Annex 4  Generic terms of reference for social assessment

Social assessment (see Chapter 4) is the instrument used most frequently by the Borrower to analyze social issues and solicit stakeholder views for the design of Bank-supported projects. Social assessment helps make the project responsive to social development concerns, including seeking to enhance benefits for poor and vulnerable people while minimizing or mitigating risk and adverse impacts. It analyzes distributional impacts of intended project benefits on different stakeholder groups, and identifies differences in assets and capabilities to access the project benefits.

A social assessment is made up of analytical, process, and operational elements, combining (a) the analysis of context and social issues with (b) a participatory process of stakeholder consultations and involvement, to provide (c) operational guidance on developing a project design, implementation, and monitoring and evaluation (M&E) framework. Bank staff then (a) provide guidance and technical assistance to the borrower (and consultants) to undertake the social assessment, and (b) verify, assess and appraise the Borrower's social assessment findings, as an integral part of their social analysis.

This annex provides a generic Terms of Reference for social assessments. This Terms of Reference is offered as guidance only; task teams are expected to assist the Borrower in adapting this general framework based on country, sector and project specific needs and specificities. The scope and depth of the social assessment should be determined by the complexity and importance of the issues studied, taking into account the skills and resources available. If requested, the World Bank would also consider supporting related programs of capacity building in social assessment processes.

To the extent possible, the project social assessment should build on existing data and analysis relevant to the sector and project. Consideration should be given to doing the social assessment in two stages, by first conducting a Rapid Context Assessment of available data, identify stakeholders and key issues, and undertaking a gap analysis of where additional data or consultations are required. Based on that, an update and further detailing of the Terms of Reference may be done.

Introduction

This section should state the purpose of the terms of reference, identify the development project to be assessed and explain the implementing arrangements for the social assessment.
Background information

Pertinent background for potential parties who may conduct the social assessment, whether they are consultants or government agencies, would include a brief statement of the rationale for the project, its intended objectives, a description of its major components, the implementing agency(ies), its current status and timetable, and whether there are any associated projects.

Purpose and Objectives

Summarize the general objectives and scope of the social assessment, briefly lay out the main design and methodological issues related to completing the social assessment, and discuss its timing in relation to the project preparation, design and implementation.

Task 1: Description of the proposed project

Provide a full description of the project to the extent known when the social assessment is undertaken. Include the following information: location, size, schedule and planned sequence of activities, resources available, expected implementation arrangements and life span. If the proposed project has more than one component, describe each one as it relates to social analysis.

Task 2: Description of the socio-cultural, institutional, historical and political context

Conduct a rapid review of available sources of information to describe the socio-cultural, institutional, historical and political context in which the project operates. The review should include qualitative descriptions and quantitative indicators of development trends relevant to the project, such as significant demographic changes, patterns of asset ownership and livelihoods, external political or economic environment, etc. The purpose of this exercise is to describe what constraints and opportunities the context poses to the project.

- Socio-cultural context: Describe the most significant social and cultural features that differentiate social groups in the project area. Describe their different interests in the project, and their levels of influence. In particular, explain any particular effects the project may have on the poor and excluded. Does the project offer any opportunities to influence the behavior of and outcomes for such groups? Are there any known conflicts among groups that may affect project implementation?
• **Institutional context:** Describe the institutional environment; consider both the presence and function of public, private and civil society institutions relevant to the operation. Are there important constraints within existing institutions, e.g. disconnect between institutional responsibilities and the interests and behaviors of personnel within those institutions? Or are there opportunities to utilize the potential of existing institutions, e.g. private or civil society institutions, to strengthen implementation capacity?

• **Historical context:** Describe the "big picture," those conditions in the history of the country that might uniquely impinge upon the project. If a project proposes to restructure an industry that had great importance and visibility in the national economy, such as coal mining in Eastern Europe, it may be reasonable to assume that industrial layoffs would be affected by political economy issues. In a country with a history of tension between ethnic or religious groups, the operation may need to be extra-sensitive to differential impacts on those groups.

• **Political context:** Describe the political background relevant to the project. Political instability, for example, could affect long-term project planning, as could an election between the project design and implementation phases. On the other hand, a shared political vision such as the drive for EU accession can be an important enabling condition for a project.

