoods	This indicator measures the number of women who participate in a comprehensive package of activities under the Supporting Women's Livelihoods component designed to increase their productivity and earnings.	Annual	MIS	MCDMCH
Number of girls supported by the project who enroll in secondary school.	This indicator reflects the number of girls receiving support under the Keeping Girls in School component who are enrolled in junior or senior secondary school.	Annual	MIS	MESVTEE

### Intermediate Results Indicators

Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
Beneficiaries of Labor Market programs (number)	This indicator measures the number of individual beneficiaries covered by passive and active labor market programs (ALMPs) – including entrepreneurship programs - supported by the World Bank.	Annual	MIS	MCDMCH

Beneficiaries of Labor Market programs - Supporting entrepreneurship (number)	Includes programs promoting entrepreneurship and aiming at creating income generation opportunities such as microcredit, start-up incentives, small business grants, micro-franchising, value chain integration programs, training to support self-employment and entrepreneurship, mentoring, counseling and networking.	Annual	MIS	MCDMCH
Beneficiaries of Labor Market programs - Female (number)	This indicator measures females' participation in ALMPS. It has the same definition as "Beneficiaries of Labor Market programs" but applies only to women. This indicator will yield a measure of coverage of ALMPs disaggregated by gender in absolute numbers.	Annual	MIS	MCDMCH
Share of women participating in savings group	This indicator reflects the share of participants in the Livelihood Support component who join a savings group, if available	Annual	MIS	MCDMCH
Share of women who complete training	This indicator reflects the share of participants in the Livelihood Support component who complete the training course, if available.	Annual	MIS	MCDMCH
Number of community volunteers trained as trainers	This indicator reflects the number of community volunteers who complete a Training of Trainers workshop.	Annual	MIS	MCDMCH
Beneficiaries of Safety Nets programs (number)	This indicator measures the number of individual beneficiaries covered by safety nets programs supported by the World Bank. Safety nets programs intend to provide social assistance (kind or cash) to poor and vulnerable individuals or	Annual	MIS	MESVTEE

	families, including those to help cope with consequences of economic or other shock.			
Beneficiaries of Safety Nets programs - Conditional cash transfers (number)	Follows the safety nets programs' classification used in SP Atlas.	Annual	MIS	MESVTEE
Beneficiaries of Safety Nets programs - Female (number)	This indicator measures female participation in SSN programs. It has the same definition as the "Beneficiaries of Safety Nets programs" but applies only to female. This indicator will yield a measure of coverage of SSN projects disaggregated by gender (in absolute numbers)	Annual	MIS	MESVTEE
Share of beneficiaries of SWL satisfied with the program (Percentage)	This indicator reflects the percentage of beneficiaries of the Supporting Women's Livelihoods component who report being satisfied with the program	Annual	MIS (based on an annual survey of a sample of participants)	MCDMCH
Share of beneficiaries of KGS satisfied with the program	This indicator reflects the percentage of beneficiaries of the Keeping Girls in School component who report being satisfied with the program	Annual	MIS (based on an annual survey of a sample of participants)	MESVTEE
Number of government staff training on policy, implementation and/or M&E	This indicator reflects the number of government staff engaged in the Project who receive training policy, implementation and/or M&E of social protection and labor and/or gender programming	Annual	Documentation from training events	MGCD and MCDMCH
Strategy for harmonization of women's livelihood programs developed by MCDMCH	This indicator reflects the development of a policy framework to support coordination of livelihood programs to reduce duplication and fragmentation.	Annual	Progress reports	MCDMCH
Strategy for harmonization of bursary schemes developed by MESVTEE	This indicator reflects the development of an operational framework to govern all	Annual	Progress reports	MESVTEE

	bursary schemes implemented by MESVTEE.			
Single registry with links to database of at least three targeted programs	This indicator tracks the establishment of a single registry and its link to databases of the SCTS, Supporting Women's Livelihoods, and Keeping Girls in School programs	Annual	Single registry	MCDMCH

## Annex 2: Detailed Project Description

### Zambia: Girls' Education and Women's Empowerment and Livelihood Project

#### Component 1: Supporting Women's Livelihoods (US\$36 million equivalent)

1. This component will provide poor and vulnerable women with access to opportunities that will increase the productivity of their livelihood activities and their economic empowerment.
2. Extensive international research has demonstrated the correlation between women's economic productivity and their empowerment.<sup>32</sup> The collective lessons learned from the Adolescent Girls Initiative (AGI) projects show that, in order to increase women's earnings, it is necessary to help them to overcome economic and livelihood constraints, including deficits in skills, information, and capital, and to provide them with social support, including training in life skills and help in building strong peer networks.<sup>33</sup> Recent research jointly conducted by the Overseas Development Institute and BRAC Development Institute confirmed the need for comprehensive and complementary programs that aim not only to achieve economic outcomes but also to empower women.<sup>34</sup>
3. *Beneficiary Selection.* The component will target 75,000 poor and vulnerable women aged 19 to 64 years old in the 51 districts in Zambia where the Government's Village Banking Program is not operating. The women will be identified as poor and vulnerable using a combination of community targeting and a proxy means test (the same approach used in the SCTS<sup>35</sup>). Community development assistants (CDAs) will first identify all extremely poor households in their catchment areas, and then program enumerators will visit these households to collect information about their living conditions. Based on this information, the DCD will rank the households using the existing SCTS proxy means test formula. The component will also use a categorical criterion for eligibility in that all of the beneficiaries must be women from a household with labor.<sup>36</sup>
4. The 51 districts, which represent roughly half of all of the districts in Zambia, have been chosen to complement existing MCDMCH programs. In particular, the MCDMCH's Village Banking Program is being piloted in specific communities in 52 districts (out of a total of 103) to test the provision of small business loans to women. It targets predominately urban wards and therefore is complementary to Supporting Women's Livelihoods (SWL), which focuses on rural areas. As outlined below, the project will introduce the activities in several phases, starting with the poorest locations first as defined by the national poverty maps recently finalized by the Central Statistical Office using the 2010 Census and Household Survey data. The SWL initiative will

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<sup>32</sup> World Bank (2012). World Development Report 2012 : Gender Equality and Development.

<sup>33</sup> <http://documents.worldbank.org/curated/en/docsearch?query=AGI%20learning%20from%20practice%20series>

<sup>34</sup> Siddiki, Holmes, Jahan, Chowdhury, and Hagen-Zanker (2014). How Do Safety Nets Contribute to Social Inclusion in Bangladesh? Evidence from the Chars Livelihoods Project and the Vulnerable Group Development Program.

<sup>35</sup> The SCTS, including the household questionnaire and PMT ranking, was developed based on the 2009/2010 LCMS and includes questions about household characteristics that are highly correlated with variability in consumption.

<sup>36</sup> Under the SCTS, the Government defines households with labor as those with an able-bodied adult and a dependency ratio of three or less.

target, on average, five wards per district. These wards will be selected on the basis of their rural status and of their poverty levels.

5. *Approach.* Component 1 will launch a new initiative that will build on the Government's existing institutions and will incorporate lessons from existing programs that support livelihood productivity and economic empowerment. Specifically, the project will support the Government in designing and launching the SWL initiative and in building national capacity to implement and monitor the SWL. As outlined below, the project will adopt a phased approach in order to enable the gradual development of strong operational tools for implementing the SWL initiative.

#### ***Sub-component 1a: Adoption and Roll-out of the Supporting Women's Livelihoods***

6. The proposed design of the SWL initiative is based on national and international evidence of the constraints to productivity faced by poor Zambian women and of approaches that can help them to address these challenges. In particular, the design of the SWL initiative builds on lessons learned from Zambian programs that have helped to mitigate extreme poverty, from two recent research assessments undertaken by the World Bank task team in close consultation with the Government,<sup>37</sup> and from international evidence on how to help households to transition from extreme poverty to sustainable livelihoods. International evidence shows that employment and livelihood programs that provide complementary services to beneficiaries are more effective in increasing earnings than more traditional approaches that focus only on training.<sup>38</sup> Therefore, the SWL initiative will finance a comprehensive package of activities for beneficiaries, including context-specific training, mentoring, and peer support, the provision of productivity grants, and help with setting up savings clubs.

7. *Life, Business, and Savings Skills Training.* The SWL initiative will fund the provision of training to beneficiaries in life, business, and savings skills. Growing research suggests that teaching soft and hard skills together yields higher returns to learners than if they are each taught in isolation. Life skills improve a woman's decision-making abilities, help her to build community networks and relationships, and increase her personal awareness and management, and they can also positively influence her business and earnings.<sup>39</sup> Basic business skills are hard skills that can be useful no matter what livelihood activity women undertake. Given that women are likely to undertake multiple income-earning activities over their lifetimes, sometimes seasonally but often simultaneously, these transferrable skills are critical to helping women to raise their economic productivity. Savings skills complement these other lessons by teaching women ways to accumulate capital, however slowly, which can raise their self-esteem, give them some security against unforeseen shocks, and enable them to invest in starting or scaling up a business.

8. Because the topics being taught will be complementary, the training curriculum will include lessons related to life, business, and savings skills in each module and will use practical,

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<sup>37</sup> A gender assessment and an institutional review

<sup>38</sup> Betcherman, Gordon, et al (2007). "A review of interventions to support young workers: Findings of the youth employment inventory." *World Bank Social Protection Discussion Paper 715*. World Bank Group (2013). *Youth Employment Programs: An Evaluation of World Bank and International Finance Corporation Support*. World Bank Publications. Cho, Y., and M. Honorati (2014). "Entrepreneurship programs in developing countries: a meta regression analysis." *Labour Economics*, 28, 110-130.

<sup>39</sup> <http://documents.worldbank.org/curated/en/2013/06/18397987/life-skills-matter-taught>

relatable examples. This will help women to understand the cross-cutting nature of the lessons and how they apply to their daily lives, thus making it easier for them to learn the material. In accordance with the findings of the Gender Assessment, as well as lessons learned from ongoing government programs and international evidence, the following topics will be covered during the training: leadership, self-esteem and confidence, communications, community relations and conflict resolution, household relationships, business planning, identifying business opportunities, marketing, basic arithmetic, record keeping, savings methods (including through peer savings groups), and understanding interest rates. Given the prevalence of farming among the project's intended beneficiaries, the training will also emphasize agri-business, including strategies for increasing agricultural productivity. Although literacy is a fundamental skill, teaching adult literacy requires a significant time commitment and may not be directly relevant to increasing women's livelihood productivity. Women who express a specific interest in literacy will be referred to the Government's ongoing Non-Formal Education and Skills Training (NFEST).

9. The lesson modules will be tailored to adult learners who are illiterate or have low literacy levels. For example, the International Labour Organization's (ILO) good practices recommend learning through doing and participatory activities, clear and concise lessons, and the use of pictures, symbols, and signs. Moreover, the training will begin with a discussion among beneficiaries about, for example, their previous business experiences and their efforts to save in order to demonstrate to the women the wealth of knowledge that they have already gained throughout their lives on these topics. These discussions will also help the trainer to adapt his or her approach to teaching each group of beneficiaries. For the training activities, the women will be organized into groups of no more than 20.

10. *Productivity Grants and Savings Assistance.* The SWL initiative will fund capital transfers to the selected women and will help them to use a portion of this transfer to create savings and loan clubs. A lack of access to capital and limited savings are well-known constraints faced by poor women across the world and were specifically documented in the Gender Assessment conducted in Zambia during the project preparation phase. One-time transfers, when included as part of a package of services, can increase women's economic productivity.<sup>40</sup> Rural savings clubs can complement these transfers and have shown promise in increasing the productivity of women, particularly rural female farmers.<sup>41</sup>

11. Sub-component 1a will provide a one-time grant of 1,500 ZMW (roughly US\$198) directly to each beneficiary. Women will receive the grant after completing the initial training activities. Eligibility for the grant will be based on the women's selection into the program rather than their completion, after the initial training, of any of the specific activities outlined in the project cycle (see Annex Figure 2.1). The provision of grants rather than pre-determined goods will give women the flexibility to decide how to allocate these resources according to their unique circumstances, which may encourage smarter investments. The grant amount was set based on evidence from the Government's ongoing livelihood interventions, particularly the Village Banking Program. The

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<sup>40</sup> Blattman, Christopher, et al (2014) "The returns to cash and microenterprise support among the ultra-poor: A field experiment."

<sup>41</sup> Knowles, J. (2013). "Increasing the Productivity and Earnings of Rural Women: What Works?." *A Roadmap for Promoting Women's Economic Empowerment*. Available at: [www.womeneconroadmap.org](http://www.womeneconroadmap.org). Accessed November (2013).

project team will explore the possibility of timing the provision of the grant to coincide with the planting season to encourage beneficiaries to invest in fertilizer and other productive inputs. If feasible, the project will allow the women to decide whether to receive their grant in a single, lump sum payment at that time or in two smaller allocations, the first following the initial training and the second after a period of three months. The payment mechanism for the grants will be based on an assessment of qualified service providers and outlined in the Project Operations Manual (POM).

12. The SWL initiative will facilitate the creation of savings and loan clubs among program beneficiaries. The groups will self-select from among the larger cohort of beneficiaries with whom they will receive the training lessons. The groups, through facilitation from the SWL, will need to create bylaws that govern their operations.

13. Committing to making a small weekly contribution to a group savings account will mean that the women will be setting aside a portion of their productive grant to be used either for future business investments or as insurance against unforeseen circumstances. It will also form the basis of the groups' loan capital. For example, over a three-month period, women who choose to participate in a savings group could decide to each save 10 percent of their grants.<sup>42</sup> This would represent an average weekly contribution of ZMW 12.5 (roughly US\$1.7) and would result in the group accumulating a total amount of savings of ZMW 1,050. Once this initial capital is saved, one group member at a time would be able to take out a loan. All loans will be taken on a voluntary basis and at a maximum level that would still ensure that the group maintains a minimum amount of savings in its account for emergencies. Interest for loans would be agreed in the saving group bylaws; a common rate is 20 percent.

14. The savings groups will receive guidance from the SWL initiative in establishing its bylaws for the savings requirements, the maximum size of the initial loans, and the interest rate, among others. The Gender Assessment highlighted the fact that nearly all Zambian women are aware of informal savings and loan clubs and see them as a productive opportunity for women with enough money *when* those clubs are well-managed. However, they perceive that if these groups are poorly organized, then this can be a potential source of conflict within the community. Therefore, the fact that the key details of the savings activities associated with the project are predetermined before the clubs start operating will create a transparent standard for the operation of the clubs and will thereby limit the potential for disagreements to arise among members. These guidelines will be explicitly and repeatedly discussed with the women during the targeting process and throughout the project's implementation.

15. Various options for electronic and mobile money platforms will be explored for the productive grant and savings activities under this component. For example, the productive grants could be delivered as vouchers that could be redeemed through specific service agents or points of service. These service agents are available throughout rural Zambia, whereas mobile phone ownership and network coverage is limited. Before the roll-out of the program, the project will explore the feasibility of using mobile money to make payments to the beneficiaries, which would encourage transparency, limit benefit fraud, and be more efficient than making direct cash

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<sup>42</sup> The detailed guidelines for the operation of the savings clubs, including the minimum savings requirement, the repayment period, and interest rates, will be developed and finalized in the SWL Operations Manual.

disbursements (which has been the usual payment method in the Government's previous livelihood programs).

16. *Peer Support, Mentoring, and Linkages.* Assessments of the Government's ongoing programs have strongly endorsed the need for beneficiaries to be given ongoing mentoring. For example, under the Village Banking Program, the CDAs hold weekly follow-up meetings with beneficiaries to discuss the ongoing project activities and any challenges faced by the beneficiaries or by the community as a whole. These visits typically last for one to two hours and are held during the first six months of the start of the activity.

17. The SWL initiative will adopt the same format by holding short weekly meetings over a period of six to eight months, including the period of initial training. Some flexibility will be built in to take into account the fact that different training groups will learn at different speeds. The meetings will cover specific activities, reinforce the life and business skill lessons, and ensure that the women are getting together regularly and serving as a peer support network for one another. At each meeting, the participants will go through a detailed checklist for the proper operation of the savings (and eventually loan) clubs to ensure that they are on track. The weekly meetings will be overseen by community volunteers with supervision from the CDA to keep costs down and to make it affordable to scale up SWL nationwide. The CDA will attend the weekly meeting of each group at least once per month.

