

REPUBLIC OF LEBANON

TERMS OF REFERENCE: THIRD PARTY MONITORING AGENT (TPMA)

EMERGENCY CRISIS AND COVID-19 RESPONSE SOCIAL SAFETY NET PROJECT (P173367)

I. BACKGROUND

Lebanon is currently facing a financial and economic crisis, further exacerbated by the COVID-19 pandemic and the Port of Beirut explosion. This ongoing crisis has far-reaching and potentially disastrous consequences on households' welfare in the face of rising poverty and vulnerability. An immediate social protection response is critical to limit the projected increase in extreme poverty to the maximum extent possible, by supporting the poorest households in Lebanon that will be the worst affected by these crises.

The ESSN is a US\$246 million 3-year project that will provide cash transfers and access to social services to extreme poor and vulnerable Lebanese populations affected by the economic and COVID-19 crises. The objective of the ESSN is to arrest the increase in extreme poverty and to preserve the human capital of 13 – 18 years old children enrolled in public schools, through the provision of cash transfers and access to social services. The ESSN also aims to build a sustainable national social safety net (SSN) system in Lebanon. The ESSN will scale-up and enhance the Government of Lebanon's (GOL) National Poverty Targeting Program (NPTP) - Lebanon's main poverty-targeted social assistance program launched in 2011.

The project consists of four key components, as presented in Table 1 below.

Table 1: The ESSN Project Components, Beneficiaries, Costs

Component	Beneficiaries	No. of Beneficiaries
1 –Cash Transfer for Basic Income Support	Extreme poor Lebanese HHs included in NPTP scale-up	147,000 HHs
2–Cash Transfer for Students-at-Risk	Students aged 13-18 in HHs under component 1 enrolled in public schools	87,000 Students
3–Provision of Social Services	Vulnerable HHs and individuals	100,000 individuals
4 – Enhanced Delivery of SSN	MOSA (including Social Workers)	-

- Component 1 aims to arrest the increase in extreme poverty by providing cash transfers to extreme poor and vulnerable households through a pre-paid electronic card; This will cover an estimated 147,000 households.
- Component 2 aims to combat risk of children dropping out of school through top-up cash transfers that cover the costs of general and vocational education; This will cover an estimated 87,000 children (ages 13-18) belonging to households covered under Component 1.
- Component 3 aims to strengthen the capacity and systems of the Ministry of Social Affairs (MOSA) and its Social Development Centers (SDCs), and increase access to quality social services for poor and vulnerable households from different population cohorts including refugees;

- Component 4 supports the creation and strengthening of social safety net delivery systems including building a National Social Registry, a Grievance Redress Mechanism, and Outreach and Communications functions.

In order to ensure independent monitoring of project implementation and outcomes, the Government of Lebanon is procuring the services of an independent external validation and verification agent, referred to as Third-Party Monitoring Agent (TPMA).

II. BENEFICIARY SELECTION

Direct project beneficiaries include (i) extreme poor and vulnerable Lebanese individuals and households and (ii) vulnerable girls and women, elderly, people with disabilities, children and youth at risk of dropping out of school, among other vulnerable groups. Households will be selected through a hybrid targeting methodology which combines the Proxy Means Test (PMT) to identify extreme poor households and categorical targeting to prioritize socially vulnerable groups within the group of extreme poor households.

The households eligible for project benefits will simultaneously satisfy two conditions: (a) their verified PMT scores will be below the eligibility cut-off corresponding to the extreme poverty line (that is, bottom 22 percent of PMT score distribution in the population based on the HBS 2011–12), and (b) they will belong to defined socially vulnerable categories. The PMT formula that will be used for determining eligibility will be the same formula currently employed by the NPTP.

III. OBJECTIVES OF THE ASSIGNMENT

The TPMA will provide independent monitoring of project outcomes and perform ongoing audits on the implementation for Components 1-3 of the project. The key responsibilities are the following:

- Beneficiary eligibility verification:** This includes verifying whether beneficiary households meet the eligibility conditions of ESSN. The verification process will include administering a household survey to determine eligibility.
- Audit project implementation:** This includes a technical audit on the different aspects of project implementation, including the registration process, status of cash transfers, accuracy of amounts, delays in transfers, etc. The audit will also include reconciling monthly reports provided by WFP with the financial reports of the PCM.

