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IDA/R2015-0269/1

October 20, 2015

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

FROM: The Corporate Secretary

**Liberia - Youth Opportunities Project**

**Project Appraisal Document**

Attached is the Project Appraisal Document regarding proposed credit to Liberia for a Youth Opportunities Project (IDA/R2015-0269), which is being processed on an absence-of-objection basis.

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The World Bank

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Report No: PAD1159

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED CREDIT

IN THE AMOUNT OF SDR 7.2 MILLION  
(US\$10.0 MILLION EQUIVALENT)

TO THE

REPUBLIC OF LIBERIA

FOR A

YOUTH OPPORTUNITIES PROJECT

October 15, 2015

Social Protection and Labor Global Practice  
Africa Region

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## **CURRENCY EQUIVALENTS**

(Exchange Rate Effective February 28, 2015)

**Currency Unit = Liberian Dollar (LR\$)**

US\$1 = LR\$ 84.5000000

US\$1 = SDR 0.71053510

## **FISCAL YEAR**

January 1 – December 31

## **ABBREVIATIONS AND ACRONYMS**

AfT	Agenda for Transformation
AWP&B	Annual Work Plan and Budget
ASL	Authorized Signatory Letter
CBT	Cognitive Behavioral Therapy
CEPs	Community Empowerment Projects
CDD	Community-Driven Development
CF	Community Facilitator
COC	Community Oversight Committee
CPS	Country Partnership Strategy
CSC	County Steering Committee
CSO	Civil Society Organization
DA	Designated Account
EPAG	Economic Empowerment of Adolescent Girls and Young Women
ERR	Economic Rate of Return
ESMF	Environmental and Social Management Framework
ESW	Economic and Sector Work
EU	European Union
EVD	Ebola Virus Disease
FM	Financial Management
GDP	Gross Domestic Product
GoL	Government of Liberia
GRM	Grievance Redress Mechanism
ICT	Information Communication and Technology
IBRD	International Bank for Reconstruction and Development
IDA	International Development Association
IEC	Information and Education Campaign
IEG	Independent Evaluation Group
IFR	Interim Financial Report
ILO	Internal Labor Organization
LACE	Liberia Agency for Community Empowerment

M&E	Monitoring and Evaluation
MFDP	Ministry of Finance and Development Planning
MGCSP	Ministry of Gender, Children, and Social Protection
MIS	Management Information System
MoH	Ministry of Health
MOU	Memorandum of Understanding
MYS	Ministry of Youth and Sports
NCB	National Competitive Bidding
NGO	Non-Governmental Organization
PDO	Project Development Objective
PFMU	Public Financial Management Unit
PIC	Public Information Communications
PMT	Project Management Team
PMT	Proxy Means Test
POM	Project Operational Manual
PP	Procurement Plan
RCT	Randomized Control Trial
RPF	Resettlement Policy Framework
SCT-REPLI	Social Cash Transfer in Response to EVD Outbreak in Liberia
SME	Small-and-Medium Enterprises
SORT	Systematic Operations Risk-Rating Tool
SRH	Sexual and Reproductive Health
TA	Technical Assistance
TOR	Terms of Reference
USAID	United States Agency for International Development
UNDP	United Nations Development Program
UNICEF	United Nations Children's Fund
WFP	World Food Program
WHO	World Health Organization
WINGS	Women's Income Generating Support
YES	Youth Employment Support Project
YES AF	YES Project Additional Financing
YOP	Youth Opportunities Project
YSCC	Youth Sector Coordinating Committee
YSSC	Youth Sector Steering Committee

Regional Vice President	:	Makhtar Diop
Country Director	:	Henry Kerali
Senior Global Practice Director	:	Arup Banerji
Practice Manager	:	Stefano Paternostro
Task Team Leader	:	Suleiman Namara



**LIBERIA**  
*Youth Opportunities Project*

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**PAD DATA SHEET**  
*Liberia*  
*Youth Opportunities Project (P146827)*  
**PROJECT APPRAISAL DOCUMENT**  
*AFRICA*

Report No.: PAD1159

Basic Information			
Project ID P146827	EA Category B - Partial Assessment	Team Leader(s) Suleiman Namara	
Lending Instrument Investment Project Financing	Fragile and/or Capacity Constraints <input checked="" type="checkbox"/>		
	Financial Intermediaries <input type="checkbox"/>		
	Series of Projects <input type="checkbox"/>		
Project Implementation Start Date 05-Nov-2015	Project Implementation End Date 30-Jun-2020		
Expected Effectiveness Date 29-Feb-2016	Expected Closing Date 31-Dec-2020		
Joint IFC No			
Practice Manager/Manager Stefano Paternostro	Senior Global Practice Director Arup Banerji	Country Director Henry Kerali	Regional Vice President Makhtar Diop
Borrower: Government of Liberia			
Responsible Agency: Ministry of Finance and Development Planning			
Contact:	Mr. Amara Konneh	Title:	Minister of Finance and Development Planning
Telephone No.:	231888234715	Email:	akonneh@mfdp.gov.lr
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:	10.00	Total Bank Financing:	10.00
Financing Gap:	0.00		



<b>Financing Source</b>			<b>Amount</b>		
BORROWER/RECIPIENT			0.00		
International Development Association (IDA)			10.00		
Total			10.00		
<b>Expected Disbursements (in USD Million)</b>					
Fiscal Year	2016	2017	2018	2019	2020
Annual	1.00	2.00	3.00	3.00	1.00
Cumulative	1.00	3.00	6.00	9.00	10.00
<b>Institutional Data</b>					
<b>Practice Area (Lead)</b>					
Social Protection & Labor					
<b>Contributing Practice Areas</b>					
<b>Cross Cutting Topics</b>					
<input type="checkbox"/> Climate Change <input checked="" type="checkbox"/> Fragile, Conflict & Violence <input checked="" type="checkbox"/> Gender <input checked="" type="checkbox"/> Jobs <input checked="" 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 %	
Health and other social services	Other social services	100			
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	30
Social protection and risk management	Improving labor markets	70
Total		100
Proposed Development Objective(s)		
The Project Development Objectives are to improve access to income generation opportunities for targeted youth and strengthen the government's capacity to implement its cash transfer program.		
Components		
Component Name	Cost (USD Millions)	
Pre-Employment Social Support and Household Enterprises for Urban Youth	3.20	
Productive Public Works and Life Skills Support	4.40	
Capacity Building for Cash Transfer Program	1.20	
Project Implementation and Coordination	1.20	
Systematic Operations Risk- Rating Tool (SORT)		
Risk Category	Rating	
1. Political and Governance	Substantial	
2. Macroeconomic	Substantial	
3. Sector Strategies and Policies	Substantial	
4. Technical Design of Project or Program	Substantial	
5. Institutional Capacity for Implementation and Sustainability	Substantial	
6. Fiduciary	Substantial	
7. Environment and Social	Substantial	
8. Stakeholders	Substantial	
9. Other	Moderate	
OVERALL	Substantial	

Compliance		
<b>Policy</b>		
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 [ X ]
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	X	
Natural Habitats OP/BP 4.04		X
Forests OP/BP 4.36		X
Pest Management OP 4.09		X
Physical Cultural Resources OP/BP 4.11		X
Indigenous Peoples OP/BP 4.10		X
Involuntary Resettlement OP/BP 4.12	X	
Safety of Dams OP/BP 4.37		X
Projects on International Waterways OP/BP 7.50		X
Projects in Disputed Areas OP/BP 7.60		X
<b>Conditions</b>		
<b>Source Of Fund</b>	<b>Name</b>	<b>Type</b>
IDA	Subsidiary Grant Agreement	Effectiveness
<b>Description of Condition</b>		
The Subsidiary Grant Agreement, acceptable to the Association, has been executed on behalf of the Recipient and LACE.		
<b>Source Of Fund</b>	<b>Name</b>	<b>Type</b>
IDA	Project Operations Manual	Effectiveness
<b>Description of Condition</b>		
The Recipient has adopted a Project Operations Manual acceptable to the Association.		

Source Of Fund	Name	Type	
IDA	Project Management Team	Effectiveness	
Description of Condition			
The Recipient has established a Project Management Team within MYS with terms of reference, staffing, and resources satisfactory to the Association			
Team Composition			
Bank Staff			
Name	Role	Title	Unit
Suleiman Namara	Team Leader (ADM Responsible)	Senior Social Protection Economist	GSPDR
Richard Olowo	Procurement Specialist	Lead Procurement Specialist	GCFDR
Saidu Dani Goje	Financial Management Specialist	Financial Management Specialist	GGODR
Abimbola Adubi	Team Member	Senior Agricultural Spec.	GFADR
Abu Kargbo	Team Member	Operations Officer	GSPDR
Anton Karel George Baare	Team Member	Senior Social Development Specialist	GSURR
Christabel Sefa	Team Member	Consultant	GSPDR
Emily Weedon Chapman	Team Member	Social Protection Specialist	GSPDR
Felix Nii Tettey Oku	Safeguards Specialist	Senior Environmental Specialist	GENDR
Gary J. Fine	Team Member	Senior Private Sector Development Specialist	GTCDR
Gerard Joseph Mataban Jumamil	Team Member	E T Consultant	LEGAM
Gloria Malia Mahama	Safeguards Specialist	Social Development Specialist	GSURR
Inguna Dobraja	Team Member	Country Manager	AFMLR
Josiane M. S. Luchmun	Team Member	Temporary	GSPDR
Laura R. Ralston	Team Member	Young Professional	GSPDR
Lemu Ella Makain	Team Member	Team Assistant	AFMLR
Luis M. Schwarz	Team Member	Senior Finance Officer	WFALA

Lydie Anne Billey		Team Member	Program Assistant	GSPDR	
Mei Wang		Counsel	Senior Counsel	LEGAM	
Julie Rieger		Counsel	Senior Counsel	LEGAM	
Peter Darvas		Team Member	Senior Economist	GEDDR	
Sarah Elizabeth Haddock		Team Member	Operations Officer	GCGDR	
Sheila Byiringiro Gashishiri		Team Member	Communications Associate	AFREC	
Extended Team					
Name		Title	Office Phone	Location	
Jillian A Larsen		Consultant			
Locations					
Country	First Administrative Division	Location	Planned	Actual	Comments
Liberia	Sinoe	Sinoe County	X		
Liberia	Nimba	Nimba County	X		
Liberia	Montserrado	Montserrado County	X		
Liberia	Maryland	Maryland County	X		
Liberia	Lofa	Lofa County	X		
Liberia	Grand Gedeh	Grand Gedeh County	X		
Liberia	Grand Cape Mount	Grand Cape Mount County	X		
Liberia	Grand Bassa	Grand Bassa County	X		
Liberia	Bong	Bong County	X		
Liberia	Bomi	Bomi County	X		
Liberia	Grand Kru	Grand Kru County	X		
Liberia	Margibi	Margibi County	X		
Liberia	River Cess	River Cess County	X		
Liberia	Gbarpolu	Gbarpolu County	X		
Liberia	River Gee	River Gee County	X		
Consultants (Will be disclosed in the Monthly Operational Summary)					
Consultants Required? Consultants will be required					

## I. STRATEGIC CONTEXT

### A. Country Context

1. Before the Ebola outbreak in mid-2014, Liberia had experienced substantial growth since the end of the fourteen-year conflict in 2003. Conditions for private sector engagement and investment had improved, and gross domestic product (GDP) was growing. GDP growth had peaked in 2008/09 at over 9 percent per year. The service and commerce sectors, including construction, retailing, and hospitality, were the leading contributors to the economy, while agriculture remained the single largest source of employment in the country. Iron ore mining and other concessional sectors, such as palm and rubber production, also contributed to GDP growth.<sup>1</sup> Liberia had also attracted reinvestments to its traditional sectors in forestry, rubber, and mining. As a result, exports increased from US\$175 million in 2006 to US\$295.2 million in 2011.

2. Despite the achievements of recent years, high levels of poverty and underemployment, combined with low human capital, still remain significant challenges in the country. Around 300,000 households (48 percent) are classified as being in extreme poverty. The country is ranked 174th out of 186 countries in the international 2012 Human Development Index.<sup>2</sup> An estimated 85 percent of the active work force has only vulnerable employment, without access to a pension, insurance policies, health benefits, or job security. Approximately 4,300 children are classified as orphans, and 92,000 people (mainly adults) live with disabilities. Liberia also has a relatively high urban density; in 2008, 48.7 percent of all households lived in urban areas. In rural areas, a significant portion of the labor force is in traditional small-scale agriculture and family work.

3. Liberia has a history of conflict that ended 14 years ago. This had a negative impact on youth opportunities and behavior. These youth were exposed to a wide range of traumatic experiences, including forced recruitment into armed groups, violence, and victimization, in addition to the daily stresses of poverty and insecurity.<sup>3</sup> In addition to unresolved trauma, other psychosocial impacts include poor work ethics, poor sexual and reproductive health choices, including high rates of teenage pregnancy and related caretaking burdens of female and male youth. These constraints affect their ability to communicate and collaborate effectively in a work environment. A growing body of evidence, much of it from post-conflict countries, suggests that exposure to such stresses—especially when it is chronic—can have an enduring impact on physiology and brain function.<sup>4</sup> The effects are particularly dire for the development of noncognitive skills, such as the ability to regulate emotions, focus attention, and solve problems. Some research suggests these noncognitive skills may be even more critical for human capital

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<sup>1</sup> World Bank. Country Assistance Strategy, 2013.

<sup>2</sup> UNDP. 2012. Human Development Index. <https://data.undp.org/dataset/Table-1-Human-Development-Index-and-its-components/wxub-qc5k>.

<sup>3</sup> A 2008 survey to assess the prevalence and impact of war-related psychosocial trauma in Liberia found that one-third of the population in Liberia served time with fighting forces, and 42.3 percent of female ex-combatants reported experiencing sexual violence. The survey estimated that 44 percent of households in the overall sample met the symptom criteria for Post-Traumatic Stress Disorder (PTSD), and 40 percent met the symptom criteria for major depressive disorder. *Source:* Kirsten et al. 2008. Association of Combatant Status and Sexual Violence with Health and mental Health Outcomes in Post conflict Liberia. *JAMA*. 300 (6): 676–690.

<sup>4</sup> Shonkoff JP, Garner AS. 2012. “The lifelong effects of early childhood adversity and toxic stress.” *Pediatrics*. 129(1): e232–46.

formation than intellectual skills because they form the foundation for lifelong learning capabilities.<sup>5</sup> There are also indications of significant mistrust between youth and government, leading to challenges in uptake of government-sponsored youth employment support programs.

## **B. Situations of Urgent Need of Assistance or Capacity Constraints**

4. Liberia has been significantly affected by the Ebola crisis since March 2014. The outbreak had caused 4,808 deaths as of September 2015.<sup>6</sup> Beyond the toll on human lives and suffering, the Ebola epidemic is having an economic impact in terms of forgone output, higher fiscal deficits, rising prices, lower real household incomes, disruption to education and training activities, constraints on travel which limit the ability to work, reduction of demand for goods and services, trauma/psychosocial impacts of the crisis, and escalation of tensions given increased economic vulnerability. These economic and social impacts include the costs of health care and foregone productivity of those directly affected but, more importantly, they arise from the aversion that people have to the disease.<sup>7</sup>

5. Further, the impact of the Ebola outbreak on poverty and vulnerability in Liberia will be significant in both the short and long term. In the worst-case scenario, the deteriorating context will have catastrophic consequences on the lives of the general population, particularly on the extremely poor households who have also been directly affected by the outbreak of Ebola. Women and youth have also been disproportionately affected by the Ebola epidemic, for example, through reduced economic activity in household enterprises.

6. The Youth Opportunities Project (YOP) had initially focused on increasing employment opportunities for youth. Given the Ebola Virus Disease (EVD) crisis in Liberia, the government requested that besides addressing the youth employment needs, additional support be provided to strengthen the country's safety net system and its ability to respond to shocks and increase the resilience of poor households that have been adversely affected by the EVD outbreak. In response to this request, the project design was adjusted to include support to improve efficiency in the government's cash transfer program to targeted households in Liberia and is also very closely aligned with the Government's post-Ebola recovery strategy. This support will complement the World Bank-funded Social Cash Transfer activities financed under the Ebola Emergency Response Project which provides unconditional cash transfers to extremely poor and EVD-affected households and survivors.

## **C. Sectoral and Institutional Context**

7. Liberia's National Youth Policy defines youth as persons aged between 15 and 35 years. This age group constitutes nearly half of the total labor force in Liberia and 35 percent of the population. With more than 60 percent of the population under 24 years,<sup>8</sup> the youth proportion of the population as well as their share in the labor market will continue to grow. It is estimated that

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<sup>5</sup> Heckman, J. J., J. Stixrud, and S. Urzua. 2006. "The effects of cognitive and noncognitive abilities on labor market outcomes and social behavior: National Bureau of Economic Research."

<sup>6</sup> <http://apps.who.int/ebola/current-situation/ebola-situation-report-30-september-2015>.

<sup>7</sup> World Bank. 2014. *The Economic Impact of the 2014 Ebola Epidemic: Short and Medium Term Estimates for Guinea, Liberia, and Sierra Leone*.

<sup>8</sup> [http://www.theodora.com/wfbcurrent/liberia/liberia\\_people.html](http://www.theodora.com/wfbcurrent/liberia/liberia_people.html) (accessed on July 21, 2014).

an additional 50,000 young people join the labor force every year. Nearly one-third of the youth in the labor force have little or no schooling.<sup>9</sup> They thus remain unprepared to take advantage of economic opportunities in the country. Available research estimates that almost 70 percent of Liberian youth believe that they lack the skills or experience needed to find a job.<sup>10</sup> For existing household enterprises managed by youth, the quality of output is very poor.

8. Out of the total labor force, the formal sector employs only 17 percent, while the informal sector, characterized by significant underemployment, low productivity, and low wages, employs 78.5 percent. Although the 2010 Labor Force Survey reported a national unemployment rate of 3.7 percent, approximately 80 percent of Liberians and 82 percent of Youth aged 25-34 are self-employed, either as own account workers or contributing family members. The international Labor Organization (ILO) defines the sum of these two categories as “vulnerable employment”. The high prevalence of vulnerable employment stems primarily from the fact that a large majority of Liberians in the labor force cannot afford to be unemployed and consequently work for themselves or other family members. Table 1 shows unemployment rates by sex and age group using a broader definition of unemployment which is the population (above 15 years) who are not working for reasons other than inactivity, regardless of whether they are looking for a job or not. Under this definition, 20 percent of Liberians are unemployed, although this figure rises to 26.6 percent among youth aged 15-34 years and to 30 percent among young females.

**Table 1 Employment Status by Sex and Age Group (%)**

	<b>Employment Status</b>	<b>15–24 Years</b>	<b>25–34 Years</b>	<b>35–64 Years</b>	<b>65+ Years</b>	<b>Total Population</b>
Total	Self-employed	91.2	81.6	73.2	80.0	80.7
	Paid employee	6.0	14.4	23.5	17.7	16.0
	Employer	1.1	2.5	2.0	1.7	2.0
	Member, producer cooperative	0.8	0.8	0.6	0.6	0.6
	Other	0.9	0.8	0.7	0.0	0.8
Male	Self-employed	87.6	72.0	61.4	74.1	72.0
	Paid employee	10.0	22.8	34.7	24.1	24.2
	Employer	0.5	2.6	2.1	0.9	1.8
	Member, producer cooperative	0.7	1.2	0.7	0.9	0.8
	Other	1.3	1.5	1.0	0.0	1.1
Female	Self-employed	94.7	89.7	87.6	91.9	90.3
	Paid employee	2.3	7.3	9.7	5.0	6.8
	Employer	1.7	2.5	1.9	3.1	2.1
	Member, producer cooperative	0.8	0.4	0.4	0.0	0.4
	Other	0.6	0.1	0.4	0.0	0.4

Source: Labor Force Survey 2010.

<sup>9</sup> Lindberg, E. 2014. “Youth and the Labor Market in Liberia: On history, state structures and spheres of informalities. The Nordic Africa Institute, Conflict, Displacement and Transformation.”

<sup>10</sup> See Search for Common Ground, *Youth to Youth: Measuring Youth Engagement, Liberia* (2012).



**Table 2 Unemployment Rate by Sex and Age Group (%)**

	<b>Youth (15–34)</b>	<b>Adults (35+)</b>	<b>Total</b>
Total	26.6	15.0	20.5
Male	22.3	10.0	15.3
Female	30.1	20.0	25.5

*Source:* Labor Force Survey 2010.

9. Young women experience particular difficulty in attaining remunerated work in the labor market. The 2010 Labor Force Survey found that while women have roughly equal rates of employment as men, they are under-represented in terms of paid employment, with only 24 percent of paid jobs held by women. A more recent labor market transitions survey focused specifically on youth identified a 13 percentage point gap in unemployment rates between young men and young women, with young women much more likely to be unemployed. Ninety percent of females are vulnerably employed (either as own-account workers or contributing family members), compared with 72 percent of males and 61 percent of males aged 35–64 years. Young women also face additional family obligations; one in three Liberian adolescent girls has had a child.<sup>11</sup>

10. Self-employed youth report their biggest business challenge to be insufficient financial resources.<sup>12</sup> Formal credit and finance is extremely difficult to obtain for most individuals and small businesses. Many banks are generally reluctant to expand credit to small and medium enterprises (SMEs) on account of weak contract enforcement.<sup>13</sup> About 35 percent of small-scale firms, 27 percent of medium-scale firms, and 30 percent of large-scale firms view access to finance as a major constraint, according to Enterprise Surveys.<sup>14</sup> The Bank’s Inclusive Growth Diagnostics notes that “an almost complete lack of credit for SMEs and individual entrepreneurs severely limits the possibility of many low-income Liberians undertaking potentially profitable economic activities.”

11. In 2013, the president of Liberia launched a new national vision, Liberia Rising 2030, as well as an interim five-year strategy, the Agenda for Transformation (AfT), to promote its development goals. Youth empowerment is under the Cross-cutting issues pillar of the AfT, which aims to mainstream cross-cutting issues across all sectors for society’s overall productivity and well-being, with particular emphasis on the vulnerable segment of the country’s population (specifically youth, women, children, and persons with disability). The strategy foresees that investments in technical and vocational education would ensure that the youth have the skills to respond to job opportunities, including those arising from foreign investment. The AfT further commits to facilitating the generation of economic opportunities with special focus on rural areas. This would be achieved by expanding infrastructure (particularly roads and electricity) and Information, Communication, and Technology (ICT) throughout the country and by increasing focus on agriculture, practical skills, and vocational education programs.

<sup>11</sup> 2007 Liberia Demographic and Health Survey.

<sup>12</sup> Sajith de Mel, Sara Elder, and Marc Vansteenkiste. 2013. “Labor market transitions of young women and men in Liberia.” International Labour Organization.

<sup>13</sup> Liberia Constraints Analysis, 8.

<sup>14</sup> Lindberg, E. 2014. “Youth and the Labor Market in Liberia: On history, state structures and spheres of informalities. The Nordic Africa Institute, Conflict, Displacement and Transformation.”

12. The AfT also includes a Human Development pillar, which identifies social protection as a key aspect of the government's development agenda. The government's aim for this sector is to build a social protection system for improved protection of the poorest and most vulnerable households and groups from poverty, deprivation, and hunger and enhanced resilience to risks and shocks. The National Social Protection Policy and Strategy, approved in August 2013, further contributes to the AfT's aim of promoting shared and equitable economic growth in Liberia. The policy's objective is to "build a social protection system that tackles extreme poverty, vulnerability, and inequality in Liberia whilst contributing to economic growth and peace and security, through social protection programs which improve food security, access to health, and education and enable the working poor to access improved income." The Social Protection Policy and Strategy (2012–2017) also recognizes poor coordination of the sector and the need to build an effective and sustainable social protection system that builds resilience and is capable of responding to future income shocks. The strategy thus provides a framework for improved coordination of social protection interventions in the country.

