

**PROJECT INFORMATION DOCUMENT (PID)  
IDENTIFICATION/CONCEPT STAGE**

Report No.: PIDC22319

<b>Project Name</b>	Labor-intensive Public Works to Mitigate Ebola Impacts Project
<b>Region</b>	AFRICA
<b>Country</b>	Sierra Leone
<b>Sector(s)</b>	Other social services (100%)
<b>Theme(s)</b>	Improving labor markets (15%), Social Safety Nets/Social Assistance & Social Care Services (65%), Social Protection and Labor Policy & Systems (20%)
<b>Lending Instrument</b>	Lending Instrument
<b>Project ID</b>	P154904
<b>Borrower Name</b>	Ministry of Finance and Economic Development
<b>Implementing Agency</b>	National Commission for Social Action
<b>Environment Category</b>	B - Partial Assessment
<b>Date PID Prepared</b>	08-May-2015
<b>Estimated Date of Approval</b>	24-Jun-2015
<b>Initiation Note Review Decision</b>	The review did authorize the preparation to continue

**I. Introduction and Context**

**Country Context**

The Ebola Virus Disease (EVD) crisis is occurring in a context of already high poverty and food security. Sierra Leone is a post-conflict country that has experienced strong growth over the last decade, yet nearly half of the population remains poor. Since emerging from a decade-long civil war in 2002, the economy has been on a recovery path, averaging 5.8 percent annual per capita growth between 2003 and 2011. Despite this growth, in 2011 more than half (53 percent) of the country's six million inhabitants remained below the poverty line and nearly one million (14 percent) were extremely poor. Although poverty reduction over this period was higher outside of the capital, Freetown, poverty in Sierra Leone remains disproportionately rural, with 78 percent of the poor living in rural areas. In addition to high levels of poverty, a large number of Sierra Leoneans are also food insecure and exposed to shocks. According to the World Food Program (WFP), before the crisis almost half (45 percent) of households or 2.5 million people experienced food insecurity during the lean season.

The recent gains in poverty reduction are being threatened by the EVD crisis as the country lacks adequate safety nets to protect the poorest. In 2014, the crisis reduced the country's growth to 4.0 percent from 11.3 percent expected prior to the outbreak. A joint report by the Government and the Bank on the socioeconomic impacts of EVD indicates declines in employment, high food security, and reduced utilization of services have the potential to negatively affect both short and long-term household well-being. There have been significant declines in employment in urban areas (7

percentage points), particularly among the non-farm self-employed, with non-health related effects of EVD cited as one of the main reasons for not working. Food insecurity continues to be stubbornly high throughout the country, with more than half (53 percent) of households taking at least one negative coping measure (e.g., reducing meals). These data also indicate the poorest households are the most food insecure and are less likely to have access to informal safety nets through remittances. There is also evidence of a decrease in utilization of health services for non-EVD conditions, as illustrated by a lower proportion of women in the capital receiving post-natal care. Yet social safety net coverage is low and existing programs suffer from high leakage and inefficient program administration, revealing a strong need to scale up safety nets based on systems.

Youth are particularly vulnerable to employment shocks induced by the EVD crisis. The latest estimates indicate youth – defined as those ages 15-35 – are facing larger employment shocks than the broader population. Since the outbreak began, the employment rate among youth in some urban areas declined more steeply than among workers overall and youth in rural areas experienced a larger drop in hours worked (12 vs. 8). Non-farm household enterprises, where over one-third of youth work, was one of the hardest hit sectors of the economy. Since youth are new entrants to the labor market, these shocks could affect their labor market outcomes and poverty status in the longer run. Given the post-conflict setting, youth participation could play a central role in maintaining stability.

### **Sectoral and Institutional Context**

In recent years Sierra Leone has made important strides in the social protection sector. In 2011, the Government, with the support of the World Bank and UNICEF, launched a Social Protection Assessment to guide the development of an improved social protection system. Based on the findings, the Government adopted a National Social Protection Policy in 2012, which outlines the Government's priority of developing a national social protection system capable of responding effectively to the needs of vulnerable groups both during periods of crisis/shocks as well as in normal times. The Government's Third Poverty Reduction Strategy for 2013-2017, the "Agenda for Prosperity." includes a new social protection pillar with the objective of strengthening the social protection delivery system to ensure the poor and vulnerable in Sierra Leone are afforded an equal opportunity to access basic services while helping them cope with and mitigate risks.

Labor-intensive public works (LIPW) are at the center of Government's efforts to build a coherent social protection system capable of expanding in periods of emergency. The National Social Protection Policy emphasizes LIPW as one of the key Government instruments to enhance livelihoods and productivity and reduce risk. Similarly, the social protection pillar in the Government's current poverty reduction strategy calls for scaling up of LIPW in response to low employment levels in vulnerable households. In addition, the nascent social protection systems, particularly the common targeting mechanisms were tested in the last round of LIPW sub-projects. These systems include: (i) standardized approaches for community-based targeting; (ii) a consolidated registry of beneficiaries; (iii) a Management Information System (MIS) including attendance verification; (iv) an e-payments system linked to the MIS; (v) independent monitoring by the Anti-corruption Commission; and (vi) national coordination mechanisms. The proposed project would aim to test the scalability of the recently established SP systems in periods of crisis and recovery with a view toward making them more responsive to future emergencies.