To this end, the TPMA will conduct a number of data collection activities (in-person and remotely), which are presented below. All in-person data collection will be quarterly, while the remote data collection will be completed monthly.

Activity Details	Purpose	Frequency	Sample
In-person data collection			
Household survey	<ul style="list-style-type: none"> - Beneficiary eligibility verification - Audit project implementation - 	Quarterly	Min 5% of total beneficiaries (approx. 2000 households each quarter), geographically representative, randomly selected
School survey	<ul style="list-style-type: none"> - Audit project implementation - Check beneficiary compliance 	Quarterly	Min 30% of all schools (catchment area of HHS sampled + randomly selected)
SDC spot checks	<ul style="list-style-type: none"> - Audit project implementation 	Monthly (for first three months- registration period) Quarterly (after three months)	Min 30% of SDCs (catchment area of HHS sampled + randomly selected)
Remote data collection (ongoing monthly audits)			
SMS survey	<ul style="list-style-type: none"> - Audit project implementation 	Monthly	All active beneficiaries, schools
Phone survey	<ul style="list-style-type: none"> - Audit project implementation 	Monthly	30% of beneficiaries and schools who did not respond to SMS survey, randomly selected, geographically representative

IV. DESCRIPTION OF THE TPMA SERVICES

A. Beneficiary eligibility verification

The TPMA will validate whether beneficiary households meet the eligibility conditions of ESSN. This will be based on household surveys conducted in-person, quarterly. A minimum of 5% of total beneficiary households will be sampled for this survey over the year (approximately 2000 beneficiary households each quarter). The sample will be randomly selected and representative of beneficiaries' geographic spread. The full list of beneficiary households will be provided by MoSA, and sampling will be conducted independently by the TPMA. TPMA will publicly disclose through websites and social media channels the sampling criteria used for eligibility verification. The visits will be conducted by TPMA field surveyors using a questionnaire jointly developed with the GoL, WFP, and the WB.

B. Audit project implementation

Project implementation will be audited on an ongoing basis, through monthly SMS and phone surveys

conducted remotely, as well as through in-person quarterly data collection from beneficiary households, schools, and SDCs.

At the household level, the audit will include checking the status of transfers, transfer amount, delays in payments, status of grievances, and other relevant indicators. The TPMA will assess the feedback and concerns of beneficiaries, through the project grievance reporting mechanism (GRM) and on social media sites to confirm that the principles of confidentiality and anonymity are implemented in the GRM. This will be implemented through a detailed audit module in the quarterly household survey, and through brief SMS and phone survey (5-10 questions) sent to beneficiaries monthly. The TPMA is expected to maintain a monitoring dashboard with statistics on key monitoring indicators.

At the school level, the audit will look at component 2 of the project to check (1) confirmation of receipt of registration fees by public schools on behalf of the beneficiaries, and (2) beneficiary compliance with transfer conditions around enrolment and attendance. This will be done quarterly through in-person school surveys, as well as on an ongoing basis, through brief monthly SMS and phone surveys sent to recipient schools. The school survey will be conducted quarterly, at the same time as the household surveys. The sample will include all schools in the catchment area of the household sample, for a minimum of 30% of beneficiary schools. If the minimum is not met, schools will be randomly selected from the remaining list of beneficiary schools. The full list of beneficiary schools will be provided by MEHE and sampling will be conducted by the TPMA. The SMS survey will be sent to all recipient schools monthly.

At the SDCs, there will be monthly spot checks during the registration period (estimated to be the first three months of the program) which will audit the registration process. After the first three months, the spot checks will also audit component 3 of the project. The objective of the spot checks is to (1) monitor the delivery of service at SDCs, including the registration process, and (2) monitor if social workers are present on site. 30% of randomly selected, geographically representative SDCs will be sampled for the spot checks. The sample during the quarterly spot checks will be selected from the same catchment area as the household sample, for a minimum of 30% of SDCs. If the minimum is not met, SDCs will be randomly selected from the remaining list to meet the minimum. The full list of SDCs will be provided by MoSA for sampling.

