



Combined Project Information Documents / Integrated Safeguards Datasheet (PID/ISDS)

Appraisal Stage | Date Prepared/Updated: 17-Sep-2020 | Report No: PIDISDSA30166



BASIC INFORMATION

A. Basic Project Data

| | | | |
|---|--|---|--|
| Country Sierra Leone | Project ID P174813 | Project Name Third Additional Financing for the Sierra Leone Social Safety Net Project | Parent Project ID (if any) P143588 |
| Parent Project Name Sierra Leone Safety Nets Project | Region AFRICA WEST | Estimated Appraisal Date 31-Aug-2020 | Estimated Board Date 21-Oct-2020 |
| Practice Area (Lead) Social Protection & Jobs | Financing Instrument Investment Project Financing | Borrower(s) Republic of Sierra Leone | Implementing Agency National Commission for Social Action |

Proposed Development Objective(s) Parent

The project development objective is to establish the key building blocks for a basic national safety net system and to provide income support to extremely poor households in Sierra Leone.

Components

Development of Systems for Implementation of Social Safety Net Interventions
Cash Transfers to Extremely Poor Households and Emergency Response
Project Management and Capacity Building

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

| | |
|---------------------------|------|
| Total Project Cost | 5.52 |
| Total Financing | 5.52 |
| of which IBRD/IDA | 0.00 |
| Financing Gap | 0.00 |

DETAILS

Non-World Bank Group Financing

| | |
|-------------------------------|------|
| Trust Funds | 5.52 |
| Rapid Social Response Program | 5.52 |



Environmental Assessment Category

C-Not Required

Decision

The review did authorize the team to appraise and negotiate

Other Decision (as needed)



B. Introduction and Context

Country Context

The President of Sierra Leone declared a state of public emergency in response to the growing threat of COVID-19 on March 24, 2020, which was followed by the first reported case of COVID-19 on March 31, 2020. As of July 22, 2020, Sierra Leone has reported 1,731 confirmed cases with 63 deaths. While the infection rates have been declining in recent weeks, according to WHO, the case reporting is in part constrained by the low testing capacity which leaves the country potentially vulnerable to a more widespread outbreak.

The COVID-19 pandemic is having an unprecedented negative impact on Sierra Leone's economy. A recent report from the International Growth Center (IGC), drawing on data collected between 30 April and 14 May 2020, finds that more than two-thirds of self-employed individuals in the country were reporting weekly incomes that were significantly lower compared to weekly incomes in March 2020.¹ Average weekly income for self-employed individuals dropped by half between March and May 2020, from 600,000 Sierra Leone Leone (SLL) to 300,000 SLL and average hours worked reduced from 8 to 5.5 per day.² Furthermore, the share of households who report reducing the number of meals in the last week has increased by 20 percentage points compared to the baseline conducted in June 2019. At the same time, the price of essential food items such as rice and cassava, in the two weeks preceding the survey, had increased by 4 percent and 33 percent respectively. The combination of falling incomes and rising food prices is increasing food insecurity in the country. Additionally, a World Food Program (WFP) report from January 2020 had already raised significant alarm with respect to the situation on food insecurity in the country. Between February 2019 and January 2020, the WFP found that the total food insecure population in the country increased from 34 percent to 48 percent.³

The COVID-19 pandemic disproportionately affects the poorest and most vulnerable households without the resources to cope with the lockdowns and quarantines necessary to contain the spread of the virus. More than 85 percent of employed workers among extreme poor households work in the agricultural sector⁴ and over 90 percent of all jobs in Sierra Leone are outside of formal wage employment. Indeed, in Western Area, where the capital city Freetown is located and population density is highest, over 62 percent of jobs are outside of formal wage employment⁵. The precise trajectory of the COVID-19 crisis and its impacts on these households in Sierra Leone remains uncertain. However, it is anticipated that failure to provide adequate income support to the most vulnerable, informal sector workers and the sizeable share of extreme poor households in rural areas may result in profound and irreversible long-term negative impacts on the country's vulnerable population, increasing poverty and undermining efforts to build human capital. When providing COVID-19 income support, the heightened intra-household vulnerabilities of women and persons with disabilities will also need to be accounted for, in line with the government's wider development objectives.

¹ Meriggi et al. 2020. Tracking the Economic Consequences and Responses to COVID-19 in Sierra Leone. Available at: <https://www.theigc.org/wp-content/uploads/2020/05/Meriggi-et-al-Data-Brief-2020-1.pdf>

² Ibid, page 4

³ WFP. 2020. Findings of Sierra Leone January 2020 Food Security Monitoring. Available at: https://docs.wfp.org/api/documents/WFP-0000114371/download/?_ga=2.52188833.969931335.1595357442-2057335322.1595357442

⁴ SLIHS 2018

⁵ World Bank. 2017. *Jobs Diagnostic: Sierra Leone*.



