Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 22-Jun-2019 | Report No: PIDC26837

BASIC INFORMATION

A. Basic Project Data

Country	Project ID	Parent Project ID (if any)	Project Name
Sierra Leone	P168608		Resilient Urban Sierra Leone Project (P168608)
Region	**Estimated Appraisal Date**	**Estimated Board Date**	**Practice Area (Lead)**
AFRICA	Nov 25, 2019	Mar 31, 2020	Social, Urban, Rural and Resilience Global Practice
Financing Instrument	**Borrower(s)**	**Implementing Agency**	
Investment Project Financing	Sierra Leone (Through its Ministry of Finance)	Freetown City Council, Local Government Finance Department in Ministry of Finance, Office of National Security, Western Area Rural District Council	

Proposed Development Objective(s)

The Project Development Objectives are to: (i) improve urban management in select cities, (ii) increase access to services and resilient infrastructure in Greater Freetown, and (iii) enhance local and national capacity for emergency preparedness and response.

PROJECT FINANCING DATA (US$, Millions)

SUMMARY

Total Project Cost	63.00
Total Financing	63.00
of which IBRD/IDA	50.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	50.00
IDA Grant	50.00

Non-World Bank Group Financing	
Counterpart Funding	3.00
Borrower/Recipient	3.00
Trust Funds	10.00
Global Environment Facility (GEF)	10.00

Environmental and Social Risk Classification	Concept Review Decision
High	Track I-The review did authorize the preparation to continue

Other Decision (as needed)

B. Introduction and Context

Country Context

1. **Sierra Leone has risen from the tragedy of its eleven-year civil war (1991 – 2002) through political and social progress and steady economic growth.** The postwar period has seen remarkable success in the establishment of a peaceful democracy, the per capita Gross Domestic Product (GDP) increased 5.9 percent on average per year from 2002 to 2014 driven mainly by agriculture and mining. Poverty declined significantly, from 66.4 percent in 2003 to 53.8 percent in 2011,[1] and overall inequality fell between 2003 and 2011, as evidenced by the decrease in the Gini coefficient from 0.39 to 0.32 over the period.[2] Urban areas have become local trading and commercial centers, the capital city Freetown has seen many sources of new wealth and development, and access to basic services improved, particularly in education and health. The Government has also been successful in attracting large-scale foreign investment in mining and agriculture, though the overall contribution of these sectors to fiscal revenue and job creation has remained limited.

2. **Sierra Leone's period of steady growth ended in 2015, as the country was disrupted by the Ebola outbreak and the downturn in international iron ore prices.** The economy contracted by more than 20 percent as a result of these shocks, with a decline of the iron production by 84 percent in 2014, and growth in the rest of the economy slowed to near zero, with the services sector being particularly hard-hit. While economic recovery restarted when the country was declared free of Ebola in March 2016 and the recovery of the mining industry, Sierra Leone continues to face challenges, with economic growth remaining modest at 6.4 percent and 3.8 percent in 2016 and 2017, respectively. Compounding the challenge of post-Ebola recovery, in August of 2017, an unprecedented landslide of a rare magnitude hit the country's capital city, further disrupting economic activity and leading to significant losses of lives, productive assets, and public

[1] According to the most recent household survey, the 2011 Sierra Leone Integrated Household Survey.
[2] The overall decrease in inequality can largely be attributed to the measured fall in prosperity in Freetown and by rural areas catching up with urban areas. World Bank. (2018) Sierra Leone Systematic Country Diagnostic (SCD).

infrastructure.[3]

3. **Governance and fiscal constraints, combined with limited human capital and physical infrastructure, a poor business climate, and vulnerability to recurrent natural shocks pose major challenges for sustainability of growth and resilient development of the country.**[4] Strengthening efficiency and accountability of the public sector, and improving public administration, service delivery and local governance remain critical. The economic system remains vulnerable, growth is volatile, and fiscal deficit remains high. Sierra Leone ranks 151 out of 157 on the newly introduced World Bank Human Capital Index: education attainment remains very low, health outcomes are among the worst in the world, sanitation services remain severely inadequate, and chronic malnutrition is on the increase - 44 percent of children less than 5 were stunted in 2010, up from 40 per cent in 2005.[5] Despite a notable decline in poverty, Sierra Leone remains one of the poorest countries in sub-Saharan Africa, with the majority of the population (53.8 percent) being unable to maintain a minimum standard of living.[6] The infrastructure deficit is significantly affecting the country's business climate: Sierra Leone ranks 46 out of 54 sub-Saharan countries on the African Development Bank's Infrastructure Development Index; and municipal service delivery remains significantly inadequate. As evidenced by the 2017 floods and landslides, Sierra Leone is highly exposed to extreme weather and climate-related events, given its topography characterized by mountains, steep slopes and low-lying coasts, coupled with very mean high annual rainfall.[7] The country's rapid urbanization trend is increasing the base of assets exposed to disaster and climate risks, which may lead to significant increases in losses, particularly if investments in new assets are not accompanied by measures to mitigate vulnerabilities. The 2018 World Risk Report ranked Sierra Leone 24th out of 172 countries in terms of risk to natural disasters, 8th in terms of vulnerability, and 6th in terms of lack of adaptive capacities.[8] This elevated level of risk is evidenced by frequent adverse natural events that effect the population, disrupt livelihoods and economic production, destroy physical infrastructure, and impose high public and private costs for rehabilitation. In the last four decades, Sierra Leone was hit by thirty adverse natural events that affected over 300,000 people.[9] In the medium to long term, the country could suffer annual losses of about of US$7.72 million due to flooding alone, (the 2nd highest flood annual losses in Sub-Saharan African relative to capital stock).