18. Market, farming, and other business information will be disseminated to the women at these weekly meetings. In the context of rural Zambia, it is more effective to overcome any information constraints in face-to-face meetings than by ICT innovations given the lack of reliable mobile network connectivity in Zambia. The CDA will be tasked with collecting the Ministry of Agriculture's most recent market pricing bulletins from the district extension worker and bringing them to share at the meetings. The SWL staff will also help interested beneficiaries to access other available programs such as those providing agricultural support or additional training. To facilitate such linkages with other programs, a live mapping of all interventions will be developed. The CDA and volunteers will be trained in the use of the mapping tool and will need to understand not only what programs are available but also their eligibility criteria and enrollment requirements. They will also be available to help beneficiaries to fill in the application forms for these programs.

19. *Launching the Implementation of Activities.* The project will provide funding and technical assistance to enable the Government to draft and finalize the development of an SWL operational manual to guide the day-to-day implementation of the activities. The project will also cover the costs of securing the validation of both the operational manual and the life, business, and savings skills curriculum by key stakeholders, including government ministries, communities, and relevant partners. The validation processes are expected to be completed within the first three months of project effectiveness.

20. Following the finalization of the POM, the project will fund the roll-out of the SWL activities in three phases. The first phase will target 11 districts, the second will extend the coverage to an additional 20, and the third will add 20 more districts to reach the target of 51. It is estimated that each phase will take one year to be implemented. In particular, the project will support: (i) the operational costs associated with identifying and enumerating extremely poor

households in targeted areas; (ii) the identification and enrollment of SWL beneficiaries; (iii) the provision of training; (iv) the provision of financial support to the targeted beneficiaries; and (v) the costs of regular monitoring and follow-up.

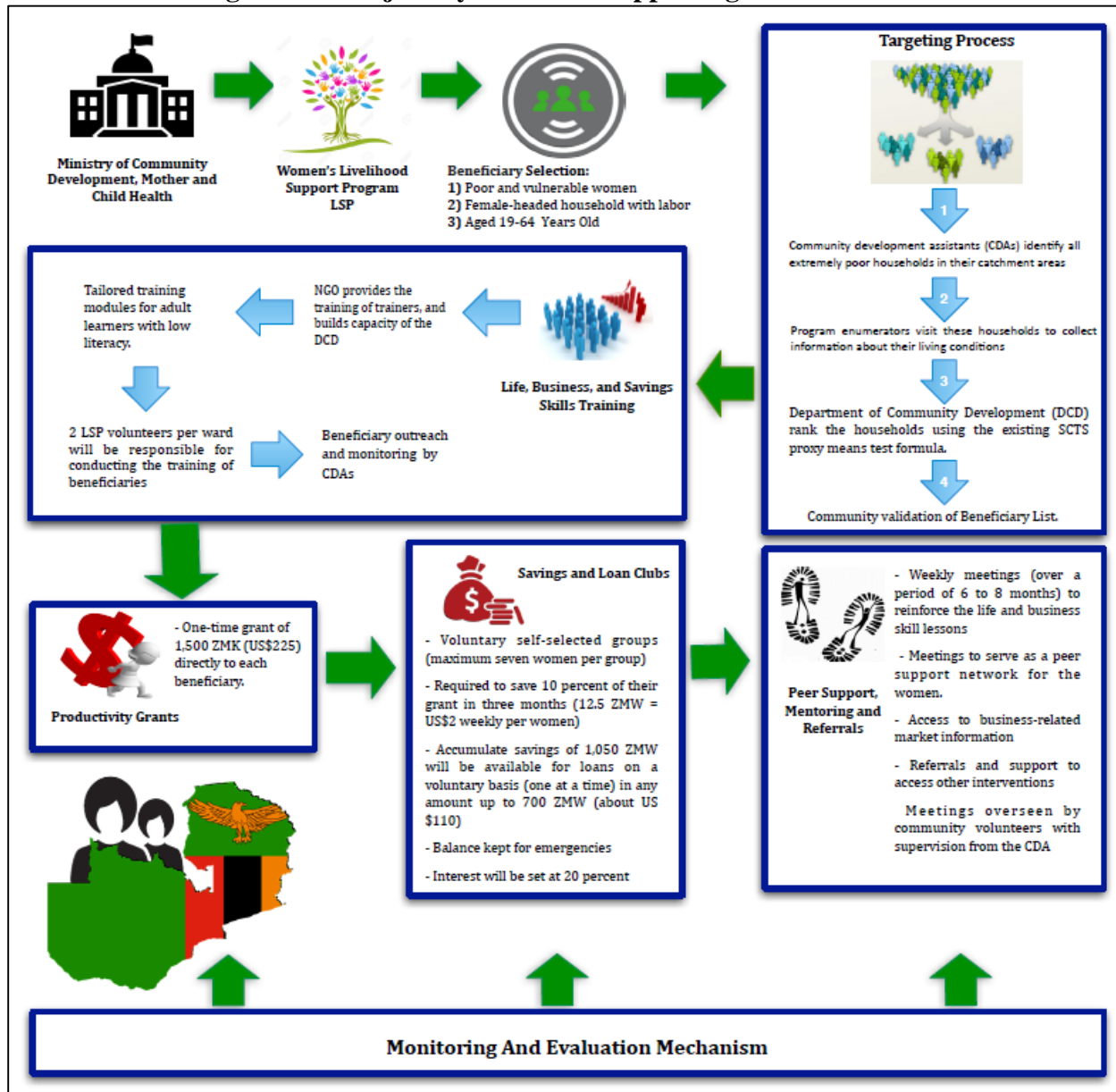
***Sub-component 1b: Building National Implementation and Monitoring Capacity***

21. In order to ensure the success of the SWL, technical assistance will be required to strengthen the capacity of the staff of the DCD in the MCDMCH and to build the operational systems needed to implement the SWL initiative. This will include creating and filling critical staff posts in the DCD, including a dedicated program manager, program officers, M&E specialists, and project accountants specifically to manage the productive grant transfers and other staff as needed. These staff may be based at the national, provincial, or district level as determined by the DCD. Sub-component 1b will also build the capacity of the DCD by ensuring that its staff are properly equipped to conduct regular and timely field visits. In addition, the project will fund the hiring of international and local experts for specialized tasks, such as training in the management information system (MIS) and in ICT/mobile money as necessary throughout the project's implementation.

22. The MCDMCH will select an NGO with demonstrated experience in implementing similar activities in Zambia to provide technical assistance throughout the project's implementation. At the central level, this support will include conducting initial DCD staff training, particularly on the beneficiary training materials, the transparent transfer of beneficiary grants, and best practices for conducting regular M&E. At the district level, the NGO will allocate one field officer to each district in which the program is operating to augment the DCD district staff. This person will support district staff in selecting beneficiaries, overseeing the training activities, transferring the productive grant, initiating the savings and loan clubs, providing mentoring, and conducting M&E. The NGO will also help the DCD staff to train the trainers who will teach the life, business, and savings skills curriculum, to collect feedback from beneficiaries, and to conduct reviews of the training and of the operation of the savings and loan clubs.

23. In addition, Sub-component 1b will fund the creation of an MIS, a monitoring and evaluation system, a complaints and grievance redress mechanism, adequate ICT, and basic equipment for the DCD. The development of a strong MIS will be critical to the successful implementation of the SWL initiative. ICT investments will facilitate innovations in the delivery of the SWL activities and will minimize the risks involved in their implementation. This will include the adoption of mobile money payments under the SWL initiative as well as the use of tablets by CDAs and a mobile platform for regular M&E reporting.

**Annex Figure 2.1: Project Cycle for the Supporting Women’s Livelihoods**



*Note:* Women will receive the grant after completing the initial training activities. Eligibility for the productive grant is based on the targeting process outlined here, and defined elsewhere in the PAD, rather than on the completion of any specific activities after the initial training, as detailed in the project cycle.

## **Component 2: Keeping Girls in School (US\$25.78 million equivalent)**

24. The support provided in this component will help adolescent girls in extremely poor households to access secondary education as part of the Government's existing SCTS. It will also attempt to harmonize and consolidate other existing programs aimed at increasing access to secondary education in Zambia. The component has been designed in response to the fact that very few adolescent girls in rural areas are enrolled in school. Furthermore, the high prevalence of child marriage and teenage pregnancy in Zambia is closely interrelated with a range of economic and socio-cultural determinants that perpetuate a vicious cycle of poverty. The key economic determinants include: (i) the inability of the poorest families to bear the costs (or opportunity costs) of educating girls and (ii) the lack of options available to girls to develop the skills needed to generate sufficient income to lift themselves and their families out of poverty. By providing support to cover the secondary school fees of adolescent girls in extremely poor households, this component will increase the opportunities available to these girls to improve their living standards in the long run. The component consists of Sub-component 2a: Secondary Education School Fees; Sub-component 2b: System Strengthening and Consolidation; and Sub-component 2c: System Strengthening for MCDMCH to support Keeping Girls in School initiative.

### ***Sub-component 2a: Secondary Education School Fees***

25. This sub-component will finance the secondary school fees of eligible adolescent girls in the Keeping Girls in School Initiative.

26. *Geographic Targeting.* The 29 districts where the SCTS has been operating since 2014 will be ranked according to a composite index that will take into account the poverty incidence, the enrollment rates, and the number of OVCs in each district. Support will be provided to all eligible adolescent girls in the districts that rank lowest on the index.

27. *Supply Capacity Assessment.* Once the districts have been selected, a capacity assessment will be undertaken by MESVTEE to identify the number of government secondary schools that exist in the selected districts and ensure that they have the capacity to absorb all eligible adolescent girls.

28. *Awareness Creation.* The MCDMCH will create awareness of the Keeping Girls in School Initiative among potential beneficiary households, while the MESVTEE will be responsible for awareness creation among secondary schools.

29. *Beneficiary Identification.* The beneficiaries will be selected using the following eligibility criteria: (i) adolescent girls aged 14 to 18 years in households that are beneficiaries of the SCTS and (ii) proof of enrollment in a government secondary school. In the beneficiary selection process, the MCDMCH will be responsible for: (i) updating the existing MIS with the information needed for the Keeping Girls in School Initiative such as reconfirming the name, age, and secondary school grade level of the adolescent girls; and (ii) providing the MESVTEE with a list of eligible households with this updated information. Eligible households will then enroll their adolescent girls in a government secondary school. Schools will thereafter provide a list of enrolled girls to the District Education Officer, who will verify their names against the list of potential beneficiaries

provided by the MCDMCH and enter the information into the MIS in the MESVTEE to enable the MESVTEE to generate the list of enrollments.

30. *Benefits.* The benefit level will vary depending on the secondary school in which the adolescent girl is enrolled but will cover the entire school fee. In the secondary education sector in Zambia, there are day schools and boarding schools, but in rural areas boarding schools are more common. Yearly fees range between ZMW 1,500 (about US\$198) for day schools to ZMW 3,000 (US\$396) for boarding schools. The project preparation team considered various options for what level of support to offer and discussed them extensively with the Government, and eventually an agreement was reached to cover the full school fees of all beneficiaries since the poorest households are unlikely to be able to cover even part of the fee. The families will still need to cover all other costs related to the beneficiaries attending school.

31. *Payments.* The payments will be made at the beginning of each term, directly from the MESVTEE headquarters to the secondary schools where the girls are enrolled. The MESVTEE will produce enrollment lists based on the list from the enrollment process provided by the secondary schools at the beginning of each school term. The MESVTEE will then disburse funds via wire transfer from its central bank account directly to those of each secondary school. The secondary school will subsequently generate receipts for each adolescent girl, indicating the amount received, and will provide one copy to the household and one copy to the MESVTEE for payment reconciliation. The adolescent girls will not receive any funds directly; the receipts that they will receive will serve as a proof that the MESVTEE has paid their school fees to the secondary school where they are enrolled. In addition, at the beginning of each term, the school will certify that the girls attended the previous school term and are enrolled in the new term, and the MESVTEE will generate new enrollment lists for each new term.

### ***Sub-component 2b: System Strengthening and Consolidation***

32. The MESVTEE has nominated a PSC to implement the Keeping Girls in School Initiative, but the MESVTEE will need further support to put in place key systems and procedures for the efficient implementation of the Keeping Girls in School Initiative. Since this is a new initiative that will introduce new operational procedures and processes, the project will provide support to build the necessary capacity within the MESVTEE at the national, provincial, district, and local levels to implement the Keeping Girls in School Initiative. A strategy and action plan will be developed to set up continuous training for program implementers of the Keeping Girls in School Initiative (at the HQ and at the local level). The project will support the training of staff in specific areas, including *inter alia* M&E, budget and disbursement skills (at the district level), social accountability, and Microsoft Office (at the district level). The project will also support the costs of any additional temporary staff or local consultants needed to implement the program (based on an agreed staffing plan) and of equipping the HQ and local offices with the essential equipment needed to implement the initiative.

33. *Awareness Creation.* Sub-component 2b will support efforts to create awareness of the existence of the Keeping Girls in School Initiative among potential beneficiary households and government secondary schools. The MCDMCH will be responsible for creating awareness among beneficiary households, while the MESVTEE will be responsible for creating awareness among

the secondary schools. The project will also support the development of communication materials and the implementation of communication campaigns.

34. *Beneficiary Enrollment.* The adolescent girls who will benefit from the initiative will come from households that are already being supported by the SCTS. This sub-component will support the development of an MIS (or a module within an existing MIS to be determined) to enable the MESVTEE to capture the data required for the operation and monitoring of the initiative. A link will also be created to the MIS of the SCTS, and the project will provide the necessary technical assistance to develop this MIS, including any necessary changes to the SCTS to make it possible to capture the additional information needed from SCTS households (such as the name, age, and grade level of the adolescent girls). The component will support data collection and processing by the MESVTEE, including technological innovations to capture and process information (such as enrollment forms and M&E forms) in real time using mobile devices such as tablets, and the costs of training field staff in the use of these devices.

35. *Complaints and Grievance (C&G) Mechanism.* A good C&G mechanism can ensure that the program pays the right beneficiary the right amount at the right time. It ensures efficient use of public resources, guards against political manipulation, and ensures the credibility of any initiative. A solid complaints and grievance mechanism ensures that beneficiaries (and non-beneficiaries) of a cash transfer program have a way to submit any complaints about the operation of the program. In this area, the project will support the design and implementation of a grievance mechanism for the Keeping Girls in School Initiative. It will also support the establishment of a case management system for the Keeping Girls in School Initiative to keep household information up-to-date.

36. *Monitoring and Evaluation.* The project will support the development of a comprehensive M&E strategy (and implementation plan) for the Keeping Girls in School Initiative, including methodologies and processes for collecting and using data to prepare management reports. This support will include: (i) strengthening the existing monitoring system in the MESVTEE; (ii) conducting spot checks and process analyses to find out how and why the initiative is (or is not) working so that these lessons can be used to improve its implementation; and (iii) training staff in how to carry out M&E. Support will be provided to the MESVTEE to carry out monitoring and evaluation, including monitoring the attendance of beneficiaries and referring cases to the Department of Social Welfare in the MCDMCH to follow up on students when they drop out between one semester and another to find out their reasons for doing so. Support will also be provided for various evaluations, including spot checks, a beneficiary satisfaction survey, and an overall design, process, and implementation evaluation (which will be undertaken after one year of implementation). The process and implementation evaluation will compile lessons learned from the first year of implementation that will guide any potential necessary adjustments in the implementation process.