Sectoral and Institutional Context

Reflecting the instrumental role of social protection in reducing poverty and mitigating the impact of shocks in the country, the Government of Sierra Leone (GoSL) placed social protection at the center of its COVID-19 response. The GoSL instituted the Quick Action Economic Response Program (QAERP) in addition to the COVID-19 Preparedness and Response Plan for the health sector. The five pillars of the QAERP include: (1) Social Protection; (2) Small, Micro Enterprises (SME) Support; (3) Commodity Supply; (4) Public Works; (5) Local Food Production. Together, the QAERP is geared toward maintaining macroeconomic and financial stability and mitigating the impact of the COVID-19 shock on businesses and households. The Social Protection pillar of the QAERP identified two areas for COVID-19 response leveraging existing SP programs and systems: (a) scaling up the existing Social Safety Nets (SSN) Project; and (b) provision of food to vulnerable households. To scale up the SSN Project, the Government has committed to: (i) reprogram the undisbursed Project funds to reach a higher number of extremely poor households and provide them with an increased cash transfer benefit amount, reflecting increased household needs during the pandemic, and (ii) provide income support to vulnerable households with informal sector workers in urban areas.

To meet the second objective set by the QAERP SP Pillar for the SSN Project, the Government committed to use Project's US\$4 million contingency fund to provide a one-time emergency cash transfer to vulnerable informal sector workers. Applying the social protection systems that have been developed by the SSN Project, the Government moved quickly to provide cash and in-kind support to persons with disabilities (PwDs) ahead of the first lock-down period, financed from its national budget. Given Sierra Leone's risk profile and recent experiences in using social protection to respond to shocks, the GoSL had placed US\$4 million of the Project resources in contingency, to be made available to quickly finance the one-time emergency cash transfers (ECT) to affected households after a shock. The Project's contingency funds enabled the ECT to reach 29,000 vulnerable households in the informal sector in the cities of Freetown, Bo, Kenema, Port Loko, and Makeni.

C. Proposed Development Objective(s)

Original PDO

The project development objective is to establish the key building blocks for a basic national safety net system and to provide income support to extremely poor households in Sierra Leone.

Current PDO

No Change.

Key Results

PDO indicators remain the same, which include:

- Proportion of beneficiary households below the extreme poverty line (Percentage)
- Proportion of payments delivered on time (Percentage)
- Proportion of cash transfer component related grievances resolved within three months of being recorded in GRM database (Percentage)
- Beneficiaries of social safety net programs (CRI, Number), total and female
- Beneficiaries of Safety Nets programs - Unconditional cash transfers (CRI, Number)



Although the indicators will remain the same, the targets for the indicators will be revised to reflect the expanded coverage of the program.

D. Project Description

The Project has three components: (1) Development of Systems for Implementation of Social Safety Net Interventions; (2) Cash Transfers to Extremely Poor Households; and (3) Program Management and Capacity Building. The Project is implemented by the National Commission for Social Action (NaCSA).

The proposed AF will deliver the ECT to an additional 38,000 households with informal sector workers in urban areas, bringing the total coverage of ECT to 67,000 households. Furthermore, the AF will, by frontloading the uncommitted funds of the parent SSN Project, scale up the SSN cash transfers to additional 30,000 extremely poor households (bringing the total coverage of the SSN cash transfers to 65,000 households). Therefore, the national coverage of Sierra Leone's flagship social safety net program will be expanded to help offset the negative impacts of COVID-19 while continuing to further strengthen the key building blocks of the country's basic national safety net system. The AF will maintain the Project's strong focus on targeting households with PwDs.

E. Implementation

Institutional and Implementation Arrangements

The project is implemented by the National Commission for Social Action (NaCSA), in partnership with the Anti-Corruption Commission (ACC) and Statistics Sierra Leone (SSL).

F. Project location and Salient physical characteristics relevant to the safeguard analysis (if known)

The original Project activities and those of this AF3 are fundamentally similar and complement each other. The national safety net system established in 2014 benefited a total of 182,718 persons, from approximately 30,000 households across 10 districts of the country, with 92 percent of household representatives being women. Building directly from these results, this AF3 would seek to scale up the cash transfers to 30,000 extreme poor households (thus covering 65,000 extreme poor households under AF2 and AF3) in all 16 districts of the country, and scale up the Emergency Cash Transfer to an additional 38,000 vulnerable households with informal sector workers in major cities (thus covering a total of 67,000 households under AF2 and AF3), whose livelihoods have been adversely affected by the impact of the COVID-19 pandemic. The project activities will have no or negligible adverse environmental and social safeguards impacts, and the project does not involve land acquisition leading to involuntary resettlement or restrictions of access to resources or livelihoods. There are no Indigenous Peoples in the project area.