4. **Climate change is expected to exacerbate Sierra Leone's exposure to climate-related risks, which could undermine its growth prospects and slow down poverty reduction efforts.** Climate projections in Sierra Leone include increases in temperature, more extreme weather, including more intense precipitation and raising sea levels. High dependence on agriculture and natural resources, combined with high poverty levels, unemployment and environmental degradation, makes Sierra Leone vulnerable to climate change impacts. The climatic conditions (temperature and rainfall) are conducive for extensive tropical weathering of the bedrock, decomposing competent rock into a mix of soil and relic core stones (the 'saprolite' horizon) over thousands of years. This leaves cities like Freetown highly susceptible to landslides. It is noted that 'more than 2.3 million people, many on the Freetown peninsula, live in areas that would be inundated by a 1-meter rise in sea levels, which is expected by 2100.

5. **Going forward, the new Government of Sierra Leone (GoSL) has vowed efforts towards "improving people's lives through education, inclusive growth and building a resilient economy" for a sustainable development and poverty**

[3] The Sugarloaf landslides and flooding resulted in 1,000 dead or missing people, and an estimated economic loss of over US$ 30 million.
[4] World Bank (2018). Sierra Leone SCD.
[5] UNICEF Country Program Document 2012-2013.
[6] World Bank (2018) Sierra Leone SCD.
[7] Mean annual rainfall for the whole country is around 2,500 mm, the 11th country in the world with highest annual rainfall and the second in Africa, just behind Sao Tome and Principe. https://data.worldbank.org/indicator/ag.lnd.prcp.mm?year_high_desc=true
[8] The World Risk Index is calculated based on exposure to five types of natural hazards (Earthquakes, cyclones, floods, droughts, and sea-level rise); vulnerability on the basis of infrastructure/food supply/economic conditions as well as coping and adaptive capacities, which depend on governance, preparedness/early warnings, healthcare, social and material security. https://reliefweb.int/report/world/world-risk-report-2018-focus-child-protection-and-childrens-rights
[9] EM-DAT: The Emergency Events Database – Université Catholique de Louvain (UCL) - CRED, D. Guha-Sapir - www.emdat.be, Brussels, Belgium.

reduction for the coming five years, as outlined in the 2019-2023 Medium-Term National Development Plan (NDP). The NDP supports four priority goals to that end: (i) promoting human capital development; (ii) diversifying the economy and promoting growth; (iii) improving infrastructure and economic competitiveness; and (iv) moving towards an inclusive (gender, children, disability, poverty), climate resilient and sustainable development.[10]

Sectoral and Institutional Context

6. **Sierra Leone's urban population has been rapidly growing in the last five decades, with over 40 percent of the population now living in urban areas[11].** Urbanization has been a continuing trend over the last five decades, with the share of the population living in urban areas almost doubled from 21 percent in 1967 to 2015. The urbanization rate of 2.75 percent per annum slightly exceeds the overall population rate of 2.5 percent per annum[12], and the country is expected to cross the 50 percent urbanization mark by 2040. About 24 percent of the country's population (or 1.7 million people), lives in the five largest cities: Freetown, Bo, Kenema, Makeni and Koidu. Freetown dominates the urban landscape with over 1 million residents (15 percent of the total population) and has been growing at 3.01 percent since 1985, with a density of 8,450 people per km^2 in 2015.[13]

7. **Municipalities are integral actors for service delivery, planning, local development, and disaster risk management.** Sierra Leone is a unitary state comprised of the Presidency, fourteen administrative districts and twenty-two local councils (LCs).[14] LCs have the mandate to improve service delivery (public transportation, solid waste collection and management, local or secondary roads, public spaces and housing), nurture local economic development, conduct and promote development planning, manage and mitigate disaster risks and provide better engagement with citizens to enhance local accountability. The Local Government Act of 2004 provides the main legal framework for local councils. Although devolution is provided for in the 2004 Act, until recently, national government ministries and agencies continue to play a predominant role in local planning, administrative functions, infrastructure and service delivery, despite evident lack of coordination, and collaboration among these.[15] Local governments remain highly dependent on transfers from the central government, a high proportion of which are earmarked or conditional in nature, leaving sub-national governments with limited discretion in decision-making over resource allocation, while posing a critical constraint for local level planning to improve living conditions, reduce hazard risks, develop locally pertinent bylaws for local governance, protect the environment, and grow the local economy to create jobs. The assignment of functional responsibilities as spelled out by the Local Government Law is also relatively open-ended or vaguely delineated, leaving them to be shared between the national and sub-national governments concurrently, making vertical coordination a major challenge. The recent Devolution Directive of March 7, 2019 offers a prime opportunity for improved urban management at the local level.[16]

[10] Sierra Leone (2019). National Development Plan 2019-2023. *Education for Development: A New Direction for Improving People's Lives, through Education, Inclusive Growth, and Building a Resilient Economy*.
[11] 2015 Sierra Leone Population Census
[12] Population growth in Sierra Leone has averaged 2.5% over the past decade and has been steadily increasing during this period. By 2028, the population could grow to 9 million.
[13] World Bank (2018). Freetown Urbanization Review. In about 10 years, Freetown's population is likely to be close to 2.0 million people. The next largest city, Bo, has about one-fifth of the population of Freetown.
[14] Of the 22 local councils, seven are city councils and 15 are rural district councils.
[15] The Ministry of Lands, Housing and Environment had responsibility for processing planning applications/local area development plans and zoning plans, surveying, registration, control of illegal land sales, leasing government land, and issuing building permits. Management of the sewage system was the responsibility of the Water Supply Division of the Ministry of Water Resources, while street lighting was the responsibility of the National Power Authority under the Ministry of Energy and Resources. Cleaning of drainage channels in Freetown lied with MWHI with oversight by the Sierra Leone Roads Authority.
[16] The Devolution Directive on March 7, 2019 is meant to delegate and devolve the mandate for land surveying, strategic local plans, issuance of building permits, and preparation of land use plans to local councils (LCs) with immediate effect. The Local Government Act devolves the following town planning functions to LCs: land surveying, land registration and control of illegal sale of land, leasing government land, issuance of building

8. **The City of Freetown (CoF) is the largest urban agglomeration, demographically and economically.** Freetown's recent growth is remarkable. The city's population has increased roughly 10-fold in the last 50 years,[17] for similarly-sized European cities it took 150 years to achieve this increase. Freetown's urban built up area has similarly expanded considerably in the last few decades. The area covered by urban built up in the Western area, comprised of CoF and the neighboring Western Area Rural District, has almost doubled over the last 40 years, jumping from 36.9 km^2 to more than 65 km^2. Freetown is also the nerve center of the Sierra Leone economy, with the city creating 30 percent of the country's GDP despite housing only 15 percent of its population. Freetown's per capita GDP growth rate is 3.9 percent and an average GDP growth rate of 6 percent (2010-2011). While overall poverty in Sierra Leone decreased, in particular rural poverty dropped from 79 percent in 2003 to 66 percent in 2011, Freetown's poverty rate increased from 14 to 21 percent during the same period, mainly driven by immigration. The growth and importance of Freetown is expected to increase, as the city is projected to welcome more than 535,000 residents in the next decade.