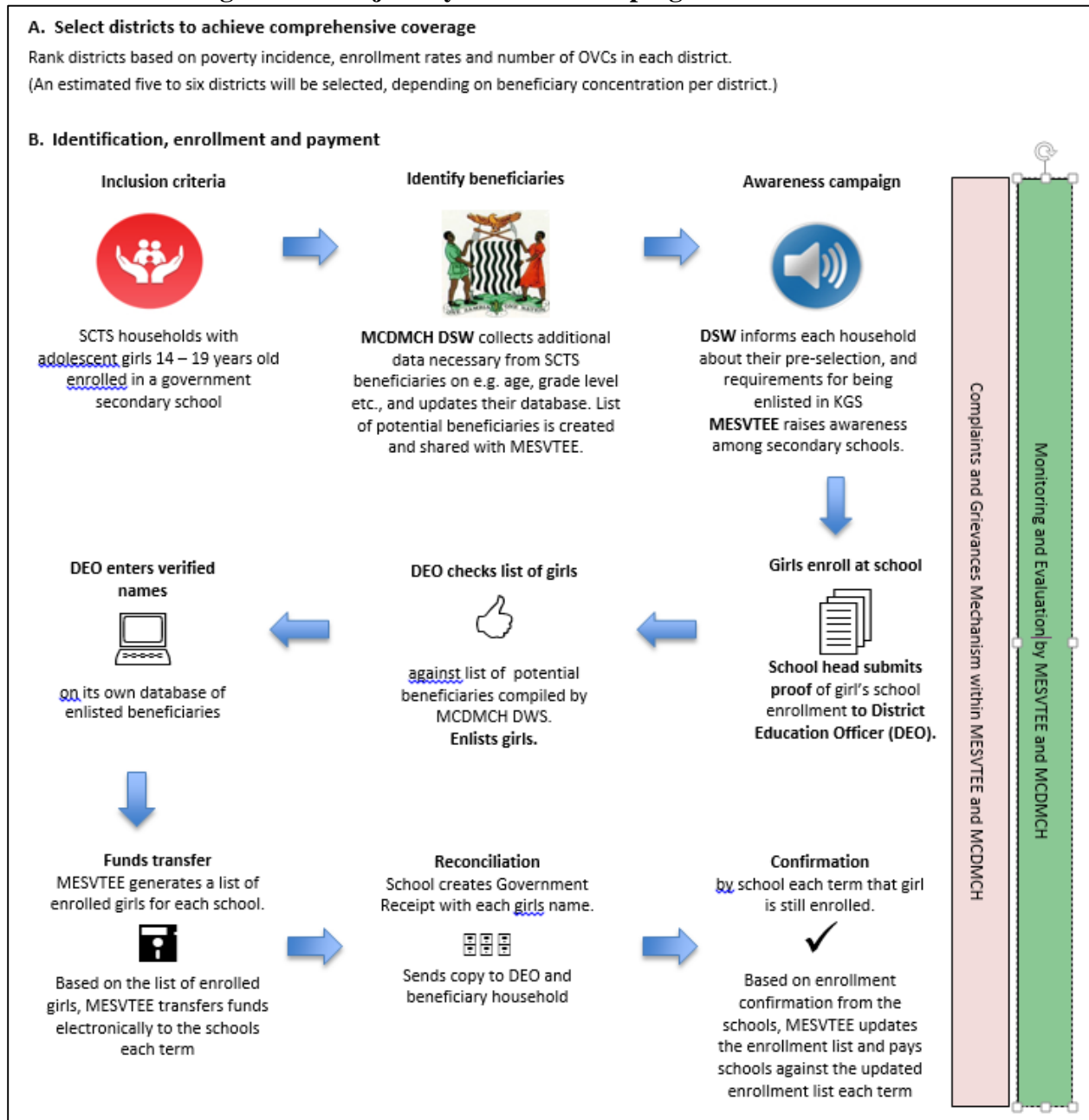
37. *Program Consolidation.* The Government is currently implementing two main schemes that help OVCs to access education. These are the secondary school bursary scheme in the MESVTEE and the PWAS in the MCDMCH. In addition to these two schemes, a number of NGOs and donors are providing support to cover secondary school fees for the most vulnerable. The Government recognizes the need to harmonize and streamline these initiatives and create common targeting and operational procedures to ensure maximum efficiency. With support from this sub-

component, the MESVTEE will: (i) undertake a diagnostic study to review existing support to secondary school fees; and (ii) based on this study, develop a proposal for harmonizing the existing schemes, including an action plan, to move towards one consolidated program. To learn from similar programs elsewhere in the world, this sub-component will also support South-South learning exchange activities.

***Sub-component 2c: System Strengthening for MCDMCH to support Keeping Girls in School Initiative***

38. This sub-component will support the MCDMCH in undertaking activities related to the Keeping Girls in School Initiative, including: (i) identifying and updating information on potential beneficiaries; (ii) creating awareness of the existence of the Keeping Girls in School Initiative among potential beneficiary households; and (iii) developing a case management system to follow up as needed with adolescent girls at risk of dropping out from the Keeping Girls in School Initiative.

**Annex Figure 2.2: Project Cycle for the Keeping Girls in School Initiative**



*Notes:* At the beginning of each term, the head of each secondary school will be required to submit proof of the girl's school enrollment to the District Education Officer. The MESVTEE will then update the enrollment lists and pay schools to cover the fees of the girls listed on the updated enrollment list each term.

**Component 3: Institutional Strengthening and Systems Building (US\$3.22 million equivalent)**

39. This component aims to strengthen institutional capacity and build systems to increase efficiency and coordination among targeted programs. The component provides support particularly to the MGCD and the MCDMCH, since building the capacity within these ministries will play a key role in increasing the efficiency of targeted programs in Zambia. The MGCD will

also provide the National Secretariat function for the Project Steering Committee (see implementation arrangements in Annex 3). The MCDMCH is the lead agency for social protection, is leading the development of the SRB, and plays an important role in the implementation of the Keeping Girls in School Initiative. The MESVTEE also plays an important role in increasing the efficiency of targeted programs, but support for institutional strengthening and systems building will be provided to the MESVTEE separately under Component 2. In addition, specific support will also be provided to the DCD in the MCDMCH under Component 1 to harmonize and coordinate livelihood programs.

### ***Sub-component 3a: Institutional Strengthening and Systems Building for MGCD***

40. The Government is committed to harmonizing existing programs on livelihoods and, as part of this commitment, it aims to take a more programmatic approach to women's empowerment programs. To strengthen the capacity of the MGCD to play a facilitating, monitoring, and coordinating role for women's empowerment programs in Zambia, to increase its monitoring and evaluation capacity, and to build its capacity to mainstream gender into government-led programs, this sub-component will provide support within the following areas:

41. *Policy Development.* This sub-component will support the strengthening of the capacity of the MGCD for policy development and analysis, particularly in the areas of gender and women's empowerment by funding relevant policy development training for MGCD staff.

42. *Monitoring and Evaluation.* Components 1 and 2 support specific M&E activities, but this sub-component supports the development of a monitoring framework for the MGCD that will measure the progress and results of programs impacting women. This framework will help the MGCD to report these results at both the sectoral and the national level. The support will include technical assistance to develop the M&E framework, including an action plan for implementing it. Specific support will also be provided to train MCGD staff to use the framework and to undertake other M&E-related activities as necessary. Support will also be provided for equipment for data management, workshops to disseminate results, South-South learning exchanges, and the dissemination of the outcomes of various policies and programs.

43. *Project Management.* Specific support will also be provided to help the MGCD to undertake the necessary tasks related to their coordination role through the National Secretariat for the Project Steering Committee. This support will include technical assistance and consultants if and as needed in the areas of coordination, M&E, FM, and procurement.

### ***Sub-component 3b: Institutional Strengthening and Systems Building for MCDMCH***

44. The Government is spending a lot of resources on a variety of social protection programs designed to reduce poverty. However, there is a lot of fragmentation, incoherent information flows, and overlap between these programs, and the Government is committed to increasing coordination in the sector. As a first step towards this, the Government is committed to improving the targeting of social protection programs by creating a SRB. The project will provide specific support under Component 1 for harmonization of livelihood support programs and under Component 2 for secondary school fee programs. This sub-component will provide additional support to the

MCDMCH for the development and strengthening of key institutional systems and tools to increase the efficiency of the social protection sector in the following areas:

45. *Policy Development.* This sub-component will support the strengthening of the capacity of the MCDMCH for policy analysis and development in the area of social protection by providing staff with training and technical assistance for policy development. It will also support participation in South-South exchanges on social protection policy and operational areas.

46. *Targeting.* The sub-component will also support the further development of the SRB within the MCDMCH. The initial design and operationalization of the SRB is being supported by a government-executed grant financed by the World Bank. The SRB is eventually expected to become the single source of information on poor and vulnerable households and to enable different social programs to: (i) identify potential beneficiaries; (ii) avoid overlaps and double dipping; and (iii) ensure that the benefits provided by the programs complement each other. This subcomponent will fund the further development and scaling up of the SRB including: (i) the development and maintenance of the SRB system; (ii) the development of program log frames and operational manuals and guidelines; (iii) the development and strengthening of the MISs for each individual program (in addition to support provided under Components 1 and 2) and the linking of those MISs to the SRB; (iv) periodic reviews of targeting mechanisms; (v) the collection of data at the household level to be used for targeting and recertifying the eligibility of beneficiary households; (vi) the training of staff; (vii) ICT equipment for data collection; (viii) spot checks on data quality; and (ix) system audits.

47. *Coordination among Programs.* To increase coordination among programs, this sub-component will also support the development of an online database (or other tool) of existing initiatives that provide social protection or that support income generation. Social workers will be trained in the use of this database so they can inform beneficiaries about programs that offer complementary support. In addition, this component will support the setting up of a national coordination mechanism, the creation of which was proposed under the new NSPP, and the establishment of one-stop service centers at the district level and of provincial social protection coordination centers.

### **Annex 3: Implementation Arrangements**

#### Zambia: Girls' Education and Women's Empowerment and Livelihoods Project

##### **Project Institutional and Implementation Arrangements**

1. This project will be coordinated by a PSC comprised of the Permanent Secretaries of the three implementing ministries – the MCDMCH, the MESVTEE and the MGCD. This PSC will be chaired by the Secretary to the Cabinet. The PSC will focus on oversight of the project and coordination with other ministries, including the MAL and the MoCTA. The role of the PSC is to approve annual work plans and budgets, oversee project progress, ensure coordination among the three ministries, and approve the audited financial reports. It will meet on a quarterly basis.

2. The PSC will be supported by a National Secretariat in the MGCD, with the Director of Planning and Information serving as the overall National Project Coordinator. The National Secretariat will be responsible for: (i) preparing the integrated interim financial reports (IFRs) based on input from the other line ministries; (ii) consolidating progress reports of the individual ministries (although each ministry will be responsible for reporting to the PSC on progress made on the implementation of each of the components) and preparing the quarterly progress report for the project; (iii) preparing the consolidated procurement plan based on input from the other line ministries; (iv) calling meetings of the PSC, taking and distributing minutes, and following up on the decisions of the PSC to put them into action; and (v) playing an advisory role to the PSC as necessary. Each of the three ministries will have its own designated account and will manage its own funding flows. The Government will: (i) maintain the National Secretariat within the MGCD throughout project implementation with terms of reference and staffing satisfactory to the World Bank and with adequate resources to carry out its responsibilities under the project; (ii) assign the Director of Planning and Information as the overall National Project Coordinator at all times during project implementation; and (iii) engage not later than the Effective Date, and thereafter at all times assign to the National Secretariat, an accountant with qualifications, experience, and terms of reference satisfactory to the Association.

3. Component 1: Supporting Women's Livelihoods will be implemented by existing DCD staff at the national, provincial, district, and community levels who will be assisted by community volunteers from the targeted communities. The DCD's central-level staff consists of one director, two chief community development officers, five senior program officers, and support and administrative staff. These existing staff will monitor the SWL initiative in addition to their existing work program and therefore will be augmented by specific SWL staff, including a program manager, an M&E specialist, program officers, and a program accountant. Together, these staff will be responsible for the annual planning of SWL activities, including the work plan, budget, and detailed geographic roll-out of each phase of SWL activities, the tracking and oversight of SWL implementation, and the drafting of the semi-annual SWL implementation and monitoring reports. An experienced NGO will be engaged to supplement and to help to build the technical capacity of the DCD team. The NGO's technical experts will train trainers and will allocate one field officer to each targeted district to help the DCD district staff with beneficiary identification, oversight of the training activities, mentoring, and M&E.

4. Component 2: the Keeping Girls in School Initiative, will be implemented by the Department of Planning and Information in the MESVTEE (Sub-component 2a and 2b) and by the Department of Social Welfare of the MCDMCH (Sub-component 2c) using the existing systems and structures of the SCTS. A project management committee, composed of existing MESVTEE staff, has been established in the Department of Planning and Information in the MESVTEE and will be responsible for the overall coordination of Component 2.<sup>43</sup> The Department of Social Welfare will identify potential adolescent girl beneficiaries from among existing SCTS households after collecting supplementary data on what secondary school grades the girls are in. The MESVTEE will generate an enrollment list for each school and transfer funds electronically to each participating school at the beginning of each term after receiving confirmation that each girl is still enrolled in school. Strong emphasis will be put on strengthening the capacity of existing SCTS implementation staff at the HQ and at the local level to identify beneficiaries and to develop systems within the MESVTEE to manage and monitor this initiative. The MESVTEE will hire a qualified accountant to support the project, and supplementary capacity will be provided as required.

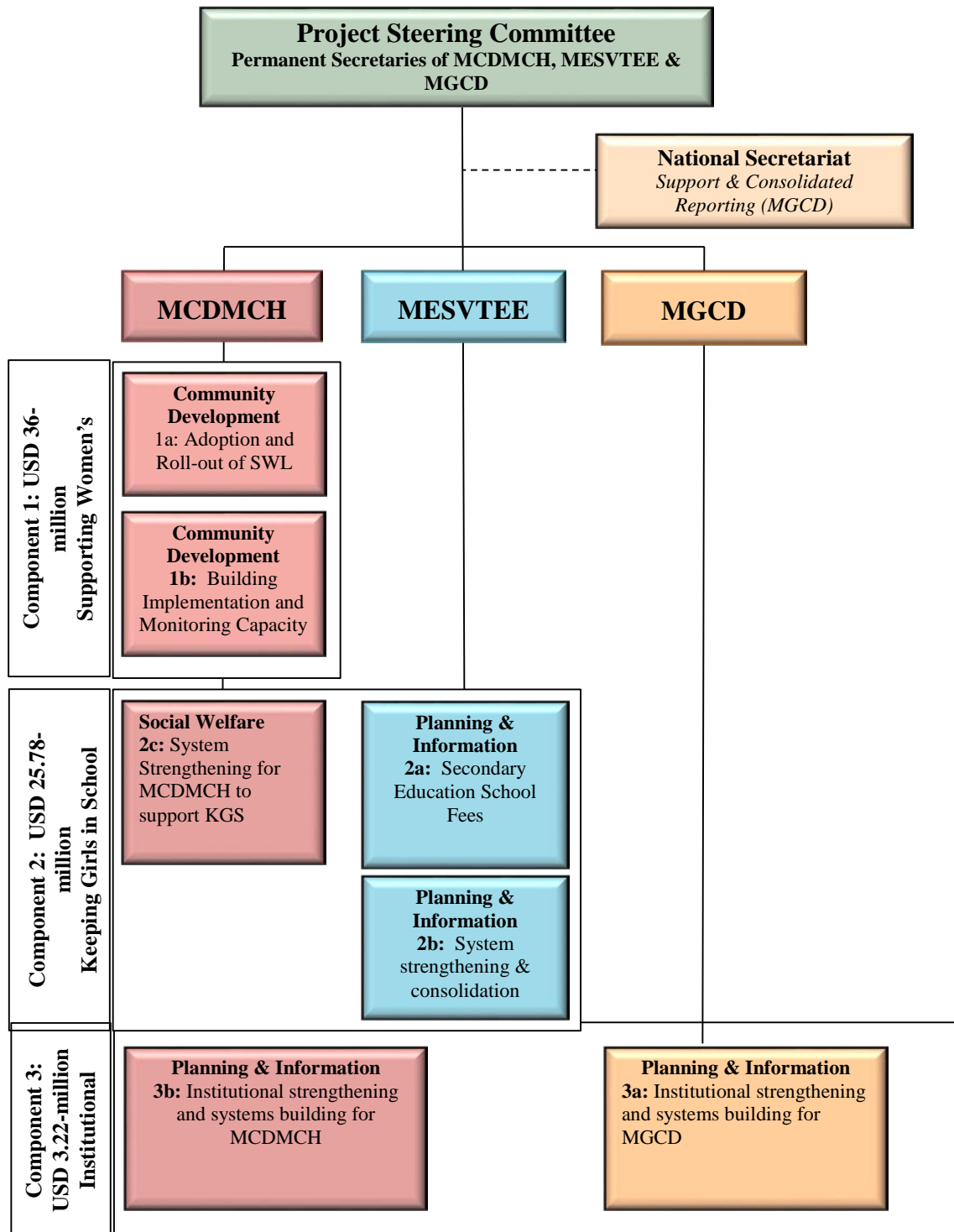
5. Component 3: Institutional Strengthening and Systems Building will focus on strengthening management systems, monitoring and evaluation, policy awareness, and capacity for policy development and analysis within the MCDMCH and MGCD. Sub-component 3a will be implemented by the MGCD, overseen by existing staff and augmented by a qualified accountant, and Sub-component 3b will be implemented by the MCDMCH.