13. The Bank has also developed a knowledge base on social protection, youth employment, and vulnerable youth in Liberia. Bank financing has supported the government in social protection, labor, and education interventions through the Community Empowerment Projects (CEP) I and II; the Youth Employment Support Project (YES); and the Economic Empowerment of Adolescent Girls and Young Women (EPAG) Project, among others. Other youth employment interventions are also being implemented in the country; however, the sector remains challenged by poor coordination among implementing partners, inadequate systems, and insufficient capacity to systematically track sector wide results.

#### **D. Higher Level Objectives to which the Project Contributes**

14. The project contributes to the Cross-cutting issues (Pillar V) and Human Development (Pillar III) pillars of Liberia's AfT. Specifically, the pre-employment social support, household enterprises, and productive public works and life skills training components of this project support the Youth Empowerment, Labor and Employment, Gender Equality, and Child Protection goals under the Cross-cutting issues pillar. In addition, the cash transfers component supports the Social Protection objectives under the Human Development pillar.

15. The project is linked to the World Bank Group's twin goals of ending extreme poverty by 2030 and boosting shared prosperity among the bottom 40 percent. It is also well-aligned to the World Bank Group's Country Partnership Strategy (CPS) for Liberia FY2013–17 that focuses on increasing resilience among poor and vulnerable households. The CPS cites youth underemployment, in particular, as a conflict driver that warrants prioritization. This emphasis responds to the guidance of the Independent Evaluation Group Report on the Country Strategy of Liberia (2004–2011) that emphasized "the need to create job opportunities, especially among youth who also need skills development, to address the pervasive unemployment or underemployment problem." The project is well aligned to the recommendations of the Bank's flagship report on 'Youth Employment in Sub-Saharan Africa', which places emphasis on household enterprises and the agricultural sector, among others. The project is also in line with the Bank's Africa Social Protection Strategy (2012–2022), which promotes the development of a social protection system that is equitable, fiscally sustainable, and scalable.

## **II. PROJECT DEVELOPMENT OBJECTIVES**

### **A. PDO**

16. The Project Development Objectives (PDO) are to improve access to income generation opportunities for targeted youth and strengthen the government's capacity to implement its cash transfer program.

### **B. PDO Level Results Indicators**

17. Progress toward meeting the PDO will be measured through the following key outcome indicators:

- Targeted urban youth initiating or expanding household enterprises with support from the project (disaggregated by (a) initiating household enterprises and (b) expanding household enterprises).
- Share of household enterprises initiated or expanded by targeted urban youth that are operational for more than 6 months (disaggregated by (a) initiated enterprises or (b) expanded household enterprises).
- Average annual earnings of targeted rural youth in productive public works under this project.
- Average share of beneficiary households receiving bimonthly cash transfers before or on 15th day of the proceeding month.<sup>15</sup>
- Direct project beneficiaries (Core).
- Direct project beneficiaries (of which female) (Core).
- Beneficiaries of safety nets programs (Core).
- Beneficiaries of labor market programs (Core).
- Share of project beneficiaries satisfied with project interventions.

### **C. Project Beneficiaries**

18. The project will directly benefit about 15,000 targeted youth aged 15–35 years. There will be 50 percent participation of vulnerable female youth. In addition, the distribution of beneficiaries across urban and rural areas will be based on the proportion of total youth population in each area and poverty levels. Adolescents aged 15–17 years in urban areas will benefit from pre-employment social support. They may participate in other components of the project once they are 18 years old. Youth aged 18–35 years will benefit from the household enterprise and productive public works

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<sup>15</sup> “*Proceeding month*” refers to the month immediately following the payment period. For example, if the payment period is January – February, this indicator measures the average share of beneficiaries who have received payments by March 15<sup>th</sup>.

subcomponents, focusing on urban and rural areas, respectively. The project will also benefit extreme poor and Ebola-affected households by supporting the development of a safety net system, including the development of the management information, electronic registration, and payment systems, as well as a grievance redress mechanism to complement the Emergency Ebola Response Project.

### III. PROJECT DESCRIPTION

#### A. Project Components

19. The project will provide apprenticeships to vulnerable youth in urban areas and support agricultural transformation and value chain addition using productive public works and Community-Driven Development (CDD) approaches particularly for youth in rural areas. To mitigate the impact of future shocks, the project will also improve efficiency in the delivery of cash transfers to targeted households, including to youth. Particular focus will be paid to pre-employment and life skills activities to strengthen youth participation in the labor market. The YOP activities will be designed and implemented directly or in close cooperation with the private sector (formal and informal). The project will have four components:

- Component 1: Pre-employment Social Support and Household Enterprises for Urban Youth
  - Subcomponent 1A: Pre-employment Social Support
  - Subcomponent 1B: Household Enterprises
  - Subcomponent 1C: Capacity and Systems Building
- Component 2: Productive Public Works and Life Skills Support
  - Subcomponent 2A: Productive Public Works and Life Skills Support
  - Subcomponent 2B: Capacity and Systems Building
- Component 3: Capacity Building for Cash Transfer Program
- Component 4: Project Implementation and Coordination
  - Subcomponent 4A: Project Implementation and Coordination by the Ministry of Youth and Sports (MYS)
  - Subcomponent 4B: Project Implementation and Coordination by the Liberian Agency for Community Empowerment (LACE)
  - Subcomponent 4C: Project Implementation and Coordination by the Ministry of Gender, Children, and Social Protection (MGCSP)

20. To achieve better results, the project will have the following areas of emphasis:

- (a) **Development communication** to improve transparency and accountability and strengthen trust between the government and youth (see annex 6 for further details).
- (b) **Corruption prevention and grievance redress measures** that will engage independent

anti-corruption institutions and civil society for third-party monitoring of the project and the establishment of a grievance redress mechanism for lodging and resolving complaints (see annex 5 for further details.)

- (c) **A strong focus on gender**, specifically by (a) identifying and analyzing female and male gender issues at the county level; (b) facilitating access to informal childcare arrangements; (c) including specific gender disaggregated indicators results; and (d) utilizing an evaluation strategy that includes an analysis of the project's gender-specific impacts.
- (d) **The use of ICT** to improve operational efficiency of the project, specifically by (a) building safety net Management Information Systems (MIS), including targeting, beneficiary registration, payments, and grievance redress; (b) using video-based peer learning systems; and (c) using smartphones and tablets for data collection, electronic registration, and electronic payments.

### **Component 1: Pre-employment Social Support and Household Enterprises for Urban Youth (US\$3,200,000)**

21. This component will contribute to addressing youth labor market participation and behavioral constraints through the following three subcomponents.

#### ***Subcomponent 1A: Pre-employment Social Support (US\$500,000)***

22. The objective of this subcomponent is to increase the employment readiness of youth by supporting the development of noncognitive skills and positive attitudes toward work. This subcomponent will offer intensive pre-employment and psychosocial support to improve productivity. The subcomponent will also include psychosocial support to EVD-affected youth and survivors, and will build off evidence-based best practices to increase readiness demonstrated to work in other contexts, including post-conflict situations. This support will include core sessions to build skills in emotional regulation (including self-esteem and impulsivity), concentration, and problem solving, which are critical to success in education and the labor market and may integrate elements from Cognitive Behavioral Therapy (CBT) and group interpersonal therapy. Knowledge and skills on Sexual and Reproductive Health (SRH) will form a core element of the required pre-employment support offered under this subcomponent, to influence behavior and competency in making the right decisions to succeed in employment and effectively manage enterprises.

23. This subcomponent will target both out-of-school<sup>16</sup> and in-school cohorts of youth aged 15–17 years as they prepare for employment and potential inclusion into subcomponent 1B. This intervention will support up to 2,000 youth in Montserrat County. Batches of youth in this subcomponent will be engaged for 3–12 months of training. Multiple cohorts will complete the program over the five-year period.<sup>17</sup> The project will use several approaches to reach beneficiaries, including (a) an on-demand approach through targeting centers and (b) a recruitment team that

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<sup>16</sup> For the purposes of this project, out-of-school youth refers to youth who have dropped out of school and those who have completed one level of schooling and find it difficult to continue.

<sup>17</sup> Depending on what is feasible in terms of frequency of training sessions, the length of training sessions will vary between 3 and 12 months. Consecutive cohorts will be included in this component, given the length of the program and the length of this subcomponent.

will seek out vulnerable youth in designated districts and clans of the county. These approaches will be complemented by a Public Information Communications (PIC) campaign to disseminate the program's objectives, design, and general eligibility. The PIC will also use various community structures and youth groups to disseminate information and connect with potential applicants. Subsequently, a simple poverty targeting tool to verify common features of poverty and vulnerability (analogous to a proxy means test) will be used to generate the final list of beneficiaries from the pool of applicants. In case of oversubscription, all eligible applicants will be included in a public lottery to determine participation in the program.

***Subcomponent 1B: Household Enterprises (US\$2,000,000)***

24. Youth operating in household enterprises are constrained by lack of capital, inadequate skills, congestion, and lack of physical space to work in urban settings. In response to these constraints, this subcomponent aims to (a) increase labor productivity of youth working in household enterprises and (b) facilitate the entry of youth into household enterprises. This intervention will support about 3,000 vulnerable youth in groups of 8 with on-the-job apprenticeships, formal vocational training, tools/equipment, basic business management training, and start-up grants. This subcomponent will be implemented in Montserrado County. The justification for the selection of this county includes these points: (a) the county has the highest concentration of youth in Liberia; (b) the county has been significantly affected by EVD; and (c) the high population density of vulnerable households in Montserrado County makes it imperative to support the improvement and welfare of these youth.

25. Two cohorts of beneficiaries will be considered: (a) youth who are new entrants into household enterprises, who are underemployed and not in school and (b) youth involved in existing household enterprises and who can demonstrate management of an active household enterprise over the last 2 years. New entrants will be supported with on-the-job apprenticeships or vocational training (offered through existing formal vocational training institutes) to improve their skills and start new businesses. The government's medium-term focus is to rebuild the infrastructure and energy sectors of the economy. Accordingly, job opportunities are expected in these sectors (for example, carpentry, metal fabrication, block making, and electrical technicians) as well as related services. Even for youth already operating in these sectors, business growth of household enterprises is hindered by the poor quality of their outputs and services. This subcomponent will initially focus on the construction and related service sectors and support these household enterprises with apprenticeships, vocational training, tools/equipment, and cash grants to improve quality.

26. For new entrants, the project will set up targeting centers and use an on-demand approach to generate lists of potential beneficiaries. Youth who complete the pre-employment support and become 18 years of age during the program will automatically be considered eligible if they apply. The on-demand process will consist of three key activities: (a) formation of registration teams; (b) a PIC campaign to disseminate the program's objectives, design, and general eligibility and to solicit applications from applicants; and (c) receipt of applications from potential beneficiaries. The PIC campaign will also use various community structures and youth groups to disseminate information on the YOP. Subsequently, a poverty targeting validation tool to verify common features of poverty and vulnerability (analogous to a proxy means test) will be used to generate a list of potential beneficiaries from the pool of applicants. As part of this process, a community

validation exercise will be undertaken to ensure that potential beneficiary youth have positive community and peer endorsements and are not involved in drug abuse. The final list of potentially eligible youth beneficiaries will then be made available at the community level for a period of not less than one week to allow the community members to provide feedback. Any discrepancies will be corrected before confirming the list of project beneficiaries. In the case of oversubscription, a public lottery will be held to determine the final list of beneficiaries for enrolment in the program.

27. After the targeting process, a service provider will facilitate the organization of youth into groups based on their self-defined interests. The number of youth in each group under this subcomponent will be a maximum of eight; one individual from each household. Experience shows that the complexities of coordination, trust, and group dynamics issues are more manageable in such small groups. The groups will be facilitated to prepare subproject proposals, which will be evaluated and approved (further details will be provided in the Project Operational Manual (POM)). As part of this preparation, the service provider will also coach beneficiaries on basic business and money management practices.

28. Each youth group will be able to access a grant of US\$2,400 per approved subproject (equivalent to US\$300 per individual), which will be released in tranches after the achievement of each milestone documented in the subproject proposal. The grants will be used to purchase tools, materials, equipment, and other related inputs or services for use on an approved subproject over a period of one year. The size of the grant has been determined based on the existing lessons on the minimum amount capital required to receive on-the-job training and start a household enterprise. The youth groups will procure the requisite supplies through a community procurement process, facilitated by the service provider. The service provider will coordinate with city officials and the YOP County Steering Committee to provide appropriate locations to facilitate the development of their enterprises. The service provider will continue to provide support to the youth groups for up to six months after the end of the subproject. This includes supporting the youth groups to (a) federate and formalize their household enterprises to form a sustainable community institution, (b) establish modalities for the distribution of subproject dividends, and (c) link the youth to existing institutions, such as village savings groups.

29. This subcomponent will procure training for youth groups either through formal vocational training from established institutions, or from master trainers who have the requisite business skills in the various trades to provide on-the-job coaching to beneficiaries. There are several sources of such master trainers. There are some medium-scale enterprises that produce relatively higher quality outputs; however, they need to be better equipped to provide apprenticeships to youth under this project. This subcomponent will therefore support such medium-scale enterprises with tools/equipment, not exceeding US\$2,400 in value, in exchange for them to train at least one group of new entrants or a group of existing youth household enterprises over a period of 1 year. To qualify for this support, however, these medium-scale enterprises must be functional and registered with the Ministry of Commerce. A second source of master trainers is skilled retired technicians, who will also be mobilized to provide technical support and training. Third, in circumstances where the requisite skills are not available in the country, distance-learning arrangements via video conferencing may be organized to train the youth. A call-for-proposal approach will be used for medium-scale enterprises and master trainers who would like to participate in this subproject.

### ***Subcomponent 1C: Capacity and Systems Building (US\$700,000)***

30. The objective of this subcomponent is to support capacity and systems building to key stakeholders at both central and local levels involved in the implementation of the YOP. Given that there are many players in the youth sector in Liberia, the YOP will provide technical assistance (TA) to the MYS to coordinate the activities of actors in the sector. In addition, the subcomponent will finance (a) preparation of project operational procedures and guidelines; (b) knowledge exchange events- including seminars at the county, district, and central government levels, as well as local and international study tours (c) labor market intervention training (with an emphasis on soft skills in managing youth groups) for project staff, implementing agencies, and service providers; (d) provision of tools/equipment for implementing agencies; and (e) studies that will enhance the youth employment dialogue in Liberia.

31. The MYS will also be supported with several distinct sets of process and system-building activities, specifically (a) supporting the operations and functioning of the county YOP steering committees; (b) capacity building for the introduction of ICT-based operational enhancements (including targeting and electronic registration); (c) building of a Monitoring and Evaluation (M&E) system to monitor project results (which would in turn support the systematic tracking of results for the youth sector in general); (d) development and implementation of social accountability and a Grievance Redress Mechanism (GRM) for Components 1 and 2 of the project; and (e) at least three evaluation surveys.

### **Component 2: Productive Public Works and Life Skills Support (US\$4,400,000)**

32. This component will consist of two subcomponents: (a) Subcomponent 2A: Productive Public Works and Life Skills Support and (b) Subcomponent 2B: Capacity and Systems Building.

#### ***Subcomponent 2A: Productive Public Works and Life Skills Support (US\$3,900,000)***

33. The objective of this component is to provide vulnerable youth in rural areas with immediate consumption smoothing support through productive public works and life skills training. The subcomponent will adopt a CDD approach to engage youth in productive public works activities with an emphasis on community-level farm production. The interventions will focus on enhancing the productivity of staple crops using high quality inputs. The subcomponent will support the preparation of new land for cultivation, provision of resources to youth groups to purchase agricultural inputs, as well as agro processing.

34. Life skills support will aim at the following: conflict resolution, peer community awareness on sanitation, hygiene, and health promotion to enhance the long-term benefits to rural youth participating in the productive public works program. This component will also focus on behavior modification around self-esteem, SRH, communication strategies, work readiness, teamwork, and community relations, as well as basic business and money management practices.

35. This subcomponent will be targeted toward vulnerable youth (aged 18–35 years) in rural areas in all counties across Liberia. Clear and transparent criteria (such as poverty and population indicators) will be used to determine the number of beneficiaries by county and to select the participating communities below the county level. In total, approximately 10,000 beneficiary



youth will be supported in groups of 10–15. A cluster of four groups will be enrolled in each participating locality to take advantage of economies of scale in service delivery.

36. The cluster of four groups will be facilitated to develop a sub-project proposal together. Each youth will be required to cultivate 0.5 ha of land for community agricultural projects. A community-based selection approach will be used to select beneficiaries into the four groups. The selection criteria will include youth who are residents of the community and underemployed. Emphasis will be placed on highly profitable and early maturing crops, including nontraditional crops in Liberia, such as pineapples (a positive menu of crops to be supported under this subcomponent is detailed in annex 2). The component will also facilitate linkages between production, processing, and marketing. Facilitation of the flow of information (using innovative ICT solutions) on markets and prices will be supported.

37. Planning for each subproject will follow the agricultural seasonal cycle. The subproject cycle will be based on the main planting season, which occurs from March to May each calendar year. Each member will be guaranteed a total of 100 days per year: 60 days of work on subproject agricultural activities, 20 days of business training, and 20 days of life skills training. The full subproject cycle will be detailed in the POM.

38. Beneficiaries will be incentivized at a daily rate of US\$3 per day (and up to US\$300 per season) in the initial phase of the program (this rate may be revised over the course of implementation to take into account increases in prices of the food basket and basic needs). The rate is currently appropriate for self-targeting because it is below the official daily minimum wage of US\$4, lower than the average market rate for unskilled labor, and consistent with rates currently being offered by other public works programs. It is expected that only vulnerable youth with no other—more attractive—livelihood alternatives or employment opportunities will be willing to participate in this program. Although cash incentives are computed on a daily basis, each youth group will receive payments on a piece-rate basis, based on the completion of specific subproject milestones (for example, clearing, sowing, crop maintenance, or harvesting). This will require that youth groups, with the guidance of the Community Facilitator (CF), develop a milestone list (including completion of specific life and business skills modules) that will be posted and the money will be disbursed once the Community Oversight Committees (COCs) and the CFs verify the achievements. Benchmarks and standards will be set for each activity with technical support of CFs to ensure quality in the delivery of each milestone. Each beneficiary will also expect to receive agricultural inputs worth up to US\$30 to support implementation of their subproject.

39. The project will also facilitate the signing of Memoranda of Understanding (MOUs) between local chiefs/community leaders and youth groups to grant access to identified community land. To ensure stability and create incentives for youth to invest in livelihood activities, these MOUs will include provisions for access to the community land for agricultural purposes by the youth groups for up to three years.

### ***Subcomponent 2B: Capacity and Systems Building (US\$500,000)***

40. The objective of this subcomponent is to finance capacity and systems building for LACE for the implementation of household enterprise support, productive public works, and life skills training. In particular, capacity building will support; (a) Technical Assistance (TA) to support

subproject implementation, with particular attention to training COCs in community organization, project identification, beneficiary selection, community Financial Management (FM) and procurement processes, as well as M&E; (b) TA and monitoring by community agriculture technicians; (c) preparation of project operational procedures and guidelines; (d) knowledge exchange events, including seminars at the county, district, and central government levels, as well as local and international study tours; and (e) labor market intervention training (with an emphasis on soft skills in managing youth groups) for project staff, implementing agencies, and service providers. Several distinct sets of system-building activities will also be supported, including capacity building for the introduction of ICT-based operational enhancements (for example, electronic registration and payment systems); M&E systems; and development communication activities.

### **Component 3: Capacity Building for Cash Transfer Program (US\$1,200,000)**

41. With the Ebola outbreak, a number of development partners are financing cash transfer programs in Liberia. This component aims to improve efficiency in the delivery of cash transfers to targeted households in Liberia. In particular, this component will support the building blocks for a basic safety net system, including (a) improving the process of targeting extremely poor households through the introduction of a proxy means test; (b) improving operational efficiency by strengthening ICT systems, particularly MIS and electronic payments systems; (c) refurbishing office buildings to house the information management systems; (d) ensuring the design and implementation of a functional M&E system; and (e) strengthening of social accountability and grievance redress systems. It will complement and improve the delivery efficiency of the existing cash transfer programs in Liberia, including the Bank-financed US\$5 million cash transfer program (financed under the Ebola Emergency Response Project (EERP)) which aims to provide consumption smoothening to up to 10,000 households who are extremely poor, labor constrained, and affected by EVD. This program, financed through EERP, builds on the lessons of a social cash transfer program supported by the European Union (EU) and United Nations Children's Fund (UNICEF) to extreme poor and labor-constrained households in Bomi and Maryland Counties, implemented through the MGCSP.

42. This component will specifically support capacity building within the MGCSP to (a) set minimum standards of operations in the modalities of targeting, identifying, and delivering cash transfers; (b) update project operational procedures and guidelines; (c) develop coordination mechanisms and ensure synergies in the implementation of this subcomponent; and (d) provide knowledge exchange events, including seminars at the county, district, and central government levels and local and international study tours.

### **Component 4. Project Implementation and Coordination (US\$1,200,000)**

43. The MYS will bear the overall responsibility of ensuring effective implementation of this project. There will be three implementing partners, each of whom will be responsible for implementing specific subcomponents. Specifically, (a) the MYS will be responsible for implementing pre-employment social support as well as capacity and systems building; (b) LACE will be responsible for the implementation of household enterprises, life skills support and productive public works, and capacity and systems building, and (c) the MGCSP will be responsible for implementing cash transfer and capacity and systems building. Each agency will

also be provided with resources for project management and coordination. Table 3 summarizes these arrangements.

**Table 3: YOP Implementing Agencies and Subcomponents**

<b>Implementing Agency</b>	<b>Subcomponents</b>
MYS	1A: Pre-employment Social Support 1C: Capacity and Systems Building 4A: Project Implementation and Coordination
LACE	1B: Household Enterprises 2A: Productive Public Works and Life Skills Support 2B: Capacity and Systems Building 4B: Project Implementation and Coordination
MGCSP	3B: Capacity Building for Cash Transfer Program 4C: Project Implementation and Coordination

44. This distribution is based on the strategic position of the MYS to coordinate the youth sector, the recent experience of LACE in the implementation of a number of productive public works, enterprise support and skills training programs, and the mandate of the MGCSP to implement the cash transfer program. Existing county structures, in particular the County Steering Committee (CSC), chaired by the county superintendent, will support implementation at their level.

45. This component will consist of three subcomponents:

***Subcomponent 4A: Project Implementation and Coordination by the MYS (US\$500,000)***

46. The objective of this subcomponent is to support activities related to project management and coordination. This includes staff costs, equipment, vehicles, fuel, office space, and communications costs, and incremental project-related operating costs under the MYS. This support will include support for the procurement of a service provider to implement pre-employment. This subcomponent will also support coordination and consolidation of annual and quarterly reports for the entire project and auditing. The ministry will ensure collaboration across sectors and counties, as well as linkages with other policymakers in the overall implementation of the YOP.

***Subcomponent 4B: Project Implementation and Coordination by LACE (US\$500,000)***

47. The objective of this subcomponent is to support activities related to project management and coordination. This includes staff related costs, equipment, vehicles, fuel, office space, and communications costs, and incremental project-related operating costs under LACE for the implementation of the household enterprises, life skills training, productive public works, and capacity and systems building subcomponents of the project. This support will include procurement of a service provider to implement life skills training, facilitation of COCs in the implementation of subcomponent activities and auditing.

***Subcomponent 4C: Project Implementation and Coordination by the MGCSP (US\$200,000)***

48. The objective of this subcomponent is to support activities related to project management and coordination. This includes equipment, vehicles, fuel, office space, and communications costs, and incremental project-related operating costs under the MGCSP for the implementation of the capacity and systems building for cash transfers component of the project. This support will include the procurement of service providers to implement operational aspects of the cash transfers, including data collection, electronic registration, payments mechanisms and auditing.