9. **Urbanization in Sierra Leone's secondary cities is at an early stage**. There are stark differences between Greater Freetown and secondary cities as well as differences among the secondary cities themselves. These cities vary in terms of population size, density and land area as well as in terms of economic and growth potential, which is often linked to their geographic location and proximity to international borders. The population in each of the six secondary city is below 250,000, which includes Bo, Bonthe, Kenema, Makeni, Port Loko and Koidu New Sembehum. Their average rate of urbanization per annum is above 3 percent, exceeding the overall population rate of 2.5 percent per annum. In the Eastern Region, Kenema is the most urbanized, recording 9.4 percent of the total urban population of the country. In contrast, Bombali in the Northern Region was by far the least urbanized in Sierra Leone, represents 6 percent of the country's total urban population, while Bo in the Southern region, had 6.7 percent of the total urban population.

Table 1- Demographic characteristics of Secondary Cities

City	2016 Population	2030 Population Projection	2015-2016 Growth Rate
Kenema	206,889	284,428	3.29
Bo	179,726	247,450	3.33
Koidu New Sembehum	132,125	177,526	3.3
Makeni	129,611	178,316	3.03
Bonthe	10,255	14,041	1.78
Porto Loko[18]	--	--	

Sources: StatsSL, 2016; Local Government (Amendment) Act (2017)[19] and 2015 Population and Housing Census[20]

10. **Despite Freetown's national importance, the city has become crowded, underserviced and vulnerable to natural catastrophes.** For its population size, Freetown is one of the most crowded cities in the world, with a density of 8,450

permits, preparation of land use plans, education and sensitization on environmental issues; however, implementation has been slow. With this new Directive, the GSL has re-emphasised its support for devolution, noting that 'Consistent with the commitment of the SLPP Government to decentralisation as emphasised in his New Direction Manifesto, whereby President Julius Maada Bio made a strong pledge to deepen decentralization by devolving all outstanding functions. It is against this backdrop that the Inter-Ministerial Committee (IMC) meeting on decentralization chaired by the Hon. Vice President was held on the 7th. March 2019, and agreed that these outstanding functions are devolved to local councils with immediate effect: land surveying, issuance of building permits, preparation of land use plans, education and sensitization on environmental issues. Presently, across the 7 cities, devolution of these functions varies. For instance, secondary cities are already issuing out building -permits whilst FCC is yet to commence this function.

[17] Statistics Sierra Leone, 'Sierra Leone 2015 Housing and Population Census: National Analytical Report' (SSL, 2017).

[18] Port Loko City Council was introduced under the Local Government (Amendment) Act, 2017 after the census was complete in 2015. The other 5 cities were elevated to city status through the same Act.

[19] Government of Sierra Leone. (2017) The Local Government (Amendment) Act, Amendment of First Schedule of Act No. 1 of 2004.

[20] Statistics Sierra Leone. (2017) 2015 Population and Housing Census: Thematic Report on Migration and Urbanization; Statistics Sierra Leone. (2017) 2015 Population and Housing Census: Thematic Report on Population Projections

persons per km^2. However, Freetown's growth has not been evenly spread, with population densities varying enormously. The city's urban expansion has been characterized by leapfrog development, i.e. construction on unbuilt plots not bordering existing development. Between 1975 and 2015, approximately 80 percent of the city's expansion has been outward, beyond the city borders and cutting into the surrounding mountain slopes, with only 3 percent characterized as infill expansion, resulting in a fragmented urban form. The city also struggles to provide affordable housing, which in turn has resulted in the proliferation of informal settlements.[21] Uncontrolled urban expansion and the lack of affordable housing has also led to an inefficient allocation of land within the city, characterized by the proliferation of slums near the city center;[22] currently 36 percent of settlements in the capital are informal slums.[23] Moreover, access to public services in Freetown is very limited and coverage is systematically below Sub-Saharan standards in urban areas. While access to electricity is slightly under regional urban areas average, there are significant gaps in terms of access to potable water and sanitation. Only 75 percent of Freetown's inhabitants have access to an improved water source compared to more than 86 percent on average in Sub-Saharan urban areas. Similarly, the city lags the regional average for urban areas in terms of access to improved sanitation with only 30 percent of the population of households with access to improved sanitation compared to 40 percent regionally. The solid waste management sector in particular has not kept pace with the city's rapid urbanization, combined with insufficient financing and the absence of infrastructure. Presently, only 46 percent of Freetown's households are serviced by waste collection providers, and only 25 percent of the waste is transported to dumpsites, while the remaining (in excess of 300 tons per day)[24] is being burnt or dumped in waterways or in the drainage and clogging the already insufficient storm water drainage system, exacerbating flood risks and the prevalence of vector-borne diseases, and widely contributing to marine pollution. Disposal has also become a major concern.[25] Relatedly, the Freetown peninsula is, and will likely remain, affected by landslides and floods given its geographic location but also because of its urban form. Compared to other African capital cities, a significant share of the built-up area in Freetown is located on either steep slopes or exposed to sea-level rise: approximately 38 percent of the built-up expansion has taken place in either medium or high-risk areas.[26] In the absence of a coherent plan for the city, development has resulted in deforestation of hills and informal settlement on floodplains. The result is that large areas of the city are subject to regular flooding and natural disasters. For example, Kroo Bay, one of the city's largest slums with over 20,000 inhabitants, has experienced flooding every year since 2008. Though laws exist to prevent illegal construction in high-risk areas, these are often ignored for informal development. Therefore, over the years, more and more households have settled in high-risk areas due to lack of urban planning, low housing supply and high prices.[27] This lack of urban services directly impacts livability (for households) and productivity (for firms) in Freetown.