6. Within each ministry, the Director of Planning and Information will be the focal person for project coordination activities, which will be undertaken with the support of relevant officials within each ministry.

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<sup>43</sup> This project management committee will consist of the project coordinator, the assistant coordinator, the principal planner, an accountant, a senior statistical officer, and a purchasing and supply officer.

**Annex Figure 3.1: Institutional Arrangements<sup>44</sup>**



<sup>44</sup> Under Component 2, US\$25 million is allocated to MESVTEE and US\$0.78 million is allocated to MCDMCH; Under Component 3, US\$2.2 million is allocated for MCDMCH and US\$1 million for MGCD.

## Financial Management, Disbursements, and Procurement

### *Financial Management*

7. In February 2015, a financial management (FM) assessment was carried out by the World Bank of the MGCD, which will host the GEWEL Project's National Secretariat and will be responsible for Component 3a, and the MESVTEE, which will be responsible for Component 2. At the same time, the FM assessment of the MCDMCH, which will be responsible for Components 1, 2c, and 3b, was updated, as it had originally been proposed as the lead ministry for the project. The assessments were done in accordance with the Financial Management Manual for World Bank-Financed Investment Operations, issued by the Financial Management Sector Board on March 1, 2010 and the ORAF Financial Management Draft Interim Guidance Note issued by the AFTFM unit on September 30, 2010. The objective of the FM assessments was to determine whether the ministries' FM arrangements: (i) were capable of correctly and completely recording all transactions and balances relating to the project; (ii) would facilitate the preparation of regular, accurate, reliable, and timely financial statements; (iii) would safeguard the project's entity assets; and (iv) would be subject to auditing arrangements acceptable to the World Bank. The assessment complied with the Financial Management Manual for World Bank-Financed Investment Operations that became effective on March 1, 2010, as well as with the Financial Management Assessment and Risk Rating Principles in the Africa Region Financial Management Unit (AFTFM).

8. The conclusion of the assessment was that the financial management arrangements in place in all the implementing ministries meet the World Bank's minimum requirements under OP/BP10.00 and are, therefore, with reasonable assurance, adequate to provide accurate and timely information on the status of the project as required by the World Bank. The overall FM risk rating of the project is **Substantial** because: (i) both the accounting and internal audit staff of the implementing agencies have relatively little experience in implementing Bank-financed projects and (ii) both MGCD and MCDMCH have new staff whose capacity will need to be strengthened. However, this risk rating is expected to be reduced to Moderate after the risk mitigation measures have been taken. Therefore, it is recommended that training of both accounting and audit staff is conducted on a regular basis. It is also recommended that a PIM, including financial management procedures, is prepared before project effectiveness.

### *Budgeting Arrangements*

9. Budget preparation and monitoring will follow national procedures, full details of which will be documented in the PIM. Both the MCDMCH and the MESVTEE will submit their annual work plans and budgets (AWPBs) to the MGCD for consolidation.

### *Staffing*

10. The MGCD is inadequately staffed with only two qualified accountants (a senior accountant and an accountant, who are assisted by two assistant accountants and two accounts assistants), neither of whom has any experience with World Bank project accounting. Therefore, the MGCD will recruit or second a qualified and experienced project accountant, who will report to the Senior Accountant, for the project as a condition of effectiveness. The project accountant

will be responsible for the accounting functions of the National Secretariat and Component 3a and for the consolidation of the financial reports from both the MCDMCH and the MESVTEE. Both the accountants and internal auditors, including existing staff and the new project accountant, will need training in World Bank financial management and disbursements procedures continuously throughout the life of the project. Both the MCDMCH and the MESVTEE will second experienced staff to the project to manage the accounting functions of Components 1 and 3b and Component 2 respectively. However, to ensure an accountant is dedicated to the ministries' respective components, both ministries will recruit or second a qualified project accountant for the project as a condition of effectiveness. They will also be trained in the World Bank's financial management and disbursement procedures continuously throughout the life of the project.

#### *Financial Management Manuals*

11. The project will develop a financial management procedures manual as part of the PIM by effectiveness that will document the accounting policies and procedures to be used for the project.

#### *Information Systems*

12. The MGCD is connected to the country's Integrated Financial Management Information System (IFMIS), but the project module is not currently functional. Therefore, the project will use manual systems to prepare the project accounts until the project module is revived. The MCDMCH and the MESVTEE will also prepare manual accounts for consolidation by the MGCD.

#### *Accounting Basis*

13. The project will use cash basis accounting in line with International Public Sector Accounting Standards (IPSAS).

#### *Internal Auditing*

14. The MGCD has a functional internal audit unit with two staff members. There is also an audit committee which is active and meets regularly, and the project will rely on both the internal audit unit and the audit committee of the MGCD for internal audit functions. The MCDMCH and the MESVTEE will also rely on their internal audit units, which are adequately staffed.

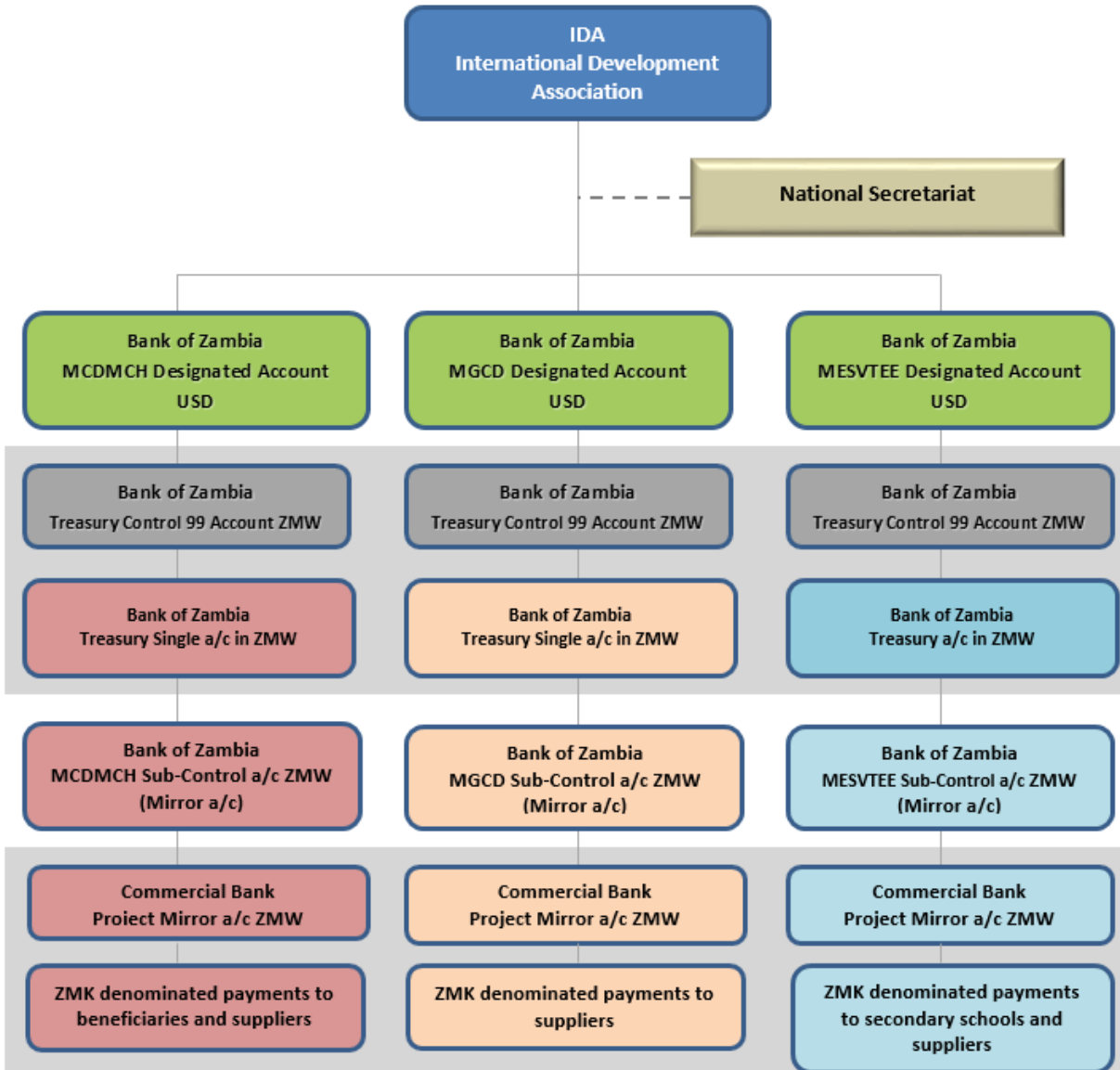
#### *Internal Control Systems*

15. The project will rely on a financial procedures manual that will be developed as part of the PIM. The module will document the policies and procedures that are specific to World Bank-financed projects and will identify expenditures that are eligible for financing under these projects.

#### ***Funds Flow and Disbursement Arrangements***

16. The project will use a system under which funds will flow from the World Bank to a designated account (DA) or a holding account denominated in United States dollars at the Bank of Zambia (details to be documented in the PIM). Each of the three implementing ministries will have their own DA and an operational account in Zambian kwacha at the Bank of Zambia as well as mirror accounts at suitable commercial banks for making payments in the local currency.

**Annex Figure 3.2: Flow of Funds**



*Disbursement Arrangements*

17. The project will use the transaction-based method of disbursements using statements of expenditure (SOEs). Other methods of disbursing to be used in the project will include reimbursements, direct payments, and use of special commitments (such as letters of credit). Further details will be provided in the disbursement letter.

*Financial Reporting Arrangements*

18. The project will submit quarterly interim financial reports (IFRs), the format of which has been agreed with the World Bank, within 45 days of the end of each calendar quarter.

19. The project National Secretariat will prepare annual accounts within three months after the end of the financial year in accordance with accounting standards acceptable to the World Bank.

The secretariat will be responsible for ensuring that the reports are audited and submitted to the World Bank within six months of the end of the financial year.

*Auditing Arrangements*

20. The project’s financial statements will be audited by the Office of the Auditor General, the supreme audit institution in Zambia, which may contract with acceptable private audit firms to conduct the audits on their behalf. All audits should be carried out in accordance with International Standards on Auditing and as per the terms of reference (ToRs) for audits of the project. Audit reports together with management letters should be submitted to the World Bank within six months after the close of the year. Audit reports will be publically disclosed by the World Bank in accordance with the World Bank’s disclosure policy. The audit will be financed by the project as part of its operating costs.

**Annex Table 3.1: Financial Management Action Plan**

	<b>Action</b>	<b>Date due by</b>	<b>Responsible</b>
1	Train accountants and internal auditors in the World Bank’s financial management and disbursement procedures	Continuously during the life of the project	MGCD and MESVTEE
2	Contract with a qualified and experienced Accountant to the project	Effectiveness condition	MGCD, MCDMCH and MESVTEE
3	Develop a Project Procedures Manual (PIM), including financial management and procurement procedures	Effectiveness Condition	MGCD

*Implementation Support Plan*

21. The World Bank will conduct FM supervision based on the risk rating of the project. Quarterly on-site supervisions will be carried out until capacity is built. Other forms of supervision will include desk reviews of IFRs and audit reports.

***Procurement***

22. The World Bank carried out an initial Procurement Risk and Management System Assessment (P-RAMS) of the MCDMCH in September 2013 for the World Bank-funded Zambia Health Services Improvement Project (Project ID No P145335), which is being implemented in part by the MCDMCH. The MCDMCH is also implementing the ongoing World Bank-funded Support to the Development of an Integrated MIS and Single Registry of Beneficiaries (Project ID No P147659). Under this project, the MCDMCH has already started to carry out the agreed risk mitigation actions for the identified risks. Notably the MCDMCH has recently developed a separate procurement manual outlining procurement arrangements, accountabilities, and internal governance. The World Bank has also carried out a Procurement Risk and Management System Assessment for the MGCD on March 2, 2015 and for the MESVTEE on March 18, 2015. The procurement risk for the project remains Substantial. Once the identified risks have been mitigated, the residual risk is expected to be reduced to Moderate.

23. *Procurement Manual.* The procurement arrangements to be used under the project are elaborated in the MCDMCH Procurement Manual, which was developed and reviewed by the World Bank in 2014. These arrangements include the packaging of procurement, the assignment of clear responsibilities and accountability for procurement, record keeping, and the frequency and scope of prior and post reviews. The Manual also outlines the legal and institutional arrangements for carrying out procurement within the MCDMCH in the new environment in which all procurement activities are carried out internally by the procuring entities (PEs) using their own institutional arrangements, controls, and quality checks with no reviews or approvals by the Zambia Public Procurement Authority (ZPPA). Procurement for the project will take into account the provisions of the Public Procurement Act No 12 of 2008 as revised in 2012 and the provisions of the Public Procurement Regulations of 2011. These provisions affect all procurement that will be undertaken using national procurement procedures such as NCB. The Manual outlines the identified risks and risk mitigation actions that will increase accountability, economy, efficiency, and transparency in procurement. It covers the legal and regulatory framework, the roles and responsibilities of the institutions and staff involved in procurement, internal and external controls, quality assurance checks or systems, approval systems and accountability, and the contracts register. The Manual spells out the roles and responsibilities of various players in contract management based not only on government regulations but also on IDA's requirement for the prior review of contracts. The MESVTEE and the MGCD will also need to prepare a procurement manual along the lines stated above for the MCDMCH that go beyond the ZPPA and its regulations. The Manual will spell out the internal MESVTEE institutional arrangements for procurement.

24. *Procurement Decentralization.* Since January 1, 2013, all PEs in Zambia have been carrying out their own procurement with no involvement of the ZPPA in terms of reviewing bidding documents, bid evaluations, or contract award recommendations. The exception is for procurement by single source or direct contracting, which still requires review and clearance by the ZPPA. As of January 2015, the ZPPA has transformed itself fully into a regulatory and oversight body for public procurement in Zambia with a new institutional arrangement and staff structure.

25. *Procurement Risk Mitigation Measures.* Based on the P-RAMS assessment, the main risks and proposed risk mitigation measures related to the project's procurement are shown in Annex Table 3.2 below.