**B. Project Financing**

**C. Project Cost and Financing**

**Table 4: Project cost by Components**

Project Component	Project cost (US\$)	IDA Financing %	% Total Financing
Component 1: Pre-employment Social Support and Household Enterprises for Urban Youth			
Subcomponent 1A: Pre-employment Social Support	500,000	100	32
Subcomponent 1B: Household Enterprises	2,000,000		
Subcomponent 1C: Capacity and Systems Building	700,000		
Total	3,200,000		
Component 2: Productive Public Works and Life Skills Support			
Subcomponent 2A: Productive Public Works and Life Skills Support	3,900,000	100	44
Subcomponent 2B: Capacity and Systems Building	500,000		
Total	4,400,000		
Component 3: Capacity Building for Cash Transfer Program			
Component 3: Capacity Building for Cash Transfer Program	1,200,000	100	12
Total	1,200,000		
Component 4: Project Implementation and Coordination			
Subcomponent 4A: Project Implementation and Coordination by the MYS	500,000	100	12
Subcomponent 4B: Project Implementation and Coordination by LACE	500,000		
Subcomponent 4C: Project Implementation and Coordination by the MGCSP	200,000		
Total	1,200,000		
Total Project Cost	10,000,000		
Front-End Fees	—		
Total Financing Required	10,000,000		

#### **D. Lessons Learned and Reflected in the Project Design**

49. The following are some of the lessons learned from implementing youth employment programs in Liberia:

50. Since the end of the war in 2003, CDD approaches have been used in implementation of youth employment programs in Liberia. The CDD approach can be an effective instrument not only in empowering communities, but also in enhancing social service delivery and contributing to building local institutions, provided that there is a strong institution to intermediate and facilitate the different stakeholders to play their respective roles, even in fragile environments. The support of the Government of Liberia (GoL) has been instrumental in developing LACE's track record of successfully implementing community activities, which has in turn contributed to its evolution into a self-sustaining implementing agency capable of facilitating different stakeholders.

51. Stakeholder and donor coordination is essential in all development activities in a post-conflict context, especially during the transition from relief to development phase where priorities need to be clearly identified and sequenced. Under previous youth employment projects in Liberia, effective harmonization of stakeholder activities including donor and line ministry efforts was achieved by involvement of the various stakeholder representatives, including donors on the Board of Directors of LACE. This strong coordination is key to the continued success of the youth employment programs.

52. Paying attention to fiduciary and project management skills in a weak post-conflict set-up has proven to be a critical factor that, among other things, contributed to the success of previous youth projects. The Bank's hands-on, on-the-ground, and continuous support on fiduciary and project management has been essential in meeting project targets. In addition, Bank fiduciary staff were based in the country office and paid particular attention to the implementation of previous projects. In some cases, a Bank staff has also been based in the country office, specifically to provide regular support to the project. These efforts have yielded great benefits and contributed to achievement of project objectives. Going forward, resources should continue to be made available to improve fiduciary areas of youth employment projects as part of routine project engagement.

53. Use of clear and transparent criteria for the selection of beneficiaries is key as it provides coverage against possible political interventions. Specifically, youth employment projects should lay out a clear allocation system and criteria that make it difficult to influence decision-makers in the selection process.

54. Introducing pre-employment support and life skills alongside technical skills is key to project implementation. Life skills, sometimes viewed as soft skills, provide youth with skills in communication, knowledge of how to resolve conflicts peacefully, awareness of health risks, understanding of acceptable workplace norms and behavior, and knowledge of how to search for employment.

55. Integrate a robust control and accountability framework in the design and implementation process to ensure transparency and accountability and prevent corruption. Specifically, youth employment projects should adopt a comprehensive governance strategy that is mainstreamed into the design, operational procedures, and which involves all stakeholders.

## **IV. IMPLEMENTATION**

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

56. The institutional set-up for the YOP is anchored around three pillars, these are (a) Coordination, (b) Implementation, and (c) Advisory.

57. The Honorable Minister of Youth and Sports will take the overall responsibility of ensuring the effective implementation of this project. There will be three implementing partners, each of whom will be responsible for implementing specific subcomponents as shown in the diagram below. Specifically, (a) the MYS will be responsible for the implementing of pre-employment social support and capacity and systems building; (b) LACE will be responsible for the implementation of household enterprises, life skills support, productive public works, as well as capacity and systems building; and (c) the MGCSP will be responsible for implementing capacity and systems building for cash transfers. Each agency is also provided with project management and coordination. Overall project coordination will be facilitated through the YOP Project Coordination Committee which would be made up of the three implementing partners.

58. Project implementation will also be aligned to existing youth and social protection policy and coordination mechanisms in Liberia. At policy level, the project will be aligned to the Youth Sector Steering Committee (YSSC), chaired by His Excellency the Vice President, and the National Social Protection Steering Committee, chaired by the Honourable Minister of Gender.



Children, and Social Protection. For coordination purposes, the project will be aligned to the Youth Sector Coordinating Committee (YSCC), chaired by the MYS, and Cash Transfer Coordinating Committee, chaired by the MGCSP. These committees will be instrumental in ensuring that there is policy and implementation coordination not only between the subcomponents of this project but also among all key stakeholders in the entire youth and social protection sectors. Further details on the roles and responsibilities of each of these committees will be detailed in the POM.

59. **Project Management Team (PMT).** There will be a PMT under the MYS, which will oversee the overall implementation of the project. The PMT will coordinate project implementation, including organizing regular YSSC, YSCC, and YOP Project Coordination Committee meetings. The PMT will also be responsible for developing all guidelines, establishing appraisal mechanisms, and working collaboratively with the three implementing agencies to ensure consistent and regular flow of information between internal and external audiences. The PMT will also be responsible for the implementation of the pre-employment social support subcomponent. The training activities under this subcomponent will be outsourced to an experienced Non-Governmental Organization (NGO) or a partnership of organizations. The PMT will have the following key officers: (a) a National Coordinator; (b) two Program Officers; (c) a Procurement Specialist; (d) a Finance Specialist; (e) a Communications Officer; (f) an M&E Officer; (g) a Grievance Redress Officer; and (h) a Program Assistant. The coordinator, who will report to the Honorable Minister of Youth and Sports, will provide the link between the implementing agencies, external stakeholders, and the policy and coordination committees.

60. **LACE.** The agency will be responsible for the implementation of the household enterprises, productive public works, life skills training and capacity and systems building subcomponents of the project. Building on existing experience, a Training of Trainers model will also be used by the CFs to provide life skills training. The LACE Executive Director will coordinate with the MYS and MGCSP to streamline implementation. LACE will have the following key officers: (a) Program Manager for Social Protection; (b) Project Manager; (c) M&E Specialist; (d) Finance Officer; (e) Information and Education Campaign (IEC) Specialist; (f) MIS Officer; (g) Procurement Officer; and (h) Internal Auditor. CFs will be hired by LACE to support project implementation in accordance with the procedures stipulated in the POM across the counties. Support will include forming and formalizing of youth groups and facilitating the distribution of subproject dividends between group members.

61. **MGCSP.** The ministry will be responsible for implementing the capacity and systems building for cash transfers component of the project. The project will support a technical team of national and international experts, including (a) Coordinator, (b) FM Specialist, (c) MIS Specialist, (d) M&E Officer, (e) Procurement Officer, and (f) Policy and Advocacy Officer. There will also be two staff for each of the following: Regional Officers, Database Assistants, M&E Assistants, and Finance Assistants. There will be a team of enumerators and social workers for field data collection in each county.

62. **CSC.** This committee will be multisectoral in nature and responsible for coordination and implementation functions of the project as well as field and desk appraisal of subprojects. Members will include representatives from the Ministry of Internal Affairs; MGCSP; Ministry of Health (MoH); Ministry of Agriculture; Ministry of Public Works; Ministry of Labor; MYS; Ministry of Finance and Development Planning (MFDP); Ministry of Commerce and Industry; Ministry of



Justice; Ministry of Land, Mines, and Energy; LACE; and Federation of Liberia Youth. The county superintendent will chair this committee while the MYS, LACE, and MGCSP will provide secretarial services. They will be responsible for (a) maintaining a database of all youth groups (by location, gender, and activities) and verifying the existence of the groups; (b) capturing youth data (including photographs of the group members and any other relevant documentation); (c) supervising and monitoring the group activities; (d) addressing any complaints and grievances forwarded by the COCs and reporting those they cannot resolve to the implementing partner(s) and the MYS; and (e) facilitating the commissioning of the subprojects. The CSC will also perform coordination functions of the systems strengthening activities of the government cash transfer program.

63. **Community Oversight Committee.** The COCs are the key youth groups supporting institution at the community level for Components 1 and 2, respectively. The membership will comprise a youth group representative, community head, a women's representative, a community elder, and a professional person residing in the community of implementation (for example, teacher, health worker, and administrator). It is anticipated that the group will have a maximum of 5–7 members to oversee all the youth groups in each community. The COCs will be responsible for ensuring that the youth groups have access to land (in case of rural youth) or workspace (in case of urban youth), facilitating smooth dialogue between the youth group and the implementing partners; participating in assessments and supervision and monitoring the sub-projects; addressing any complaints and grievances at the local level and reporting those they cannot resolve to the implementing partner(s) and the MYS.

64. **Individual Youths.** Although the youth will be supported in groups, individual youths will ensure that they take part in the group activities; develop subproject proposals; participate in training activities; account for resources given to them as individuals or as group members; and respect the timelines and milestones set by the group (bearing collective responsibility).

65. **Youth Groups.** The youth groups will be the direct recipients of the funds for the group activities. With TA from service providers/CFs, the members will be expected to (a) develop a leadership and management structure which should consist of a group chair, co-chair, secretary, and a financial secretary; (b) set and agree on the milestones; (c) ensure the implementation of the planned activities in a timely manner; (d) ensure that members attend training organized as part of this project; (e) present reports to the CFs/service providers (copying the COC) and respond to any issues raised; (f) define dividend sharing modalities; (g) conduct follow-up on the members to ensure continuity of group actions; and (h) ensure group cohesion throughout the project period. The youth groups will either be of single or mixed gender, although as noted earlier, the component will aim for gender parity in the overall targeting of the youth enterprise grants. Further details on the functions of the youth groups will be detailed in the POM.

66. **Private Sector Working Group.** This private sector advisory board will provide practical advice during implementation, create linkages between the private sector and youth groups, and ensure that the project activities (particularly household enterprises) remain relevant to the current needs of the sector. This group will include the following organizations: (a) the Liberia Business Association, (b) the Association of the Liberian Professional Organization, (c) Liberia Marketing Association, and (d) Liberia Chamber of Commerce. The MYS will be responsible for coordinating and facilitating regular meetings of this advisory group with youth groups and project

stakeholders. Further details will be provided in the POM.

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

67. The objective of the project M&E system is to: (a) monitor progress and results of YOP interventions at the community, county and national levels, (b) strengthen the national capacity to conduct and manage relevant M&E activities, and (c) use the information generated in evidence-based policy-making. A strong, gender-sensitive M&E system is an integral part of the project activities and provides management with a timely decision-making tool. The M&E system is crucial for the success of the project as it will ensure that problems are identified and solved as they emerge; lessons learned are incorporated into the project design, and project outcomes are ultimately assessed.

68. The project-related M&E provides a platform of data to use in management of the project, and feeds data into evaluations of the project's overall effectiveness and efficiency. The project-related system will be designed to provide timely progress reports of project implementation based on key performance indicators as per the results framework (Annex 1). A detailed impact evaluation of the pre-employment social support, household enterprises and productive public works and life skills support subcomponents will be undertaken to measure the project's impact on income generation opportunities of beneficiary youth.

69. The design of the project-related M&E will be linked to the impact evaluation to provide data on: (a) the well-being of targeted youth with access to pre-employment support and income-generation opportunities; (b) the impact of increased income from productive public works on the local economy, and (c) the effect of capacity and systems building activities on the efficiency of cash transfers. The impact evaluation includes a baseline survey (year 1) and two follow-up surveys (years 3 and 5). Monitoring tools will also be developed to aid the monitoring of the project. The tools will continuously be updated based on the lessons learned following regular M&E cycles. In addition to continuous monitoring, a database of all the youth involved in the project will be maintained by the PMT to aid in assessing progress during and up to a period of six months after project completion and to ascertain progress made toward the attainment of the set PDO.

70. The MYS will bear overall responsibility of establishing an M&E system for this project in particular, as well as the entire youth sector in general. In this regard, the PMT will include an M&E officer who will have the primary responsibility of carrying out routine and unannounced monitoring visits to the county teams. The areas requiring improvement will be noted and corrective measures taken. The visits will also help track the performance of the youth groups and document any challenges/lessons learned. In addition to the PMT, the M&E officers of each respective implementing agency will be responsible for monitoring project activities under their respective subcomponents through county offices. A functional M&E system will thus require that all implementing agencies and service providers involved in implementation of the M&E (as well as general project staff) become familiar with the project organization, managers, beneficiaries, and other stakeholders to identify the data needs, collection methods, formats, and feedback reporting protocols. Geographical maps will be developed for each subproject, detailing the location, beneficiaries and activities being undertaken. Independent parties will be contracted to conduct targeted studies (e.g., specific evaluation studies as well as mid-term and internal project

completion evaluations) and surveys as needed. While the general arrangements for results monitoring have been defined in Annex 1, an M&E plan for YOP will be detailed in the POM, and would specify data/information requirements, sources, methodology, frequency, and roles and responsibilities for collecting data.

### **C. Sustainability**

71. The project will achieve sustainability at three levels:

72. **Institutional Sustainability.** The project is designed primarily to support the MYS, LACE, and MGCSP in establishing solid and transparent systems, structures, and procedures, including a control and accountability framework, that are designed to last beyond the project duration. While the systems will need updating and staff will need to continuously learn and build capacity, the support under the project at this initial stage of project implementation will be crucial to establish a culture of transparency, responsiveness, client orientation, and excellence of services. The project will provide TA to support the development of such transparent systems, structures and procedures.

73. **Sustainability at the Beneficiary Level.** Results at the beneficiary level are expected to be sustainable as the program expects to have a positive effect on incomes and hours of work. The better prepared and earlier young people successfully enter the labor market (whether through wage or self-employment), the longer will be the effects of their increased earnings. In addition, strengthening of life skills and pre-employment support activities have proven to be important elements of a successful work life.

74. **Financial Sustainability.** The project will build targeting systems not only for the cash transfer activities but also for the youth activities, including (a) strengthening of systems, capacity, and transparency; (b) developing of innovative modules (for example, household enterprises) and exploring of new trades (improving quality of the construction industry) for self and wage employment, as well as new partners to deepen the institution's ties with the growing private sector; and (c) provision of reliable information on achievements and results through constant monitoring and rigorous impact evaluation. All these measures and innovations will contribute to the financial sustainability of the institution as they will provide the MYS with the information on results needed to continue political buy-in and leadership.

## V. KEY RISKS

### A. Overall Risk Rating and Explanation of Key Risks

**Table 5: Risk Ratings**

Systematic Operations Risk-Rating Tool (SORT)	
Risk Category	Rating
1. Political and Governance	Substantial
2. Macroeconomic	Substantial
3. Sector Strategies and Policies	Substantial
4. Technical Design of Project or Program	Substantial
5. Institutional Capacity for Implementation and Sustainability	Substantial
6. Fiduciary	Substantial
7. Environment and Social	Substantial
8. Stakeholders	Substantial
9. Other (Ebola)	Moderate
OVERALL	Substantial

### B. Overall Risk Rating Explanation

75. **Sector Risks.** At the sector level, there are a number of risks, including inadequate capacity and accountability mechanism and lack of clarity around functional assignments and responsibilities. These challenges have the potential to affect implementation of the proposed project. To mitigate this risk, the project will build on lessons from previous Bank operations in Liberia, including providing TA to implementing agencies to support project implementation.

76. **Fiduciary Risks.** FM and procurement capacity are limited in Liberia. The project will seek to mitigate this risk through the use of in-country systems with proven implementation capacity, such as the Public Financial Management Unit (PFMU) and LACE. The PFMU has extensive experience managing Bank funding. All three implementing agencies have experience in implementing Bank projects, with varying degrees of success. Fiduciary TA will be provided to augment these experiences.

77. **Monitoring and MIS.** The government has only very basic monitoring and management systems, and capacity at the national and county levels varies widely. The project will support the continued development of an IT-based MIS to improve the efficiency and transparency of its selection, contracting, payment, and other management processes. The project will also benefit from the introduction of smartphone technology for beneficiary enrollment and routine monitoring.

78. **Quality of Partners/Service Providers.** The market for qualified service providers and

for innovative training providers in Liberia is limited. To mitigate this challenge, the Bank is currently undertaking Economic and Sector Work (ESW) to determine the capacity of skills development service providers that serve (or could potentially serve) youth in the informal sector. Findings of the ESW will inform project implementation. In addition, the project design will leverage the capacity of LACE to contract and monitor local Civil Society Organizations (CSOs) throughout the 15 Liberian counties to successfully implement social protection programs and youth-focused, and community-driven programming.

79. **Social Risks.** Component 2 of the project will include the implementation of community-level farm production. This activity will include preparation of land for communal agricultural production. Depending on the location, land governance and tenure conditions in Liberia vary. Lands acquired for the project are either customarily owned lands or state lands. In either of these categories, land acquisition may pose a risk to the project, including temporary loss of land, livelihoods, and assets and deepening vulnerability of existing land users, especially women or migrant occupiers. On communal or customary land, the community chiefs are usually consulted for land allocation decisions which sometimes are not made transparently, without consulting community members, and to the detriment of their interests, especially to occupiers of the land. On state land, there are cases where the land remains occupied by prior occupants and there is dispute over ownership, which can make land acquisition complex.

80. Land proposed for any subproject will be carefully screened to ensure that the selection process is participatory in nature and that the allocation is made with the informed consent of the community. The screening would also verify that there were no objections to the nomination from within the community, especially among land users and vulnerable land users, in particular. Relevant safeguards instruments will be deployed to ensure appropriate mitigation measures where displacement or restriction of access is involved.

81. **Other Risks.** There is a risk of Ebola spreading to staff and project beneficiaries. Appropriate health safety protocols will be put in place to prevent the spread of the Ebola virus to both program implementers and beneficiaries. In this regard, the project will coordinate with the MoH to incorporate required health protocols into project implementation.

## **VI. APPRAISAL SUMMARY**

### **A. Economic and Financial Analysis**

82. Approximately 90 percent of YOP funds will finance Components 1 and 2 which constitute the main activities targeted to improving access to income generation opportunities among youth in Liberia. As these are the largest components of the project, the analysis of the economic returns of the project is based on the activities implemented under these components. However, other benefits related to establishing the basic social safety net system are expected in the long term and are not easily quantifiable. These have not been included in the economic analysis.

83. Under Component 1, there are two discrete activities that intend to improve income generation among youth in urban areas. Component 1A offers pre-employment social support that aims to increase the employment readiness of youth by supporting the development of

noncognitive skills and positive attitudes toward work. In turn, it is expected that this will lead to stronger earnings potential and realized income improvements. Component 1B will offer the youth on-the-job apprenticeships, formal vocational training, tools/equipment, and basic business management training and start-up grants. This is intended to (a) increase the labor productivity of youth working in household enterprises and (b) facilitate the entry of youth into household enterprises.

84. Under Component 2, youth in rural areas will be targeted with an opportunity to participate in a productive public works program as well as life skills training. This is intended to not only provide immediate consumption smoothing but also improve the earnings opportunities for the youth in the longer term by supporting them through the preparation of new land for cultivation, providing resources to purchase agricultural inputs and agro processing, and teaching life skills, such as conflict resolution, sanitation, hygiene and health practices, teamwork, and basic financial literacy.

85. The analysis of the Economic Rate of Return (ERR) focuses on the benefits to increased earnings over the lifetime of youth that participate in the program, as well as immediate consumption gains realized in the first year of inclusion due to the grants and wages. The economic analysis considers two scenarios for estimating the ERR. In the first scenario, the program is considered to be effective at increasing the initial earnings of the youth by 10 percent and maintaining this increase in earnings but not increasing the rate of earnings growth. In the second scenario, the program is considered to be effective at improving the earnings growth of the youth by 2 percent per year over their lifetime. Both of these scenarios are considered since it is possible for this program to be effective at increasing earnings growth as well as bumping up earnings, and it will be useful to benchmark both outcomes. Under the scenario of a level increase of earnings by 10 percent, the ERR for pre-employment support is 8 percent, 2 percent for household enterprise grants and support, and 3.5 percent for productive public works. Under the scenario of a boost to earnings growth of 2 percent, the ERR increases to 15 percent, 9 percent and 10 percent respectively. (See annex 4 for further details on the economic analysis).

86. Lessons from youth employment projects in Sub-Saharan Africa have demonstrated positive impacts. Based on a Randomized Control Trial (RCT) conducted on the Youth Opportunities Project in Northern Uganda in 2013, the YOP participants increased business assets by 57 percent, hours of work by 17 percent, and earnings by 38 percent compared to the control group four years after the intervention. The project did so with an average cash grant of US\$382 per participant, as well as facilitation to create a simple business plan.<sup>18</sup> Through the provision of a cash grant of US\$150 and enterprise training, the Women's Income Generating Support (WINGS) program doubled the monthly cash earnings and tripled cash savings of participants as compared to the control group after one year, again as measured through an RCT.<sup>19</sup>

87. This project will seek to expand the evidence base on the economic returns to productive public works and household enterprise support programs. The impact evaluation will be designed in such a way as to enable learning and evaluation. The impact evaluation will also generate

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<sup>18</sup> Blattman, Fiala, and Martinez. 2013. *Generating Skilled Self-Employment in Developing Countries: Experimental evidence from Uganda*.

<sup>19</sup> Blattman et al. 2013. *Building Women's Economic and Social Empowerment through Enterprise: An experimental assessment of the Women's Income Generating Support Program in Uganda*.

knowledge on how such a program can be designed, targeted, and if it is complementary to on-the-job training, including the impact of the pre-employment support.

88. **Rationale for Public Sector Involvement.** The rationale behind public intervention through this YOP is threefold: (a) high potential for unequal growth; (b) existence of human capital externalities; and (c) the potential for a return to social unrest from widespread of poverty in a post-conflict environment. Liberia is a country with widespread poverty and low incomes that is increasingly reliant on mineral revenues for growth. Global experience shows that without strong labor market interventions particularly for youth and social protection systems, this type of growth is not often inclusive. In addition, the low levels of human capital in Liberia are likely to have large negative spillovers, thereby resulting in a suboptimal level of human capital in the absence of public intervention. Moreover, low levels of human capital are associated with lower productivity and therefore, can inhibit growth. Lastly, since a large proportion of the country's population are youth (and will continue to be for years to come), high rates of poverty and limited possibilities for youth can heighten the potential for social unrest, further threatening growth and stability.

89. **Bank Value-Added.** The Bank's value added to this project is through its expertise in the design and implementation of youth employment programs and large-scale cash transfer programs in Africa as well as in other regions. Specifically, the Bank has the experience needed to move from safety net programs to systems, both in developing the instruments and tools and in helping governments set up the requisite coordinating mechanisms. The Bank has also had a long history of engagement with the GoL in the social sectors.

## **B. Technical**

90. The project's design is based on the lessons learned from previous youth employment projects. The Africa Flagship report on Youth Employment in Sub-Saharan Africa (2014) highlights the opportunities in farming at the time of high global prices for agricultural commodities and rising local and regional demand for food and the immediate opportunities in family farming and household enterprises. The Independent Evaluation Group (IEG) report of the World Bank (2013) suggests the need to remove key constraints to youth employment and maximize the impact of interventions. In particular, skill-building programs are more effective when three features are present. They include (a) private sector involvement in training; (b) classroom instruction combined with employer attachment (internship, apprenticeship); and (c) training combined with other services, such as financing or job counseling. These elements from the two reports have been incorporated in the YOP design.