11. **City governance in Sierra Leone needs strengthening for efficient and sustainable planning, delivery of basic infrastructure and services, and fiscal sustainability.** All the seven city councils[28] in Sierra Leone face challenges fulfilling their urban management functions adequately with respect to planning, investment capacity and fiscal sustainability. To

[21] Rental prices in Freetown have increased at rates faster than inflation rates, negatively affecting housing affordability. Many urban dwellers in Freetown have been priced out of the formal property market. World Bank (2018). Urban Sector Review. *Freetown: Options for Growth and Resilience.*
[22] Presently, there are 68 slums in Freetown, the population per house is 4.7 people while average households per house is estimated to be 2.
[23] World Bank (2018). Freetown Urbanization Review
[24] Operation Clean Freetown (OCF), UK AID and GoSL, April 2017.
[25] Currently, there are three dumpsites servicing the Western Area, namely: Kingtom, Kissy-by-pass and Waterloo. All sites have long reached saturation and remain unmanaged while receiving all types of wastes, ranging from regular household waste to medical waste, fecal sludge, hazardous and toxic waste. Several risks have been identified in direct relation with these sites: constant burning and release of large amount of leachate is spreading contamination far beyond site boundaries, heavily affecting vulnerable communities. Immediate physical risks such as stability issues and hydraulic blockages have also been identified. Lastly, the quantities of solid waste and leachate washed into the ocean have resulted in massive coastal and marine plastic pollution. Everyone recognizes that the construction of a new sanitary landfill/waste park that can safely dispose the waste in the city is of the highest priority.
[26] World Bank (2018). Sierra Leone Multi-City Hazard Review and Risk Assessment: Freetown City and Hazard Risk Assessment.
[27] World Bank (2018). Urban Sector Review. *Freetown: Options for Growth and Resilience.*
[28] Freetown, Bo, Bonthe, Kenema, Koidu New Sembehum, Makeni, Porto Loko.

date, urban development in Sierra Leone has taken place largely in the absence of a comprehensive and up-to-date urban planning framework and strategy. With respect to municipal finance, while the institutional capacity varies, all seven city councils have weak financial management systems and limited capacity to raise own-source revenue. The tax bases are limited, and levels of collection are among the worst in West Africa. And while city councils are autonomous legal entities governed by elected councils with their own expenditure budgets and revenue resources, they are severely constrained in terms of forward planning and development control, revenue generation and management, and climate and disaster risk management. On average, between 2013 and 2017, 80.3 percent of expenditure by local councils was funded through intergovernmental fiscal transfers from the national government. During the same period, LCs generated about 19.6 percent of total revenues from own source revenue. Without transfers from the central government, all LCs will not be able to perform their basic functions.

12. **Well-managed urbanization with adequate planning and services are essential for Sierra Leone to achieve its aspirations for growth.** Freetown is undoubtedly the prime economic hub of Sierra Leone and has the potential to provide most of the gains from faster urbanization. With the world's third largest natural harbor, plentiful rainfall, a three-dimensional site, and proximity to beautiful beaches, Freetown is an excellent natural location for a major city. The city is growing rapidly, projected to welcome more than 535,000 residents in the next decade, who will need well-planned and safe neighborhoods, affordable housing, services, physical mobility, and digital connectivity. The recently launched three-year "Transform Freetown" Strategy (2019-2022), by the Freetown City Council, has the ambition to precisely transform the capital city into a productive, livable and resilient city.[29] Although the level of urbanization is still low, Sierra Leone's secondary cities provide an opportunity for coordinated urban growth, if planned and managed well. A differentiated approach to development and growth is required for these cities, informed by their respective size, functions, opportunities and challenges.

13. **Lastly, effective and comprehensive management of disaster and climate risks is essential for Sierra Leone to minimize the impacts of natural catastrophes and increase long-term resilience against natural shocks.** With over 13 percent of the country's area and more than 35 percent of its population presently at-risk to multiple hazards,[30] Sierra Leone needs to start addressing DRM in a holistic manner by establishing an adequate institutional framework for disaster risk management,[31] proactively managing and reducing existing disaster risks as well as preventing the creation of new ones through disaster risk-informed planning and investments, while at the same time enhancing its capacity for disaster preparedness and response. The collection and sharing of hazard data and information is a crucial input to that end, contributing to the understanding of the country's disaster risks as well as enabling the incorporation of disaster risk information in development and policy decision-making.

Relationship to CPF

14. **The proposed Project is well aligned with the World Bank's 2018 Systematic Country Diagnostic (SCD) for Sierra Leone as well as the draft Country Partnership Framework (CPF) FY19-FY23, which is under preparation.** The Project addresses the two key issues that the SCD has identified as fundamental for sustainable development in Sierra Leone: (i) improving governance constraints; and (ii) strengthening the fiscal position to safeguard fiscal sustainability**.** Under the first theme, the Project aims to address the serious constraints that poor governance imposes on the country, ranging

[29] Sierra Leone (2019). Transform Freetown Strategy for 2019-2022. It is premised on four clusters (and eleven priority sectors), which are: 1) Resilience (focus on environmental management, urban planning and housing, revenue mobilization); 2) Human Development (focus on education, skills development, job creation focused on tourism, disabilities); 3) Healthy City (focus on health, water, sanitation); and 4) Urban mobility; with a set of well-defined baselines and ambitious achievement targets to measure progress in a transparent manner.

