Republic of Lebanon
Ministry of Social Affairs

Additional Grant for Emergency National Poverty Targeting Program Project

Terms of Reference for Consultancy Services for

Technical Audit for the Additional Grant for Emergency National Poverty Targeting Program Project (P158980)

Proc Ref: FC014

- **Background**

More than five years of conflict in Syria have resulted in massive influx of refugees to Lebanon and across the region at large. As part of the group of neighboring countries that are most affected —Lebanon, Jordan, Turkey and Iraq— Lebanon is the one where these unprecedented numbers of refugees may have the most destabilizing consequences. As of January 2015, approximately 1.5 million Syrian refugees are residing in Lebanon with 1.1 million officially registered with the UNHCR.

At the request of the Government of Lebanon (GoL) in August 2013, the World Bank completed a rapid Economic and Social Impact Assessment (ESIA) of the Syrian Conflict and an accompanying Roadmap for Priority Interventions for Stabilization from the Syrian Conflict (Roadmap). The ESIA finds that the Syrian conflict is projected to increase the poverty headcount in Lebanon by 170,000 people in 2013/2014. As such, the Roadmap identified the scaling up of the GoL's National Poverty Targeting Program (NPTP), launched by the GoL in October 2011, as one of its immediate priorities to help vulnerable Lebanese households, as well as to help reduce tensions between the refugee and host communities.

The National Poverty Targeting Program (NPTP) is the first poverty-targeted social assistance program in Lebanon with the objective to "provide social assistance to the poorest and most vulnerable Lebanese households based on transparent criteria that assess each household's eligibility to receive assistance, given the available public resources".[1] The NPTP targets the extreme poor and is managed by the MoSA and the Presidency of the Council of Ministers (PCM). The NPTP is based on a proxy-means testing (PMT) targeting mechanism and is implemented through approximately 700 social workers and inspectors operating at the level of 114 Social Development Centers (SDCs). In 2012, the Council of Ministers allocated US$28 million for the financing of the social assistance, demonstrating its commitment to the NPTP.

The program has established itself as Lebanon's main social safety net program, playing a central role for donors, UN agencies, and other ministries in reaching poor and vulnerable host populations affected by the Syrian conflict. Increasingly any program that is interested in reaching poor Lebanese households is being directed to work with the NPTP and specifically to draw from its database for the identification of the beneficiaries.

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[1] Cabinet policy statement on the NPTP (June 18th, 2009) established the program.

The program has successfully established the NPTP database of poor and vulnerable populations in Lebanon. The database is housed at the Central Management Unit (CMU) of the NPTP at the Presidency of the Council of Ministers (PCM), and its mirror sits at the NPTP MOSA unit.

The NPTP social assistance (the basket of benefits) consists of the following: (i) comprehensive health coverage for beneficiaries in public and private hospitals through the waiver of 10-15 percent copayments for hospitalization; (ii) registration fee waivers and free books for students in primary and secondary (including vocational) public schools; and (iii) food assistance via the electronic card food voucher program since November 2014. The food assistance was introduced lately as a means to help mitigate the impact of the refugee influx on poor Lebanese.

As of today, 151,667 households (around 629,542 individuals) had applied to the program, and 47,296 households (260,696 individuals) were deemed eligible to receive the hospitalization and education benefits (i.e. below the cut-off score). Any social program that aims to target poor Lebanese requests the lists of eligible beneficiaries from the CMU which is responsible for managing the NPTP database.

The MOSA NPTP Team started the process of recertification of NPTP beneficiaries that should cover both existing and new applicants. This recertification is to be based on a new proxy-means testing (PMT) formula which is based on Household Budget Survey (HBS) done by the Central Administration of Statistics (CAS) on 2011/2012. Since there is a new PMT Formula, the originally used questionnaire was adjusted to include all the variables introduced to the new PMT Formula. The data was sent to CMU/PCM in order to be crossed-checked with other national databases to verify the correctness of Data provided. CMU is to generate scores for all NPTP Applicants and classify them as beneficiaries or non-beneficiaries' households.

- **Objective and scope of the assignment**

A technical audit for **the Additional Grant for Emergency National Poverty Targeting Project (TF-0A2803)** is to be conducted by an external independent auditor.

The objective of the technical audit is to verify whether the business process is implemented according to the Grant Agreement, Project Appraisal Document and the Operations Manual developed for the Additional Financing for the Emergency National Poverty Targeting Project. A key part of this objective is to verify whether the selection of beneficiaries is being carried out according to the agreed upon procedures and the eligibility criteria as generated by the Proxy-Means Testing (PMT) targeting formula.

The technical auditor will have the following tasks:

- Validate that the services and activities have been conducted as per the provisions of the Grant Agreement, Project Appraisal Document and the Project Operational Manual.

- Conduct qualitative and quantitative verification and provide an opinion about the output and outcomes of the project. This should include taking a random sample of beneficiaries (or as on a need basis) from the NPTP database to verify on the ground adherence to the eligibility criteria (based on the New PMT Formula). It also includes a random sample of social workers to review their activities and their relevance to program activities.