**Annex Table 3.2: Summary Procurement Assessment of Capacity, Risk, and Mitigation – Action Plan**

<b>Issues</b>	<b>Risks</b>	<b>Mitigation measures</b>	<b>By when</b>
<b>MCDMCH</b>			
1. Evaluation and award of contract	<b>Risk rating: Substantial</b> There is a risk that inadequately qualified and experienced suppliers, consultants, and/or contractors may be hired as due diligence is not routinely carried out for bidders recommended for contracts.	Due diligence needs to be carried out on the proposed winning bidder given the high value, complexity, and inherent risks involved in the contract.	As required, throughout the life of the project
2. Staffing	<b>Risk rating: Moderate</b> Staff is relatively inexperienced and there is no mentorship for procurement staff.  There are not enough links between technical and procurement staff, which can lead to inefficient procurement.	The skills and capacity of the MCDMCH will need to be enhanced from both the technical and procurement standpoint.  Specific staff should be assigned for specific procurements.  Technical and procurement staff must collaborate from the earliest stage of developing the procurement plan to its implementation.	Continuously through the life of the project
3. Contract management and administration	<b>Risk rating: Substantial</b> There is no system in place for contract management.	For every contract, the MCDMCH should appoint a contract manager in line with the Zambia Public Procurement Act No 12 of 2008. This will be an ongoing action.	Continuously through the life of the project
<b>MGCD</b>			
1. Manual	<b>Risk rating: Moderate</b> Internal manuals do not include provisions of the new MDCD institutional arrangements and procurement processes based on new Public Procurement Act	Manual needs to be updated to reflect provisions of the Ministry institutional arrangements and provisions of the new procurement Act and Regulations	Continuously through the life of the project
2. Staffing	<b>Risk rating: Moderate</b> Staff of the MGCD have no experience in competitive bidding under public procurement	Agree on a training program (internal/external) to be implemented over the life of the project that is both relevant and practical	Continuously through the life of the project
3. Procurement planning	<b>Risk rating: Moderate</b> The MGCD has no experience in procurement planning	Require periodic reviews to identify/remove the cause of the variances between planned and actual and agree on a recommendation to avoid	Continuously through the life of the project

Issues	Risks	Mitigation measures	By when
		occurrence into the procurement and delivery schedule - intensify supervision	
4. Bidding documents	<b>Risk rating: Moderate</b> The MGCD has no experience in preparation of bidding documents, (pre-) qualification, short listing, and evaluation criteria	The World Bank will train the MGCD's assigned procurement staff in the preparation of acceptable bidding documents for RFPs, ICB, and NCB and evaluation practices. The World Bank will share SBDs and sample documents.	Continuously through the life of the project
5. Bidding and evaluation practices	<b>Risk rating: Moderate</b> The MGCD has no experience in competitive bidding or in consultant selection processes such as advertisements, pre-bid/proposal conferences, and bid/proposal submissions.	Establish and agree on bid opening procedure that meets the standards of the World Bank Guidelines	Continuously through the life of the project
<b>MESVTEE</b>			
1. Manuals	<b>Risk rating: Substantial</b> MESVTEE does not have an internal procurement manual and clarity of the procurement process beyond provisions of the PPA and its regulations	The MESVTEE may need to prepare a procurement manual going beyond the ZPPA and its regulations.	Continuously through the life of the project
2. Bidding and evaluation practices	<b>Risk rating: Substantial</b> Evaluation and award of contract take too long. There are complaints that arise	The MESVTEE needs to create a complaints mechanism that is independent and addresses processing delays, both internal and external. The Ministry of Justice often delays in reviewing draft contracts, thereby requiring extensions of bids and/or bids end up not being valid.	Continuously through the life of the project
3. Contract management	<b>Risk rating: Substantial</b> Contracts are often not implemented according to specifications or on time, and sometimes they include excessive changes in scope or price, leading to variations that may be difficult to justify. There are also routine payment delays.	Contract management needs to be enhanced. For each assignment, in line with the ZPPA, a contracts manager needs to be appointed. Assigned staff need to be trained in contract management.	Continuously through the life of the project
	Risk rating: High		

### ***Procurement Post Reviews (PPRs) and Independent Post Reviews (IPRs) by the World Bank***

26. Based on the assessed agency implementation risk for procurement, which is **Substantial**, the World Bank will carry out PPRs or IPRs on a sample of 15 percent of all contracts in the procurement plan that have not been subject to prior review by the World Bank. Based on a continuing assessment of risk, the sample size will be reduced as risk mitigation measures are successfully implemented. High risk will represent a sample size of 20 percent, substantial risk will represent a sample size of 15 percent, moderate risk 10 percent, and low risk 5 percent. The World Bank will inform the MGCD, MESVTEE, and MCDMCH of the outcomes of the PPR/IPR exercise, which also will result in revisions to the prior review and NCB thresholds. The review thresholds are shown in Annex Table 3.3 below.

**Annex Table 3.3: Prior Review and Procurement Method Thresholds**

<b>Expenditure Category</b>	<b>Procurement Method</b>	<b>Contract Value Threshold For use of Method (US\$)</b>	<b>Contracts Subject to Prior Review (US\$)</b>
1. Works	ICB(Works/Supply & Installation)	>=10,000,000	All contracts
	NCB	>=200,000 - <10,000,000	As in procurement plan
	Shopping	<200,000	None
	Direct Contracting	All values	All contracts
2. Goods	ICB	>=2,000,000	All contracts
	NCB	>=100,000 <2,000,000	As in procurement plan
	Shopping	<200,000 (motor vehicles only)	None
	Shopping	<100,000 000 (rest not motor vehicles)	None
	Direct Contracting	All values	All contracts
	Procurement from UNOPS Agency	All values	None
	<i>Note 1: Contracts with a cost estimate below US\$200,000 for motor vehicles only may be procured on basis of Shopping procurement method</i>		
3. Consulting Services			
3.1 Consulting Firms	QCBS, QBS	>=200,000	All contracts
	CQS, LCS, QBS, FBS	<200,000	As in procurement plan
	SSS	All values	All Contracts
3.2 Individual Consultants (IC)	Competitive Selection	>=100,000	All Contracts
	IC Single Source	All values	All Contracts
<p><i>Note 2: Contracts selected on basis of CQS should not exceed US\$200,000 equivalent.</i></p> <p><i>Note 3: Short list comprising entirely of national consultants: Short list of consultants for services, estimated to cost less than US\$200,000 equivalent per contract, may comprise entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines. Engineering and contract management contracts with cost estimates of less than US\$300,000 may comprise entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines. The procurement plan will indicate those contracts using CQS whose short lists by exception may not comprise entirely national firms.</i></p> <p><i>Note 4: Terms of Reference (TOR) for all consultancy contracts as well as all single source selections, irrespective of the contract value, will be subject to prior review.</i></p>			

### ***Applicable Legal and Regulatory Framework for National Competitive Bidding***

27. The procurement procedure to be followed for NCB will be the open international bidding procedure set forth in the Public Procurement Act, 2008, Act. No.12 of 2008, as amended by the

Public Procurement (Amendment) Act, 2011, Act No. 15 of 2011 (the “PPA”), and the Public Procurement Regulations, 2011, Statutory Instrument No. 63 of 2011 (the “Regulations”); provided, however, that this procedure is subject to the provisions of Section I and Paragraphs 3.3 and 3.4 of Section III, and Appendix 1 of the Guidelines for Procurement of Goods, Works, and Non-Consulting Services under IBRD Loans and IDA Credits & Grants by World Bank Borrowers (January 2011, revised July 2014) (hereafter referred to as the Procurement Guidelines) and the additional provisions in the following paragraphs.

28. *Eligibility.* Eligibility to participate in a procurement process and to be awarded an IDA-financed contract will be as defined under Section I of the Procurement Guidelines. Accordingly, no bidder or potential bidder will be declared ineligible for contracts financed by IDA for reasons other than those provided in Section I of the Procurement Guidelines. No restriction based on the nationality of bidders and/or the origin of goods shall apply, and foreign bidders will be allowed to participate in NCB with no restrictive conditions such as, but not limited to, mandatory partnering or subcontracting with national entities.

29. *Domestic Preference.* No margins of preference of any sort will be applied in the bid evaluation.

30. *Bidding Documents.* Procuring entities must use bidding documents acceptable to IDA.

31. *Bid Validity.* An extension of bid validity, if justified by exceptional circumstances, may be requested in accordance with Appendix 1 of the Procurement Guidelines. A corresponding extension of any bid guarantee will be required in all cases of extension of bid validity. A bidder may refuse a request for the extension of bid validity without forfeiting its bid guarantee.

32. *Qualification.* The qualification criteria will be clearly specified in the bidding documents. All criteria so specified, and only such specified criteria, will be used to determine whether a bidder is qualified. Qualification will be assessed on a “pass or fail” basis, and merit points will not be used. The assessment will be based entirely on the bidder’s or prospective bidder’s capability and resources to effectively perform the contract, taking into account objective and measurable factors, including the contractor’s: (i) relevant general and specific experience; (ii) satisfactory past performance; (iii) successful completion of similar contracts over a given period; (iv) financial position; and where relevant (v) construction capability and/or manufacturing facilities.

33. Pre-qualification procedures and documents acceptable to IDA must be used for large, complex, and/or specialized works. The information that was used to prequalify bidders, including their current commitments, will be verified at the time the contract is awarded, along with the bidder’s capacity with respect to personnel and equipment. Where pre-qualification is not used, the qualification of the successful bidder will be verified after being recommended for the contract using the qualification criteria stated in the bidding documents.

34. *Bid Evaluation.* All bid evaluation criteria other than price must be quantifiable in monetary terms. Merit points will not be used, and no minimum point or percentage value will be assigned to the evaluation criteria or significance of price in the bid evaluation. No negotiations will be permitted.

35. *Guarantees.* Guarantees must be in the format specified in the bidding documents, must be valid for the period specified in the bidding documents, and must be submitted when and as specified in the bidding documents.

36. *Cost Estimates.* Detailed cost estimates will be confidential and will not be disclosed to prospective bidders. No bids will be rejected on the basis of comparison with the cost estimates without IDA's prior written concurrence.

37. *Rejection of Bids and Re-bidding.* No bid will be rejected solely because it falls outside of a predetermined price range or exceeds the estimated cost. All bids (or the sole bid if only one bid is received) will not be rejected, the procurement process will not be cancelled, and new bids will not be solicited without IDA's prior written concurrence.

38. *Fraud and Corruption.* In accordance with the Procurement Guidelines, each bidding document and contract will include provisions stating IDA's policy to sanction firms or individuals found to have engaged in fraud and corruption as set forth in the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants", dated October 15, 2006 and revised in January 2011.

39. *Inspection and Audit Rights.* In accordance with the Procurement Guidelines, each bidding document and contract will include provisions stating IDA's policy with respect to the inspection and audit of accounts, records, and other documents relating to the submission of bids and contract performance.

### ***Procurement Plan***

40. The procurement plan will be prepared according to the World Bank's "Template for A Summarized Procurement Plan" and will be updated as required at least once a year throughout the life of the project.

### ***Procurement arrangements***

41. *Good and Works.* The particular methods that may be used to procure goods and works are as follows:

- a. *International Competitive Bidding.* Except as otherwise provided in the next paragraph, goods and works will be procured on the basis of international competitive bidding (ICB).
- b. *Other methods of procurement of goods and works.* The following list specifies the other methods of procurement that may be used to procure goods and works. The procurement plan will specify the circumstances under which these methods may be used.
  - i. National competitive bidding (NCB)
  - ii. Shopping
  - iii. Direct contracting.

### *Schedule for Goods and Works*

42. Procurement of goods: Goods to be procured under the project are likely to include vehicles, IT equipment, office equipment, laboratory equipment, office furniture, and irrigation equipment. The procurement will be done using the World Bank's standard bidding documents for all international competitive bidding (ICB) contracts. National competitive bidding (NCB) documents, in accordance with Zambia's procurement regulations and with the exceptions listed above, may be used for contracts estimated to cost less than US\$2,000,000 equivalent per contract. Small value goods estimated to cost less than US\$100,000 per contract may be procured under the Shopping procedures based on comparing price quotations obtained from a minimum of three suppliers to ensure competitive prices as this is an appropriate method for procuring readily available off-the-shelf goods. Contracts with a cost estimate below US\$200,000 for motor vehicles may only be procured on the basis of the Shopping procurement method.

### *Consulting Services*

43. The particular methods to be used to procure consulting services are:
- c. *Quality and cost-based selection (QCBS)*. Except as otherwise provided in the paragraph below, consultants' services shall be procured on the basis of Quality and Cost-Based Selection.
  - d. *Other methods for procuring consultants' services*. The following selection methods may also be used to procure consultants' services. The procurement plan will specify the circumstances under which these methods may be used:
    - i. Quality-based selection (QBS)
    - ii. Selection based on the consultant's qualifications (CQS)
    - iii. Least-cost selection (LCS)
    - iv. Single-source selection for firms (SSS)
    - v. Individual consultants (IC)
    - vi. Single-source selection for IC (SSS).

### *Schedule for Consulting Services*

44. Selection of Consulting Services: Selection of consultants under the project will be carried out based on the provisions of the "Guidelines Selection and Employment of Consultants under IBRD Loans and IDA Credits & Grants by World Bank Borrowers dated January 2011, revised July 2014." The consulting services that are likely to be needed under the project include those for design, supervision, dispute resolution, the environmental assessments and safeguard study, and the financial, procurement, and technical audits. These contracting needs will be identified and included in the procurement plan, and contractors will be selected on the basis of methods that have been included in the approved procurement plan. These methods are also listed above. Shortlists of consultants for services that are estimated to cost less than US\$200,000 equivalent per contract may be comprised entirely of national consultants in accordance with the provisions of paragraph 2.7 of the World Bank's Consultant Guidelines. Engineering and contract management contracts with cost estimates of less than US\$300,000 may be comprised entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines. The procurement plan will indicate which contracts using CQS may not have shortlists comprised entirely of national firms. Terms of reference (TOR) for all consultancy contracts as

well as all single source selections, irrespective of the contract value, will be subject to prior review by the World Bank.

## Annex 4: Project Budget

### Zambia: Girls' Education and Women's Empowerment and Livelihoods Project

**Annex Table 4.1: Project Budget by Responsible Agency**

Disbursement Projections by Responsible Agency (in USD millions)							
	FY16	FY17	FY18	FY19	FY20	FY21	Total
MCDMCH	3.3	11.5	11.5	10.5	2.0	0.2	39.0
MGCD	0.2	0.2	0.2	0.2	0.2	0.0	1.0
MESVTEE	1.2	4.0	6.0	6.8	6.8	0.2	25.0
<b>TOTAL</b>	<b>4.7</b>	<b>15.7</b>	<b>17.7</b>	<b>17.5</b>	<b>9.0</b>	<b>0.4</b>	<b>65.0</b>

**Annex Table 4.2: Project Budget by Component**

#### Budget Component 1

Activity	Total Cost (US\$)	Expected Output	Contract Signing	Output Finalization
<i>Sub-component 1a: Adoption and Roll-out of the SWL</i>				
Productive grants for SWL beneficiaries	16,875,000	Increased access to income generating activities for targeted women	N/A	Recurrent (Two payments per beneficiary, timing to vary by community)
Fees for delivery of grant payment to beneficiaries	845,000	Beneficiary women receive grant payments	July 2016	Recurrent (Two payments per beneficiary, timing to vary by community)
Training of Trainers (ToT) workshop	2,651,000	Volunteers trained to provide life, business and savings trainings to beneficiaries	N/A	Recurrent (July 2016; July 2017; July 2018)
Printing of teaching and learning materials	448,300	Training materials for use by volunteers and beneficiaries printed and delivered to districts	April 2016	Recurrent (September 2016; September 2017; September 2018)
Training of beneficiaries in life, business and savings	1,172,000	Community training volunteers provide training and support to SWL beneficiaries	N/A	Recurrent (July-Feb 2016/7; July-Feb 2017/8; July-Feb 2018/9)
Training of beneficiaries in agri-business and other sector-specific topics	186,000	Line ministry staff mobilized to train beneficiaries in relevant areas of expertise	N/A	Recurrent (Sept-Feb 2016/7; Sept-Feb 2017/8; Sept-Feb 2018/9)
Provision of safe space for training and follow-up meetings	375,000	Safe spaces secured in each beneficiary community for training and follow-up meetings	N/A	Recurrent (September 2016; September 2017; September 2018)
Mobilization of SWL staff	2,091,150	Purchase of vehicles and associated fuel and maintenance costs to facilitate implementation and monitoring	March 2016	Continuous

Activity	Total Cost (US\$)	Expected Output	Contract Signing	Output Finalization
Development and operation of ICT-based system for beneficiary enrollment and regular program monitoring	331,300	Delivery of laptops and smartphones/tablets; cloud database; and credit for calls and data	March 2016	Continuous
Outreach to and education of SWL beneficiary communities to detail program eligibility and activities	93,750	Communities understand the SWL eligibility criteria and the activities that will be undertaken through this program	N/A	Recurrent (July 2016; July 2017; July 2018)
Enumeration of SWL beneficiaries	937,500	SWL beneficiaries mobilized and identified through transparent targeting mechanism as established in SWL POM	N/A	Recurrent (Aug/Sept 2016; Aug/Sept 2017; Aug/Sept 2018)
Information, education and communications outreach at local and national level	200,000	National and local awareness of the introduction and achievements of the SWL	N/A	Continuous
Launching and operation of GRS	735,000	GRSGRS operational through training, purchase of equipment, outreach campaigns and funding of staff	N/A	Continuous
Launching and operation of ICT-based learning tools	325,000	ICT-based learning facilitated through training and purchase of necessary equipment	July 2016	Recurrent (August 2016, August 2017, August 2018)
<b>Total Sub-component 1a</b>	<b>27,266,000</b>			
<b><i>Sub-component 1b:- Building National Implementation and Monitoring Capacity</i></b>				
Hiring of SWL manager	240,000	Program manager hired to oversee launching, implementation and monitoring of SWL	January 2016	January 2016
Hiring of SWL M&E officers	384,000	Two M&E officers hired to conduct regular monitoring of SWL	January 2016	January 2016
Hiring of SWL ICT officers	384,000	Two ICT officers hired to focus on ICT issues of SWL	January 2016	January 2016
Hiring of SWL program officers	600,000	Five program officers hired to coordinate SWL implementation at the district level	January 2016	January 2016
Hiring of SWL program accountants	144,000	Two program accountants hired, particularly with responsibility to facilitate payment of grants	January 2016	January 2016
Workshop for preparation of the Operations Manual	20,000	POM adopted by DCD to outline and guide all aspects of project cycle	N/A	March 2016
Technical assistance for the adoption and roll-out of the SWL, including:			January 2016	