[30] Over 10% of all settlements are located on either steep slopes or below sea level, which is far higher than any other city in Sub-Saharan Africa. One of the largest slums in Freetown Kroo-Bay has flooded every year since 2008.

[31] Presently, the Office of National Security is charged with disaster management, primarily from a civil protection lens with a focus on response.

from management of resource revenues, the provision of basic services, to rural and urban productivity. The Project also indirectly contributes to improving the country's fiscal sustainability; disasters represent a contingent liability for the Government and increasing the resilience of the infrastructure and assets[32] and restricting new construction in high-risk zones would potentially reduce recurrent costs for their rehabilitation and reconstruction following a disaster. This operation directly supports three of the four key focus areas of the new draft CPF, including Focus Area 1: Human Capital, Focus Area 3: Technology and Infrastructure, and Focus Area 4: Institutions, Governance and Transparency. In the first case, the Project will support objective 1.5: "build local capacity for sanitation services". For Focus Area 3, the Project will directly contribute to objective 3.2: "Expand access to technological innovation". In the third case, the relevant objective that will be met by the Project is 4.5: "Enhance disaster risk management and climate and disaster resilience".

15. **In line with the 2019 African Regional Strategy, the proposed Project will foster the use digital technology, apply innovative approaches, leverage private sector partnership and capital, indirectly contribute to enhancing human capital and will significantly support climate resilience objectives**. *Annex 1* provides further details.

16. **In addition to its emphasis on climate resilience, the Project is aligned with the Twin Goals and the Corporate Priorities of Gender and Citizen Engagement**. By providing needed investments to build and improve supporting infrastructure, this Project will contribute to creating temporary and longer-term economic opportunities. The Project targets high poverty areas and aims to reduce territorial imbalances, by benefitting secondary cities in each region in the country under Component 2. Further, the Project will aim to address gender gaps in community-level decision-making to ensure that urban infrastructure investments respond to the specific needs and priorities of women, as well as men; component 1 will aim to improve women's job opportunities and security through various interventions. Component 1 will also support the creation of an open platform in which citizens can interact and engage with authorities on all aspects related to the prioritization, implementation, maintenance and operation of the financed subprojects.

C. Proposed Development Objective(s)

17. To: (i) improve urban management[33] in select cities, (ii) increase access to services and resilient[34] infrastructure in Greater Freetown, and (iii) enhance local and national capacity for emergency preparedness and response.

Key Results (From PCN)

18. Key expected results in the Project include:

- Improved capacity in urban management in secondary cities and Greater Freetown[35]
- Improved integration and mainstreaming of disaster and climate change considerations into territorial planning and infrastructure design

[32] The costs of investing in disaster-resilient infrastructure are much lower than repairing, retrofitting, and reconstructing buildings and infrastructure in the aftermath of a disaster (up to one to five, in certain cases), and disaster-resilient infrastructure is also key to ensure business and services continuity and enable a quick recovery in the aftermath of a disaster.
[33] Improved urban management will focus on the council's capacity to fulflill their urban management functions to be able to (a) tackle urban growth, and (b) meet growing environmental and climate change challenges. Improved municipal performance in these areas will positively impact services for the population. It will also improve the efficiency of public spending and the sustainability of public investments at the local level.
[34] The term "resilient" refers to the ability of infrastructure and services to reduce the magnitude of impacts and/or the duration of disruptive events such as disasters or shocks. The effectiveness of resilient infrastructure or services depends on their ability to anticipate, absorb, adapt to, and/or rapidly recover (retain their basic function and structural capacity) from a potentially disruptive event. National Infrastructure Advisory Council 2010).
[35] Expected targets are: (i) increased own source revenue; (ii) improved service delivery systems; (iii) improved planning capacity; and (iv) enhanced accountability and overshoght mechanisms.

- Reduced flood risks in select low-income areas in Freetown
- Improved access to infrastructure and services in Greater Freetown
- Improved waste management capacity in Greater Freetown
- Enhanced emergency prepardness and response capacity
- Reduced flood risks in select low-income areas in Greater Freetown

D. Concept Description

19. **The proposed Project aims to directly support the national and local-level priorities laid out in the NDP and the Transform Freetown Strategy.** It is designed to support an integrated urban resilience intervention that takes a spatial approach to address, in a comprehensive manner, the multi-sectoral urban development challenges of the country, including urban governance, disaster risk management and infrastructure/service provision. In addition, the Project will support local and national efforts to strengthen the DRM systems, focusing primarily on improved understanding of disaster risk for decision-making and enhancing disaster preparedness and response systems. Gender analysis will also inform the design of prioritized infrastructure investments. The Project will:

- Address pressures to fiscal sustainability by improving public financial management and own source revenue mobilization of city councils;
- Enhance the technical capacity of city councils to adequately plan and manage their cities;
- Provide and improve flood resilient municipal services and infrastructure to improve the living conditions of citizens and enhance the business climate for private investment in Greater Freetown;
- Strengthen the technical capacity to manage disaster risks and reduce climate change vulnerability at the local level; and
- Enhance the DRM institutional framework, as well as preparedness and response capacities at the national and local levels.

20. **The proposed Project funding is currently US$63 million,** including US$50 million in IDA grant, US$10 million in co-financing from the Sustainable Cities Program of GEF-7 and US$3 million in counterpart financing. The proposed Project will support the greater needs of Greater Freetown as the economic engine of Sierra Leone, while catering to the unique opportunities and challenges in the secondary cities. The fund allocation to secondary cities will be calculated using the size of the urban population.

21. **The Project is structured into five components:**

Component 1: Support to Greater Freetown (US$45 million, of which US$35 million IDA and US$10 million GEF[36]).

22. ***Subcomponent 1a: Strengthening Urban and Disaster Risk Management in Greater Freetown (US$2 million):*** This sub-component supports actions aimed at institutionalizing and strengthening capacity in areas related to: (i) enhanced municipal finance and own-source revenue management; (ii) planning and managing municipal investments; (iii) building capacity to integrate local economic development into municipal management; (iv) disaster and climate resilient planning and investments; (v) participatory planning; and (vi) integrated planning in Freetown and Western Area

[36] This component will be co-financed with the seventh round of the Global Environment Facility (GEF-7) Sustainable Cities Impact Program, which seeks to support cities and local governments in their effort to fight against climate change and other global environmental challenge through sustainable and integrated urban planning. The Expression of Interest for this funding has been submitted and pending feedback from the GEF evaluation committee.