91. The project design also aims to support strengthening and consolidation of country systems to the extent possible. For this reason, the project will aim to build the capacity of existing agencies such as the MYS, LACE, and MGCSP. The project includes a number of rigorous evaluation studies that will support learning by doing and allows adjustments as project implementation proceeds.

92. The lessons from EPAG can be applied to create opportunities for less-educated women to enter household enterprises. The project will strive to harmonize and coordinate with the implementation of the EPAG program as outlined in Box 1.

### **Box 1. Coordination arrangements between the YOP and EPAG**

The YOP is being conceptualized and prepared in a harmonized manner with the EPAG project. Both are expected to be an integral part of the GoL's Youth Development Agenda. The harmonization includes the following key elements:

1. **The YOP and EPAG implementation will be run by the MYS and MGCSP in parallel but also in partnership and under Bank oversight for the next 5 years.** As in the previous period, the partnership between the two government agencies will continue as both are expected to participate in strategic oversight and leadership over the youth development agenda. In the short term, the Bank will work with the government on completing the YES project and the 4th round of EPAG (2015). In the long term, the YOP will target 15,000 youth beneficiaries until 2019, while EPAG will provide support to 4,500 to 5000 beneficiaries with the overall objective of training 10,000 young women by 2020.
2. **The YOP and EPAG will coordinate their regional coverage.** EPAG will cover Montserrado, Grand Bassa, and Margibi Counties. The two projects are cognizant of the fact that there are large cohorts of young people who need training and empowerment and these two projects will only make a small dent in the challenge of youth development. Both implementing agencies will coordinate to ensure that where they overlap at the county level, different districts/clans are covered.
3. **The YOP and EPAG will coordinate their respective engagement of the various public, private, and Non-Governmental Organization (NGO) based training providers.** Both projects will run training through providers that are selected competitively, and terms and conditions of the engagements will be harmonized.
4. **The YOP will integrate the key lessons from the EPAG design and implementation into the YOP design.** These lessons include targeting, incentives, gender aspects, and M&E, among others.
5. **Funding for the YOP and EPAG will be based on the principle of additionality.** Funding sources for EPAG and the YOP will also be coordinated to avoid duplication and overlaps.

## **C. Financial Management**

93. The implementation of the FM arrangements will be anchored under the respective auspices of the PFMU at the MFDP. The inclusion of project expenditures as part of the overall GoL budget will be the responsibility of the Division of External Resources and Debt Management, and the Budget Departments of the MFDP. The accounting for the expenditures and their reporting will fall within the remit of the PFMU, using SUN accounting systems, and the audit of the project will be done by an independent auditor on terms of reference (TOR) acceptable to the Bank.

94. Under the funds flow arrangement, there will be four disbursement categories, each aligned to a project component. Bank disbursements for the project will be made from the Credit to a U.S. dollar denominated Designated Account (DA) held at a commercial bank in Liberia acceptable to the Bank, based on withdrawal applications duly and jointly signed by the MFDP and MYS. The withdrawal applications will be based on the Unaudited Interim Financial Reports (IFRs) (report-based) that include a cash forecast of eligible expenditures against the agreed work plan and budget and a quarterly forecast of net expenditures for six months with respect to the disbursement categories. The U.S. dollar currency shall form the transaction basis for the project's accounting and reporting. The signing arrangement by the MFDP and MYS will also be reflected in the Authorized Signatory Letter (ASL) to be issued by the GoL after project effectiveness. The MYS signers will constitute 'Category A' and the MFDP signers will constitute 'Category B' of the



ASL. The joint signers will be the operators of the DA and the Operations Account for the project.

95. The project will use the following mechanisms to pay project beneficiaries under household enterprises and productive public works: (a) in areas where commercial banks exist and are accessible to the community, project beneficiaries will be encouraged to open bank accounts and payments will be delivered directly into bank accounts and (b) in communities which lack banking services, either commercial banks will be contracted to deliver payments to beneficiaries or, where feasible, mobile money will be used to deliver payments to beneficiaries.

96. The PFMU is endowed with acceptable technical and operational competencies for budgeting, accounting, and reporting and will aggregate and segregate the project expenditures as part of its annual budget, derived from work plans and budget submitted by the implementing partners. Budgetary planning by the program implementing agencies—MYS, MGCSP, and LACE—will be coordinated by the MYS/PFMU on the basis of the existing GoL budget process and the Bank guidelines. The PFMU shall submit quarterly IFRs to the Bank within 45 days after the end of each quarter. The IFRs will consist, at a minimum, of (a) sources and uses of funds (summary of expenditures shown under the main program headings and by main categories of expenditures for the period); (b) a summary statement of expenditures according to categories; (c) DA reconciliation statement; (d) physical progress report; and (e) procurement status monitoring report. The IFR template has been agreed at negotiation between the GoL and the Bank. The IFR template is consistent with the IFR template for Bank-supported operations.

97. The PFMU has an internal audit unit assigned to strengthen the systemic controls in the projects managed by the PFMU. The internal auditors have, increasingly, also been engaged in supporting projects in the exercise of internal controls in expenditure management. Also, the PFMU FM system provides for segregation of duties in the expenditure processing cycle while ensuring the monitoring of cash availability at any given time. The internal auditors will prevail on the management for implementation of internal control issues identified by them as well as by the external auditors.

98. The project will, within four months into effectiveness, select an external auditor who will carry out the annual audits of the accounts of the project on a TOR acceptable to the Bank. The annual audited project financial statements and the audit report thereon shall be submitted to the Bank not later than six months after the end of each fiscal year.

99. In conclusion, with the PFMU catering to the implementation needs of the FM arrangements for the project, the proposed project has an appropriate and acceptable institutional anchorage to support its FM implementation while ensuring that the GoL FM systems are also used for the project. Drawing on the conclusions of the FM risk assessment findings, the FM arrangements are considered adequate and in line with the requirements established under OP/BP 10.00. A detailed description of the arrangements is provided in annex 3 (Implementation Arrangements).

## **D. Procurement**

100. An assessment of procurement risks was carried out virtually in January 2015 for the MYS, MGCSP, and LACE as implementing agencies. It reviewed the procurement procedures,

organizational structures, staffing, and skills for procurement management. The overall risk for procurement (before mitigation measures) was considered Substantial. The assessment recommended a number of actions to mitigate the procurement risks. With implementation of these measures the procurement risk is expected to be reduced to Medium. The main measures consist of hiring the National PMT Procurement Officer with procurement qualifications and experience satisfactory to the Bank for the entire duration of the project.

101. Procurement of goods and works and selection of consultants under the proposed project will be carried out in accordance with (a) Guidelines: Procurement of Goods, Works, and Non-Consulting Services Under IBRD Loans and IDA Credits & Grants by World Bank Borrowers, dated January 2011 and revised in July 2014; (b) Guidelines: Selection and Employment of Consultants Under IBRD Loans and IDA Credits & Grants by World Bank Borrowers, dated January 2011 and revised in July 2014; and (c) 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; (d) the provisions stipulated in the Legal Agreements; and (e) exceptions to National Competitive Bidding (NCB) procedures.

102. For each contract to be financed by the Credit, the different procurement methods or consultant selection methods, the need for prequalification, estimated costs, prior review requirements, and time frame has been agreed by the borrower and the IDA project team in the Procurement Plan (PP). The PP will be updated at least semiannually or as required, to reflect the actual project implementation needs and improvements in institutional capacity.

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

103. The project is anticipated to have positive social impacts at the individual and community levels. Project activities will lead to income-generating opportunities for beneficiary youth and households. Beneficiaries will be provided with support to improve agriculture technology, farming practices, and management of household enterprises. Support will also include basic life and entrepreneurial training, as well as system strengthening for cash transfers.

104. Despite the positive impact, it is foreseen that the project may have impact on land and livelihood as land is required for preparation and implementation of community-level farm production. As a result, OP 4.12 - Involuntary Resettlement is triggered for the project and a Resettlement Policy Framework (RPF) is prepared as the exact nature/scale of resettlement is unknown at project approval. The recently revised RPF for the Youth Employment Support Project Additional Financing (YES AF) was updated, consulted on, and re-disclosed to sustain the resettlement policy mitigation measures for the potential adverse social impacts associated with Subcomponents 1B and 2A of the YOP project. As with the ongoing YES AF, once subproject sites have been identified and screening shows that land uptake will be required for the productive public works subcomponent, a validated MOU to demonstrate temporal voluntary donation of the land for implementation of the subproject shall be obtained and kept for records. Involuntary resettlement will be avoided or minimized where feasible. In the unlikely event that land acquisition or restrictions on land use cause physical displacement, site-specific Full Resettlement Action Plans (FRAPs) or Abbreviated Resettlement Action Plans (ARAPs) will be prepared and implemented to manage and monitor resettlement impacts.

105. Most of the lands required for this project are communal lands vested in a traditional authority or chief, family head, or the state depending on the location. The RPF will ensure that the land acquisition procedure and local people's rights are appropriately addressed. Among the mitigation measures are the use of a checklist to ensure subproject screening for environment and social impacts, inclusion of vulnerable groups, and consultations in the resettlement process. In urban areas, the Ministry of Interior, the county superintendent, and the city mayor will be engaged to ensure that youth are provided with adequate space for training and to set up enterprises.

106. Implementation arrangement on safeguards are well-defined and LACE is the implementing agency for Components 1B and 2A, including overall management of safeguards activities. Over the years, LACE has been involved in the implementation of several Bank-funded projects. Key implementers at the LACE secretariat have also gone through safeguards training. It is anticipated that LACE has experienced staff to successfully adhere to and implement safeguards guidelines on the project. (See annex 3 for further details of the safeguard implementation arrangements and capacity assessment for safeguard implementation.)

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

107. Detailed assessment of project component shows that the activities under Subcomponents 1B (household enterprises) and 2A (productive public works) could have potential environmental and social impacts on human health and other identified receptors within the wider environment. The subproject activities under Subcomponent 2A will build on the pilot that has been designed under the ongoing YES AF Project. The main positive potential environment impact involves promoting better use of land and water resources through small-scale communal farming. Some negative potential environmental impacts include soil erosion, eutrophication of aquatic environments, crop residue and other solid waste, atmospheric emissions (including particulates), noise, and use of pesticides.

108. However these potential impacts are localized and can be easily mitigated. The project has therefore been categorized as B: Partial Assessment in accordance with World Bank Safeguard Policy OP/BP 4.01 - Environmental Assessment.

109. To comply with the triggered policy requirements, the project will update the recently revised Environmental and Social Management Framework (ESMF)<sup>20</sup> (consulted on and publicly disclosed on June 13, 2014, and in the InfoShop on July 9, 2014) and the RPF<sup>21</sup> (consulted on and publicly disclosed on June 13, 2014, and in the InfoShop on July 9, 2014) for the YES AF. An updated ESMF was disclosed on February 15, 2015. (See annex 3 for further details of the safeguard implementation arrangements.)

110. Moreover, the POM for YOP will be revised before project implementation to include a Productive Public Works technical manual of labor-intensive agricultural activities which will propose a menu of activities to be financed by Subcomponent 2A. This menu will guide planning and identification of agricultural subprojects at the community level. The subproject technical manual will also include technical design, work productivity norms, and social and environmental

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<sup>20</sup> Revised Environmental Social Management Framework, Liberia Youth Employment and Skills Project - P147967, April 2014.

<sup>21</sup> Resettlement Policy Framework, Youth Employment, and Skills Additional funding Project, April 2014.

mitigation measures.

#### **G. Other Safeguards Policies Triggered**

Not applicable.

#### **H. Grievance Redress Mechanisms**

111. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB'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 complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB 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 Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit [www.worldbank.org/grs](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

### Liberia Youth Opportunities Project

#### Results Framework

#### Project Development Objectives

##### PDO Statement

The Project Development Objectives are to improve access to income generation opportunities for targeted youth and strengthen the government's capacity to implement its cash transfer program.

**These results are at** | Project Level

#### Project Development Objective Indicators

Indicator Name	Baseline	Cumulative Target Values					
		YR1	YR2	YR3	YR4	YR5	End Target
Targeted urban youth initiating or expanding household enterprises with support from the project (disaggregated by (a) initiating household enterprises and (b) expanding household enterprises) (Number)	(a) 0 (b) 0	(a) 200 (b) 100	(a) 800 (b) 400	(a) 1600 (b) 800	(a) 2000 (b) 1000	(a) 2000 (b) 1000	(a) 2000 (b) 1000
Share of household enterprises initiated or expanded by targeted urban youth that are operational for more than 6 months (disaggregated by (a) initiated enterprises or (b) expanded household enterprises (Number)	(a) 0 (b) 0	(a) 0 (b) 0	(a) 10 (b) 10	(a) 40 (b) 40	(a) 75 (b) 75	(a) 75 (b) 75	(a) 75 (b) 75
Average annual earnings of targeted rural youth in productive public works (in the year in which they are enrolled) (Amount(USD))	0.00	300.00	300.00	300.00	300.00	300.00	300.00

Average share of beneficiary households receiving bimonthly cash transfers before or on 15th of the proceeding month <sup>22</sup> (Percentage)	0.00	40.00	50.00	60.00	70.00	70.00	70.00
Direct project beneficiaries (Number) - (Core)	0.00	2300.00	5600.00	9600.00	12800.00	15000.00	15000.00
Female beneficiaries (Percentage - Sub-Type: Supplemental) - (Core)	0.00	50.00	50.00	50.00	50.00	50.00	50.00
Beneficiaries of Safety Nets programs (number) (Number) - (Core)	0.00	1700.00	3600.00	5600.00	7800.00	10000.00	10000.00
Beneficiaries of Labor Market programs (number) (Number) - (Core)	0.00	500.00	2000.00	4000.00	5000.00	5000.00	5000.00
Share of project beneficiaries satisfied with project interventions (disaggregated by sex) (Percentage)	0.00	40.00	50.00	60.00	70.00	70.00	70.00

<sup>22</sup> “*Proceeding month*” refers to the month immediately following the payment period. For example, if the payment period is January – February, this indicator measures the average share of beneficiaries who have received payments by March 15<sup>th</sup>.

### Intermediate Results Indicators

Indicator Name	Baseline	Cumulative Target Values					
		YR1	YR2	YR3	YR4	YR5	End Target
Youth receiving start-up grants (Number)	0.00	300.00	1200.00	2400.00	3000.00	3000.00	3000.00
Share of targeted urban youth groups with business plan developed (disaggregated by sex) (Percentage)	0.00	10.00	40.00	70.00	70.00	70.00	70.00
Targeted urban youth completing pre-employment social support training under the project (Number)	0.00	0.00	200.00	800.00	1600.00	2000.00	2000.00
Share of targeted urban youth completing apprenticeships or vocational skills training (Number)	0.00	0.00	10.00	40.00	70.00	70.00	70.00
Person-days in public works provided by the project (Days)	0.00	150000.00	200000.00	500000.00	1000000.00	2000000.00	2000000.00
Proportion of COCs that are active (disaggregated by rural & urban) (Percentage)	0.00	60.00	70.00	70.00	75.00	80.00	80.00
Targeted rural youth completing life skills training under the project (Number)	0.00	1700.00	3600.00	5600.00	7800.00	10000.00	10000.00
Cash transfer targeting system established and operational (Yes/No)	No	Yes	Yes	Yes	Yes	Yes	Yes
Cash transfer enrollment mechanism established and operational (Yes/No)	No	No	Yes	Yes	Yes	Yes	Yes
Cash transfer grievance redress system established and operational (Yes/No)	No	No	No	Yes	Yes	Yes	Yes
Proportion of cash transfers made through electronic payment (Percentage)	10.00	20.00	30.00	40.00	40.00	40.00	40.00

## Indicator Description

### Project Development Objective Indicators

Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
Targeted urban youth initiating or expanding household enterprises with support from the project (disaggregated by (a) initiating household enterprises and (b) expanding household enterprises)	Targeted urban youth are defined as youth aged 18-35 years who are selected through the targeting process outlined under the household enterprise subcomponent.	Quarterly	Quarterly and annual project reports	MYS/LACE
Share of household enterprises initiated or expanded by targeted urban youth that are operational for more than 6 months (disaggregated by (a) initiated enterprises or (b) expanded household enterprises)	Operational refers to household enterprises that are open and running.	Quarterly	Quarterly and annual project reports	MYS/LACE
Average annual earnings of targeted rural youth in productive public works (in the year in which they are enrolled)	This indicator measures the average annual earnings of targeted youth from cash payments under the productive public works and life skills subcomponent in the year in which they enrolled.	Annual	Annual project reports	MYS/LACE
Average share of beneficiary households receiving bimonthly cash transfers before or on 15th of the proceeding month	This indicator the average number of households receiving bimonthly cash transfers through Government of Liberia cash transfer program which delivers cash grants to beneficiaries every two months.	Quarterly	Quarterly and annual project reports	MGCSF



Direct project beneficiaries	Direct beneficiaries are people or groups who directly derive benefits from this project (i.e., the targeted youth who are benefiting under this project).	Quarterly	Quarterly and annual project reports	MYS
Female beneficiaries	This indicator is based on the assessment and definition of direct project beneficiaries and specifies the percentage of the beneficiaries, which are female.	No description provided.	No description provided.	MYS
Beneficiaries of Safety Nets programs (number)	This indicator measures the number of individual beneficiaries covered by the productive public works and life skills training under this project.	Quarterly	Quarterly and annual project reports	MYS/MGCSP
Beneficiaries of Labor Market programs (number)	This indicator measures the number of individual beneficiaries covered by pre-employment social support and household enterprises under this project.	Quarterly	Quarterly and annual project reports	MYS/ MGCSP
Share of project beneficiaries satisfied with project interventions (disaggregated by sex)	Satisfaction in this context measures youth admittance that the project intervention has provided them access to income generating opportunities.	Baseline / Final Evaluation	Satisfaction survey by third party	MYS/LACE/External Consultant

### Intermediate Results Indicators

Indicator Name	Description (indicator definition etc.)	Frequency	Data Source / Methodology	Responsibility for Data Collection
Youth receiving start-up grants	This indicator refers to the number of youth who receive start up grants and tools/equipment under the Household Enterprises subcomponent.	Quarterly	Quarterly and annual project reports	MYS/LACE
Share of targeted urban youth groups with business plan developed (disaggregated by sex)	Developed refers to subproject proposals that have been vetted and approved for implementation under the Household Enterprises subcomponent.	Quarterly	Quarterly and annual project reports	MYS/LACE
Targeted urban youth completing pre-employment social support training under the project	Targeted urban youth refers to the youth aged 15 – 17 years selected under the pre-employment social support subcomponent.	Quarterly	Quarterly and annual project reports	MYS
Share of targeted urban youth completing apprenticeships or vocational skills training	This indicator refers to the percentage of targeted urban youth under the Household Enterprises subcomponent who complete apprenticeships or vocational skills training.	Quarterly	Quarterly and annual project reports	MYS/LACE
Person-days in public works provided by the project	“Person-days” is defined as the number of days in which a project beneficiary is credited for 6 or more hours of labor.	Quarterly	Quarterly and annual project reports	LACE
Proportion of COCs that are active (disaggregated by rural & urban)	Active COCs refers to Community Oversight Committees that: (i) hold regular meetings and (ii) produce attendance records and meeting minutes.	Quarterly	Quarterly and annual project reports	LACE
Targeted rural youth completing life skills training under the project	Targeted rural youth are defined as youth aged 18-35 years who are selected through the targeting process outlined under the productive public works and life skills subcomponent.	Quarterly	Quarterly and annual project reports	LACE

Cash transfer targeting system established and operational	This indicator refers to the targeting mechanism under the government's cash transfer program that is running and being used by program staff and targeted beneficiaries.	Annual	Annual project reports	MGCSP
Cash transfer enrollment mechanism established and operational	This indicator refers to the enrollment mechanism under the government's cash transfer program that is running and being used by program staff for targeting beneficiaries.	Annual	Annual project reports	MGCSP
Cash transfer grievance redress system established and operational	This indicator refers to the grievance redress system under the government's cash transfer program.	Annual	Annual project reports	MGCSP
Proportion of cash transfers made through electronic payment	This indicator measures the number of payments made under the electronic payment system of the government's cash transfer program.	Annual	Annual project reports	MGCSP

## **Annex 2: Detailed Project Description**

### **Liberia: Youth Opportunities Project**

1. The project will provide apprenticeships to vulnerable youth in urban areas and support agricultural transformation and value chain addition using a productive public works and Community-Driven Development (CDD) approaches particularly for youth in rural areas. To mitigate the impact of future shocks, the project will also improve efficiency in the delivery of cash transfers to targeted households, including to youth. Particular focus will be paid to pre-employment and life skills activities to strengthen youth participation in the labor market. The Youth Opportunities Project (YOP) activities will be designed and implemented directly or in close cooperation with the private sector (formal and informal). Building on lessons from previous and existing Bank-financed projects and bearing in mind the low capacity constraints, the project has been simplified in the following manner: (a) focusing on a few areas of opportunities with high potential for urban youth; (b) focusing on agricultural enterprises for rural youth; and (c) improving operational efficiency in the delivery of cash transfers to targeted households.

2. The project will have four components:

- Component 1: Pre-employment Social Support and Household Enterprises for Urban Youth
  - Subcomponent 1A: Pre-employment Social Support
  - Subcomponent 1B: Household Enterprises
  - Subcomponent 1C: Capacity and Systems Building
- Component 2: Productive Public Works and Life Skills Support
  - Subcomponent 2A: Productive Public Works and Life Skills Support
  - Subcomponent 2B: Capacity and Systems Building
- Component 3: Capacity Building for Cash Transfer Program
- Component 4: Project Implementation and Coordination
  - Subcomponent 4A: Project Implementation and Coordination by the Ministry of Youth and Sports (MYS)
  - Subcomponent 4B: Project Implementation and Coordination by Liberia Agency for Community Empowerment (LACE)
  - Subcomponent 4C: Project Implementation and Coordination by the Ministry of Gender, Children, and Social Protection (MGCSP)

3. To achieve better results, the project will have the following areas of emphasis:

- (a) **Development communication** to improve transparency and accountability and strengthen trust between the government and youth (see annex 6 for further details).

- (b) **Corruption prevention and grievance redress measures** that will engage independent anti-corruption institutions and civil society for third-party monitoring of the project and the establishment of a grievance redress mechanism for lodging and resolving complaints (see annex 5 for further details.)
  - (c) **A strong focus on gender**, specifically by (a) identifying and analyzing female and male gender issues at the county level; (b) facilitating access to informal childcare arrangements; (c) including specific gender and sex-disaggregated indicators results; and (d) utilizing an evaluation strategy that includes an analysis of the project's gender-specific impacts.
  - (d) **The use of Information Communication and Technology (ICT)** to improve operational efficiency of the project by (a) building safety net Management Information Systems (MIS), including targeting, beneficiary registration, payments, and grievance redress; (b) using video-based peer learning systems; and (c) using smartphones and tablets for data collection, electronic registration, and electronic payments.
4. In particular, ICT will be leveraged to improve the operational efficiency in the following ways:
- *Targeting.* Explore the use of new targeting methodologies using Geographic Information System (GIS), mobile technologies in community targeting, and statistical models in proxy means test.
  - *Identification.* Identify potential biometric and non-biometric electronic identification mechanisms.
  - *Unified registry of beneficiaries.* Lay the foundation for a national registry of beneficiaries.
  - *Monitoring and Evaluation (M&E).* Support the design and implementation of a functional M&E system.
  - *Electronic payment system.* Pilot a multi-channel electronic payment platform.
  - *Social accountability, grievance redress systems, and anti-corruption mechanisms.* Explore the use of platforms for citizen feedback and grievance redress.
  - *Technology architecture.* Specify a technology architecture that includes a decentralized decision support system.
  - *Connectivity architecture.* Use a range of appropriate technologies.
  - *Capacity enhancement.* Use video-based peer-to-peer learning for sectoral messages and information in addition to traditional methods to reinforce the use of technology.