C. Other activities

Other responsibilities of the TPMA include:

- Reconciling the monthly payments reviewed to the quarterly project Interim Financial Reports (IFRs) produced by the Project CMU and investigate and provide explanation for any discrepancy.
- In addition to highlighting problems and red flags, the TPMA should also pay attention to the good and improved practices during the field visits and documented in its quarterly report. This report should also propose corrective measures to the bank team, as needed, to address non-compliance issues and/or to enhance social and environmental performance.
- Verifying project management team's compliance with Social and Environmental requirements, processes, and procedures under components 1, 2 and 3 of the Project and as defined in the cleared and disclosed Environmental and Social Instruments.

The Consultant is expected to provide their best technical & financial offer to perform its assignment as described in this TOR. In doing so, the consultant proposal should address the requirements, include a full team as envisaged below, suggest measures for ensuring data quality, provide alternative, cost effective arrangements, and including options for technology-based verification solutions for a comprehensive, detailed, reliable, and cost-effective monitoring in various governorates in Lebanon covered by this project.

The assignment implies coordination and interaction with the following:

- (i) Counterparts in government including the Central Management Unit at the Presidency of Council of Ministers (PCM), the Ministry of Social Affairs, the Ministry of Education and Higher Education, the World Food Program (WFP).
- (ii) The beneficiaries of the program;
- (iii) World Bank team

The TPMA's senior management will be expected to meet with World Bank team at least on a quarterly basis, to discuss the findings in their reports.

V. REPORTING REQUIREMENTS

The TPMA will be required to prepare and submit written reports electronically to the CMU, MOSA and the World Bank's Task Team. The TPMA reports should report on compliance, identify issues and red flags, as well as, provide recommendations where needed. The TPMA shall make available all necessary and related documents to such reporting.

Reports will be made public as produced. Quality assurance of the reports is the responsibility of the TPMA. Digital communication tools must be used to widely disseminate these reports. Reports that include allegations of fraud and corruption may require special treatment and will be addressed on a case by case basis in accordance with World Bank policy.

These reports include:

- (i) **Inception report**, which clarifies the TPMA setup activities, implementation plan and configuration and how TPMA will carry out this assignment. It will include as well approved monitoring fact sheet, and reports template. The inception report will be due 2 weeks after contract signature.
- (ii) **Brief monthly reports**, which cover issues, arising during the month through the spot checks, SMS, and phone surveys. The reports will be made available within 1 week of the end of each month; the corresponding data should be available on the monitoring dashboard.
- (iii) **Quarterly reports**, submitted within a month of each quarter, which reports on findings from beneficiary verification and project implementation audit.. These reports will also include a summary of trends noted from the monthly reports. The reports must cover beneficiaries targeted under components 1 and 2 of the project and informed by the various data collection activities detailed in section II.5.
- (iv) **Annual reports**, within 2 months of the end of the calendar year, which summarizes the aggregate data featured in quarterly reports and identifies the key risks, challenges and achievements which have arisen during the year together with progress in addressing these issues;
- (v) **Action reports**, which is a real time reporting for urgent matters and critical issues of concern (as agreed with the MOSA and WB team).

VI. IMPLEMENTATION ARRANGEMENTS:

The TPMA will conduct using their own office space, computers, tools, logistics, transports, insurances, and security during the office field level monitoring activities.

The TPMA is obliged to implement appropriate data security measures. It should have sufficient experience and qualified staff on the ground to carry out the assigned tasks/deliverable with quality.

Providing real time data and data security is an important aspect of quality. The data, including intellectual property rights, are the exclusive property of GoL and the contracted TPMA has a limited, nonexclusive permission to access and use the data. As provided in the contract, the data will be used solely for the purpose of performing its obligations under the contract. The consultant has no other rights under the contract, whether express or implied, to any GoL data or its context. To maintain the integrity of stored data, TPMA data should be protected from physical damage as well as from tampering, loss, or theft by limiting access to the data. Data stored on paper, such as on data collection tools should be kept in a safe, secure location away from public access, e.g., a locked filing cabinet. Confidentiality and anonymity should be assured by replacing names and other personal information with encoded identifiers.

The agency will hand over all reports and raw data to MOSA upon satisfactory completion of TPMA. In terms of disposal, the TPMA data will be retained for a minimum of 3 months after approval of the TPMA report and raw data sets. Paper documents will be shredded, and digitally stored information destroyed or securely overwritten. The TPMA will be expected to provide MOSA and WB with a letter confirming that the data has been disposed appropriately.