G. Environmental and Social Safeguards Specialists on the Team

Fisseha Tessema Abissa, Environmental Specialist
Gloria Malia Mahama, Social Specialist
Anita Bimunka Takura Tingbani, Environmental Specialist
Sarah Antwi Boasiako, Social Specialist

SAFEGUARD POLICIES THAT MIGHT APPLY

| Safeguard Policies | Triggered? | Explanation (Optional) |
|--|------------|------------------------|
| Environmental Assessment OP/BP 4.01 | No | |
| Performance Standards for Private Sector Activities OP/BP 4.03 | No | |
| Natural Habitats OP/BP 4.04 | No | |
| Forests OP/BP 4.36 | No | |
| Pest Management OP 4.09 | No | |
| Physical Cultural Resources OP/BP 4.11 | No | |
| Indigenous Peoples OP/BP 4.10 | No | |
| Involuntary Resettlement OP/BP 4.12 | No | |
| Safety of Dams OP/BP 4.37 | No | |
| Projects on International Waterways OP/BP 7.50 | No | |
| Projects in Disputed Areas OP/BP 7.60 | No | |

KEY SAFEGUARD POLICY ISSUES AND THEIR MANAGEMENT

A. Summary of Key Safeguard Issues

1. Describe any safeguard issues and impacts associated with the proposed project. Identify and describe any potential large scale, significant and/or irreversible impacts:

The potential risks and impacts of the AF3 activities will not be large scale, significant or irreversible as described under OP/BP 4.01, and – since the activities proposed represent a continuation of existing project activities classified as Category C Project - the category will not be raised for the AF3 Activities. The project does not include civil works or any physical investments that will require land acquisition or cause displacement or impact on people’s livelihood. The World Bank policy OP 4.12 on Involuntary Resettlement will therefore remain untriggered. Beyond screening, no further Environmental Assessment (EA) has been required and no Safeguards Policies have been added since approval.



2. Describe any potential indirect and/or long term impacts due to anticipated future activities in the project area:

The main Environmental and Social risk related to the project include (i) potential fraud associated with cash transfers (ii) potential impact of exclusion of poor and vulnerable people from the program would lead to their further marginalization within society in Sierra Leone (iii) potential of SEA/SH risks occurs whenever service providers have the potential to allow access or deny benefits or services to beneficiaries (iv) possibility of both beneficiaries and project staff contracting the disease through face-to-face interaction that would emanate from activities such as targeting, registration and payment, if the necessary preventive and mitigation strategies are not implemented.

These risks apart from COVID-19 were identified since the start of the project and in the second AF and is mitigated through various project mechanisms described in section 4. The AF further includes mitigation measures for preventing or minimizing COVID-19 spread.

3. Describe any project alternatives (if relevant) considered to help avoid or minimize adverse impacts.

N/A

4. Describe measures taken by the borrower to address safeguard policy issues. Provide an assessment of borrower capacity to plan and implement the measures described.

The project has developed and put in place structures for assessing and managing potential risks and impacts. First, there is a clear system in place for the targeting of beneficiaries which ensures that only the most vulnerable households or beneficiaries are targeted. The project has also developed, and implementation adheres to, a project implementation manual which provides a systematic and step-by-step approach to implementation. In addition, the project has in place a functional web-based and multi-channel complaints uptake Grievance Redress Mechanism (GRM). The GRM is managed by the country's Anti-Corruption Agency (ACC) in collaboration of the National Commission for Social Action (NaCSA), the lead implementing agency.

Citizen engagement promoting transparency and accountability has been a built-in feature of the project, intended to ensure the prevention of discrimination, fraud and corruption, while ensuring its benefits reach the intended beneficiaries. The mechanism for selecting cash beneficiaries (targeting) includes a community-based approach, through which community members share information and discuss the targeting criteria and agree on potentially eligible poor households. Staff from the country's ACC accompanies and monitors every process of targeting, enrollment and payments in the community to prevent elite capture, fraud and corruption. Furthermore, beneficiaries and non-beneficiaries can register complaints about the management of the targeting process, timeliness, and completeness of transfers and any other perceived abuses, including fraud and corruption related to payments, through the existing GRM. The GRM is managed by the country's Anti-Corruption Commission (ACC) in collaboration of the National Commission for Social Action (NaCSA), the lead implementing agency. The GRM makes provision for complaints to be made through walk-ins to local councils, NaCSA's district offices, through a toll-free hot-line managed by the ACC's call center, and through the web-based platform by email. Once complaints are received, a determination is made as to whether they are corruption related or project management issues. Those related to corruption are investigated by the ACC, and those that have to do with administrative and project management issues are taken up for investigation and resolution by NaCSA. Both the ACC and NaCSA have dedicated GRM focal persons working exclusively on the resolution of grievances.