## **Component 1: Pre-employment Social Support and Household Enterprises for Urban Youth**

5. This component will contribute to addressing youth labor market participation and behavioral constraints through the following three subcomponents.

### ***Subcomponent 1A: Pre-Employment Social Support***

6. The objective of this subcomponent is to increase the employment readiness of youth by supporting the development of non-cognitive skills and positive attitudes toward work. This subcomponent will offer intensive pre-employment and psychosocial support to improve productivity. This subcomponent will also include psychosocial support to Ebola Virus Disease (EVD)-affected youth and survivors, and will build off of evidence-based best practices to increase readiness demonstrated to work in other contexts, including post-conflict situations. This support will include core sessions to build skills in emotional regulation (including self-esteem and impulsivity), concentration, and problem solving, which are critical to success in education and the labor market and may integrate elements from Cognitive Behavioral Therapy (CBT) and group interpersonal therapy. Knowledge and skills on Sexual and Reproductive Health (SRH) will form a core element of the required pre-employment support offered under this subcomponent, to influence behavior and competency in making the right decisions to succeed in employment and effectively manage enterprises.

7. This subcomponent will target out-of-school<sup>23</sup> and in-school cohorts of youth aged 15–17 years as they prepare for employment and potential inclusion into Subcomponent 1B. This intervention will support up to 2,000 youth in Montserrado County. Batches of youth in this subcomponent will be engaged for 3–12 months of training. Multiple cohorts will complete the program over the five-year period.<sup>24</sup> The project will use several approaches to reach beneficiaries, including (a) an on-demand approach through targeting centers and (b) a recruitment team that will seek out vulnerable youth in designated districts and clans of the county. These approaches will be complemented by a Public Information Communications (PIC) campaign to disseminate the program’s objectives, design, and general eligibility. The PIC will also use various community structures and youth groups to disseminate information and connect with potential applicants. Subsequently, a simple validation tool to verify common features of poverty and vulnerability (analogous to a proxy means test) will be used to generate the final list of beneficiaries from the pool of applicants. In case of oversubscription, all eligible applicants will be included in a public lottery to determine participation in the program.

8. Due to the specialized nature of the interventions in this sub-component, an experienced service provider will be recruited to undertake training and counseling activities. The service provider will be partnered with a local service provider to provide employment services. The implementing partners will also include a family and community support arm to this intervention,

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<sup>23</sup> For the purpose of this project, out-of-school youth refers to youth have dropped from school and those who have completed one level of schooling and find it difficult to continue.

<sup>24</sup> Depending on what is feasible in terms of frequency of training sessions, the length of training sessions will vary between 3 and 12 months. Consecutive cohorts will be included in this component, given the length of the program and the length of this subcomponent.

to support sustained behavioral change in youth and minimize the challenges they face in their communities, ideally by working with families and youth groups in the target communities.

9. Menu of opportunities<sup>25</sup>. This Subcomponent will finance the investments presented in table 2.1

**Table 2.1: Menu of Opportunities for Pre-employment Social Support**

Category	Menu of Opportunities
Investment menu	<ul style="list-style-type: none"> <li>• Trauma counseling</li> <li>• Work ethics training</li> <li>• Job search training <ul style="list-style-type: none"> <li>○ Building a resume</li> <li>○ Attending a job interview</li> <li>○ Dress code</li> </ul> </li> <li>• Business and financial management</li> <li>• Effective communication</li> <li>• Conflict management skills</li> <li>• Managing emotions <ul style="list-style-type: none"> <li>○ Anger management</li> <li>○ Dealing with fear and frustration</li> <li>○ Stress management</li> <li>○ Self-esteem</li> </ul> </li> <li>• Health and hygiene <ul style="list-style-type: none"> <li>○ SRH education</li> <li>○ Personal body care</li> <li>○ EVD and other infectious disease prevention</li> </ul> </li> <li>• Drug abuse and alcoholism</li> <li>• Respect for rule of law</li> <li>• Job safety (dos and don'ts on particular jobs)</li> </ul>
Negative menu (non-fundable)	<ul style="list-style-type: none"> <li>• Any activity that pulls school-going youth out of school</li> </ul>

10. In line with the project's gender focus, the content and delivery of psychosocial support and life skills training will account for differences across the sexes, driven by gender inequalities and gender norms (including notions of masculinities) that influence social and behavioral outcomes. The training will also include sensitization on the rights of women and children.

### ***Subcomponent 1B: Household Enterprises***

11. Youth operating in household enterprises are constrained by lack of capital, inadequate skills, congestion, and lack of physical space to work in urban settings. In response to these constraints, this subcomponent aims to (a) increase labor productivity of youth working in household enterprises and (b) facilitate the entry of youth into household enterprises. This intervention will support about 3,000 vulnerable youth in groups of 8 with on-the-job

<sup>25</sup> This is an indicative list of activities, dependent on the skills and experiences of the selected service provider

apprenticeships, formal vocational training, tools/equipment, basic business management training, and start-up grants. This subcomponent will be implemented in Montserrado County. The justification for the selection of this county include these points: (a) the county has the highest concentration of youth in Liberia; (b) the county has been significantly affected by EVD; and (c) the high population density of vulnerable households in Montserrado County makes it imperative to support the improvement and welfare of these youth.

12. Two cohorts of beneficiaries will be considered: (a) youth who are new entrants into household enterprises, who are underemployed and not in school and (b) youth involved in existing household enterprises and who can demonstrate management of an active household enterprise over the last 2 years. New entrants will be supported with on-the-job apprenticeships or vocational training (offered through existing formal vocational training institutes) to improve their skills and start new businesses. The government's medium-term focus is to rebuild infrastructure and the energy sectors of the economy. Accordingly, job opportunities are expected in these sectors (for example carpentry, metal fabrication, block making, and electrical technicians), as well as related services. Even for youth already operating in these sectors, business growth of household enterprises is hindered by the poor quality of their outputs and services. This subcomponent will initially focus on the construction and related service sectors and support these household enterprises with apprenticeships, vocational training, tools/equipment, and cash grants to improve quality.

13. For new entrants, the project will set up targeting centers and use an on-demand approach to generate lists of potential beneficiaries. Youth who complete the pre-employment support and become 18 years of age during the program will automatically be considered eligible if they apply. The on-demand process will consist of three key activities: (a) formation of registration teams; (b) a PIC campaign to disseminate the program's objectives, design, and general eligibility and to solicit applications from applicants; and (c) receipt of applications from potential beneficiaries. The PIC campaign will also use various community structures and youth groups to disseminate information on the YOP. Subsequently, a poverty targeting validation tool to verify common features of poverty and vulnerability (analogous to a proxy means test) will be used to generate a list of potential beneficiaries from the pool of applicants. As part of the process, a community validation process will then be undertaken to ensure that selected beneficiary youth have positive community and peer endorsements and are not involved in drug abuse. The final list of potentially eligible youth beneficiaries will then be made available at the community level for a period of not less than one week to allow the community members to provide feedback. Any discrepancies will be corrected before confirming the list of project beneficiaries. In the case of oversubscription, a public lottery will be held to determine the final list of beneficiaries for enrolment in the program.

14. After the targeting process, a service provider will facilitate the organization of youth into groups based on their self-defined interests. The number of youth in each group under this subcomponent will be a maximum of eight individuals; one individual from each household. Experience shows that the complexities of coordination, trust, and group dynamics issues are more manageable in such small groups. The groups will be facilitated to prepare subproject proposals, which will be evaluated and approved (further details will be provided in the Project Operational Manual (POM)). As part of this preparation, the service provider will also coach beneficiaries on basic business and money management practices.



15. Each youth group will be able to access a grant of US\$2,400 per approved subproject (equivalent to US\$300 per individual), which will be released in tranches after the achievement of each milestone as documented in the subproject proposal. The grants will be used to purchase tools, materials, equipment, and other related inputs or services for use on an approved subproject over a period of one year. The size of the grant has been determined based on the existing lessons on the minimum amount of capital required to receive on-the-job training and start a household enterprise. The youth groups will procure the requisite supplies through a community procurement process, facilitated by the service provider. The service provider will coordinate with city officials and the county YOP committee to provide appropriate locations to facilitate the development of their enterprises. The service provider will continue to provide support to the youth groups for up to six months after the end of the subproject. This includes supporting the youth groups to (a) federate and formalize their household enterprises to form a sustainable community institution, (b) establish modalities for the distribution of subproject dividends, and (c) link up with existing institutions, such as village savings groups.

16. This subcomponent will procure training for youth groups either through formal vocational training from established institutions or from master trainers who have the requisite business skills in the various trades to provide on-the-job coaching to beneficiaries. There are several sources of such master trainers. There are some medium-scale enterprises that produce relatively higher quality outputs; however, they need to be better equipped to provide apprenticeships to youth under this project. This subcomponent will therefore support such medium-scale enterprises with tools/equipment, not exceeding US\$2,400 in value, in exchange for them to train at least one group of eight new entrants for one year. To qualify for this support, however, these medium-scale enterprises must be functional and registered with Ministry of Commerce. A second source of master trainers is skilled retired technicians, who will also be mobilized to provide technical support and training. Third, in circumstances where the requisite skills are not available in the country, distance-learning arrangements via video conferencing may be organized to train the youth. A call-for-proposal approach will be used for medium-scale enterprises that would like to participate in this subproject.

17. The implementation of this subcomponent will also require service providers to have skills in business planning to perform the following functions: (a) coordinate the overall implementation of each category of subprojects; (b) mobilize new entrants and existing youth household enterprises; (c) provide technical support to medium-scale enterprises whose capacity will be strengthened to provide training to beneficiaries; and (d) mediate between new entrants/existing youth enterprises (the ‘trainees’) and medium-scale enterprises/retired technicians (the master trainers). Considering that this is one of the main project focus areas, the project will develop specific guidelines for hiring service providers to facilitate the youth groups.

18. To facilitate the implementation of this subcomponent, a menu of opportunities will guide the selection of final subprojects<sup>26</sup> (see Table 2.2)

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<sup>26</sup> This is an indicative list of activities, dependent on the availability of qualified master trainers.

**Table 2.2: Household Enterprises Menu of Opportunities**

Category	Menu of Opportunities
Fundable menu	<ul style="list-style-type: none"> <li>• Carpentry and joinery</li> <li>• Plumbing</li> <li>• Electricians</li> <li>• Metal fabrication</li> <li>• Block making/Construction</li> <li>• Recycling</li> <li>• Cellphone repair</li> <li>• Auto and motorbike mechanics and services</li> <li>• Painting</li> </ul>
Non-fundable list	<ul style="list-style-type: none"> <li>• Large-scale equipment, e.g., big tractors</li> <li>• Individual business loans/microfinance</li> </ul>

19. **Subproject Cycle.** LACE will recruit a service provider to facilitate the youth group activities and master trainers to provide on-the-job apprenticeships. The household enterprises subcomponent will be implemented according to the cycle shown in Figure 2.1

**Figure 2. 1: Household Enterprises Subproject Cycle**



20. For each implementation phase, the following processes will be undertaken (full details, forms, and processes for each of the following will be outlined in the POM)

21. **Information, Education, and Communication Campaign.** An Information and Education Campaign (IEC) campaign will be undertaken to disseminate the program's objectives. The campaign will also use various community structures and youth groups to disseminate information on the YOP design, general eligibility, and the application process.

22. **Formation of the County Steering Committee (CSC).** LACE jointly with the MYS will sensitize the county superintendent and key members of the county leadership about the objectives and activities of this subcomponent. A CSC will then be constituted to coordinate the implementation functions of this subcomponent at the county level. Members will include representatives from the Ministry of Internal Affairs; the MGCSP; the Ministry of Health (MoH); the Ministry of Agriculture; the Ministry of Public Works; the Ministry of Labor; the MYS; the MFDP; the Ministry of Commerce and Industry; the Ministry of Justice; the Ministry of Land, Mines, and Energy; the LACE; and the Federation of Liberia Youth. Civil Society Organizations (CSO) will be invited to participate in the meeting and meetings will be open to public observation. The county superintendent will chair this committee while the MYS and LACE will provide secretarial services.

23. **Selection of Clans and Townships/Communities.** The LACE secretariat, in conjunction with the CSC, will determine the clans and townships in Montserrado within which the subcomponent will be implemented based on a clear and transparent set of criteria (which will be outlined in the POM). Several factors will be considered based on available data, including proportion of vulnerable youth, poverty rates, EVD-affected areas, poor access to services and scarcity of other youth interventions.

24. **Selection and Training of Community Oversight Committees (COC).** The service provider will facilitate a community or township meeting to select community members to form the COC. The COCs will be responsible for ensuring that the youth groups under components 1 and 2 are formed and are active; endorsing that the individual youth are of good character; guiding and supporting the youth groups during project implementation; supporting the implementing partners in the implementation of activities; and participating in assessments, supervision, and monitoring activities. They will have the primary responsibility of addressing any complaints and grievances at the local level and reporting all complaints and grievances, including those they cannot resolve, to the MYS, with a copy to LACE and the implementing partner. The committee will be composed of a chairman, a secretary, treasurer, and two other members (at least two of whom must be literate). The COC should include (a) a youth representative (chairman); (b) the community head; (c) a female representative; (d) a community elder; and (e) a professional person residing in the community of implementation (for example, teacher, health worker, and administrator). The COC could also include religious leaders, section leaders, and health care providers. Each group will then be sensitized on the subprojects, the overall objectives and guiding principles of the public works activities, and their roles and responsibilities.

25. **Identification and Equipping of Registration Centers.** The COC, in coordination with the CSC and the city mayor will identify appropriate locations to be used as targeting centers in

the community/township. These areas must be centrally located, large enough to handle the estimated number of applicants, and adequately equipped with sanitation facilities.

26. **On-demand targeting.** The on-demand targeting process will consist of the following activities:

- Receive predesigned applications for potential beneficiaries.
- Undertake poverty assessment of beneficiaries.
- Hold community meetings to validate applicants and ensure that only applicants with positive peer and community endorsements progress to the next stage.
- Select final list of potentially eligible beneficiaries and publish lists for at least one week.
- In the case of oversubscription, the project will implement a public lottery to determine the final list of beneficiaries.

27. **Beneficiary Registration and Group Formation.** Beneficiaries will be enrolled into the program using e-registration systems. The LACE team will also issue photo identification cards which will be used to identify beneficiaries during payments. Beneficiaries will be encouraged to open bank accounts or register for mobile money services (where feasible). After beneficiaries have been selected and registered, the service provider will guide beneficiaries to form groups of eight members (according to their self-defined subproject interests) and paired with master trainers.

28. **Subproject Proposal Preparation.** The service provider and master trainers will then support each beneficiary youth group to prepare their subproject proposals, defining timelines, milestones, budgets, and tools/equipment needed. The service provider will ensure that the subprojects are within the scope of this project, review technical feasibility of the proposal, and ensure that there is available space for the youth groups to undertake their activities.

29. **CSC Appraisal.** The committee will undertake a field appraisal of the subproject proposals to determine technical feasibility and environmental impacts. The committee will also undertake a field appraisal to ascertain (a) the existence and adequacy of youth groups for the implementation of the subproject and (b) availability of required space to undertake activities. Once successfully appraised, subprojects will be submitted to the LACE secretariat. The CSC will also take into consideration space issues of the subproject and will work with the service provider and the LACE to negotiate for space on behalf of the youth groups.

30. **Desk Appraisal and Approval by LACE.** When subproject proposals are received, the LACE secretariat will then review and appraise the subproject proposals using criteria that includes the following: (a) completeness of submitted documentation, (b) conformity with project guidelines and budget, (c) technical feasibility and profitability, (d) realistic size and scope of the subproject, (e) viability, and (f) sustainability. All identified subprojects will be screened for compliance with social and environmental safeguards. On completion of the review, the LACE will convene a meeting that will approve the final list of subprojects to be financed. The meeting

will be co-chaired by the chairperson of the LACE Board and the Honorable Minister of Youth and Sports, or their representatives. The Executive Director of LACE will be the secretary to that committee. Once the subprojects are approved, the decision will be communicated to the CF, with a copy to the CSC and COC, for communication to the final project beneficiaries.

31. **Procurement and Provision of Inputs.** Once the subprojects are appraised and approved, LACE will compile the list of necessary tools and materials that were identified by the youth groups to execute subproject activities. The PP will then be updated and procurements of inputs initiated. Youth will participate in the procurement of inputs through the community procurement process.

32. **Subproject launch.** After approval, the subproject will be officially launched at the township/community level. This ceremony will be organized by the CSC, led by the county superintendent, in coordination with the district superintendent. During this ceremony, an agreement between the youth group, the LACE, and witnessed by the CSC will be signed. Tools/equipment will also be distributed to participants. Information will be shared with the beneficiaries including the overall project objectives, operational procedures and on how grievances can be resolved.

33. **Subproject Implementation.** Subprojects will be implemented over a cycle not to exceed 18 months, with the distribution of tools, equipment, materials or grants as agreed to in the approved sub-project proposal based on the predetermined milestones. Actual subproject implementation will be for 12 months, while the remaining 6 months will be for additional mentorship and support to the youth group to run the business.

34. **Supervision, Monitoring, and Evaluation.** Supervision, monitoring, and evaluation of subprojects will take place at the community, county, and national levels. An M&E plan will be developed for the subcomponent, outlining the roles of the LACE (who will maintain overall M&E responsibility) and the county and community structures. A strong, gender-sensitive M&E system is crucial for the success of the project as it will ensure that problems are identified and solved as they emerge, lessons learned are incorporated into project design, and project outcomes are ultimately assessed. Geographical maps will be developed for each subproject, detailing the beneficiaries and what they are doing. The Project Management Team (PMT) will procure the services of a consultant to develop the M&E plan for the YOP.

35. **Third-Party Monitoring.** Project processes, implementation, and outputs will be monitored by a third party agency and/or civil society organizations, who are external to the project's direct beneficiary chain and management structure.

36. **Completion and Commissioning.** Once a subproject is completed, the service provider will create a subproject completion report and will organize a ceremony of commissioning at the town/community level. This ceremony will be the opportunity to:

- issue a certificate for completion;
- hand over subproject assets to beneficiaries, including the tools and other inputs provided; and

- Inaugurate the formalized household enterprises to continue activities.

37. **Grievance and redress mechanism (GRM).** A GRM is essential to ensure transparency, social accountability, and community engagement in the subproject. The MYS will be responsible for designing and implementing a comprehensive GRM that would enable both beneficiaries and citizens to lodge complaints and grievances regarding any aspect of the subproject cycle. Where possible, synergies will be explored for combining resources and setting up joint systems with the other implementing agencies under this Project, for example by setting up a joint call center to field complaints for all components of the Project. A system of collecting and addressing these grievances at the town/community, district, county, and national levels will be designed and detailed in the POM.

### ***Subcomponent 1C: Capacity and Systems Building***

38. The objective of this subcomponent is to support capacity and systems building to key stakeholders at both the central and local levels involved in the implementation of the YOP. Given that there many players in the youth sector in Liberia, the YOP will provide Technical Assistance (TA) to the MYS to coordinate the activities of actors in the sector. In addition, the subcomponent will finance (a) preparation of project operational procedures and guidelines; (b) knowledge exchange events; (c) labor market intervention training (with an emphasis on soft skills in managing youth groups) for project staff, implementing agencies, and service providers; (d) provision of tools/equipment for implementing agencies; and (e) studies that will enhance youth employment dialogue in Liberia.

39. The MYS will also be supported with several distinct sets of processes and system-building activities, specifically (a) supporting the operations and functioning of the YOP CSCs; (b) capacity building for the introduction of ICT-based operational enhancements (including targeting and electronic registration), (c) building of an M&E system to monitor project results (which would in turn support the systematic tracking of results for the youth sector in general); (d) development and implementation of social accountability and a GRM for Components 1 and 2 of the project; (e) and at least three evaluation surveys.

## **Component 2. Productive Public Works and Life Skills Support**

40. This component will consist of two subcomponents: (a) Subcomponent 2A: Productive Public Works and Life Skills Support and (b) Subcomponent 2B: Capacity and Systems Building.

### ***Subcomponent 2A: Productive Public Works and Life Skills Support***

41. The objective of this subcomponent is to provide vulnerable youth in rural areas with immediate consumption smoothing support through productive public works and life skills training. The subcomponent will adopt a CDD approach to engage youth in productive public works activities with an emphasis on community-level farm production. The interventions will focus on enhancing the productivity of staple crops using high quality inputs. The subcomponent would support the preparation of new land for cultivation and provision of resources to youth groups to purchase agricultural inputs, as well as agro processing.

42. Life skills support will aim at the following: conflict resolution, peer community awareness on sanitation, hygiene, and health promotion to enhance the long-term benefits to rural youth participating in the productive public works program. This subcomponent will also focus on behavior modification around self-esteem, SRH, communication strategies, work readiness, teamwork, community relations, as well as basic business and money management practices.

43. This subcomponent will be targeted toward vulnerable youth (aged 18–35 years) in rural areas in all counties across Liberia. Clear and transparent criteria (such as poverty and population indicators) will be used to determine the number of beneficiaries by county and to select the participating communities below the county level. In total, approximately 10,000 beneficiary youth will be supported in groups of 10–15. A cluster of four groups will be enrolled in each participating locality to take advantage of economies of scale in service delivery.

44. The cluster of four groups will be facilitated to develop a sub-project proposal together. Each youth will be required to cultivate 0.5 ha of land for community agricultural projects. A community-based selection approach will be used to select beneficiaries into the four groups. The selection criteria will include youth who are residents of the community and underemployed. Planning for each subproject will follow the agricultural cycle, as will be defined in the POM. Emphasis will be placed on highly profitable and early maturing crops, including nontraditional crops in Liberia, such as pineapples. The subprojects will also facilitate linkages between production, processing, and marketing. Facilitation of the flow of information (using innovative ICT solutions) on markets and prices will be supported.

45. The groups will define their proposals using a predefined template, outlining the identification of activities, allocation of participant labor, timeline for work phases, necessary inputs, including allocation of land by the community if necessary, and sustainability and management measures. This will ensure that subprojects respond to local needs and reflect the amount of materials, equipment, and manpower available to support the activity. Once approved, youth groups will be provided with financial and technical support through their activities, including linkages to markets as feasible. Beneficiaries will also be eligible for agricultural technical/extension support from local service providers, as well as capital for tools and agro-inputs. Whenever possible, linkages to the private sector (both formal and informal) will be encouraged. The Community Facilitators (CF) and the Community Agriculture Technicians will continue to provide extension services to all youth groups throughout the life of the project. The activities of this project will also be linked to the World Bank funded West Africa Agriculture Productivity Project.

**Table 2.3: Menu of Opportunities - Productive Public Works**

Category	Menu of Opportunities
Investment menu	<ul style="list-style-type: none"> <li>• Crop production, including lowland rice, roots and tubers (yams, cassava, potatoes, eddoes); vegetables (tomatoes, onions, okra, cabbages, bitter ball); legumes (peanuts); pulses (beans, peas); and fruits (pineapples)</li> <li>• Lowland rice production</li> <li>• Plantain, banana production</li> <li>• Value chain addition: Processing the produce (e.g., processing fruits into fruit juice or dried fruits)</li> <li>• Animal husbandry</li> </ul>
Negative menu (non-fundable)	<ul style="list-style-type: none"> <li>• Cash crop production (Rubber, coffee, cocoa)</li> <li>• Production and sale of tobacco products</li> <li>• Activities that will be deemed damaging to the environment (such as clearance of key water catchment areas and use of chemicals)</li> </ul>

46. The subproject cycle will be based on the main planting season, which occurs from March to May each calendar year. Each member will be guaranteed a total of 100 days per year: 60 days of work on subproject agricultural activities, 20 days of business training, and 20 days of life skills training. The full subproject cycle will be detailed in the POM.