<b>Activity</b>	<b>Total Cost (US\$)</b>	<b>Expected Output</b>	<b>Contract Signing</b>	<b>Output Finalization</b>
<i>Finalize SWL training curriculum</i>	30,000	<i>Consultations on, piloting of, revision of and adoption by DCD of curriculum</i>		<i>March 2016</i>
<i>Design of communications strategy for outreach in SWL communities, as well as for national awareness raising</i>	20,000	<i>Detailed strategy for outreach about and awareness raising on SWL</i>		<i>April 2016</i>
<i>Training of DCD staff on POM and training curriculum</i>	60,000	<i>DCD staff, including HQ, district officers and CDAs, familiar with POM and training materials, including responsibilities of staff in implementation and monitoring</i>		<i>Recurrent (April/May 2016; April/May 2017; April/May 2017)</i>
<i>Screening of community training volunteers</i>	30,000	<i>Community training volunteers assessed and screened for recruitment by DCD</i>		<i>Recurrent (June 2016; June 2017; June 2017)</i>
<i>Training of DCD staff on beneficiary enumeration and registration</i>	50,000	<i>DCD staff, including HQ, district officers and CDAs, capacitated to conduct enumeration and beneficiary identification in accordance with POM</i>		<i>Recurrent (August 2016; August 2017; August 2018)</i>
<i>Training of DCD staff on monitoring and reporting</i>	50,000	<i>DCD staff, including HQ, district officers and CDAs, understand and conduct their specific monitoring and reporting functions are outlined in the POM</i>		<i>Recurrent (August 2016; August 2017; August 2018)</i>
<i>Support for implementation of SWL activities</i>	180,000	<i>Technical assistance provided to support government in all aspects of implementation and monitoring of SWL</i>		<i>Recurrent (Sept-Feb 2016/7; Sept-Feb 2017/8; Sept-Feb 2018/9)</i>
<i>Annual review</i>	30,000	<i>Detailed review and recommendations for improvement of activities</i>		<i>Recurrent (March 2017; March 2018; March 2019)</i>
<i>Identification and hiring of district field officers</i>	837,000	<i>District field officers hired to support government implementation of SWL</i>		<i>Recurrent (April/May 2016; April/May 2017; April/May 2017)</i>
Training of HQ and district staff training prior to SWL activities	270,000	Hall rental, transportation, meals and materials for all SWL staff trainings	N/A	Recurrent (April-August 2016, 2017, 2018)
Design of and operational guidelines for targeting and identification of SWL beneficiaries	90,000	Targeting specialist hired to finalize targeting methodology, including operational guidelines	January 2016	March 2016 for initial design, plus estimated 60 days in subsequent SWL phases
Development of software and database for real-time registration of SWL beneficiaries and monitoring of activities	120,000	Firm hired to develop SWL MIS, purchase database equipment, and provide recurrent support for M&E through MIS	January 2016	March 2016 for initial design, plus estimated 60 days of annual follow-up
Development of strategy and tools for SWL GRS, and	120,000	Specialist hired to design the SWL GRS, including strategy for outreach and information	January 2016	March 2016 for initial design, plus estimated

Activity	Total Cost (US\$)	Expected Output	Contract Signing	Output Finalization
support to launch and operate the GRS		collection, identification of response and validation mechanism, and processes for remediation		60 days of annual follow-up
Capacity building of SWL staff in Bank procurement regulations and implementation	150,000	Bank-specialized procurement consultant hired to build SWL staff capacity to conduct procurement in accordance with World Bank guidelines	January 2016	Recurrent (estimated 6 months initial training and on-site support, plus 3 months annual follow-up)
Strategy for harmonization of MCDMCH empowerment/livelihood programs	60,000	Institutional specialist hired to review MCDMCH structures and support preparation of a strategy and implementation plan for their harmonization	June 2016	June 2017
Design and management of SWL impact evaluation	120,000	Principal investigator hired to manage and oversee design, implementation, analysis and writing of the SWL impact evaluation	March 2016	May 2016 for initial design, plus estimated 60 days of annual follow-up
Field missions for consultants	240,000	SWL consultants facilitated to conduct in-country activities as required throughout operations	N/A	Recurrent
Study tours to learn from international experience in the implementation of livelihood support programs	100,000	Relevant government staff facilitated to learn from countries that have successfully adopted innovative approaches to benefit delivery under related programs	N/A	TBD
Implementation evaluation and beneficiary satisfaction survey	200,000	Information of program implementation successes and bottlenecks and beneficiary satisfaction to inform decisions on design and implementation	January 2017	June 2017
Impact evaluation data collection	1,075,000	Households identified in control villages; baseline data collected; interviews conducted to collect data on program intervention and control comparison	June 2016	Recurrent (Aug/Sept 2016, 2017, 2018)
<b>Total Sub-component 1b</b>	<b>5,604,000</b>			
<b>Contingency</b>	<b>3,130,000</b>			
<b>Total Component 1</b>	<b>36,000,000</b>			

## Budget Component 2

Activity	Total Cost (US\$)	Expected Output	Contract Signing	Output Finalization
<b><i>Sub-component 2a: Secondary Education School Fees</i></b>				
Secondary Education Fees for Adolescents Girls	22,000,000	Adolescent girls in extremely poor households in selected districts of the SCTS programme get access to secondary education	N/A	Transfers made per term
<b>Total Sub-component 2a</b>	<b>22,000,000</b>			
<b><i>Sub-component 2b: System Strengthening and Consolidation</i></b>				
Training Plan for MESVTEE to implement the Keeping Girls in School initiative	40,000	Capacity built on policy development, M&E, SR and MIS	Mar. 2016	May.2016
Training of staff as per the training plan	135,000	Staff trained in various areas as per training plan	Jun .2016	Dec. 2019
Development of Keeping Girls in School Information System Module: Enrollment, Payments, Case Management and M&E, including interface with SCTS	300,000	MIS module for KGI in the MESVTEE with links to SCTS MIS functional (to support each of the key processes of the KGI programme operating cycle).	Sep. 2015	Nov. 2016
Training of the primary users of the Keeping Girls in School Information System Module	25,000	Training on the new MIS module to create a smooth transition in practice from non MIS environment to the new MIS	Dec. 2015	Dec.2015
Assessment for the identification of technological innovations feasible in Zambia to capture and process real-time information in the field for Keeping Girls in School.	45,000	Identification of technological innovations to capture and process real-time information (targeting questionnaire, M&E forms, etc.. ) in the field. Use of mobile devices: tablets, phones, etc.	Sep. 2015	Dec.2015
Development of the software to capture real-time information in the field for Keeping Girls in School	150,000	Software to capture real-time information for KGI developed	Nov.2015	Feb.2016
Field test of real time data collection and processing and training of MESVTEE staff to use it.	50,000	Software and hardware tested and improvements resulting from the testing process implemented.	Mar. 2016	May.2016
Hand held devices for the Implementation of the model to capture real-time information in the field.	60,000	Hardware acquired in accordance with the technical specifications ( <i>contract could be combined with IT equipment below</i> )	Jan. 2016	Feb. 2015
Development of a beneficiary awareness strategy and material for Keeping Girls in School for secondary schools and eligible households	50,000	Awareness created amonth secondary schools and eligible households. This work needs to be closely developed with MESVTEE and Department of Social Welfare	Sep. 2015	Sep. 2015
Implementation of the beneficiary awareness strategy	300,000	Households informed about their pre-selection to be part of program and trained regarding the program's objectives and their rights, obligations and responsibilities. Costs will include training of communicators, awareness sessions, printing of information material etc.	Oct. 2015-2019	Dec. 2015-2019

Regular monitoring of enrollment and attendance for Adolescent Girls in KGS initiative	400,000	Households enrolled in the program / Households Information updated in the database. Including spot checks	Dec. 2015 - Dec. 2019	Feb. 2016-2019
Design of Complaints & Grievance Mechanism for the Keeping Girls in School Initiative	200,000	Complaints & Grievance Mechanism in place.	Jan. 2016	Mar. 2016
Implementation of the complaints & grievance mechanism	150,000	Mechanism for handling complaints and claims of citizens regarding any step of the operational cycle of the program, as well as the strategy for households information updates implemented.	Apr. 2016	Dec. 2020
External M&E including spot checks, process assessment, beneficiary satisfaction & tracking survey.	300,000	External M&E activities implemented, including 1 year overall design and process implementation evaluation	June. 2016	Sep. 2020
IT Equipment (including computers and other IT equipment)	100,000	IT equipment purchased to implement Keeping Girls in School efficiently	Jan. 2016	Mar. 2016
Vehicles for selected districts	250,000	Vehicles purchased to implement Keeping Girls in School efficiently	Jan. 2016	Mar. 2016
Technical assistance to harmonize existing bursary schemes, including assessment, strategy and action plan.	60,000	Proposal for harmonization of secondary school bursary schemes	Sep. 2016	Dec. 2016
Workshops and consultations for the action plan under 18.	20,000	Strategy discussed and agreed.	Feb. 2017	Feb. 2017
Support to implement the action plan to harmonize existing secondary school support schemes	51,000	Support development of operations manual and other activities identified in the action plan.	Mar. 2017	Dec. 2017
South-south exchange on Keeping Girls in School initiative.	70,000	Staff to learn from similar programs elsewhere to contribute on the implementation of best practices in the program.	Mar. 2016	Dec. 2016
Other technical assistance needed for the Keeping Girls in School Initiative	120,000	Other consultants as needed to provide technical assistance to the Keeping Girls in School Initiative	Sep. 2015	Sep. 2020
Sharing of lessons learned between district officers	124,000	Lessons shared between district officers on the KGI initiative	Jun. 2016	Sep. 2020
<b>TOTAL Subcomponent 2b</b>	<b>3,000,000</b>			
<b><i>Subcomponent 2c: - System Strengthening for MCDMCH to support Keeping Girls in School Initiative</i></b>				
Support to the DSW in MCDMCH for Keeping Girls in School beneficiary selection process (including temporary staff support etc.) for updating household data and awareness raising	400,000	Beneficiaries of the Keeping Girls in School Initiative have been selected.	Oct. 2015	TBC
Follow up by DSW in MCDMCH for Keeping Girls in School where girls have dropped out of school	380,000	Reasons for girls dropping out of school identified, and case management protocols followed	N/A	N/A
<b>TOTAL Subcomponent 2c</b>	<b>780,000</b>			
<b>Total Component 2</b>	<b>25,780,000</b>			

### Budget Component 3

Activity	Total Cost (US\$)	Expected Output	Contract Signing	Output Finalization
<b><i>Sub-component 3a: Institutional strengthening and System Building in the MGCD</i></b>				
Support for the development of a monitoring framework for MGCD for measuring progress and results of programs impacting on women at sectoral and national level	50,000	Monitoring framework developed for MGCD	Oct. 2015	Dec. 2016
Development of software for a monitoring and evaluation system in MGCD	100,000	Software and database developed	Jun. 2016	Dec. 2016
Setting up IT infrastructure for M&E in MGCD	100,000	IT Infrastructure (Hardware - Software - Networking) Implemented, with skills transferred to MGCD staff	Jun. 2016	Dec. 2016
Training of the primary users of the monitoring and evaluation system in MGCD	50,000	Primary users trained in implementing the M&E system	Sept. 2016	Mar. 2017
Support for competency-based training in co-ordination skills, gender analysis and gender mainstreaming for senior and middle-level staff in MGCD	90,000	Competency based training in co-ordination skills, gender analysis and gender mainstreaming	Jun. 2016	Dec. 2019
Learning exchange on empowerment programs	70,000	Staff have benefited from opportunities to share knowledge, skills and expertise to contribute to the implementation of best practices in the program.	Mar. 2016	May. 2016
Short-course local training of staff in M&E	4,000	Staff trained locally in M&E	Jan. 2016	Jun. 2016
Regional staff training in impact evaluation	28,000	Staff trained in project evaluation	Jan. 2016	Dec. 2016
Training of at least 10 district gender sub-committees per province in all 10 provinces in national provincial centers	45,000	Training provided to 150 district gender sub-committees nationally	Jan. 2016	Dec. 2017
Venue for training	20,000	Venues provided for training to gender sub-committees	Jan. 2016	Dec. 2017
Utility vehicle for provincial training, monitoring and evaluation	50,000	Vehicle acquired	Nov. 2015	Feb. 2016
Secretariat operating costs	250,000	Transport, stationery, meetings costs	Sep. 2015	Sep. 2020
Technical assistance to the National Secretariat for project management	143,000	Technical assistance provided as necessary	Sep. 2015	Sep. 2020
<b>Total Sub-component 3a</b>	<b>1,000,000</b>			
Activity	Total Cost (US\$)	Expected Output	Contract Signing	Output Finalization
<b><i>Sub-component 3b: Institutional strengthening and System Building in the MCDMCH</i></b>				
Technical assistance for MCDMCH in developing its monitoring and evaluation framework and implementing its M&E system	200,000	M&E framework development and system implemented, with transfer of skills to MCDMCH staff	Oct. 2015	Dec. 2016

Enhancement of MIS/SRB with additional development, adaptation and populated with initial data, including from Supporting Women's Livelihoods and Keeping Girls in School components	500,000	SRB adapted further as necessary, and populated with initial data	Oct. 2015	TBC
Update the training strategy for MCDMCH staff in M&E and develop a strategy for capacity development in policy analysis	20,000	Strategy developed for capacity development in M&E and policy analysis	Mar. 2016	May.2016
Training and support for capacity development in line with training strategy for senior, middle-level and operational staff in MCDMCH	90,000	Staff with the ability to develop operational business strategies, formulate and execute strategic plans to meet objectives, apply strategy planning processes at the organizational and department level and Implement strategies to deliver results	Jun .2016	Dec. 2019
Updating and documenting the policies, processes and procedures (Operations Manuals) for key programs to be linked to the Single Registry	100,000	Operations manuals updated and program's business rules and processes re-designed. <i>Support will be provided in 2015 (under RSR trust fund), but this support is for new programs to be linked to the SR (a pre-requisite for programs to be linked to SR is having these procedures and automated MIS)</i>	Feb. 2016	Apr. 2016
Setting up of IT Infrastructure to implement a comprehensive information systems infrastructure to support the business and functional processes of the MCDMCH (Hardware - Software - Networking), especially at District and Provincial levels	400,000	IT Infrastructure (Hardware - Software - Networking) implemented at selected sites at national, provincial and district level	Aug. 2016	Jan.2017
Assessment of available and feasible options to carry out a process of identifying unique beneficiaries, such as the possibility of working with the Ministry of Home Affairs to issue NRC cards to project beneficiaries, or biometric technologies.	50,000	Assessment of options for identifying beneficiaries undertaken	Aug. 2016	Nov. 2016
Hardware to support the implementation of unique identification solution	100,000	Hardware acquired in accordance with the technical specifications	Jan. 2017	May. 2017
Software to support the implementation of unique identification solution	50,000	Software developed and installed in accordance with the technical specifications	Jan. 2017	May. 2017
Training of the primary users of the unique identification solution	10,000	Trained staff on the use of the hardware and software for the identification solution	May. 2017	Aug. 2017
Inventory of existing complementary activities mapped and captured in a database for reference and referral for sharing across Ministries	40,000	Inventory of complementary activities mapped and captured in a database for sharing across Ministries	Jan, 2016	Sept. 2016
Design and Implementation of the software to capture real-time information in the field and identification of people for the SRB	150,000	Software developed and implemented to capture real time information	Mar. 2016	Sept. 2016

Procurement of Devices for the Implementation of the model to capture real-time information on the field and identification of people.	60,000	Hardware acquired in accordance with the technical specifications	May. 2016	Sept. 2016
Field test of real time data collection and processing	50,000	Software and hardware tested and improvements resulting from the testing process implemented.	Oct. 2016	Dec. 2016
Support to the National Social Protection Co-ordination Unit, including communications materials for building awareness of national social protection activities	165,000	National Co-ordination Unit established and functioning, with improved co-ordination and communication between relevant roleplayers	Oct. 2016	Dec. 2017
Development of a strategy for capturing emerging lessons and documenting good practice in implementation of empowerment and social protection programs	15,000	Strategy developed for improvement knowledge management and lessons shared within and between provinces	Jan. 2016	Jun. 2016
Implementation of the strategy through communication, information sharing and documentation activities across provincial and district co-ordination structures	185,000	Sub-national institutional strengthening through improved reflection on emerging lessons, documentation and communication of learning emerging lessons	Jul. 2016	Dec. 2017
South-south exchange on social protection policy and implementation issues.	35,000	Staff benefitted from opportunities to share knowledge, skills and expertise to contribute to the implementation of best practices relevant to SP programs	Mar. 2016	May. 2016
<b>Total Su-component 3b</b>	<b>2,220,000</b>			
<b>Total Component 3</b>	<b>3,220,000</b>			

## Annex 5: Economic Analysis

### Zambia: Girls' Education and Women's Empowerment and Livelihoods Project

1. The Rural Women's Empowerment Project has two components that are expected to impact directly on beneficiaries' outcomes: Supporting Women's Livelihoods and Keeping Girls in School. Neither component lends itself to traditional cost-benefit analysis, as the benefits are wide-ranging and there is limited evidence to indicate, *ex ante*, the anticipated effect sizes. The analysis in this section will make use of the best evidence available from the literature to prospectively compare the costs and benefits of each component. For this purpose, the benefits are defined as the expected increase in earnings as a result of program participation.