The Government's post-EVD recovery strategy highlights the need to restore livelihoods of

vulnerable youth and build their resilience against future shocks through safety nets. Specifically, the strategy states explicitly the need to expand coverage of existing safety net, community-driven development, and youth employment support programs to restore youth livelihoods that have been lost due to the crisis. However, the current public works activities financed under the Youth Employment Support Project (YESP, P121052) have closed and preparation of a pipeline youth employment project is not programmed until 2016-2017. This project would therefore seek to provide timely support to scale up the current LIPW program, bridging the gap between the current and pipeline funding.

### **Relationship to CAS/CPS/CPF**

The project is aligned with the most recent 2010-2013 Joint Country Assistance Strategy (JCAS), which is organized around two pillars: growth and human development. Evidence from a recent impact evaluation (IE) of Sierra Leone's LIPW program suggests providing temporary employment to youth can act as an entry point to improve many dimensions of household welfare. The IE shows the program not only increases household consumption, but also promotes asset accumulation and creation of household enterprises. It also has positive impacts on women's empowerment, by reducing the incidence of domestic violence and increasing their control over contraceptive use. The IE finds the program increases utilization of health services, which can assist in the process of restoring the country's health system by relieving demand-side constraints. The proposed project therefore contributes to both pillars, particularly through better management of risks and transparency in social protection spending. The JCAS also highlights risks to social stability, which the proposed project helps to mitigate by increasing opportunities for youth to participate in economic growth, thereby potentially contributing to social cohesion.

## **II. Project Development Objective(s)**

### **Proposed Development Objective(s)**

The Project Development Objective is to help mitigate the socioeconomic impact of the Ebola outbreak in Sierra Leone by providing temporary employment to youth in poor households.

### **Key Results**

Progress towards meeting the PDO would be measured through the following key outcome indicators:

- (i) Direct project beneficiaries (of which female);
- (ii) Number of man-days of temporary work provided; and
- (iii) Proportion of beneficiaries with data recorded in the social registry.

## **III. Preliminary Description**

### **Concept Description**

The proposed project would contribute to the scale up of the national labor-intensive public works program, to help mitigate both immediate and longer term socioeconomic impacts. The labor-intensive public works (LIPW) program was previously financed through a US\$10 million component of the YESP; however, these activities closed in January 2015. Similar to the arrangements under the previous project, this project will be implemented by the National Commission for Social Action (NaCSA). The Project will target 12,000 youth in poor households in approximately 150 communities within the four districts with the highest extreme poverty incidence in the country, Bombali, Kono, Moyamba, and Western Rural, which are also among the districts which faced the highest Ebola caseloads during the outbreak.

LIPW is uniquely placed to support the recovery process through multiple channels: (i) providing an alternative source of livelihoods to youth in poor households that have suffered job losses or loss of an income earner; (ii) helping maintain or create community assets that might not otherwise be invested in due to lack of funds or over-stretched capacity at both central and decentralized levels; (iii) stimulating other small-scale income generating activities both by reducing household risk and providing access to capital. Indeed, evidence from a recent randomized impact evaluation of the ongoing LIPW program shows that it not only increases household consumption, but also promotes asset accumulation and creation of household enterprises, and increases access to health services, among other positive impacts. Together with cash transfers, LIPW has been at the core of recent Government efforts to build SP systems and has reached nearly 40,000 beneficiaries.

The project will therefore finance: grants to targeted communities for the implementation of LIPW sub-projects, including for the procurement of materials (e.g., small equipment and tools); cash transfers to youth in targeted households in exchange for their participation in the LIPW sub-project implementation; and program management and capacity building for efficient project implementation and monitoring.

On March 9, 2015, the Acting Country Director, approved the request to process this project under paragraph 12 of OP 10 and to apply the condensed procedures for project preparation.

#### IV. Safeguard Policies that Might Apply

Safeguard Policies Triggered by the Project	Yes	No	TBD
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	

#### V. Financing (in USD Million)

Total Project Cost:	2.95	Total Bank Financing:	0
Financing Gap:	0		
<b>Financing Source</b>			<b>Amount</b>
Ebola Recovery and Reconstruction MPF			2.95

#### VI. Contact point

##### World Bank

Contact: Nina Rosas Raffo

Title: Social Protection Specialist

Tel: 458-5250  
Email: nrosas@worldbank.org

**Borrower/Client/Recipient**

Name: Ministry of Finance and Economic Development  
Contact: Adams Kargbo  
Title: IPAU Ag. Coordinator  
Tel: 23276614710  
Email: adamsk\_23222@yahoo.com

**Implementing Agencies**

Name: National Commission for Social Action  
Contact: Alie Mansaray  
Title: Commissioner  
Tel: 23276603484  
Email: aliemansaray@nacs.gov.sl

**VII. For more information contact:**

The InfoShop  
The World Bank  
1818 H Street, NW  
Washington, D.C. 20433  
Telephone: (202) 458-4500  
Fax: (202) 522-1500  
Web: <http://www.worldbank.org/infoshop>