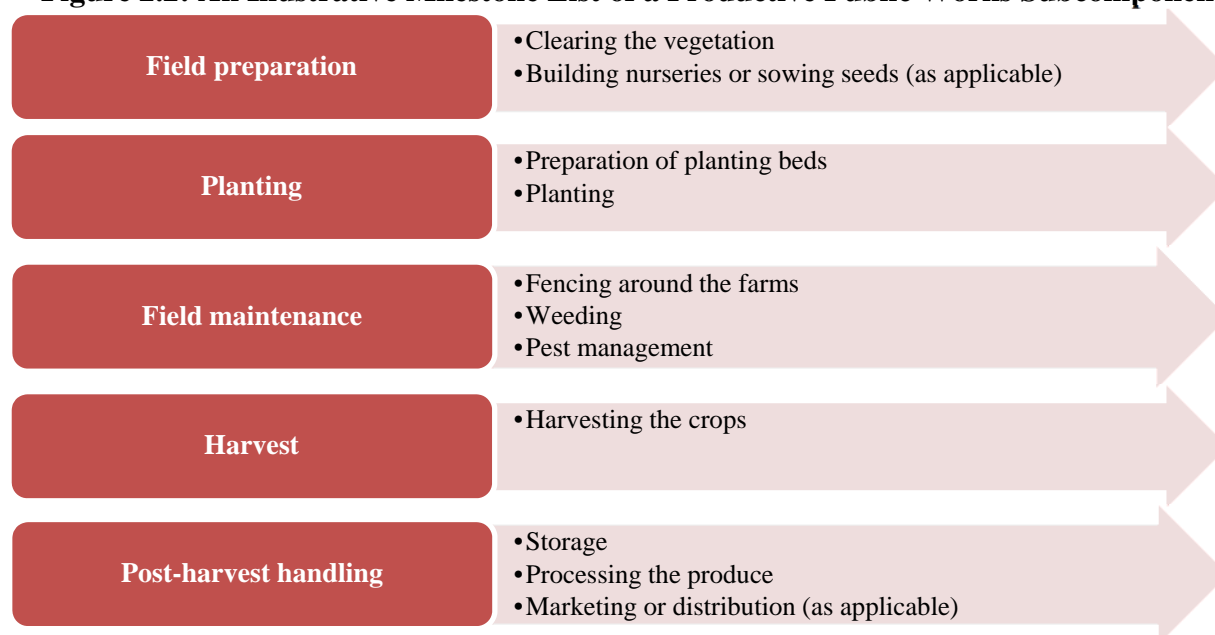
47. Beneficiaries will be incentivized at a daily rate of US\$3 per day (and up to US\$300 per season) in the initial phase of the program (this rate may be revised over the course of implementation to take into account increases in prices of the food basket and basic needs). This rate is currently appropriate for self-targeting because it is below the official daily minimum wage of US\$4, lower than the average market rate for unskilled labor, and consistent with rates currently being offered by other public works programs. It is expected that only vulnerable youth with no other—more attractive—livelihood alternatives or employment opportunities will be willing to participate in this program. Although cash incentives are computed on a daily basis, each youth group will receive payments on a piece-rate basis, based on the completion of specific subproject milestones (for example, clearing, sowing, crop maintenance, or harvesting). This will require that youth groups, with the guidance of the CF, to develop a milestone list (including completion of specific life and business skills modules) that will be posted and the money will be disbursed once the COCs and the implementing partner(s) verify the achievements. Benchmarks and standards will be set for each activity with technical support of CFs to ensure quality in the delivery of each milestone. Each beneficiary will also expect to receive agricultural inputs worth up to US\$30 to support implementation of their subproject.

48. The labor content of the subcomponent will represent a minimum of 65 percent of the budget allocated to this subcomponent to maximize the number of vulnerable youth that can benefit from the subcomponent. This allocated budget per county, combined with the agreed daily rate and agreed number of days to be worked, will allow a predetermined number of youth groups to participate in the subproject activities in each selected county. The remaining 35 percent subcomponent budget allocation will be used toward financing agro-inputs and farm tools/equipment. Financing for these costs will be transferred before the beginning of the subproject activities to ensure that tools and materials are procured in a timely manner. In addition



to labor intensity, subprojects will also have to adhere to social and environmental safeguards as will be detailed in the POM.

**Figure 2.2: An Illustrative Milestone List of a Productive Public Works Subcomponent**



49. The project will also facilitate the signing of Memoranda of Understanding (MOUs) between local chiefs/community leaders and youth groups to grant access to identified community land. To ensure stability and create incentives for youth to invest in livelihood activities, these MOUs will include provisions for access to the community land for agricultural purposes by the youth groups for up to three years.

50. The productive public works subcomponent will be implemented according to the cycle in Figure 2.3.

**Figure 2.3: Productive Public Works Subproject Cycle**



51. For each implementation phase, the following processes will be undertaken (full details, forms, and processes for each of the following will be outlined in the POM):

52. **Information, Education, and Communication Campaign and Community Sensitization.** LACE staff and the MYS will raise awareness within the counties and communities about the project and the intention to select eligible youth. Sensitization will use standard community sensitization mechanisms, including community meetings to discuss community needs, and dissemination of information through local media outlets. Key messages of the awareness campaign will include the project objectives, selection criteria, registration details, benefits, and the importance of community participation, anti-corruption measures, and grievance redress arrangements.

53. **Formation of the CSC.** LACE, jointly with MYS will then inform the county superintendent and key members of the selected counties about the project. During this process, members will also be sensitized about the objectives and processes of the project. A CSC will then be formed to coordinate the implementation functions of the project. Members will include

representatives from the Ministry of Internal Affairs; the MGCSP; the MoH; the Ministry of Agriculture; the Ministry of Public Works; the Ministry of Labor; the MYS; the MFDP; the Ministry of Commerce and Industry; the Ministry of Justice; the Ministry of Land, Mines, and Energy; the LACE; and the Federation of Liberia Youth. The county superintendent will chair this committee while the MYS and the LACE will provide secretarial services.

54. **Selection of Districts and Clans.** The selection of districts and clans will be undertaken by the CSC, using the same characteristics of high proportions of vulnerable youth, poverty and food insecurity, EVD impacts, poor access to social services, and scarcity of other youth interventions in the county. Details will be included in the POM.

55. **Recruitment of CFs.** CFs (which in most cases will be CSOs) will be recruited through a competitive process by the LACE secretariat to manage the implementation of subprojects in each county. CFs will have the daily responsibility for community interaction and support, including subproject generation, implementation, oversight of community livelihood investments and technical support, and implementation of the life skills and entrepreneurship trainings. The CF is also expected to identify and hire a community agriculture technician to provide technical extension services for the duration of the subproject. This individual is expected to either have graduated from a vocational agricultural institute or demonstrate good technical skills as a farmer.

56. **Selection and Training of the COC.** The CF will facilitate a community meeting to select community members to form the COC. The committee will be comprised of representatives of the community that are trusted by the community and have good knowledge about living conditions of all households in the community. The committee will be composed of a chairman, a secretary, treasurer, and two other members (at least two of whom must be literate). The COC should include (a) a youth representative (chairman); (b) the community head; (c) a female representative; (d) a community elder; and (e) a professional person residing in the community of implementation (for example, teacher, health worker, and administrator). The COC could also include religious leaders, section leaders, and other local authorities, such as health care providers. The COCs will be responsible for management and oversight of the livelihood investment project at the community level. In particular, they will track participant attendance; help determine distribution of work and training schedules; liaise with the CF; ensure the farming activity is carried out and each phase is met; oversee storage and distribution of tools, fertilizer, and other inputs; provide support on agro-input procurement; and ensure that the harvest is apportioned according to the agreed plan.

57. **Signing of Performance Contract between LACE, CF, and COC.** A performance contract between the COC, the LACE, and the CFs will be signed. This contract will detail the roles and responsibility of each institution, allocation of tasks at the community level, and payment terms for CFs and COCs.

58. **Beneficiary Selection.** Youth in the community will be invited to apply to be a part of the program. Beneficiary selection and registration process follows the following four steps:

- **Prescreening.** Conduct individual interviews to screen potential participants for vulnerability criteria and perform electronic registration of all interested individuals.

- **Verification.** Verify that all prescreened individuals meet the subcomponent criteria through group discussion with prescreened members.
- **Lottery.** Where there is oversubscription, the initial selection of beneficiaries will be done through lottery, ensuring at least 50 percent female participation.
- **Contract signing.** All selected participants will sign a participation contract which would detail the program benefits, terms and conditions of their engagement, as well as their own responsibilities when they are recruited.

59. **Beneficiary Registration and Group Formation.** Beneficiaries will be enrolled into the program using e-registration systems. The CFs will also issue the photo identification cards which will be used to identify beneficiaries during payments. Beneficiaries will also be encouraged to open bank accounts or registered for mobile money services (where feasible). After beneficiaries have been selected and registered, the CF will guide beneficiaries to form groups of 10–15 members (according to their self-defined subproject interests).

60. **Subproject Proposal Preparation and Community Appraisal.** The CF and the community agriculture technician will then support each cluster of four beneficiary youth groups (who are geographically proximate) to prepare their subproject proposals, defining timelines, milestones, budgets, and agro-inputs/tools needed. The proposals must be driven by the beneficiary group and decided upon through a facilitated discussion within the groups to ensure that the investment responds to local needs but will reflect the amount of materials, equipment, and manpower available from the project to support the community activity. An environmental and social safeguard screening checklist will be completed as part of this process. The CF will then review the proposals to ensure the completeness of the proposal, viability and sustainability of proposed project, and availability of required land or other local inputs. Subsequently, the CF (with the support of the COC) will then facilitate a Participatory Rural Appraisal process. This will take the form of a community meeting to review and validate each proposal, following participatory principles of community empowerment, respect for local opinions, knowledge and decisions, and will ensure that it is highly inclusive, taking into account all community member and beneficiary views. The CF will then submit the proposals to the CSC for appraisal.

61. **CSC Appraisal.** The CSC will undertake a desk appraisal of the subproject proposals to determine technical feasibility and environmental impacts. The CSC will also undertake a field appraisal to ascertain (a) the existence and adequacy of youth groups for the implementation of the subproject, (b) availability of required land, and (c) the support of local community leaders for each subproject. Once successfully appraised, subprojects will be submitted to the LACE secretariat.

62. **Desk Appraisal and Approval by LACE.** When subproject proposals are received, the LACE secretariat will then review and appraise the subproject proposals using criteria that includes the following: (a) completeness of submitted documentation, (b) conformity with project guidelines and budget, (c) technical feasibility and profitability, (d) realistic size and scope of the subproject, (e) viability, and (f) sustainability. All identified subprojects will be screened for compliance with social and environmental safeguards. On completion of the review, LACE will convene a meeting that will involve the LACE chairperson of the Board and the Honorable

Minister of Youth and Sports or his representative to approve the finalist of subprojects to be financed. The meeting will be co-chaired by the chairperson of the LACE Board and the Honorable Minister of Youth and Sports. The Executive Director of LACE will be the secretary to that committee. Once the subprojects are approved, the decision will be communicated to the CF giving a copy to the CSC and COC, for communication to the final beneficiaries.

63. **Procurement and Provision of Inputs.** Once the subprojects are appraised and approved, LACE will compile the list of necessary tools, agro-inputs, and materials that were identified by the communities and that are required to execute subproject activities. The PP will then be updated and procurements of inputs initiated.

64. **Subproject Launch.** After approval, the subproject will be officially launched at the community level. This ceremony will be organized by the CSC, led by the county superintendent, in coordination with the district superintendent. During this ceremony, agricultural inputs and tools defined as part of the subproject proposals will be distributed to participants. The program will highlight the overall objective of the subcomponent and communicate the GRM to beneficiaries and communities.

65. **Subproject Implementation.** Subprojects will be implemented over a cycle not to exceed twelve months, combining the preparation of subproject proposal, procurement of tools and inputs, undertaking of the identified productive activity, and life skills training. The subproject cycle will be based on the main planting season, which occurs from March to May each calendar year. Each member will be guaranteed a total of 100 days of work per year: 60 days of work in subproject agricultural activities (to be paid on a piece rate basis); 20 days of business training; and 20 days of life skills training. CFs and community agriculture technicians will continue to provide extension services throughout the duration of the project to youth groups.

66. **Supervision, Monitoring, and Evaluation.** Supervision, monitoring, and evaluation of subprojects will take place at the community, county, and national levels. At the national level, LACE is responsible for overall monitoring and supervision of the project. At the county level, overall technical supervision, support, monitoring, and evaluation is the responsibility of the CF. In addition, the CSC will be responsible for regular spot checks to monitor the progress of the subproject implementation. The CFs will also be responsible for spot checks to ascertain implementation progress and addressing any complaints and grievances forwarded by the COCs.

67. **Third-Party Monitoring.** Project processes, implementation, and outputs will also be monitored by a third party agency and/or civil society organizations, who are external to the project's direct beneficiary chain and management structure.

68. **Completion and Commissioning.** Once a subproject is completed, the CF will create a subproject completion report and will organize a ceremony of commissioning at the town/community level. This ceremony will be the opportunity to

- issue a certificate for completion;
- hand over subproject assets to beneficiaries, including the tools and other inputs provided; and

- Inaugurate the farm enterprises to continue activities.

69. **Grievance and Redress Mechanism.** A GRM is essential to ensure transparency, social accountability, and community engagement in the subproject. The MYS will be responsible for designing and implementing a comprehensive GRM that would enable both beneficiaries and citizens to lodge complaints and grievances regarding any aspect of the subproject cycle. A system of collecting and addressing these grievances at the town/community, district, county and national levels will be designed and detailed in the POM.

### ***Subcomponent 2B: Capacity and Systems Building***

70. The objective of this subcomponent is to finance capacity and systems building for LACE for the implementation of household enterprise support, productive public works, and life skills training. In particular, capacity building will support (a) TA to support subproject implementation, with particular attention to training COCs in community organization, project identification, beneficiary selection, community FM and procurement processes, as well as M&E; (b) TA and monitoring by community agriculture technicians; (c) preparation of project operational procedures and guidelines; (d) knowledge exchange events, including seminars at the county, district, and central government levels and local and international study tours; and (e) labor market intervention training (with an emphasis on soft skills in managing youth groups) for project staff, implementing agencies, and service providers. Several distinct sets of system-building activities will also be supported, including capacity building for the introduction of ICT-based operational enhancements (for example, electronic registration and payment systems), M&E systems, and development communication activities

### **Component 3: Capacity Building for Cash Transfer Program**

71. With the Ebola outbreak, a number of development partners are financing cash transfer programs in Liberia. This component aims to improve efficiency in the delivery of cash transfers to targeted households in Liberia. In particular, this component will support the building blocks for a basic safety net system, including (a) improving the process of targeting extremely poor households through the introduction of a proxy means test; (b) improving operational efficiency by strengthening ICT systems, particularly MIS and electronic payments systems; (c) refurbishing office buildings to house the information management systems; (d) ensuring the design and implementation of a functional M&E system; and (e) strengthening of social accountability and grievance redress systems. It will complement and improve the delivery efficiency of the existing cash transfer programs in Liberia, including the Bank-financed US\$5 million cash transfer program (financed under the Ebola Emergency Response Project (EERP)) which aims to provide consumption smoothening to up to 10,000 households who are extremely poor, labor constrained, and affected by EVD. This program, financed through EERP, builds on the lessons of a social cash transfer program supported by the European Union (EU) and United Nations Children's Fund (UNICEF) to extreme poor and labor-constrained households in Bomi and Maryland Counties, implemented through the MGCSP.

72. This component will specifically support capacity building within the MGCSP to (a) set minimum standards of operations in the modalities of targeting, identifying, and delivering cash transfers; (b) prepare project operational procedures and guidelines; (c) develop coordination

mechanisms and ensure synergies in the implementation of this subcomponent; and (d) provide knowledge exchange events, including seminars at the county, district, and central government levels and local and international study tours. These systems are described in more detail below.

73. **Targeting.** This will focus on the development of tools for a common targeting system combining geographical, community identification of potentially eligible beneficiaries and possible verification by proxy means testing. Tools will be developed to (a) guide targeting of geographical areas at the sub-county level (that is, districts, clans, towns, and communities); (b) carry out community-based identification of potentially eligible households; and (c) verify households' eligibility through application of a proxy means test. The project will support the provision of TA to the Social Cash Transfer Secretariat in the MGCSP for the design and set-up of the targeting system.

74. **Development of a Beneficiary Registry.** The beneficiary registry will be a database containing information on potential beneficiaries of social safety nets and will be linked, if feasible, to the national identification system. It will be housed at the Social Cash Transfer Secretariat and managed by the MGCSP but will be accessible to other social programs for targeting purposes. Development of the registry will also include the design of a comprehensive plan to manage and update data (for example, changes to household information and recertification).

75. **Development of an MIS.** The project will finance development of an integrated MIS for the cash transfer program. This system will incorporate data from the beneficiary registry and will facilitate the collection, processing, management, and dissemination of data essential for the program's operations and monitoring. The Social Cash Transfer Secretariat at the MGCSP will manage the MIS. Development of the MIS will build on the experience of the ongoing social cash transfer program implemented by the MGCSP.

76. **Set-up of a Payment System.** The payment system will draw from the experience of the social cash transfer program, where payments are outsourced to a service provider who delivers payments to beneficiaries via an agent-based model. The program will use e-payments to improve the timeliness and predictability of the transfers and minimize the risk of leakages. The service will be free of charge for beneficiaries, with service fees financed by the project.

77. **Development of a GRM and Corruption Prevention Measures.** The GRM will enable beneficiaries and other stakeholders to raise grievances about the implementation of the project. Where possible, implementing ministries will consider combining resources, for example to set up a call center that could be used for all social protection and youth programs, and which would allow complaints to then be channeled to the appropriate ministry.

78. The capacity-building activities will support the MGCSP to (a) set minimum standards of operations in the modalities of operating cash transfers, (b) prepare project operational procedures and guidelines, (c) develop coordination mechanisms and ensure synergies in the implementation of this subcomponent, and (d) provide knowledge exchange events, including seminars at the county, district, and central government levels and local and international study tours.

79. For sustainability and continuity, the government has expressed interest in consolidating the implementation of safety net systems by scaling up cash transfer investments to more extremely poor households for a longer time in line with its social protection policy. This arrangement will set the foundation for support to a systems approach to social protection in Liberia. It will also position the government to respond to systemic shocks such as widespread health outbreaks, unexpected weather events, or deteriorations in global food prices that have a negative impact on vulnerable populations within the country.

#### **Component 4. Project Implementation and Coordination**

80. The MYS will bear the overall responsibility of ensuring the effective implementation of this project. There will be three implementing partners, each of whom will be responsible for implementing specific subcomponents. Specifically, (a) the MYS will be responsible for implementing pre-employment social Support as well as capacity and systems building; (b) LACE will be responsible for the implementation of household enterprises, life skills support, and productive public works, as well as capacity and systems building; and (c) the MGCSP will be responsible for implementing cash transfer and capacity and systems building. Each agency will also be provided with resources for project management and coordination. The table 2.4 below summarizes these arrangements.

**Table 2.4: YOP Implementing Agencies and Subcomponent**

<b>Implementing Agency</b>	<b>Subcomponents</b>
MYS	<b>1A:</b> Pre-employment Social Support <b>1C:</b> Capacity and Systems Building <b>4A:</b> Project Implementation and Coordination
LACE	<b>1B:</b> Household Enterprises <b>2A:</b> Productive Public Works and Life Skills Support <b>2B:</b> Capacity and Systems Building <b>4B:</b> Project Implementation and Coordination
MGCSP	<b>3B:</b> Capacity Building for Cash Transfer Program <b>4C:</b> Project Implementation and Coordination

81. This distribution is based on the strategic position of the MYS to coordinate the youth sector, the recent experience of LACE in the implementation of a number of productive public works, enterprise support and skills training programs, and the mandate of the MGCSP to implement the cash transfer program. Existing county structures, in particular the CSC, chaired by the county superintendent, will support implementation at their level.

82. This component will consist of three subcomponents:

##### ***Subcomponent 4A: Project Implementation and Coordination by the MYS***

83. The objective of this subcomponent is to support activities related to project management and coordination. This includes staff costs, equipment, vehicles, fuel, office space, and communications costs, and incremental project-related operating costs under the MYS for the implementation of pre-employment social support. This support will include procurement of a service provider to implement pre-employment social support and facilitation of the CSC in the



implementation of subcomponent activities. This subcomponent will also support financial management and auditing, coordination and consolidation of annual and quarterly reports for the entire project. The ministry will ensure collaboration across sectors and counties, as well as linkages with other policymakers in the overall implementation of the YOP.

***Subcomponent 4B: Project Implementation and Coordination by LACE***

84. The objective of this subcomponent is to support activities related to project management and coordination. This includes staff costs, equipment, vehicles, fuel, office space, and communications costs, and incremental project-related operating costs under LACE for the implementation of the household enterprises, productive public works, life skills training and capacity and systems building subcomponents of the project. This subcomponent will also support financial management and auditing of activities implemented by LACE. It will also include support to the procurement of a service provider to implement life skills training and facilitation of the COCs in the implementation of subcomponent activities.

***Subcomponent 4C: Project Implementation and Coordination by the MGCSP***

85. The objective of this subcomponent is to support activities related to project management and coordination. This includes staff costs, equipment, vehicles, fuel, office space, and communications costs, and incremental project-related operating costs under the MGCSP for the implementation of the cash transfer and capacity and systems building subcomponents of the project. This subcomponent will also support financial management and auditing, coordination and consolidation of annual and quarterly reports for the activities of the project implemented by the MGCSP. This support also will include the procurement of service providers to implement operational aspects of the cash transfers, including data collection, electronic registration, and payments mechanisms.