#### A. Method

2. For each component, the methodological approach starts with an estimation of program costs per beneficiary. The costs are defined as the average total expenses per beneficiary including administration costs. For the education component, where the outlay of expenditures occurs over one to four years, we use the present value of the entire series of expenditures. For the SWL component, all costs are incurred in year zero.

3. Second, the expected benefits of the program to the beneficiary are computed, taking the estimated baseline earnings of participants and simulating the anticipated increase in earnings resulting from the intervention. The hypothesized percent increase in earnings is derived from the best available experimental evidence, or the most credible econometric estimations of impact where no experimental evidence exists. For the SWL component we consulted the emerging experimental literature on the returns to training and livelihood programs in Africa. For the education component we consulted the extensive experimental and quasi-experimental literature on the returns to education. We assume that the percent increase is compounded with each additional year of education. For both components we assume that the increase in earnings is sustained at the same level for 5 to 7 years after program completion.

4. For this second step, an estimate of the average baseline earnings of participants was obtained using LCMS 2010 data.<sup>45</sup> Among the target population for this project, namely girls and women from households that fall below the extreme poverty line of 96,366 KW, very few individuals report any earned non-farm income. As a result, taking the average earnings over all eligible individuals (including those with no earnings) yields an implausibly low level of earnings. For the SWL component, we resolve this by using the average nonfarm individual income for those individuals that report an income plus the household's farm income.<sup>46</sup> For the education component, on the other hand, we use the average individual non-farm earnings of all women age 19-64 who have fewer than 8 years of schooling and who report an income.

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<sup>45</sup> Zambia's National Living Conditions Measurement Survey

<sup>46</sup> The justification for this is that most women who will participate in this component are primarily engaged in agricultural activities, which the project will promote. The LCMS data does not include individual agricultural earnings, which would anyway likely underreport women's earnings since women often do not control the crop sales of the household. Hence, the inclusion of the household's total farm income is the only way to account for the bulk of most rural household's income.

5. In the third and final step, we compute the net present value of the investment in each beneficiary by comparing the estimated program cost to the projected earnings of the beneficiary. To obtain the projected earnings, we apply the hypothesized percent increase in earnings to the average baseline earnings of the population, assuming that all beneficiaries experience the same increase on earnings. It is also assumed that the increase in earnings persists at the same level throughout the working life of the beneficiary. The results in terms of the number of years required to recoup the initial investment in the beneficiary are presented below.

## B. Component 1- Supporting Women’s Livelihoods

6. Estimating the ex-ante return to a livelihood training program is not straightforward. The program has several elements, including training, cash grants, support for savings, and follow-up that will be delivered as a bundle for an estimated unit cost of US\$400. There have been many experimental evaluations of women’s livelihoods support interventions which serve as a starting point and provide estimates of the potential benefits of this component. Annex Table 5.1 presents some of the evidence reviewed.

**Annex Table 5.1: Experimental Evaluations of Women’s Livelihood Support Interventions**

Country, Program and Evaluation Period	Beneficiaries eligibility	Principal Intervention(s)	Number of Beneficiaries	Cost per beneficiary (US\$)	Impact on Outcomes of Interest
1. UGANDA Women’s Income Generating Support 2009-2012	Poor young women (86% women)	Business skills training, start-up grant of \$150, follow-up by community workers	1,800 beneficiaries	-	<b>Doubled cash earnings (98%);</b> increased household consumption by 33%.
2. UGANDA Youth Opportunities Program (YOP) 2008-2013	Young adults 16-35	Unconditional cash grant (averaging \$382 per member); no follow-up	2,675 individuals	382	Beneficiaries had 41% higher income; <b>effects stronger for women (73% vs. 29% higher incomes).</b>
3. UGANDA ELA Program 2008-2010***	Girls aged 14-20	Vocational, business, and life skills training, led by peer mentors	150 communities, 100 in the treatment group and 50 in the control group.	87	Increased participation in IGAs by 72% and <b>raised income by 41%</b> ; teen pregnancy fell by 26% and early marriage fell by 58%.
4. LIBERIA Adolescent Girls	Women 16-27 years old with basic	Vocational, business, life skills training,	1273 trainees	1221	Increased employment by 47 percent and

Country, Program and Evaluation Period	Beneficiaries eligibility	Principal Intervention(s)	Number of Beneficiaries	Cost per beneficiary (US\$)	Impact on Outcomes of Interest
Employment Program (EPAG) 2010-2011***	literacy and numeracy skills, currently not in school	follow-up support by professionals			<b>earnings by 80 percent;</b> benefits larger for business skills training.
5. GHANA Grants to entrepreneur 2008-2010	Male and female entrepreneurs in Accra	Grants of \$120 either in cash or in-kind	793 firms (479 females and 314 males)	120	No gain in profits for women with subsistence business; In-kind grants had impact only for women with larger firms.

7. The expected outcomes of the Supporting Women's Livelihoods are increased participation in income-generating activities and improved earnings. The primary income-generating activities that the program will support are expected to be agricultural in nature, including crop farming, livestock rearing, and selling of cash crops (e.g., groundnuts) in local markets. These activities benefit the entire household and, particularly with crop farming, the income does not accrue solely to the female beneficiary. Hence the baseline earnings of participants are estimated in two ways: individual non-farm income and household total farm income.

**Annex Table 5.2: SWL Assumptions**

Assumptions	
Cost per beneficiary	US\$400, or 2544 Kw (2014)*
Length of intervention	7 months
Coverage	51 districts total, using a phased approach
Number of beneficiaries	85,000
Exchange rate	US\$1 = 6.36 Kw
Discount Rate	3%
Hypothesized increase in earnings	10%, 40%, 80%
<i>Eligibility Criteria (at the household level):</i>	
Extreme Poverty	
Dependency ratio < 3	
Household includes at least 1 woman age 19-64 who can work	
Household headed by woman	

Note: \*All amounts reflected in 2014 kwacha. Figures from the LCMS 2010 were rebased (divided by 1000) and adjusted for inflation to reflect 2014 Kwacha

8. The results of the analysis are presented in Annex Table 5.3. They indicate that even with a modest 10 percent increase in income that is sustained and the more conservative measure of

baseline earnings, the investment in each woman is recouped within seven years. More optimistic estimates, which are in line with those reported in recent experimental impact evaluations in Africa shown in Annex Table 5.1, lead to a much faster recovery of costs.

**Annex Table 5.3: Years to Recover Supporting Women’s Livelihoods Cost, per person**

	<b>Individual Non-Farm Income of Eligible Women</b>	<b>Average Farm Income of Eligible Households</b>
<b>Average Annual Income at baseline (2014 Kw)*</b>	4,284	10,060
<b>Hypothesized increase in earnings</b>	<b>Years to Recover Individual Cost of Program</b>	
<b>10%</b>	6.64	2.67
<b>40%</b>	1.54	0.65
<b>80%</b>	0.76	0.32

*Source:* World Bank calculation based on 2010 LCMS

*Note:* \*Amounts reflected in 2014 kwacha. Figures from the LCMS 2010 were rebased (divided by 1000) and adjusted for inflation to reflect 2014 Kwacha

9. It is important to consider that there are benefits associated to the livelihood training component that are difficult to monetize. Among these are the positive impact on education, nutrition and sanitation that increased earnings can bring to beneficiary households.

### **C. Component 2: Keeping Girls in School**

10. For this component, the primary method for estimating the return on investment is to compare the cost of the education grants with the net present value of the future earnings of beneficiaries, based on experimental evidence on the return to an additional year of schooling (summarized in Annex Table 5.4). We assume that without the education grant, the beneficiary would not attend secondary school. In other words, each year of schooling paid for by the project induces an extra year of schooling for the participant. Although this is a big assumption, the lack of experimental evidence on the additional years of schooling gained due to a four-year bursary or scholarship program limits our ability to provide a credible assumption of how many extra years of education will result from this component.<sup>47</sup>

**Annex Table 5.4: Review of Evidence on Returns to Education**

<b>Study</b>	<b>Country</b>	<b>Estimated Return to Education</b>
<b>Psacharopoulos &amp; Patrinos (2004)</b>	International meta-analysis	15-25% for an extra year of secondary
<b>Arne Bigsten et al (2000)</b>	Zambia	16% return to secondary
<b>Mphuka and Simumba (2012)</b>	Zambia	Return to one additional year of education:

<sup>47</sup> There are some experimental estimates from conditional cash transfer (CCT) programs. However, since the small amount of CCT payments provides very small incentives, they cannot be considered to be comparable to this program, which offers a much more financial support to the households.

13.3% for men  
16.7% for women

**Annex Table 5.5: Keeping Girls in School Component - Assumptions**

Assumptions	
Annual school fees	
Day School	1500 Kw
Boarding school	3000 Kw
Administration Cost	10%
Length of intervention	1 to 4 years, depending on grade of girl upon entry to program
Coverage	Selected districts already participating in SCTS
Number of beneficiaries	14,000
Exchange rate	US\$1 = 6.36 Kw
Discount Rate	3%
Return to each additional year of secondary schooling	15%
Baseline income: Average Annual income of working women with less than 8 years of schooling *	4500 Kw

Note: \*2014 kwacha. Figures from the LCMS 2010 were rebased (divided by 1000) and adjusted for inflation to reflect 2014 Kwacha

11. The results of the analysis are presented in Annex Table 5.6. These indicate that the investment in each girl, including administration costs, is recouped through her increased earnings potential within 2 to 3 years for day school and 4 to 5 years for boarding school. Considering that each additional year of schooling increases the earning potential, the most cost-effective results are obtained for those girls who are support for the full four years of the project's lifespan.

**Annex Table 5.6: Years to Recover Cost of Keeping Girls in School Component, Per Person**

Years of schooling support received	Day School		Boarding School	
	Cost	Years to recover Cost	Cost	Years to recover Cost
1	1650	2.68	3300	1.99
2	3300	2.52	6600	1.83
3	4950	2.37	9900	1.68
4	6600	2.23	13200	1.54

Source: World Bank calculation based on 2010 LCMS

12. Finally, we also apply a secondary method for analyzing the benefits of the education grant. We construct an education-earnings profile using the LCMS data that shows the average earnings of women age 19-64 who have completed no, some, or all of secondary school. A simple difference between those who have completed versus those who have no secondary is an alternative estimate of the anticipated increase in earnings. Although such a cross-sectional estimate is well-known to suffer from selection bias (many factors other than schooling contribute to the higher earnings of a secondary school graduate), it serves as a useful upper bound of the potential increase in earnings from completing secondary school. The education earnings profile is shown in Annex Table 5.7.

**Annex Table 5.7: Non-farm Earnings by Educational Level, Women 19-64 years old**

<b>Women 19 to 64</b>	<b>No Secondary</b>	<b>Some Secondary</b>	<b>Completed Secondary</b>
Average annual non-farm Income (includes zeros)	812	2,761	4,691
Average annual non-farm Income (only nonzero entries)	4,471	10,097	15,517
% of nonzero entries	18.17%	27.34%	30.23%

13. The benefits of keeping adolescent girls in school extend well beyond the anticipated gains in young women’s future earnings. Though difficult to measure in economic terms, investments in girls’ education yield many indirect benefits that accrue to the girl, her future children, and her society. Improvements in girls’ education have a particularly strong and well-documented impact on adolescent sexual and reproductive health outcomes. Several randomized controlled trials have documented reductions in adolescent fertility and sexually-transmitted infections as a result of increased schooling, particularly at the secondary level.<sup>48</sup> In fact, a recent review of the most effective ways to reduce adolescent fertility concluded that supporting girls’ education is the intervention that is most supported by the evidence to-date.<sup>49</sup> Having fewer children, combined with the mother’s increased education and earning potential, allows families to invest more in the human capital of each child, resulting in lower child mortality and better health and education outcomes. This in turn can reduce the intergenerational transmission of poverty.

#### **D. Rationale for Public Sector Financing and World Bank involvement**

14. The rationale behind public intervention through this Project is three-fold: (i) high inequality despite rapid growth; (ii) existence of human capital externalities among poor women; and (iii) limited economic opportunities for women, which could lead to sub-optimal productivity levels. First, Zambia is a country whose growth is driven by mineral revenues, mainly from copper. International experience shows that without strong social protection systems, this type of growth is not often inclusive. Zambia’s own experience is illustrative: in the past decade, despite rapid growth, the country has witnessed increasing levels of inequality and poverty reduction has been stagnant, particularly in rural areas where most of the poor live. Second, the spillovers associated with human capital investments imply that Zambia’s low levels of human capital, particularly among poor women and adolescent girls, are likely to be sub-optimal without public intervention. This under-investment in human capital, particularly for women and adolescent girls, is manifested most starkly by the country’s poor outcomes in nutrition, health, early childbearing and school dropout rate and completion rates, indicators which are strongly correlated with poverty. Similarly, the poorest quintile of the population derives more than half of its income from agriculture and more than half of women in rural areas are unpaid family workers, with limited opportunities to

<sup>48</sup> Baird et al. (2012). “Effect of a Cash Transfer Programme for Schooling on Prevalence of HIV and Herpes Simplex type 2 in Malawi: A Cluster Randomised Trial.” *Lancet*: 379(9823):1320-9; Alam et al. (2010). “Does Cash for School Influence Young Women’s Behavior in the Longer Term?” *The World Bank Policy Research Working Paper* 5669.; Duflo et al. (2014). “Education, HIV, and Early Fertility: Experimental Evidence from Kenya.”

<sup>49</sup> McQueston, K., Silverman, R., & Glassman, A. (2012). Adolescent fertility in low-and middle-income countries: effects and solutions. *Center for Global Development Working Paper*, 295.

improve their productivity or enter non-farm activities. These productivity levels are likely to be below the optimum, further inhibiting the country's growth potential in the absence of public intervention.

15. The World Bank brings value added to the proposed Project through its expertise in the design and implementation of large-scale education and livelihood programs for girls and women in Africa as well as in other regions. In particular, the World Bank brings expertise in developing the instruments and tools required to operationalize scale up of large safety net programs, monitor them adequately, and to set up the necessary institutional coordination mechanisms necessary to adequately link beneficiary households to a package of services. The World Bank has extensive experience in helping countries adopt reforms that coalesce fragmented social interventions into integrated social protection systems.

16. In addition, the World Bank has built specific expertise in implementing and rigorously evaluating adolescent girls' programs through the Adolescent Girls Initiative (AGI) and other women's employment and livelihood programs through the Africa Gender Innovation Lab. Experience in this type of rigorous evaluation is particularly salient for the SWL component, which involves rolling out a new program and rapidly taking it to scale. For this component, it will be essential for the Government to gain credible evidence on the most cost-effective interventions to create sustainable improvements in living standards. The World Bank's global knowledge and evidence base is uniquely poised to support the Government in this endeavor.

## **Annex 6: Impact Evaluation**

### **Zambia: Girls' Education and Women's Empowerment and Livelihoods Project**

1. The project will include a rigorous impact evaluation of Component 1: Supporting Women's Livelihoods (SWL). Through the adoption and roll-out of the SWL, Component 1 supports women in extremely poor rural households to sustainably increase their earnings and engage in economically productive activities. The decision to include impact evaluation only for Component 1 was based on the relative complexity and riskiness of Component 1 relative to Component 2: Keeping Girls in School and hence a greater need to test and verify its impact.