Rural District.[37] Select technical assistance and consulting services have been identified and agreed to be integrated in the Project Preparation Advance Activities (PPA).

23. ***Subcomponent 1b: Investments in Municipal Services and Resilient Infrastructure in Greater Freetown (US$23 million):*** This subcomponent aims to improve basic infrastructure and services in Greater Freetown. The focus will be on investments identified as contributing to disaster risk reduction and prevention as well as having positive social and economic impacts at the local levels including in low-income communities. The Project proposes the consolidation of the types of investments around (i) urban upgrading for flood and landslide reduction in unplanned settlements, and (ii) plot servicing for residential development: while in-situ upgrading is one intervention to improve the living conditions in existing informal urban settlements, forward planning is essential to prevent new disaster risks caused by settlements in high risk areas and without adequate infrastructure.

24. *Urban upgrading*: This intervention aims to reduce the vulnerability to flooding and other hazards in priority unplanned settlements through participatory neighborhood upgrading. A catchment-based and phased approach will be taken for integrated flood risk reduction of drainage catchment areas in which the selected communities are located.[38] The selection criteria for participating communities has been outlined as follows: i) settlement size and population density; ii) spatial vulnerability to disasters; iii) contribution to a drainage catchment area improvement; iv) income levels; v) lack of access to basic infrastructure and services; vi) demonstration of interventions (i.e. to show tangible improvements at low cost for future replication or scaling up and to present upgrading in different typologies); vii) social capital of community; and viii) avoiding demolition and resettlement. Based on the criteria, potential sites have been identified (Coconut Farm and Moyiba in the upper catchment of the C4 and Rokupa in the lower catchment of the C5), which will be further assessed during the project preparation phase.[39] The interventions will be designed and implemented in a participatory manner, leveraging existing programs and services. Comprehensive neighborhood upgrading will provide access to basic services and infrastructure, reduce flood/landslide/fire risks, and further bring economic and social benefits. Subprojects may include drainage upgrading (tertiary and secondary/primary drainage), retaining walls, walkways, streetlights, access roads, footbridges, water supply, sanitation, and community facilities, which will bring climate change adaptation co-benefits. Additionally, subprojects such as the construction of walkways to support pedestrian traffic, and solar streetlighting to reduce carbon footprint, will have some climate change mitigation benefits.

25. *Plot servicing for residential development*. This novel intervention for Greater Freetown, which is being explored at the moment, consists of carrying out planning services[40] on identified vacant sites (owned by the Government) selected against a set of defined and transparent criteria[41] and providing primarily trunk infrastructure and services such as water,

[37] There is no common planning instrument that addresses the urban development challenges of the Freetown Peninsula as a whole. This activity would therefore support the development of a Western Area Plan that would consider common challenges and opportunities for more efficient, planned and resilient urban development.

[38] Among 13 catchment areas in Freetown, the Project will start at the Catchment Gloucester (C4) and the Catchment Kissy (C5) as a pilot of the first phase (See Figure 1). The C4 and C5 were selected considering (i) the identified hotspot areas of densely populated urban informal settlements, (ii) highest risk catchments recommended by the risk assessment, (iii) non-overlapping with existing plans and projects (e.g. government-led Freetown Coastal Area Development Plan and World Bank supported Freetown Emergency Recovery Project), and (iv) avoiding demolition and resettlement.

[39] Accurate physical areas, populations of the communities, proposed interventions, and service levels need to be determined.

[40] Preparation of town planning scheme, layout plans among others.

[41] The following criteria are being used for selection of sites to be serviced: (i) land ownership arrangements: public land owned by the FCC, WARDC or central Government; (ii) low risk areas: sites should be on areas designated low risk per the Hazard Assessment Study; (iii) vacant land for new developments: the piece of land should be 100% undeveloped or at most 20% developed. (iv) evidence of a viable market demand for proposed sites including but not limited to existing adjacent land developed or under development for residential and/or commercial or industrial purposes; (v) proximity to existing infrastructure: Consideration should be given to the site's links to infrastructure such as roads, water, sewer; (vi) existence of economic activities: for a settlement to be functional, economic activities are fundamental; (vii) potential of new economic activities: consideration

sanitation, drainage and roads to the sites for residential purposes and social services facilities. Three sites were proposed for servicing (Allentown in Freetown, and Masantigie and Old Yams Farms in neighboring Western Area Rural district). Local area plan for select site(s) will be conducted under Component 1a. Opportunities for densification in low risk areas will be explored, which may allow for land value capture and promote private sector investment in certain areas, as well as opportunities to connect to the primary road and drainage networks financed through the Integrated and Resilient Urban Mobility Project (P164353). By expanding access to serviced land (through provision of infrastructure), this intervention will provide a platform for the entry of the private sector into the lower-middle income housing market, which is currently significantly under-served. This may also include the development of planned mixed-use communities and measures that promote the development of economic opportunities for those communities being served. Further, since the trunk services provided will often increase the value of not only the targeted site but also the land surrounding it, the Project will explore the potential to capture some of the increase in value of the surrounding land and apply it to subsidizing the provision by the private sector of low-cost housing and other services on the site. To determine the viability of this scheme and inform its design, a detailed feasibility study will be conducted through the Project (fast tracked using PPA), including a market (demand, affordability, etc.) assessment, regulatory framework analysis (for PPP), financial modelling, to foster viable Public Private Partnership (PPP) transactions for private real estate investment on the developed site(s). Climate change adaptation co-benefits are recognized under this activity, in that by providing serviced land in safe areas for new housing construction, urban sprawl in high risk areas would be reduced.