**Task 3: Legislative and regulatory considerations**

Review all national legislation and regulations pertinent to the project, as well as the broader policy and reform context within which the project takes place. Pay particular attention to laws and regulations governing the project’s implementation and the access of poor and excluded groups to goods, services and opportunities provided by the project. In addition, review the enabling environment for public participation and development planning. Social analysis should build on strong aspects of the legal and regulatory systems to facilitate program implementation and identify weak aspects while recommending alternative arrangements. (The TOR should specify those that are known and require the consultant to investigate other arrangements.)

**Task 4: Key social issues**

The social analysis provides the baseline information for designing the social development strategy. The analysis should determine what the key social and institutional issues are in relation to project objectives; identify the key stakeholder groups in this context and determine how relationships between stakeholder groups will affect or be affected by the project; and identify expected social development outcomes.
and actions proposed to achieve those outcomes. Social development outcomes are the socially relevant results the project is expected to achieve, such as poverty reduction, equity and inclusion, strengthening of social capital and social cohesion, and promotion of accountable and transparent governance, as well as the mitigation of adverse impacts arising out of the project.

The key elements and entry points for the social analysis relevant to the project (see Chapter 2) encompass:

(a) **Social diversity and gender**: Examine how people are organized into different social groups, based on the status ascribed to them at birth – according to their ethnicity, clan, gender, locality, language, class, or some other marker – or on the status or identity they have achieved or chosen – civil servant, industrial laborer, white collar worker, environmentalist, etc. Importantly, an analysis of social diversity also includes looking at the ways in which such diversity interacts with social and power relations and the implications this has for questions of access, capabilities and opportunities;

(b) **Institutions, rules and behavior**: Examine social groups’ characteristics, intra-group and inter-group relationships, and the relationships of those groups with public and private (e.g. market) institutions (including the norms, values and behavior that have been institutionalized through those relationships). Such an analysis should provide a detailed assessment of the formal and informal organizations likely to affect the project and the informal rules and behaviors among them. Possible institutional constraints and barriers to project success, as well as methods to overcome them, should be described.

(c) **Stakeholders**: Identify the various groups who have an interest or a stake in the project. Stakeholders are those who are likely to be affected by a project, as well as those that may influence the project’s outcomes. In addition to the beneficiaries of the project and other groups directly affected by it, stakeholders may include organized groups from the public and private sectors as well as civil society who have an interest in the project. The characteristics, interests and likely influence of various groups in the development process are the subject of stakeholder analysis;

(d) **Participation**: Examine opportunities and conditions for participation by stakeholders – particularly the poor and vulnerable – in the development process (e.g. contributing to project design, implementation and/or monitoring; influencing public choices and decision-making; holding public institutions accountable for the goods and services they are bound to provide; access to project benefits and opportunities; etc). Otherwise excluded groups affected by
the project as well as project beneficiaries should be brought into the social assessment process, and appropriate mechanisms to sustain such participation in project implementation and monitoring should be deployed; and

(e) **Social risks**: Identify social risks (e.g. country risks, political economy risks, institutional risks, exogenous risks, and vulnerability risks, including but not limited to those that may trigger World Bank Safeguard Policies). Social risk analysis examines the social groups vulnerable to stress and shocks and the underlying factors that contribute to this vulnerability. Drawing on this, risk management plans should be prepared with an eye to addressing these concerns during project design, implementation, and monitoring and evaluation.

The analysts examine these key elements in order to assess and describe the opportunities, constraints and likely social impacts of the proposed operation. The consultant should fill the gaps in the information on these issues that the Bank task team identifies, and should summarize information from other organizations where available.

**Task 5: Data collection and research methods**

Describe the design and research methodology for the social analysis. In this regard:

- Clarify the research objective by stating the research hypotheses and identifying the social processes and relationships to be examined by the social assessment;
- Build on existing data;
- Clarify the units of analysis for the social assessment: intra-household, household level, as well as communities/settlements and other relevant social aggregations on which data is available or will be collected for analysis;
- Choose appropriate data collection and analytical tools and methods, employing mixed methods wherever possible; mixed methods include a mix of quantitative and qualitative methods, and a mix of data from different units of analysis for triangulation of results;
- Provide the rationale for sampling employed, including criteria for research sites and selection of respondents. Employ representative sampling wherever possible. When this is not feasible (such as when dealing with impacts on a discrete population group, explain the reason and criteria for purposive sampling employed. For purposive sampling or qualitative research, research rigor is enhanced by providing a control group or establishing matching pairs to obtain robust results;
• Establish baselines and/or benchmarks with indicators for use in future monitoring. Indicators should be of such a nature that results and impacts can be disaggregated by gender and other relevant social groups.