2. In light of the substantial investment of time and resources involved, there are three reasons why an impact evaluation of the SWL makes sense. First, the program, implemented by the MCDMCH, will involve a substantial shift from relatively small-scale and narrow programs with limited evidence of success to a large-scale comprehensive intervention within a short time frame. In this context, developing credible evidence on the project's impact and especially its cost effectiveness is critical. An investment on this scale over a four year period necessitates the generation of evidence that can inform future policymaking and continued scale-up of the program after the project period

3. Second, the program is quite innovative, both in content and delivery. Combining skills, capital, savings and mentorship to address the multiple constraints to income generation among the poorest women is already challenging. Using government structures to deliver such a program with the support of volunteers and limited NGO technical assistance is groundbreaking. It is not yet known whether this package and these delivery mechanisms will work. Impact evaluation provides an opportunity to test operationally relevant trade-offs in program design, such as the appropriate duration and frequency of follow-up support. Third, the inclusion of a rigorous evaluation is particularly salient given that evidence on the impact of women's livelihood and business training programs is still scarce and impact evaluations conducted so far provide mixed results. This project will therefore contribute to a still nascent global evidence base on livelihood support for the poorest of the poor.

4. The methodology for the impact evaluation will be jointly designed by the World Bank team, MCDMCH, and one or more external researchers, based on a set of mutually agreed learning objectives. The impact evaluation is expected to start in the second phase of SWL implementation, as the first phase is a chance for the program to cut its teeth and work out bottlenecks in intervention design and delivery. Starting the evaluation in the second phase ensures that the program is up and running smoothly before evaluating its impact.

5. The evaluation will have an experimental design, involving random selection of beneficiaries and a control group of non-beneficiaries. The use of a randomized controlled trial is the gold standard in evaluating social programs and has been used successfully in many programs in Zambia, most notably the Government's SCTS. Given the large scale envisaged for the program (75,000 beneficiaries over three phases of implementation) the impact evaluation will be limited to a small subset of communities where it will be implemented. The randomization will be conducted at the level of wards or villages, after a poverty screen has been used to select a sample frame of eligible wards/ villages. The precise number of wards/villages and respondents for the

impact evaluation will be determined based on power calculations once the evaluation design has been finalized.

6. The impact evaluation will test not only the full package of services under SWL, but also different combinations of those interventions using multiple treatment arms. Communities will be randomly assigned to either a control group or to one of several treatment arms which will determine the package of services to be delivered to the beneficiaries in that community. The impact evaluation will be designed jointly with the Government and summarized in a concept note before any data collection activities are started. The evaluation is expected to include a baseline survey and at least two rounds of follow-up surveys, to measure short and longer-term outcomes on participants and their households.

7. The impact evaluation will measure a number of indicators to track the direct and indirect effects of the SWL on the lives of beneficiaries and their households. The key outcomes that are expected to be directly impacted by the program are listed below.

**Annex Table 6.1: Key Outcome Indicators**

Indicator	Description
Participation in income-generating activities	The SWL is predicated on the assumption that women will combine the life and business skills acquired through training and use those in combination with the physical inputs that they have acquired with the program grants to engage in more productive activities. This indicator tracks the percent of participants who engage in one or more activities to earn income.
Average earnings of participants	This indicator will measure to what extent the amount of earnings increases after women participate in the program, with the understanding that not all participants will earn cash income.
Agricultural productivity of participants' households	As the main livelihood activity of participants is expected to be crop farming, the impact evaluation will measure agricultural productivity, either through crop yields or income from sales, as a second key outcome indicator. This outcome measured at the household level, can capture productivity gains that do not necessarily result in a direct increase in the income earned by participants.

## **Annex 7: Gender Assessment**

### **Zambia: Girls' Education and Women's Empowerment and Livelihoods Project**

#### **A. Scope and Objective**

1. This Gender Assessment<sup>50</sup> was conducted to inform the design of the Zambia Women's Empowerment Project. This Assessment provides a detailed description of the main livelihood activities among extremely poor women in rural Zambia and the constraints to productive self-employment. The research applied qualitative techniques (one-on-one Semi-Structured Interviews and Focus Group Discussions (FGD)) to elicit in-depth descriptions of women's experiences and constraints in their own words. The research was conducted in two rural districts of Zambia, Kalomo in the Southern Province, and Luangwa in the Lusaka Province.

2. The research provides a detailed description of women's daily activities (including their economic activities as well as unpaid work), their roles and participation in household decision-making, their access to and control of assets, and their perceptions of constraints and avenues to improved livelihoods. The sample for this study matches the intended target group for the GEWEL Project, that is, extremely poor women who are not labor constrained. Additionally, FGDs among current female recipients of the SCTS were conducted to understand how the money is used in the household, whether and how the money affects household dynamics and decision-making, participation and investments in income-generating activities, and women's overall welfare.

#### **B. Findings**

3. Women's livelihood strategies fall into three main categories: (a) subsistence farming; (b) small-scale business activity, including the selling of produce; the rearing and selling of livestock; selling fish; brewing and selling beer; selling charcoal; and (c) providing services for other households, including "piecework," such as farming assistance on larger farms usually for cash, but on occasion for in-kind payments in maize or other goods. Typically, women's farming activities focus on meeting basic consumption needs and possibly yield minor profit; they are not productive enough to sustain the viable agribusinesses to which many women aspire. The problems that women face in their business endeavors include the following seven constraints:

(i) Low harvest. Women acknowledged the difficulty they face in producing sufficient crop yield, both for consumption and for a marketable surplus. The challenges to producing sufficient harvest include poor soil nutrient depletion, cost of fertilizer, intrusive animals, and weather conditions such as drought.

(ii) Lack of productive inputs. For many women in Kalomo, a lack of fertilizer is a major constraint; however, in Luangwa, women reported fertilizer is a less desirable good. But, in both districts, it is expensive and not all women can afford it, or afford enough of it.

(iii) Lack of productive assets. At the time of the interviews, livestock ownership among interviewed women was rare. Many women had, however, experienced premature death of

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<sup>50</sup> Michelle Poulin (2015), *Gender Assessment, Rural Zambia: A Qualitative Inquiry*, March.

previously owned livestock. Livestock is highly valued yet expensive, and all women aspired to buy some (or more if currently owned). Desired livestock are primarily chicken and goats, but also pigs and, to a lesser extent, cattle.

(iv) Inability to access credit and inability to save. Women are reluctant to use local credit services and have limited savings. They cited poverty as the key constraint in both areas and had related concerns of an inability to pay back creditors. All women interviewed were familiar with rotating savings groups or clubs, locally known as *chilimba*. The perceived value of *chilimba* varies but hesitation to participate comes from a lack of trust (as well as poverty constraints).

(v) Costs of travel to expanded markets. For many women, the requirements of time and money for traveling to expanded markets in Livingstone or Lusaka are high.

(vi) Unpredicted risks. An unexpected illness in the family often derails business or attempts at business. This is a constraint faced by women but not by men, as women bear primary responsibility as caregivers for the sick. Also, in Luangwa, many women identified selling dried fish as risky because of the potential for the fish to spoil before drying. Women suffer from a lack of insurance, so that when they experience an economic setback they are unable to fall back upon a safety net.

(vii) Lack of proper business papers. Not having the proper business papers for selling goats or selling fish can result in a fine from the police.

4. Several constraints that are often assumed to impact women's livelihoods negatively can be rejected by the qualitative data:

(i) Time spent on unpaid work does not appear to be a binding constraint to women's economic participation. It is however possible that women do not see childcare as a constraint because they are accustomed to integrating childcare within their daily activities. Likewise, women do not perceive their household duties as unduly time constraining or as an impediment to their economic activities. Women are severely time-constrained, but mainly by time spent on their livelihood activities.

(ii) Lack of bargaining power within the household and lack of spousal support for women's economic activities do not appear to be generalized problems. Women often report having decision-making power over what happens in their household, including the allocation of cash and farming decisions. Those who do experience spousal resistance report that the problems are related to a husband's drinking.

(iii) Access to land is not a constraint to women's livelihoods in this setting. Many women own their own plots or report having access to land.

5. Findings are heterogeneous across settings and age groups. The demand for fertilizer, increased crop yields, and interest in fishing businesses varied across the districts and the age of the women. Many of the older, widowed women in this study no longer farm and rely on SCTS benefits.

6. The women who receive SCTS benefits in this study reported great enthusiasm and gratitude for their participation in the program. Because most beneficiaries are older and no longer able to work, the money is mainly used for food and basic household items. Recipients also use the transfers to pay for school fees either for their own children or for their grandchildren, as well as to hire farm labor. Very few SCTS recipients reported that the money received causes problems in their families or communities. The main concern recipients reported having with the SCTS program is around the inconsistent timing of the transfer, making it difficult for the women to plan for spending and to save.

### **C. Methodology**

7. Two samples of women were drawn for this assessment. One sample consisted of SCTS beneficiaries, and the second was of women in extremely poor households who do not participate in SCTS. To select for the latter, the targeting procedure closely approximated the anticipated targeting procedure of the GEWEL project, an enumeration process based on the Government of Zambia's SCTS new targeting guidelines, to be implemented in newly added districts. While women in SCTS reside in labor-dependent households, however, women included in the GEWEL Project will have a low labor-dependency ratio (no more than three), and the targeting procedure for the Gender Assessment also selected women with a labor-dependency ratio of less than three. Following a listing conducted with 40, non-SCTS households within each of the four study communities (160 households total), the poorest 25% of viable (low dependency ratio) households were identified as the "extremely poor" and included for the Gender Assessment. Forty percent of households in this selected sample (n=40) was female-headed, indicating that many extremely poor and viable households are headed by men.

8. To select SCTS beneficiaries for inclusion in the Gender Assessment, local community members were enlisted to help identify the beneficiaries in each community, who would be eligible for participation in the Gender Assessment.

### **D. Recommendations**

9. Findings from the Gender Assessment provide a number of practical and insightful recommendations for the GEWEL project, which were considered in its design:

(i) Women need capital to start or sustain their businesses. Many women, for instance, want fertilizer or a chicken to catalyze their business but cannot afford either. Access to low-interest loans or grants would benefit women.

(ii) Without formal employment opportunities, women have no alternative but to attempt business. Basic business training and saving strategies are likely to be beneficial to all working-age women in rural Zambia. Other aspects of the design could be tailored to specific, localized economies across the country. There is substantial heterogeneity across regions, which should be reflected in the project design.

- (iii) Following the enumeration procedure 40 percent of the poorest “viable” households were female-headed; thus 60 percent were male-headed. The design of the project could consider including male-headed households.
- (iv) Even in Luangwa, where non-farm businesses are more common than in Kalomo, women’s main livelihood activity is farming. Agricultural activity is also a main pathway to non-farm business. The Project could concentrate on increasing women’s agricultural productivity, perhaps by linking up with specialist organizations such as the Food and Agriculture Organization and the World Food Programme. Addressing productive input constraints – fertilizer in particular – will be key for improving on-farm productivity.
- (v) Women are vulnerable to income shocks. These could be alleviated with assistance with savings and access to emergency funds or other insurance mechanisms.
- (vi) Livestock are highly desirable as animals are seen as a major source of investment. Many women experienced premature death of livestock due to disease. Skills could include animal management and vaccine procedures or linking to agricultural extension services.
- (vii) The project could support the development of value chains of production and link women into these value chains (e.g. linking women with a fish seller who is reliable and will give the women good fish).
- (viii) In some specialized circumstances women are supposed to formally register businesses; women may need assistance with the registration process.
- (ix) Women may benefit from an expansion of their social capital. This could be done within training sessions or by providing access to mentors or forming peer pairs.
- (x) A separate training component could include men and could promote men’s roles as supportive partners in income-generation and unpaid care work.
- (xi) Business skills are desired by the women, including basic “step by step how to run a business.” Some women also reported wanting “soft skills,” focusing on savings strategies. The risks that women face could be incorporated into the trainings. Learning tools should be simple and accommodate varied literacy and numeracy capacities. Training locations should be based in the communities and times should accommodate women’s farming activities.

## **Annex 8: Implementation Support Plan**

### Zambia: Girls' Education and Women's Empowerment and Livelihoods Project

#### **A. Strategy and Approach for Implementation Support**

1. This implementation support plan (ISP) describes how the World Bank will support risk mitigation measures and provide the technical advice necessary to help the client achieve the PDO. This ISP also identifies the minimum requirements to meet the World Bank's fiduciary obligations. The ISP takes into consideration that fact both the SWL and the Keeping Girls in School initiatives mark a significant shift in current procedures in the MCDMCH and MESVTEE and that the project will operate in a weak capacity environment. As such it recognizes that the Government will benefit from increased hands on technical support and capacity building, learning by doing, south-south exchanges, and interaction with development partners which will enable a constructive dialogue to address emerging issues as both initiatives are rolled out.

2. There will be strong coordination between the World Bank and the MGCD, MCDMCH and MESVTEE, the parties responsible for the day-to-day administrative project management and implementation. Formal implementation support missions and field visits will be carried-out semiannually jointly with the Government and focused on areas detailed below. Development Partners working in the Social Protection Sector will have the opportunity to participate in these missions. Initially these missions will focus on strengthening project management and fiduciary capacity in all three ministries, development of the roll-out plan for the SWL and identification of synergies across both initiatives in areas of common interest (e.g targeting, household information updates, awareness creation, etc.). In later years the mission will focus on reviewing progress towards achieving results and strengthening systems essential for ensuring sustainability. In addition to the joint implementation support mission missions, a Mid-Term Review will be carried out during the implementation to assess if the project design assumptions are still valid. Missions and reviews will be complemented by specific reviews that will include financial management and procurement areas. Ongoing dialogue via audio conferences and email will ensure continuous monitoring of progress implementation and identification of areas in need of support.

3. The project will require intensive procurement and financial management implementation support during the first year given the implementing agencies' lack of previous experience with IDA funded projects. Support will be provided from the World Bank office in Lusaka where the Senior Procurement and Financial specialists are based. Training will be provided by the World Bank's financial management and procurement specialists to help the ministries build their fiduciary and procurement capacity.

4. Support for monitoring and evaluation will be a priority area. Given the Government's high level of interest in building evidence that women participating in the program have improved their livelihoods, a rigorous impact evaluation of the SWL will be carried out. The impact evaluation proposes to use a randomized control trial to test not only the full package of services under SWL, but also different combinations of those interventions using multiple treatment arms. The proposed design requires careful attention to develop the identification strategy and to ensure the implementation respects the initial design. The impact evaluation will be designed jointly with the Government and summarized in a concept note before any data collection activities are started.

This process will require intense engagement in the form of learning sessions on impact evaluations, workshop for evaluation design, testing of instruments, development of terms of reference for data collection, etc. Bank staff with expertise in impact evaluation as well as external experts will provide technical advice to government while also building their capacity.

**Annex Table 8.1: Implementation Support Plan**

<b>Time</b>	<b>Focus</b>	<b>Skills Needed</b>	<b>Resource Estimate</b>	<b>Partner Role</b>
First twelve months				
	Targeting and enrollment	Knowledge in establishing a targeting and enrollment		
	MIS and SR	ICT expert with knowledge of MIS and SR for Targeted programs		
	Procurement capacity and supervision	Procurement		
	Preparation of Program Operations Manual for both SWL and Keeping Girls in school	Ministries with support of two consultants		
	Development of M&E system for SWL and Keeping Girls in School	M&E including various types of evaluation (process, spot checks)		
	Institutional development	Organization development		
12-48 months	Impact Evaluation	Impact evaluation		
	Harmonization and consolidation of Programs	SP systems, HR		
	System enhancement and maintenance	ICT		
Other				

**Annex Table 8.2: Skills Mix Required**

<b>Skills Needed</b>	<b>Number of Staff Weeks per year</b>	<b>Number of Trips</b>	<b>Comments</b>
Procurement	8		Lusaka based
Financial Management	8		Lusaka based
Operations specialist	25		Lusaka based
Sector Specialist (Livelihood)	6	2	HQ
ICT	4	2	HQ
Sector specialist (voluntary structures)	4	2	HQ
Sector specialist (needs-based and targeted scholarships)	4	2	Nairobi based
M&E	6	2	6 in first two years, four in subsequent years
Consultant business skill training	6	2	First 2 years
Task team leader	8	2	Nairobi based