The agency will work closely with the World Bank project team and will have critical interface with the following relevant stakeholders: World Food Program (WFP), MOSA project team, Central Management Unit (CMU) (at the Presidency of Council of Ministers - PCM), MEHE Project team. Bimonthly / monthly coordination meetings to be held to discuss emerging issues as well as presenting reported outcomes across various activities implemented.

VII. DURATION OF ASSIGNMENT

This assignment is to be carried out for one year and extended on a yearly basis, conditional on satisfactory performance, for duration of the ESSN project (3 years).

VIII. ESTIMATED LEVEL OF EFFORT

Activity Details	Purpose	Frequency	Sample ¹
In-person data collection			
Household survey	- Beneficiary eligibility verification - Audit project implementation -	Quarterly	2000 HHs each quarter
School survey	- Audit project implementation - Check beneficiary compliance	Quarterly	200 schools each quarter (Min 30% of all schools in beneficiary list)
SDC spot checks	- Audit project implementation	Monthly (first 3 months) Quarterly (after first 3 months)	70 SDCs each month (first three months) 70 SDCs each quarter (after first three months) (Min 30% of SDCs)
Remote data collection (ongoing monthly audits)			
SMS survey	- Audit project implementation	Monthly	Max 147,000 HHs Max 1200 schools (All active beneficiaries each month, up to the maximum listed)
Phone survey	- Audit project implementation	Monthly	2000 HHs each month 200 schools each month (30% of beneficiaries and schools who did not respond to SMS survey)

IX. MINIMUM QUALIFICATION REQUIREMENTS

Bidding firms / entities are able to submit applications in the form of a consortium: Private Firms, Private Firm & NGOs (National / International), NGOs (National / International), with relevant areas of specialization.

For consortiums, it is important for the bidding entities to specify and present the following:

- a. Main Contract Holder / Bidding Entity.

¹ Sample provided is an estimate and may change depending on the final number of beneficiaries, schools, and SDCs.

- b. Consortium members with a short description / profile.
- c. Roles and responsibilities of each member of the consortium.
- d. Areas of expertise (sectors, specialization, etc.) and geographical coverage of each member of the consortium.
- e. Record / previous experience of carrying out activities similar to the ones detailed in this document (in Lebanon or aboard)

Overall, the TPMA will need to satisfy the following requirements:

- Proven track record in independent monitoring of beneficiary support programs. Minimum of 10 years of practical experience in the field (collectively as a consortium or individually as a firm / entity);
- Ability to deploy the required staff as needed and agreed with MOSA and WB;
- Ability to work with documents in both Arabic and English;
- Adopt policies that comply with regulatory requirements and maintain strict confidentiality of records of the beneficiaries and information security;
- Entities / firms / NGOS must be registered in Lebanon and active as per the local laws and regulations;

X. COMPOSITION OF THE TPMA PROJECT TEAM

The TPMA must provide the following key experts for the performance of this assignment with the indicated qualifications and experience – referred to as the TPMA Project Team. Short listed firms must familiarize themselves with the local conditions and take them into account in preparing their Proposals. The minimum qualifications of key staff are:

- Full-time Coordinator/Project Manager with at least 10 years of relevant experience. He/she will be responsible for overall monitoring, coordination, quality control and submission of monitoring reports and analysis. He/she must have an advanced English level and preferably Arabic too, both written and oral. The Project manager shall make sure that all tasks are conducted in agreement with the contract with extreme diligence, as well as prevent or provide early warnings of any possible obstacles.
- Data Manager. He/she is responsible for the training of field, plans, supervises and manages the data collection. The Data Collection Manager must have experience in managing large scale data collection. Experience of five years as a data manager is required.
- Technical experts (in the areas of Social Protection / Social Assistance, Cash Based Assistance / Cash Operations / Payments Specialists, Social Services, Monitoring and Evaluation).
- Report writing/ documentation specialists.
Field Work Coordinators and Enumerators who are experienced in collecting data through phone calls / home visits for targeted social assistance programs / poverty assessments. The field work team will be responsible for carrying out the data collection activities stated above.

XI. METHOD OF PAYMENT

Form of Contract: Lump sum

The consultant will be paid as follows:

- 10% upon submission and approval of the inception report
- 15% upon submission and approval of the first quarterly report

- 15% upon submission and approval of second quarterly report
- 15% upon submission and approval of the third quarterly report
- 15% upon submission and approval of the fourth quarterly report
- 30% upon submission and approval of the annual report