**Task 6: Strategy to achieve social development outcomes**

Identify the likely social development outcomes of the project and propose a social development strategy, including recommendations for institutional arrangements to achieve them, based on the findings of the social assessment. The social development strategy could include measures (a) that strengthen social inclusion by ensuring that both poor and excluded groups and intended beneficiaries are included in the benefit stream and in access to opportunities created by the project (i.e. a social inclusion framework); (b) that empower stakeholders through their participation in the design and implementation of the project, their access to information, and their increased voice and accountability (i.e. a participation framework); and (c) that enhance security by minimizing and managing likely social risks and increasing the resilience of intended beneficiaries and affected persons to socioeconomic shocks (i.e. a risk management framework).

Additionally, the strategy should address broader questions of social sustainability, by assessing (a) the resilience of project benefits, institutional mechanisms, etc, to risks over time, and (b) how well integrated the approach is into the larger set of development interventions in the country and sector in order to minimize inconsistencies and take advantage of potential synergies.

The social development strategy is expected to increase the benefits to the poor and vulnerable as well as reduce social and political risks that could undermine the gains of development, thereby increasing the equity and social sustainability of projects.

**Task 7: Implications for analysis of alternatives**

Review the proposed approaches for the project, and compare them in terms of their relative impacts and social development outcomes. Consider what implications the findings of the social assessment might have on those approaches. Should some new components be added to the approach, or other components reconsidered or modified? Has the social assessment revealed the need for heretofore-unnecessary risk-management measures? If the social analysis and consultation process indicate that alternative approaches are likely to have better development outcomes, such alternatives should be described and considered, along with the likely budgetary and administrative effects these changes might have.
Task 8: Recommendations for project design and implementation arrangements

Provide guidance to project management and other stakeholders on how to integrate social development issues into project design and implementation arrangements. As much as possible, suggest specific action plans or implementation mechanisms to address relevant social issues and potential impacts. These can be developed as integrated or separate action plans, for example, as Resettlement Action Plans, Indigenous Peoples Development Plans, Community Development Plans, etc.

Task 9: Developing a monitoring plan

Through the social assessment process, a framework for monitoring and evaluation should be developed. To the extent possible, this should be done in consultation with key stakeholders, especially beneficiaries and affected people. The framework shall identify expected social development indicators, establish benchmarks, and design systems and mechanisms for measuring progress and results related to social development objectives. The framework shall identify organizational responsibilities in terms of monitoring, supervision, and evaluation procedures. Where possible, participatory monitoring mechanisms shall be incorporated.

- Establish a set of monitoring indicators to track the progress achieved. The benchmarks and indicators should be limited in number, and should combine both quantitative and qualitative types of data. The indicators should include outputs to be achieved by the social development strategy; indicators to monitor the process of stakeholder participation, implementation and institutional reform; indicators to monitor social risk and social development outcomes; and indicators to monitor impacts of the project’s social development strategy. It is important to suggest mechanisms through which lessons learned from monitoring and stakeholder feedback can result in changes to improve the operation of the project. Indicators should be of such a nature that results and impacts can be disaggregated by gender and other relevant social groups;

- Define transparent evaluation procedures. Depending on context, these may include a combination of methods, such as participant observation, key informant interviews, focus group discussions, census and socio-economic surveys, gender analysis, Participatory Rural Appraisal (PRA), Participatory Poverty Assessment (PPA) methodologies, and other tools. Such procedures should be tailored to the special conditions of the project and to the different groups living in the project area;
• Estimate resource and budget requirements for monitoring and evaluation activities, and a description of other inputs (such as institutional strengthening and capacity building) needed to carry it out.

Expected outputs, schedule and reporting

Prepare a detailed schedule of the social assessment activities described in the terms of reference. Explain what kinds of outputs the social assessment plans to produce, and note when the team will give preliminary and final drafts of each output to the Bank staff conducting social analysis. Include relevant charts and graphs, statistical and qualitative analysis and, in some cases, raw data obtained during the social assessment.

In addition to the outputs of the social assessment, include a note on the social assessment process itself, stating any difficulties faced by the team in conducting the social assessment, and recommend the most appropriate dissemination strategy for the findings. Provide the report and accompanying materials in English and the local language.

Consultant team

Social assessment usually requires a multidisciplinary team to meet the different demands of the assignment. The terms of reference should specify key positions on the team. Individual time requirements should be specified for each assignment. One team member should be appointed team leader, and be responsible for the team's performance.