- Verify that the beneficiaries are not fictitious are benefiting from the program as intended, and that cards are uploaded and beneficiaries have withdrawn or used the card/funds as intended. A sample basis will be taken (based on the level of risk identified). The survey will be conducted over the phone on 1000 beneficiaries.

- Propose corrective actions to any irregularities and /or weaknesses observed.

The technical audit will be used as an input for improving the quality and effectiveness of the services delivered.

- ▪ **Deliverables and reporting requirements**

The outputs of the assignment will be delivered in two versions, in Arabic and in English, and will be composed of the following:

TASK 1: Technical Audit Design and Inception Report (2 to 3 weeks):

Under task 1, the consulting firm will develop an audit design, sampling, questionnaire and methodology, and the implementation plan. Specifically, the technical auditor will:

a. Develop the criteria based on which the sample of are identified beneficiaries to be interviewed based on available data (NPTP database) ; and a small sample of social workers to be interviewed
b. Develop the questionnaires that will focus on verifying on the ground the adherence to the eligibility criteria and could include the following questions but not limited to:
   - Household characteristics (no. of family members, children – going to school or not);
   - Household eligibility criteria;
   - NPTP benefits;
   - Time taken to process their request for benefit;
   - Usefulness and quality of information received from NPTP;
   - Overall satisfaction with the NPTP program.

c. Develop the methodology, data sources, data collection process, and timeline

d. Prepare an implementation plan with all the steps and actions required from inception to finalizing the technical audit. This will also include a plan for conducting the surveys (i.e. conduct the survey--collecting and analyzing the data)

Deliverables for Task 1: (i) A work plan describing the methodology of the assignment to be delivered by the firm no more than **three weeks after contract** signing and; (ii) Questionnaires; (iii) Inception report describing the work plan, methodology and logistics, timeline, financial and human resources requirements for implementing the survey;
All of the above deliverables will be reviewed and accepted by the World Bank and the Ministry of Social Affairs by no more than 5 days.

TASK 2: Survey Implementation (Data collection and Analysis) (to be implemented in three weeks):

This task will be divided into three sub-tasks:

2(a) Review of Process: This will include:

a. Reviewing the process to verify whether the business process is implemented according to the Operations Manual developed specifically for NPTP

2(b) Data Collection: This will include:

- Monitoring the data collection as per the implementation plan and successful completion of the fieldwork;
- Carefully reviewing the data collected, conducting checks and data validation for the assessment;
- If required, conducting interviews with critical stakeholders, meet with the representatives of the community and carry out focus group discussions with beneficiaries to complement the data findings;
- Ensuring the data is collected and is inputted in a format that is user friendly for analyses;
- Ensuring the availability of databases generated for the analysis (in Microsoft Access, STATA, ASCii formats) accompanied by a data dictionary.

2(c) Data Analysis:
- Preparing the analysis report describing the field work and summarizing the main conclusions from the field visits and focus group discussions ;
- Presenting the preliminary findings to NPTP for discussions and comments.

Deliverables for Task 2: (i) Electronic data files; and (ii) Report summarizing the findings and providing an opinion about the process.
One Technical Audit Report to be delivered in three weeks under the resulting contract and to be reviewed and accepted by the World Bank and the Ministry of Social Affairs by no more than 5 days.

- **Type of Contract:**

The type of contract to be used is lump-sum in which the scope and the duration of the Services and the required output of the Consultant are clearly defined in the TOR. Payments are linked to outputs (deliverables) such as reports and the acceptance of the Client.

- **Firm Qualifications**

- At least 10 years of practical experience in designing and conducting Technical and social Audits. Experience evaluating poverty targeting programs, social interventions and community-based approach would be a valuable asset.
- Expertise in sampling and in the design and implementation of surveys. Knowledge of Proxy-Test Means targeting methods is an asset.
- Experience in combining quantitative and qualitative methods is essential.
- Experience with international organizations, international donors programs and the public sector is desirable.

- **Experts Qualifications**

Required:

-**Team Leader:** at least 8 years of working experience in a relevant field (interventions). Minimum of Master's degree in social science, public policy and or bachelor with a professional certification (CPA, ACCA, etc.…).

-**Senior Staff:** at least 5 years of working experience in a relevant field. Minimum of Master's degree in social science, public policy and/or bachelor with a professional certification (CPA, ACCA, etc.…).

-**Officer Staff:** at least 3 years of working experience in a relevant field. Master's degree in social science, public policy and or a combination of bachelor and a minimum of 5 years of relevant experience. A professional certification would be a plus.

Preferred:

-**Statistician:** At least three (3) years of experience in working with large datasets and statistical analysis, preferably with demographic and socio-economic data, strong research capabilities with emphasis on social scoring criteria and strong qualitative & quantitative measurements skills.

- **Terms of Payment**

- 50% upon submission and acceptance of deliverable 1
- 50% upon submission and acceptance of deliverable 2