26. ***Subcomponent 1c. Solid Waste Management (US$20 million).*** Through this subcomponent, the Project will finance the construction of a new sanitary landfill that will service the residents of the CoF and its neighboring Western Area Rural district. Two potential sites (Masantigie and Old Yams Farms) have been proposed for the landfill. Both sites are undeveloped and accessible from Freetown and are deemed potentially suitable for waste-related infrastructure. Final site qualification will require full environmental and social diligence, which will be conducted under the Project. This investment will contribute to the reduction of flooding in Freetown, address waste-related health issues, and make the city more livable and investment-friendly. The design of this sub-component will build on the outcomes of a solid waste management (SWM) feasibility study being conducted by DFID, that is considering the closure of one of the existing two dumpsites in Freetown, while redeveloping Kingtom dumpsite to provide an additional disposal capacity of 5 years. DFID is also conducting an economic and financial analysis of the SWM system in Freetown, to design a sustainable model that would incorporate the full value chain for SWM. Based on this model and considering the high potential for private sector participation, the Project will provide technical and legal assistance for optimal structuration of the relationship between public and private entities. This will include support to improve the capacity to manage the new services and contracts and ensure financial sustainability. Additionally, specific tools such as a Waste Information System (WIS) will be developed and implement as part of the subcomponent to further enhance planning and management of solid waste services in Freetown and Western Area rural District. Professionalization of SWM activities through training will also be supported under this component to stimulate local businesses and jobs in relation with waste diversion to reduce waste leakage. This subcomponent will also review the potential livelihood implications of the new landfill on current informal workers and explore options on minimizing any potential adverse impacts. Climate co-benefits that will generate from this investment include increased flood resilience as well as reduction in greenhouse gas emissions.

27. *Technical designs and pre-investment studies.* This Component will finance the preparation of technical designs, feasibility and other studies required to carry out infrastructure works, as needed. All technical designs will be compliant to climate resilient infrastructure standards.

should be placed on potential economic activities nearer the site (viii) area of land: the minimum size of each site should ideally be 100 acres; and (ix) distance to main economic activities.

28. In addition, Component 1 envisions the creation and implementation of a citizen engagement digital platform in which citizens can access the status of activities funded under the Project and provide feedback. This platform will be piloted in Freetown initially, with the objective to scale it up nationwide.

Component 2: Support to Select Secondary Cities (US$6 million IDA)

29. **Strengthening Urban and Disaster Risk Management Capacities for City Councils**: The Project aims to support the secondary cities to develop their capacity to catalyze their development potential, by supporting activities to strengthen these cities' urban management capabilities that are critical for efficient delivery and sustainable management of resilient infrastructure and services. This component will support a range of targeted technical assistance and capacity development activities for selected City Councils among the country's six secondary cities, to deliver on their respective mandates. Specific urban management functions that could be supported through the Project (including through process support, human resources enhancement focused on skills transfer and systems development, equipment and software, and training) are:

(i) Preparation of Plans (e.g. physical local plans or area upgrading plans, local economic development plans; three-year investment pipelines);
(ii) Municipal finance (e.g. enhancing systems for revenue mobilization, through better mapping and classifying properties, managing relevant data, enhancing collection procedures);
(iii) Disaster risk management (e.g. preparation of various hazard maps; preparation of local emergency contingency plans);
(iv) Upstream solid waste management (e.g. preparation of a waste management master plan or strategy for collection, fees, expansion of services, etc.).

30. **While the population of the secondary cities is yet to reach 250,000 in any of them, investing in their planning capacity today enables them to guide and adequately manage the urbanization process**, providing an opportunity to leverage the benefit of urbanization. The current urban growth pattern in those cities (sprawl rather than densification) has the potential to add to the cost of services provision, which could be avoided with proactive local planning. Supporting their capacity in own-source revenue generation will in turn deepen the decentralization agenda by enabling the city councils to mobilize local knowledge and resources and act as effective change-managers in their respective contexts. The City Councils will be able to decide on their priority areas for support. Throughout all of these activities, climate and disaster resilience will be considered a core priority, tailored to the vulnerability and exposure of each urban center.

31. **The activities under this subcomponent will assist the secondary cities to lay the necessary foundation for a well-functioning city that is ready and able to reap the full benefits from subsequent interventions planned for the country** (such as the national electrification project and the e-governance project, both of which are in the World Bank's pipeline), as well as prepare them for a second-generation/next phase urban resilience Project to support investments in those cities.

Component 3: Strengthening Disaster Data Collection and Emergency Preparedness and Response (US$6 million IDA)

32. ***Subcomponent 3a: Disaster Resilience Data Lab (US$2 million).*** This sub-component will support data collection, management and sharing through partnerships (between national and local government institutions, local universities, the private sector and communities) and capacity building programs to harness technology and foster innovation to strengthen climate and disaster resilience in Sierra Leone. The subcomponent's aim will be to: i) provide integrated solutions for data collection and management for resilient urban planning and disaster risk management, with the aim to

support the implementation of the proposed Project in the short term; ii) enhance government capacity to understand and integrate disaster risk management, particularly related to hazard and exposure mapping, risk modeling, climate impacts and emergency response planning; and iii) provide students and community members hands-on training and experience in data collection and management, which could enhance future job opportunities. The main government counterpart for this sub-component will be the Directorate of Science Technology and Innovation (DSTI) in the Office of the President. The types of data to be collected, the technology and equipment for data collection and the data sharing platform to be used, as well as the partnership agreements for achieving the objective of this sub-component will be developed during the project preparation. This sub-component will inform the regulatory framework and protocols for spatial data infrastructure and sharing.

33. ***Subcomponent 3b: Strengthening Emergency Preparedness and Response Systems (US$4 million)***. This sub-component will build the capacity of the national and local government in emergency preparedness and response, to be better prepared for and recover from disasters and enhance effectiveness and efficiency of response through investment in, *inter alia* equipment, training, operational plans, critical infrastructure and facilities. Activities under this component would draw on an emergency preparedness and response capacity assessment currently being conducted with the ongoing World Bank Freetown Emergency Recovery Project (FERP). Preliminary discussions with the Government have led to the following priorities: (i) development of a National Integrated Emergency Response Plan; (ii) support to the establishment of the new DRM Agency,[42] including procurement of equipment, training, contingency planning and budgeting, strategy formulation, etc. (iii) construction and operationalization of a National and/or provincial Emergency Operation Centers; and (iv) improving fire and rescue response capacity for the Freetown Fire and Emergency Services Department.