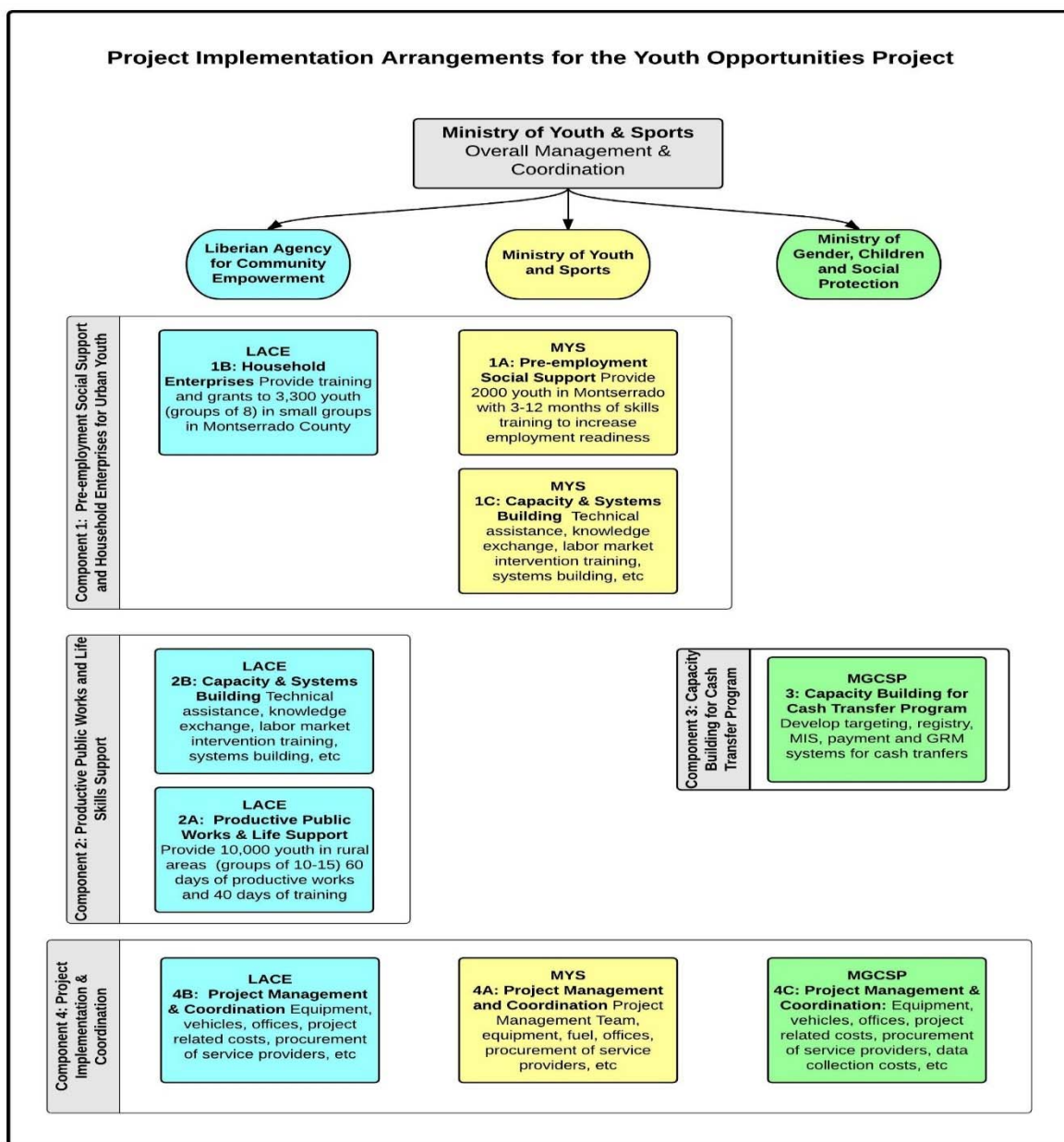
## Annex 3: Implementation Arrangements

### Liberia: Youth Opportunities Project

#### Project Institutional and Implementation Arrangements

1. The institutional set-up for the Youth Opportunities Project (YOP) is anchored around three pillars. As per figure 3.1 below, these are (a) Coordination, (b) Implementation, and (c) Advisory.

**Figure 3.1: YOP Institutional Arrangement**



2. The Honorable Minister of Youth and Sports will bear the overall responsibility of ensuring

the effective implementation of this project. There will be three implementing partners, each of whom will be responsible for implementing specific subcomponents as shown in Figure 3.1. Specifically, (a) the Ministry of Youth and Sports (MYS) will be responsible for the implementing of pre-employment social support and capacity and systems building; (b) The Liberia Agency For Community Empowerment (LACE) will be responsible for the implementation of household enterprises, life skills support, productive public works, as well as capacity and systems building; and (c) the Ministry of Gender, Children, and Social Protection (MGCSP) will be responsible for implementing capacity and systems building for cash transfers. Each agency is also provided with project management and coordination. Overall project coordination will be facilitated through the YOP Project Coordination Committee which will be made up of the three implementing partners.

3. Project implementation will also be aligned to existing youth and social protection policy and coordination mechanisms in Liberia. At policy level, the project will be aligned to the Youth Sector Steering Committee (YSSC), chaired by His Excellency the Vice President, and the National Social Protection Steering Committee, chaired by the Honourable Minister of Gender, Children, and Social Protection. For coordination purposes, the project will be aligned to the Youth Sector Coordinating Committee (YSCC), chaired by the MYS, and Cash Transfer Coordinating Committee, chaired by the MGCSP. These committees will be instrumental in ensuring that there is policy and implementation coordination not only between the subcomponents of this project but also among all key stakeholders in the entire youth and social protection sectors. Further details on the roles and responsibilities of each of these committees will be detailed in the Project Operational Manual (POM). Project Management Team (PMT). There will be a PMT under the MYS, which will oversee the overall implementation of the project. The PMT will coordinate project implementation, including organizing regular YSSC, YSCC, and YOP Project Coordination Committee meetings. The PMT will also be responsible for developing all guidelines, establishing appraisal mechanisms, and working collaboratively with the three implementing agencies to ensure consistent and regular flow of information between internal and external audiences. The PMT will also be responsible for the implementation of the pre-employment social support subcomponent. The training activities under this subcomponent will be outsourced to an experienced international organization in partnership with a local Non-Governmental Organization (NGO). The PMT will have the following key officers: (a) a National Coordinator; (b) two (2) Program Officers; (c) a Procurement Specialist; (d) a Finance Specialist; (e) a Communications Officer; (f) a Monitoring and Evaluation (M&E) Officer; (h) a Grievance Redress Officer and (i) a Program Assistant. The coordinator, who will report to the Honorable Minister of Youth and Sports, will provide the link between the implementing agencies, external stakeholders, and the policy and coordination committees.

4. **LACE.** The agency will be responsible for the implementation of the household enterprises, productive public works, life skills training and capacity and systems building subcomponents of the project. The LACE Executive Director will coordinate with the MYS and MGCSP to streamline implementation. LACE will have the following key officers: (a) a Program Manager for Social Protection, (b) a Project Manager, (c) an M&E Specialist, (d) a Finance Officer, (e) an Information and Education Campaign (IEC) Specialist, (f) a Management Information System (MIS) Officer, (g) a Procurement Officer, and (h) an Internal Auditor. Community Facilitators (CF) will be hired by LACE to support project implementation in accordance with the procedures stipulated in the POM across the counties. Support will include formation and formalization of youth groups and facilitating the distribution of subproject

dividends between group members. Building on existing experience, a Training of Trainers model will be used by the CFs to provide life skills training.

5. **MGCSP.** The ministry will be responsible for implementing the capacity and systems building for cash transfers component of the project. The project will support a technical team of national and international experts, including (a) a Coordinator, (b) a Financial Management (FM) Specialist, (c) a MIS Specialist, (d) an M&E Officer, (e) a Procurement Officer, and (f) a Policy and Advocacy Officer. There will also be two staff for each of the following: Regional Officers, Database Assistants, M&E Assistants, and Finance Assistants. There will be a team of enumerators and social workers for field data collection in each county. MGCSP social workers will also be responsible for delivering the modules on psychosocial support and child protection.

6. **County Steering Committees (CSC).** This committee will be multisectoral in nature and responsible for coordination and implementation functions of the project as well as field and desk appraisal of subprojects. Members will include representatives from the Ministry of Internal Affairs; the MGCSP; the Ministry of Health, the Ministry of Agriculture; the Ministry of Public Works; Ministry of Labor; the MYS; the MFDP; the Ministry of Commerce and Industry; the Ministry of Justice; the Ministry of Land, Mines, and Energy; the LACE; and the Federation of Liberia Youth. The Non-Governmental Organizations from the county will be invited to participate and all meetings will be open to the public for observation. The county superintendent will chair this committee while the MYS, LACE, and MGCSP will provide secretarial services. They will be responsible for (a) maintaining a database of all youth groups (by location, gender, and activities) and verifying the existence of the groups; (b) capturing youth data (including photographs of the group members and any other relevant documentation); (c) supervising and monitoring the group activities; (d) addressing any complaints and grievances forwarded by the COCs and reporting those they cannot resolve to the implementing partner(s) and MYS; and (e) facilitating the commissioning of the subprojects.

7. **Social Cash Transfer Steering Committee.** This multisectoral county-level committee supports the implementation of the social cash transfer program in each county. The committee will also perform coordination and implementation functions of the systems strengthening activities under this project and the SCT-REPLI.

8. **Community Oversight Committee (COC).** The COCs are the key youth groups supporting institution at the community level for Components 1 and 2, respectively. The membership will comprise a youth group representative, community head, a women's representative, a community elder, and a professional person residing in the community of implementation (for example, teacher, health worker, and administrator). It is anticipated that the group will have a maximum of 5–7 members to oversee all the youth groups in each community. The COCs will be responsible for ensuring that the youth groups have access to land (in case of rural youth) or workspace (in case of urban youth), facilitating smooth dialogue between the youth group and the implementing partners; participating in assessments and supervision and monitoring activities; and addressing any complaints and grievances at the local level and reporting those they cannot resolve to the implementing partner(s) and the MYS. Further details on the functions of the COC will be detailed in the POM.

9. **Individual Youths.** Although the youth will be supported in groups, individual youth will

ensure that they take part in the group activities; develop subproject proposals; participate in training activities; account for resources given to them as individuals or as group members; and respect the timelines and milestones set by the group (bearing collective responsibility).

10. **Youth Groups.** The youth groups will be the direct recipients of the funds for the group activities. With Technical Assistance from service providers/Community Facilitators (CF), the members will be expected to (a) develop a management structure; (b) set and agree on the milestones; (c) ensure the implementation of the planned activities in a timely manner; (d) ensure that members attend training organized as part of this project; (e) present reports to the CFs/service providers (copying the COCs) and respond to any issues raised; (f) define dividend sharing modalities; (g) conduct follow-up on the members to ensure continuity of group actions; and (h) ensure group cohesion throughout the project period. The group will select its own leadership, which should consist of a group chair, co-chair, secretary, and a financial secretary. The youth groups will either be of single or mixed gender, although as noted earlier, the component will aim for gender parity in the overall targeting of the youth enterprise grants. Further details on the functions of the youth groups will be detailed in the POM.

11. **Private Sector Working Group.** This private sector advisory board will provide practical advice during implementation, create linkages between the private sector and youth groups, and ensure that the project activities (particularly household enterprises) remain relevant to the current needs of the sector. This group will include the following organizations: (a) the Liberia Business Association, (b) the Association of the Liberian Professional Organization, (c) Liberia Marketing Association, and (d) the Liberia Chamber of Commerce. The MYS will be responsible for coordinating and facilitating regular meetings of this advisory group with youth groups and project stakeholders. Further details will be provided in the POM.

## **Financial Management, Disbursements and Procurement**

### ***Financial Management***

12. An FM Assessment was conducted for the YOP in January 2015. Given that the Public Financial Management Unit (PFMU) is currently managing the fiduciary services for Bank-financed projects in Liberia, the project will build on existing FM arrangements which have been assessed as reasonable to ensure (a) use of funds are only for the intended purposes in an efficient and economical way; (b) the preparation of accurate, reliable, and timely periodic financial reports; (c) the safeguarding of the entity's assets; and (d) provision of adequate fiduciary assurances through an independent audit of the project. The YOP is a multisectoral project and will be implemented by the MYS, the MGCSP, and LACE. The MYS will be the overall coordinating entity of the project. The MYS and LACE will be accountable to the YSSC—a high-level committee chaired by the vice-president. The MGCSP will be accountable to the National Social Protection Steering Committee. The overall residual FM risk for the project has been assessed as Substantial due to (a) the multisectoral and dispersed nature of the project, and (b) the unpredictability of the target youth groups.

13. The objectives of the Project are to improve access to income generation opportunities for targeted youth and strengthen the Recipient's capacity to implement its cash transfer program. It is anticipated that over the 5 years of project implementation, about 15,000 youth will benefit

directly from this project, with 50 percent female. In addition, the distribution of beneficiaries across urban and rural areas will be based on the proportion of total youth population in each area and the relative poverty rates among urban and rural youth. Youth will be selected through community-based targeting mechanisms in rural areas and through on demand targeting processes in urban and peri-urban areas. The target groups include the following youth categories: (a) youth who are new entrants into household enterprises and (b) youth involved in existing household enterprises and who can demonstrate management of an active household enterprise for at least two years.

14. Accounting functions will be undertaken by the PFMU for YOP advances. The PFMU is being managed by a manager who is a qualified professional accountant and well experienced in Bank-assisted projects. The PFMU is adequately staffed with qualified project accountants. An experienced professional accountant will be identified at the PFMU and designated for the project. The project accountant would be supported by a finance officer assigned to the project. The implementing partners, including the MYS, the MGCSP, and LACE, will each assign a finance officer who will be the liaison for the implementing partner and the PFMU on FM matters. The PFMU will provide FM capacity building to the assigned finance officers so that the FM capacity of the implementing partner is strengthened, consistent with the use of country systems. Details for FM risks assessment for various risks elements are as detailed in the following paragraphs.

15. **Budgeting.** The project teams, together with the accountant at the PFMU, will be responsible for collating and consolidating the Annual Work Plan and Budget (AWP&B) based upon the agreed program to be financed under the YOP. The implementing partners each will submit their proposed AWP&B to the PFMU/MYS two months before the beginning of the next fiscal year. The key components will be included in the project work plan budget for the YOP. The MYS will facilitate the discussions and consolidation for the AWP&B of the implementing partners for submission to the Bank for approval. There is the risk of delays in the submission of the AWP&B by the implementing agencies and this will in turn delay the overall approval of the AWP&B for the YOP. The risk of delays in the submission of the AWP&B will be mitigated by the hiring of an experienced project coordinator at the MYS, who will ensure strong liaison with the PFMU and the respective FM officers of the implementing agencies. The consolidated AWP&B will be reviewed and agreed with the Bank and no-objection will be provided by the Bank task team leader for agreed activities.

16. **Internal controls and audit.** The PFMU has laid down internal control procedures and processes that ensure that transactions are approved by appropriate personnel. The internal control procedures also ensure the segregation of duties between the approval, execution, accounting, and reporting functions. The PFMU has a centralized internal audit unit with qualified internal auditors who conduct internal audit reviews of all Bank-assisted projects under the PFMU. This unit, which is headed by an experienced internal auditor, will be responsible for the internal audit functions of the project. Periodic internal control reviews will be conducted by the PFMU manager and will ensure the control of substantial fiduciary weaknesses. The internal auditor will generate quarterly internal audit reports covering the activities of the YOP at the MYS and implementation progress, including sub grants and transfers, and will submit internal audit reports to the Bank and other stakeholder 60 days after the end of each quarter.

17. **Accounting and maintenance of accounting records.** Accounting for the use of the

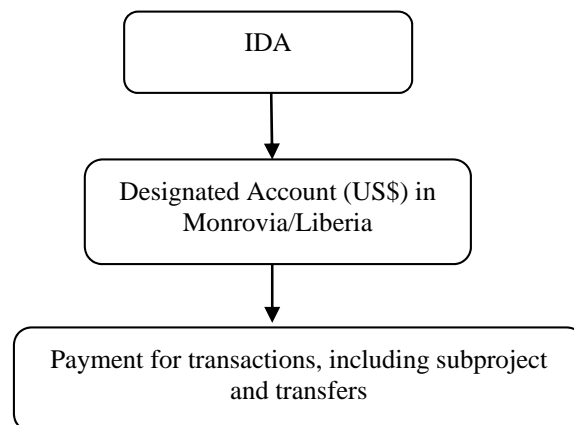
project funds will be carried out by the PFMU using the SUN accounting system. The system is capable of adequately recording all accounting transactions for the project. The system is also capable of producing accurate periodic financial reports including unaudited Interim Financial Reports (IFR) and annual project financial statements that are considered acceptable to the Bank. A project fixed assets register will be maintained at all times to correctly reflect assets acquired or created under the project.

18. **Periodic financial reporting.** The PFMU will be responsible for preparing the quarterly unaudited IFRs. The IFRs will be submitted to the Bank 45 days after the end of each fiscal quarter. The existing IFR format currently used by the PFMU will apply for the YOP. The project will also prepare annual financial statements at the end of each fiscal year in accordance with International Public Sector Accounting Standards (IPSAS) - cash basis. The financial statements will consist, at a minimum, of (a) sources and uses of funds (summary of expenditures shown under the main program headings and by main categories of expenditures for the period) and (b) notes to the financial statements, including background information on the project, the accounting policies, detailed analysis, and relevant explanation of the main accounts/major balances. In addition, the project shall provide, as an annex to the financial statements, an inventory of fixed assets acquired according to asset classes, dates of purchase, location, and cost.

19. **External audit arrangements.** Annual audits will be conducted at the end of each fiscal year for the project. Independent and qualified auditors, acceptable to the Bank, will be selected to carry out the audit of the project. The selection of auditors shall be on a competitive basis and in accordance with the Bank's procurement guidelines. The project management will select the external auditor within four months of project effectiveness. The Terms of Reference of the auditors will be cleared by the Bank. The project financial statements, including movements in the Designated Account (DA), will be audited in accordance with International Standards on Auditing (ISA) and the Bank guidelines, and a single opinion will be issued to cover the project financial statements in accordance with the Bank's guidelines. The auditors' report and opinion with respect to the financial statements, including the management letter, will be furnished to the Bank within six months after the end of each fiscal year.

20. **Disbursement arrangements.** Funds will be disbursed directly into a DA set up and managed by the PFMU. This account will be established in U.S. dollars at a commercial bank acceptable to the Bank. The accountant will submit withdrawal applications for the initial deposit and subsequent replenishment according to the disbursement letter. An initial advance, according to the disbursement letter, will be provided to the project. Replenishments, through fresh withdrawal applications to the Bank, into the DA will be made subsequently, at quarterly intervals. However, such withdrawals will equally be based upon a quarterly forecast of net expenditures for six months with respect to the disbursement categories. Supporting documentation will be retained by the PFMU on behalf of the MYS and implementing agencies. Unaudited IFRs disbursement method will be used as the basis for the withdrawal of YOP proceeds. The YOP provides for the use of advances, reimbursements, and direct payments as applicable disbursement methods and these will be specified in the disbursement letter. These will be reviewed by the IDA missions and external auditors. Any advances made for contracts will be secured by a bank guarantee or performance-based bonds and a retention amount withheld. The funds flow will be as depicted in Figure 3.2.

**Figure 3.2: Disbursement Flow**



21. Under the funds flow arrangement, Bank disbursements for the project will be made from the Credit to a U.S. dollars denominated DA held at a commercial bank in Liberia acceptable to the Bank, based on withdrawal applications duly and jointly signed by the MFDP and the MYS. The signing arrangement by the MFDP and MYS will also be reflected in the Authorized Signatory Letter (ASL) to be issued by the GoL after project effectiveness. The MYS signers will constitute 'Category A' and the MFDP signers will constitute 'Category B' of the ASL. The joint signers will be the operators of the DA as well as the Operations Account for the project which will be maintained by the PFMU.

22. A description of the project's FM arrangements above indicates that they satisfy the Bank's minimum requirements under OP/BP10.0 and other FM guidelines, including the Systematic Operations Risk-Rating Tool (SORT). The overall FM risk is assessed as High.

23. **Supervision plan.** Consistent with the risk rating, an annual FM implementation support mission will be carried out for the project at the PFMU. The FM supervision missions' objectives will include reviewing the FM systems maintained for the project.

### ***Procurement***

24. **Procurement** of goods and works and the selection of consultants will be carried out in accordance with (a) Guidelines: Procurement of Goods, Works, and Non-Consulting Services Under IBRD Loans and IDA Credits & Grants by World Bank Borrowers, dated January 2011 and revised in July 2014; (b) Guidelines: Selection and Employment of Consultants Under IBRD Loans and IDA Credits & Grants by World Bank Borrowers, dated January 2011 and revised in July 2014; and (c) 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; and (d) provisions stipulated in the Credit Agreement, including the exceptions to NCB procedures.

25. A Procurement Plan (PP), acceptable to the Bank, covering at least the first 18 has been submitted before negotiations. For each contract to be financed by the Credit, the different procurement methods or consultant selection methods, the need for prequalification, estimated costs, prior review requirements, and time frame has been agreed by the borrower and the Bank in



the PP. The PP will be updated at least semiannually or as required, to reflect the actual project implementation needs and improvements in institutional capacity.

26. A General Procurement Notice (GPN) will be prepared and submitted to the Bank for publication in the United Nations Development Business (UNDB) and on the Bank's external website and shall also be published in at least one national newspaper after completion of appraisal of the project. Specific procurement notices for all goods and works to be procured under International Competitive Bidding (ICB) and expressions of interest for all consulting services to cost the equivalent of US\$200,000 and above will also be published in the United Nations Development Business (UNDB), the Bank's external website, and the national press. For works and goods using NCB, the Specific Procurement Notice (SPN) may be published only nationally.

27. **Procurement risk mitigation measures.** An assessment of procurement risks was carried out in January 2015 for the MYS, MGCSP, and LACE but with the focus mainly on the MYS, which will be the principal executing agency. The MYS and MGCSP are procurement entities that have established procurement units and procurement committees in compliance with the Public Procurement and Concessions Act (PPCA), amended and restated in September 2010. Procurement at the MYS is currently headed by an Acting Director of Procurement, supported by four Procurement Officers. Their job descriptions will be updated as project implementation proceeds to reduce unnecessary bureaucracy in the procurement system at the MYS. Procurement planning appears to be satisfactory and the bidding documents prepared are of acceptable quality. Advertising, public bid opening, evaluation procedures, and contracts management all appear to be satisfactory. However, procurement record management requires improvement. There is evidence of familiarity with Bank-financed procurement and selection of consultants among staff, but their capacities can be strengthened to perform better.

28. The overall risk for procurement (before mitigation measures) was considered Substantial since (a) the current procurement management system of the MYS does not follow the clear manual of procedures, (b) the procurement staff of the MYS may not be able to focus adequately on YOP procurement management; and (c) record keeping needs improvement.

29. Under the YOP, each of the three implementing agencies will be responsible for procurement planning and implementation for activities under their mandate. A Procurement Officer position has been established in each of the agencies for this purpose. The qualifications and experience of the Procurement Officer to be hired will have to be satisfactory to the Bank. The PMT Procurement Officer will coordinate and consolidate the procurement plans but each agency will be responsible for the procurement of all goods, works, consulting services, and other services for the project and for supervision and oversight of contracts for the supply of goods and services until the goods (or services) are delivered to their final destination, as specified in the respective contracts. Details of this arrangement will be further detailed in the POM. A simplified procurement handbook will also be prepared.

30. **Implementation support for procurement.** Bank procurement specialists will regularly participate in implementation support missions to assist in monitoring procurement procedures and plans. The PP indicates those contracts which are subject to prior review. All other contracts are subject to post review. During the regular implementation support missions, the PPs will be updated at least twice each year (or more often, as required, to reflect the actual project

implementation needs). During every implementation support mission, the Bank procurement specialist will conduct strategic inspections and ex post review of procurement contracts. The statutory post procurement reviews will be carried out annually.

31. **Exceptions to NCB procedures.** The following provisions will apply to the procurement of goods, works, and non-consulting services under NCB procedures: (a) foreign bidders shall be allowed to participate in NCB procedures; (b) bidders shall be given adequate time but not less than 15 days to prepare and submit bids from the date of the invitation to bid or the date of availability of bidding documents, whichever is later; (c) no domestic preference shall be given for domestic bidders and for domestically manufactured goods; and (d) in accordance with paragraph 1.16 (e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the credit shall provide that: (a) the bidders, suppliers, contractors, and subcontractors shall permit the Bank, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract and to have these accounts and records audited by auditors appointed by the Bank and (b) the deliberate and material violation by the bidder, supplier, contractor, or subcontractor of the provision may amount to an obstructive practice as defined in paragraph 1.16 (a) (v) of the Procurement Guidelines.

#### ***Environmental and Social (including safeguards)***

32. The activities under Subcomponents 1B (household enterprises) and 2A (productive public works and life skills support for rural youth) could have potential environmental and social impacts on human health and other identified receptors within the wider environment. The subproject activities under Subcomponent 2A will build on the pilot that has been designed under the ongoing YES AF Project.

33. The main positive potential impact involves promoting better use of land and water resources through small-scale communal farming. Some negative potential environmental impacts include soil erosion, eutrophication of aquatic environments, crop residue and other solid waste, atmospheric emissions (including particulates), noise, and the use of pesticides.