On mitigation of SEA/SH risks, the project has already put in place prevention and mitigation measures including the establishment of workers' GBV code of conduct and the training of NaCSA, ACC, and Statistics Sierra Leone staff and volunteers on the code of conduct. The communication campaign includes a module related to GBV issues and an



encrypted GRM platform for SEA/ SH reporting. The GRM has an encrypted channel for SEA/SH complaints, however, it will be modified so that it will be linked to the recently launched 116 toll free line by the Ministry of Gender and Children in a way that will facilitate access to SEA/SH services. This AF will seek to enhance the SEA/SH measures. To do so, the project will hire a seasoned Social Development Specialist with experience in gender and sexual and gender-based violence issues. The implementing agency, in coordination with the social specialist, will develop protocols to help mitigate SEA/SH concerns in the implementation of the ECT and the COVID-19 SSN. More specifically, using a survivor's approach, the project's GRM will be linked with a GBV service provider through an anonymous and confidential reporting and referral pathway, that prioritizes the needs and concerns of survivors. The system is socialized primarily through the communication campaign that are held primarily before the payment on the payment dates. The ACC also undertakes information and education campaign activities for participating communities and program beneficiaries on accountability and corruption prevention measures. The ACC staff based in the chiefdoms are engaged to support these activities at the community and chiefdom levels after being trained by the ACC. Key activities include town hall forums, local radio shows, distribution of contact cards, and production of Information, Education and Communication materials, such as corruption prevention posters to be displayed at money transfer points, and through community monitoring visits. The staff of ACC in the communities, who act as proxies for the beneficiaries, are fully trained on the GRM and they interact with the GRM through the toll-free 515/ACC call center.

To prevent and mitigate the COVID-19 risks, the project communication strategy will be revised to employ alternate mechanisms to prevent or reduce face-to-face contact in a bid to prevent or limit the transmission of the disease. This will involve a strict observance of the government's mandated protocols and international best practices including the World Bank's Technical Note on Public Consultations and Stakeholder Engagement in World Bank-supported operations when there are constraints on conducting public meetings. The following measures will be implemented: (1) minimizing of face-to-face contact at all points of service provision; (2) wearing of masks and gloves by implementing agency staff at all points of interaction with beneficiaries; (3) avoidance of large gatherings of implementation staff and beneficiaries; the enforcement of spacing (2 meters) between beneficiaries and PIU staff during registration and payment; (4) the provision of handwashing materials during payment and other engagement; (5) the use of the traditional media including radio and television for certain stakeholder engagement activities and enforcement of COVID-19 related messaging; (6) innovative technologies including social media; and (7) conduct of cash transfer payments through electronic payments wherever possible.

Risks of discrimination against beneficiaries during implementation is addressed through targeting regions and communities with the highest levels of deprivation as well as women, persons with disabilities and other vulnerable groups. Targeting of both COVID-19 SSN and the ECT are focused on socio-economic conditions, gender, disability status, and age based on analysis of SLIHS 2018 data. Through a the Proxy-Means Test the level of vulnerability of these individuals are assessed and more weight put on female headed households and households with a member who is a PwD, so that by project design vulnerable groups are beneficiaries of the COVID-19 SSN as well as the ECT. detailed process will be included in the updated Project Implementation Manual.

5. Identify the key stakeholders and describe the mechanisms for consultation and disclosure on safeguard policies, with an emphasis on potentially affected people.

Since the commencement of the Project and AF, design and implementation have been underpinned by the consultation and participation of stakeholders in order to promote accountability and transparency to ensure that the project reaches and positively impacts its intended beneficiaries. For example, the mechanism for selecting cash transfer beneficiaries (targeting) includes a community-based approach that allows community members to share information and discuss the targeting criteria and agree on potentially eligible poor households. In addition,



stakeholders – beneficiaries and non-beneficiaries can register complaints about the management of the targeting process, timeliness, and completeness of cash transfers, perceived or real abuses, including fraud or corruption, through the GRM. Going forward, the project will expand the scope of the GRM to fast track grievance resolution at the community level through the establishment of independent community monitors under the supervision of the ACC. Further, an independent firm or CSO will be contracted to carry out spot checks and gather beneficiary feedback after the delivery of payments of ECT under this third AF.

B. Disclosure Requirements (N.B. The sections below appear only if corresponding safeguard policy is triggered)

C. Compliance Monitoring Indicators at the Corporate Level (to be filled in when the ISDS is finalized by the project decision meeting) (N.B. The sections below appear only if corresponding safeguard policy is triggered)

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APPROVAL

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