Component 4: Project Management (US$6 million, of which US$3 million IDA and US$3 million Recipient contribution)

34. **This component would finance project management costs of the Project Coordination Unit and the PFMU**, for staffing, monitoring and evaluation including project technical audits (as needed) and mid-term and end-project evaluations, safeguards, financial management, procurement and training. This component will also cover any costs related to the set-up of a Grievance Redress Mechanism, as well as the development and implementation of a digital platform in which citizens can access the status of activities funded under the Project and provide feedback. Counterpart financing will be also used for project management as well as for the implementation of safeguards instruments, including resettlement compensation, if required.

Component 5: Contingent Emergency Response Component (US$0 million IDA)

35. **The Contingent Emergency Response Component (CERC), if activated, will enable rapid reallocation of uncommitted and undisbursed funds** from the other Components to finance immediate emergency recovery needs in the event of the occurrence of an eligible crisis or emergency, and following the Government request. This component is designed to enable rapid access to funds for response and recovery purposes under streamlined procedures for procuring goods, works, and services. This component can either have no funding allocation initially and draw resources from other expenditure categories at the time of its activation or a set amount of funding allocated up front. This will be discussed and agreed with the government during project preparation. The main government counterpart for this sub-component will be the Office of National Security (ONS).

[42] The severe landslides of 2017, along with the growing awareness of the potential rising risks due to climate change, have prompted the Government to establish a new Agency for disaster management; now is a timely opportunity to build on this momentum and support the new agency.

36. ***Considerations on bridging the gender gap***. Infrastructure investments will incorporate gender aspects to complement government efforts to reduce inequalities between women and men. Women and men have different needs, priorities and usage for infrastructure and systems. The process of planning and approving policies, plans, and strategies on urban development often engages men predominantly due to social and gender norms that restricts women's participation in decision-making. Women participants may also be less confident or influential in these settings and hence, their specific needs and interests may not be taken into consideration as effectively. The Project will address gender gaps in community-level decision-making to ensure that urban infrastructure investments respond to the specific needs and priorities of women, as well as men. Moreover, in Sierra Leone, women and girls face widespread and rooted structural violence and marginalisation. The country ranked 150 out of 160 countries (value of 0.645) in the Gender Inequality Index (GII)[43] of 2017 reflecting the significant inequalities that women and girls face in society. UN Women has estimated that 45 percent of Sierra Leone's population have experienced physical and/or sexual intimate partner violence in their lifetime. These alarming rates prompted the President of Sierra Leone, Julius Maada Bio to declare a National Declaration of a State of Emergency on Rape and Sexual Violence against Women on February 7th, 2019.[44] Such violence is frequently interrelated to economic violence, societal violence and cannot be separated from physical violence. Given this context, the Project strives to finance activities aimed to improve women's security and job opportunities by: a) improving their safety through street lighting; and b) targeting women for job opportunities in the solid waste management sector (subcomponent 1c). Corresponding indicators that measure project-generated benefits on women will be incorporated in the results framework to regularly monitor the performance of the project to track progress towards bridging the gender gaps in social and economic conditions.

Legal Operational Policies	Triggered?
Projects on International Waterways OP 7.50	No
Projects in Disputed Areas OP 7.60	No

Summary of Screening of Environmental and Social Risks and Impacts

From this initial screening the Environmental and Social risks are classified as High due to the complexity and potential environmental and social risks and impacts that are expected to have broader spatial coverage beyond physical works of the Project. Some of the project activities will be implemented in congested and densely populated areas where health and safety issues could be significant as well as physical and economic displacements. The current client capacity to manage the anticipated risks is low and they do not have any experience in the application of the new ESF. Significant efforts will be required to build Client's capacity.

Note To view the Environmental and Social Risks and Impacts, please refer to the Concept Stage ESRS Document**.**

[43] The Gender Inequality Index is a composite measure reflecting inequality between women and men in three different dimensions: reproductive health (maternal mortality ratio and adolescent birth rate), empowerment (share of parliamentary seats held by women and share of population with at least some secondary education), and labor market participation (labor force participation rate). Source: United Nations Development Programme, Human Development Report 2017.

[44] https://statehouse.gov.sl/wp-content/uploads/2019/02/Statement-by-His-Excellency-Julius-Maada-Bio-President-of-the-Republic-of-Sierra-Leone-on-the-Declaration-of-Rape-and-Sexual-Violence-as-Public-Emergency-Freetown-7-February-2019.pdf

CONTACT POINT

World Bank

Tiguist Fisseha, Robert Curle Jesse Reid
Senior Disaster Risk Management Specialist

Borrower/Client/Recipient

Sierra Leone (Through its Ministry of Finance)
Jacob Jusu Saffa
Minister
info@mofed.gov.sl

Implementing Agencies

Freetown City Council
Yvonne Aki-Sawyerr
Mayor
yvonne.aki.sawyerr@fcc.gov.sl

Local Government Finance Department in Ministry of Finance
Adams Kargbo
Director for Fiscal Decentralization Unit
adamsk_23222@yahoo.com

Office of National Security
John Vandy Rogers
Director
johnvandyrogers@yahoo.com

Western Area Rural District Council
Kasho Holland
Chairman
kashohollandcole@gmail.com

FOR MORE INFORMATION CONTACT

The World Bank
1818 H Street, NW
Washington, D.C. 20433
Telephone: (202) 473-1000
Web: http://www.worldbank.org/projects

APPROVAL

Task Team Leader(s):	Tiguist Fisseha, Robert Curle Jesse Reid

Approved By

Practice Manager/Manager:		
Country Director:		