34. The project will have positive social impacts at the individual and community levels. Project activities will lead to short-term income-earning opportunities for the youth and households. Beneficiaries will be assisted to overcome constraints to agricultural productivity through improved agriculture technology and improved farming practices and through provision of agricultural inputs, including basic life and entrepreneurial training. However, it is foreseen that the project may have an impact on land and livelihood as land is required for preparation and implementation of community-level farm production.

35. However, these potential impacts are localized and can be easily mitigated. The project has therefore been categorized as B: Partial Assessment in accordance with World Bank Safeguard Policy OP/BP 4.01 - Environmental Assessment and OP/BP 4.12 - Involuntary Resettlement. To comply with these policy requirements, the project has updated the recently revised Environmental and Social Management Framework (ESMF) (consulted on and publicly disclosed on June 13, 2014, and in the InfoShop on July 9, 2014) and the Resettlement Policy Framework (RPF) (consulted on and publicly disclosed on June 13, 2014, and in the InfoShop on July 9, 2014) for the Youth Employment Support Project Additional Financing (YES AF).

36. It is highly unlikely that any of the proposed activities under this project will result in potential large-scale, significant, and/or irreversible impacts as evidenced by observations and reports from the ongoing YES AF.

37. **Justification for adoption of the YES AF ESMF and RPF.** The activities under Components 1B (household enterprises; support apprenticeship, for example, carpentry, metal fabrication, block making, and electrical technicians) and 2A (productive public works; for example, provide support for community-level small-scale agricultural farming) have been identified as the most likely source of potential environmental and social impacts to human health and the wider environments of the subproject locations. The subproject activities under Component 2A of the YOP in particular will upscale on the activities of the community livelihood component that has been designed under the ongoing YES AF. The revised ESMF and RPF for the YES AF were designed with the objective of providing mitigation for the same small-scale CDD-based agriculture and activities which the YOP is intending to upscale within rural counties of the country.

38. The safeguard arrangements within the existing ESMF and RPF for the YES AF have demonstrated robust assessment and effective implementation in mitigating the identified potential environmental and social impacts since project inception. Several subprojects (similar to those the YOP Component 2B is intended to upscale) have been screened correctly and the relevant follow-on assessments and mitigation measures have been applied where required. Additionally, where the subproject screening process results in land uptake for agriculture and aquaculture activity, appropriate due diligence (all necessary documentation to show voluntary donation of land by community and government, depending on land ownership) have been undertaken in compliance with the safeguard arrangement within the RPF to meet the requirements of OP 4.12.

39. **Capacity assessment for safeguard implementation.** Currently LACE is the implementing agency for the productive public works component under the YES AF. LACE will continue to be the implementing agency for Components 1B and 2A for the YOP during its implementation phase.

40. Over the years, LACE has successfully implemented several Bank-funded investment projects and has got staff who have gained experience on the requirements of the Bank's safeguard policies. In April 2014, a safeguard audit was undertaken as part of the YES AF project preparation and the report's recommendations on proper record keeping and technical capacity development through training have been implemented. A safeguard workshop has been organized to train key project implementers at the LACE secretariat and a safeguard implementation arrangement has been well-defined to ensure successful implementation at the national, regional, and community levels.

41. **Implementation arrangements.** At the national level, a social protection program manager has overall responsibility for the effective implementation of the safeguard arrangements for the YES AF. LACE regional engineers coordinate safeguard activities at the county or districts level. CFs coordinate safeguard activities at the community level with the help of community agriculture technicians. This safeguard implementation arrangement and capacity at LACE will be sustained under the YOP to continue the effective implementation of the upscaling subproject activities under Component 2A.

42. Additionally, the POM for the parent YES project was revised for the YES AF to integrate the revised safeguard arrangements into the subproject identification, selection, and preparation process. Subproject screening checklist forms have been included as an annex to the POM as well as generic environmental and social mitigation measures to be included in the contract of CFs who acts as contractors at the project level.

43. The POM also contains a negative list to prevent funding and procurement of pesticides. Specific monitoring indicators were also included in the POM to monitor performance and compliance of safeguard instruments and arrangements. The safeguard arrangements within the POM of the YES AF will be replicated and sustained in the POM of the YOP to integrate agreed safeguard arrangements into the identification, selection, and preparation of subprojects.

44. Furthermore, a Productive Public Works technical manual of labor-intensive agricultural activities will be developed before the start of the project and will propose a menu of activities to be financed by Subcomponent 2A. This menu will guide planning and identification of agricultural subprojects at the community level. The subproject technical manual will also include technical design, work productivity norms, and social and environmental mitigation measures. Further details will be provided in the POM.

### ***Monitoring & Evaluation***

45. *Reporting and annual reviews.* The PMT will prepare comprehensive quarterly project progress and financial monitoring reports for review and approval by the YOP Project Coordination Committee and for the transmission to the Bank. It will organize an annual planning and implementation workshop with all institutions involved in project implementation on or before October 31. The workshop will serve as the basis for the preparation of the following year's detailed works plans and budgets to be transmitted through the YOP Project Coordination Committee to the Bank for review and approval before November 30.

46. A *Mid-Term Review (MTR)* will be conducted jointly by the Borrower and the Bank no later than November 30, 2017, during which the project will be examined in depth with a view of improving implementation performance and its developmental impact. A comprehensive report covering the implementation period will be prepared by the implementing partners, collated by the MYS and delivered to the Bank at least 30 days before commencement of the MTR.

47. *Impact Evaluation for productive public works, household investment support and pre-employment and life skills training.* The evaluation will consider the program's impact on a range of household and community level indicators. As men and women may face different constraints in the rural labor market, the evaluation will also seek to uncover possible differences in effects on male and female beneficiaries. The evaluation will consider the following impacts: (a) income and expenditure effects; (c) social effects; (d) migration; (e) human development effects; and (f) enterprise development.

48. The impact evaluation strategy rests on the identification of a valid set of comparison communities that resembles the set of treated communities as closely as possible but does not receive the program at the same time. This comparison group will allow attribution of changes in a wide range of outcome measures directly to the program. Communities participating in

productive public works, household investment support and pre-employment and life skills training will be chosen in a deliberate manner based on a given set of project targeting criteria. The operational realities of implementation mean that not all selected youth sub-projects will begin at the immediate outset of the program. This implementation constraint poses an opportunity to introduce variation into the phase-in of the program – and hence create a valid comparison for the impact evaluation. The random phase-in of the activities will allow for a rigorous examination of its causal effects.

## Annex 4: Detailed Analysis of Economic Returns to YOP

### Liberia: Youth Opportunities Project

1. Approximately 90 per cent of the Youth Opportunities Project (YOP) funds will finance Components 1 and 2 which constitute the main activities targeted to improving access to income generation opportunities among youth in Liberia. As these are the largest components of the project, the analysis of the economic returns of the project is based on the activities implemented under these components.

2. Under Component 1, there are two discrete activities that intend to improve income generation among youth in urban areas. Component 1A offers pre-employment social support that aims to increase the employment readiness of youth by supporting the development of non-cognitive skills and positive attitudes toward work. In turn, it is expected that this will lead to stronger earnings potential and realized income improvements. Component 1B will offer the youth on-the-job apprenticeships, formal vocational training, tools/equipment, basic business management training, and start-up grants. This is intended to (a) increase the labor productivity of youth working in household enterprises and (b) facilitate the entry of youth into household enterprises.

3. Under Component 2, youth in rural areas will be targeted with an opportunity to participate in a productive public works program as well as life skills training. This is intended to provide immediate consumption smoothing but also improve the earnings opportunities for the youth in the longer term by supporting them through the preparation of new land for cultivation; providing resources to purchase agricultural inputs and agro processing; and teaching life skills, such as conflict resolution, sanitation, hygiene and health practices, teamwork, and basic financial literacy.

The analysis of the Economic Rate of Return (ERR) focuses on the benefits to increased earnings over the lifetime of youth that participate in the program, as well as immediate consumption gains realized in the first year of inclusion due to the grants and wages. Table 4.1 summarizes the key assumptions used for calculations.

**Table 4.1: Assumptions for ERR Calculations**

Component	# of Beneficiaries	Length of Working Life (Years)	Initial Annual Income US\$	Baseline Earnings Growth	Discount Rate	Total Project Cost (in US\$)	Cost per Beneficiary (in US\$)	Consumption Income (in US\$)
1A: Pre-Employment Social Support	2,000	25	250	0.04	0.03	786,000	393	0.00
1B: Household Enterprise	3,000	25	250	0.04	0.03	2,791,900	931	100
2A: Productive Public Works and Life Skills Support for Rural Youth	10,000	25	150	0.04	0.03	5,023,000	502	100

4. The economic analysis considers two scenarios for estimating the ERR. In the first scenario, the program is considered to be effective at increasing the initial earnings of the youth by 10 percent and maintaining this increase in earnings but not increasing the rate of earnings growth. In the second scenario, the program is considered to be effective at improving the earnings growth of the youth by 2 percent per year over their lifetime. Both of these scenarios are considered since it is possible for this program to be effective at increasing earnings growth as well as bumping up earnings, and it will be useful to benchmark both outcomes. These scenarios are summarized in Table 4.2.

**Table 4.2: ERR Estimates**

<b>Scenario 1 - Increase in initial earnings</b>	
Increase in initial annual earnings	10%
1A: Pre-employment Social Support	8%
1B: Household Enterprise	2%
2A: Productive Public Works and Life Skills Support	3%
<b>Scenario 2 - Increase in earnings growth</b>	
Increase in annual earnings growth	2%
1A: Pre-employment Social Support	15%
1B: Household Enterprise	9%
2A: Productive Public Works and Life Skills Support	10%

5. Other returns to YOP investments will be in the form of enhanced social capital and sustainability of community assets as a result of capacity-building efforts and targeted interventions. The YOP will pursue cost-effectiveness measures and simple screening procedures:

- Cost-effectiveness of subprojects will be facilitated by provision of project menus, cost design options, a cost data bank, and encouragement of local competition in procurement of goods and services.
- Checklists and guidelines for appraisal of subproject proposals will be defined in the Project Operational Manual (POM) and will include cost-effectiveness criteria. District and community participants will be trained in the use of these guidelines.
- Subprojects will be appraised in conjunction with relevant sectoral technical staff in order to ensure that the technical specifications of the subprojects are consistent with sector technical standards and that subsequent operating costs can be met.
- Beneficiary assessments and household surveys will assess project impact on communities and other beneficiary stakeholders.

### **Sensitivity Analysis**

6. The ERR estimates for the project have been calculated using fairly conservative assumptions. However, the robustness of these results has to be tested to assess how sensitive they are to some of the key variables that define the magnitude and direction of the results. ERR

estimates for the base cases and two different outcomes for each scenario are presented in Table 4.3.

**Table 4.3: Sensitivity Analysis**

<b>Scenario 1 - Increase in initial earnings</b>			
Increase in initial annual earnings	5%	10%	15%
1A: Pre-employment Social Support	2%	8%	13%
1B: Household Enterprise	-3%	2%	5%
2A: Productive Public Works and Life Skills Support	-1%	3%	7%
<b>Scenario 2 - Increase in earnings growth</b>			
Increase in annual earnings growth	1%	2%	3%
1A: Pre-employment Social Support	9%	15%	19%
1B: Household Enterprise	4%	9%	13%
2A: Productive Public Works and Life Skills Support	5%	10%	14%

7. The sensitivity analysis shows that the rates of return remain positive under almost all situations, even when the improvements in earnings are smaller.



## **Annex 5: Transparency and Accountability**

### **Liberia: Youth Opportunities Project**

1. Given the institutional weaknesses assessed at the outset of project preparation, the Bank team has discussed and agreed with the Ministry of Youth and Sports (MYS), Ministry of Gender, Children, and Social Protection (MGCSP), and Liberia Agency for Community Empowerment (LACE) on a set of measures that will aim to reduce the risks of error, fraud and corruption. The outlined Control and Accountability Framework will focus on key elements such as the strengthening of the Financial Management (FM) and procurement capacity, establishment of an MIS, electronic registration of beneficiaries, corruption prevention measures such as 3<sup>rd</sup> party monitoring, and establishment of a grievance redress mechanism. While the detailed description of these activities will be contained in the Project Operational Manual (POM), the main elements of these are outlined below.
2. **Management Information System (MIS) and Information Communication Technology (ICTs).** An MIS will be established for the Youth Opportunities Project (YOP) and in all participating institutions. The objective will be to improve efficiency of implementation, ensure good record keeping and promote accountability in the program. The use of ICT and MIS will include operational modules (for example, selection of beneficiaries, contracting of service providers, and payments to beneficiaries) and will be connected to the financial side of the program. The MIS will also facilitate the usage of smartphones for e-registration, mapping of beneficiaries, e-payment processes (through banks or mobile money service providers), and data collection, including GPS, photo, and location data.
3. **Operational audits** will be carried out to provide timely feedback on adherence to established processes and procedures outlined in the institution's Operational Manual. The operational audits which will also include anti-corruption measures will be contracted out to a third party and will serve as a management instrument to improve operations and strengthen oversight. The operational audits will work on a sample basis and select specific topics for assessment after establishing a baseline of the controls and accountability system at the outset of the project.
4. **Third Party Monitoring and Social Accountability.** The Project will engage the services of a third party monitor and preferably the Anti-Corruption Commission (ACC) together with civil society organizations to provide independent monitoring of project processes. This monitoring will allow for early identification of potential cases of error, fraud or corruption, such that these problems can be resolved. Under the 3<sup>rd</sup> party monitoring, the ACC would develop tools for monitoring projects, including resources, disbursements, targeting and whether project implementation is taking place as per the agreed upon operational manual. The ACC will contract civil society partners engaged in social accountability and youth organizations to support the third party monitoring initiative and will train and facilitate them to carry out field level monitoring.
5. **Grievance redress mechanisms (GRM).** A GRM will be established in order to (a) generate public awareness of the project and its objectives, (b) deter fraud and corruption, (c) gather beneficiary feedback and encourage project staff to be responsive to them, (e) increase stakeholder involvement, and (f) identify problems or operational issues such that they can be resolved. Ultimately the GRM will promote both service provider and beneficiary responsibility and accountability. The GRM system should foster collaboration between the three implementing

institutions where it will result in cost savings, improve service delivery for all, and encourage sustainability of the system. In particular, a call center or complaints center may be an area of potential collaboration. Institutions will also need to assign staff to respond to and resolve grievances reported through the complaints center. Ministries will respond to these complaints in real time, record the resolution of grievances and store data in their MIS system for easy reporting.

6. **Fiduciary measures.** The Financial Management and Procurement sections of this document provide full details of relevant arrangements. Independent audit of the project will be undertaken very early into implementation, for example after the first three months, to set a precedent of close monitoring and ensure that project resources are used correctly from the start of the project.

7. **Public information and communication.** The project will support the MYS, LACE and the MGCSP in strengthening and professionalizing its development communication. The communication will include information on beneficiary selection, budget resources, disbursements, and the roles and responsibilities of each of the stakeholders as will be detailed in the POM. Use of radio will be emphasized as that is the common channel through which people access information. The project will also specifically support an anti-corruption information campaign aligned with the program, focused on transparency, accountability and corruption prevention.

## **Annex 6: Development Communications**

### **Liberia: Youth Opportunities Project**

1. Development communication under this project will aim to improve transparency and accountability; strengthen trust between the government and youth; and enhance the systematic design and use of participatory activities, communication approaches, methods, and media to ensure consistent and regular flow of information between internal and external audiences. Communication activities will (a) enhance the project's image to profile, position, and create awareness among stakeholders; (b) clarify project objectives; (c) strengthen communication linkages that will enable the project reach out to its internal and external stakeholders with timely and relevant information; (d) ensure communication activities are well coordinated, effectively managed, and responsive to the needs of the diverse beneficiaries; and (f) provide feedback mechanisms to encourage participatory, decentralized planning and implementation.
2. The existing communication strategies for the three implementing agencies will form the reference point for the communication activities that the project will undertake during the five years of implementation. Building on this, a Joint Communications Action Plan has been prepared for rollout during project implementation. To strengthen internal communication capacity within each of the three implementing agencies, a communications specialist will be hired to provide support in the implementation of the project's communications action plan. Each implementation partner will also retain a communications officer to support implementation of communications activities of subcomponents under their respective agencies. The communications specialist will have responsibility for the overall implementation of the action plan, manage the Social Protection Resource Center and work very closely with the communications officers in each of the implementing agencies to ensure they are in synchronization with relevant aspects of the project.
3. **Strong internal communications feed successful external communications.** The communications plan clearly outlines the requirements for efficient internal communications, including the need for communications across the three implementing agencies. The plan also encompasses the necessary actions and responses for internal and external stakeholders and requires that all stakeholders are fully informed, consulted, and engaged during project implementation and beyond as a tool for engendering behavioral change, participation, and accountability.

## Communication Action Plan for Liberia YOP (2015–2019)

<b>A: Internal Communication</b>				
A1	<b>Communication Product</b>	<b>Target Audience/Focus</b>	<b>Objective</b>	<b>Responsibility</b>
A2	Staff technical review meetings	All MYS, MGCSP, and LACE technical staff	To understand the project and set guidelines for implementation processes.	PMT
A3	National Project Steering Committee meetings	Steering Committee Members and senior-level managers	To share information on progress and seek guidance approval and approval on critical policy issues.	PMT
A4	Joint meeting among the MYS, MOGCSP, and LACE	Staff of all 3 implementation institutions	To share information, monitor progress on each of the components, and ease coordination.	PMT
A5	Project retreat	Ministers, directors, World Bank, and project heads	To update the Bank and partners on project performance.	PMT
A6	Quarterly reports	All implementing institutions and the Bank	To provide updates on project activities and performance.	PMT
<b>B: External Communication</b>				
B1	Sensitization and mobilization	General public	To create awareness about the project, its objectives, various components, & expected outcomes.	PMT & Communications Officers
B2	Sensitization retreats for legislators	Standing Committee Members on Social Protection, Labor, and Youth	To sensitize the legislators about the project/update them on progress & define their roles.	PMT
B3	Regional-level meetings	County superintendents, district commissioners, town chiefs, local county authorities	To share information and allow for cross-pollination of ideas.	PMT
B4	Categorization of YOP sites according to beneficiary counties	Beneficiary counties, districts, clans, and county-level stakeholders	To ensure project visibility and share key project information with the public.	PMT
B5	Provision of subproject transparency & accountability boards	Beneficiary groups & community-level stakeholders	To allow for the sharing of critical project information such as dates of payment and public display of wage payment records.	COCs and PMTs
B6	National-level stakeholder round-table discussion	Policymakers, Bank, and other stakeholders	To showcase project achievements and solicit additional support for the YOP.	PMT
B7	Engagement with local and national government authorities	County authorities and legislators	To share project results and advocate for mainstreaming of the YOP into the nation's development planning processes.	Partners
B8	Documentation & dissemination of project success stories through visual & audio materials	Community radios, national radio & TV audience, and social media	To showcase project achievements and lessons.	Communications Officers & PMT
B9	Media retreats and project tours	Media outlets with wide circulation	To sensitize the media by providing firsthand information on the project for dissemination.	Communications Officers
B10	Field trips for key government officials	Ministers and director of the MGCSP, MYS, and LACE	To expose the ministers and directors to project achievements in the field.	Communications Officers
B12	Project websites & use of other social media	Stakeholders on the e-media platform	To improve project visibility and showcase results.	Communications Officers
B13	Radio and TV discussions	Radio and TV audience	To improve project visibility and showcase results.	Communications Officers

## **Annex 7: Implementation Support Plan**

### **Liberia: Youth Opportunities Project**

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

##### **Implementation Support Plan**

1. The Implementation Support Plan takes into consideration the fact that the Youth Opportunities Project (YOP) marks a significant shift in objectives and procedures, the need to support the government through this transition, and other identified program risks. The plan also recognizes the weak capacity environment in which the project will be operating. It recognizes that the government will benefit from increased hands-on technical support and capacity building, learning by doing, and interaction with development partners and the Civil Society Organizations (CSO), which will enable a constructive dialogue to address emerging issues as the program is rolled out. While the government and its implementing agencies remain responsible for program implementation, the responsibility for resolving challenges constraining achievement of the Project Development Objectives will be shared by all stakeholders, including the government, CSOs, the private sector, and the development partners.

2. The Bank task team leader will handle the day-to-day matters of the project, which will include IDA support and adherence to Bank policies and trust fund policies for funds administered through the Bank.

3. Development partners, CSOs, and the private sector will participate in the Youth Sector Coordination Committee and the Cash Transfer Coordination Committee focused not only on the project but also on wider youth and safety nets activities. The respective committees will be chaired by the Honorable Ministers responsible for each of the two ministries. For the first eighteen months of implementation, these committees will meet monthly to support the effective rollout of the YOP. Thereafter, the meetings will be at quarterly intervals.

4. Development partners, CSOs, and the private sector will have the opportunity to comment on the Terms of Reference for the various process evaluations and spot checks programmed for the early years of implementation and the opportunity to hear and discuss their findings. In addition, they will have the option of participating in the regular rapid response team visits which aim to provide troubleshooting support to the counties and communities during the early years of implementation.

5. The development partners and the government will conduct yearly joint implementation support missions twice a year. Initially, these missions will likely focus on rollout and implementation issues but in later years will also attempt to review progress toward achieving intermediate outcomes. Since most personnel involved in the YOP are based in Monrovia, the region, the government, and partners will facilitate missions that will be carried out to deal with issues requiring urgent attention on Financial Management (FM), procurement, safeguards, and governance. A project rollout plan has been prepared and agreed upon between the Bank and the government.

6. In addition to the joint implementation support missions, a midterm review will be carried out during the implementation of the first phase to assess if the project design assumptions are still valid. Missions and reviews will be complemented by external reviews that will include the following areas: FM, procurement, Monitoring and Evaluation (M&E), and technical audits. Impact evaluation support teams will also provide support as part of implementation.

**Table 7.1: Main Areas of Focus in Terms of Support to Implementation**

Time	Focus	Skills Needed	Resource Estimate	Partner Role
First twelve months	<ul style="list-style-type: none"> <li>Capacity building for systems development and initial roll out interventions</li> <li>FM for capacity building</li> <li>Procurement</li> </ul>	<ul style="list-style-type: none"> <li>Knowledge in establishing a targeting, enrolment and grievance redress system.</li> <li>FM</li> <li>Procurement</li> </ul>	US\$50,000  US\$20,000	TA
12–48 months	Systems maintenance	Systems development and Management	US\$25,000 per year	TA
Other	Institutional Development	Organization development	US\$25,000 per year	

## B. Skills Mix Required

7. Skills mix required is summarized in this table:

**Table 7.2: Skills Mix**

Skills Needed	Number of Staff Weeks per Year	Number of Trips per Year	Comments
Procurement	4	2	Nairobi-based
Social Specialist	4	2	Ghana-based
Environment Specialist	4	2	Ghana-based
FM Specialist	8	2	Country office-based
ICT support	3	1	HQ-based
Agricultural expertise	4		Country office-based
M&E Specialist	4	2	HQ-based
Sector Specialist (cash transfer)	3	2	HQ-based
Sector Specialist (jobs and employment)	4	2	HQ-based
Sector Specialist Impact Evaluation	8	2	HQ-based
Task Team Leader	8	2	HQ-based

## C. Partners

**Table 7.3: Partners**

<b>Name</b>	<b>Institution/Country</b>	<b>Role</b>
World Bank	Liberia	Fiduciary, safeguards, and program management, M&E; Systems development cash transfers and public works and pre-employment and life skills support
UNDP	Liberia	Cash transfer programs
EU	Liberia	Household enterprise support and productive public works.
USAID	USA	Systems development
WFP	Liberia	Harmonization of procedures and processes
UNICEF	Liberia	Capacity building, IEC, M&E

# Liberia: Youth Opportunities Project (P146827)

## MAP

