



Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 17-Dec-2024 | Report No: PIDDC01160

**BASIC INFORMATION****A. Basic Project Data**

Project Beneficiary(ies)	Operation ID	Operation Name	
Sierra Leone, Sierra Leone	P507588	Sierra Leone Water Security and WASH Access Improvement Project	
Region	Estimated Appraisal Date	Estimated Approval Date	Practice Area (Lead)
WESTERN AND CENTRAL AFRICA	14-Apr-2025	25-Sep-2025	Water
Financing Instrument	Borrower(s)	Implementing Agency	
Investment Project Financing (IPF)	Ministry of Finance	Ministry of Water Resources and Sanitation	

Proposed Development Objective(s)

Increase access to water supply and sanitation services, improve operational performance of the water supply services providers and enhance water resources management in Sierra Leone.

PROJECT FINANCING DATA (US\$, Millions)**Maximizing Finance for Development**

Is this an MFD-Enabling Project (MFD-EP)?	Yes
Is this project Private Capital Enabling (PCE)?	Yes

SUMMARY

Total Operation Cost	60.00
Total Financing	60.00
of which IBRD/IDA	60.00
Financing Gap	0.00

DETAILS**World Bank Group Financing**

International Development Association (IDA)	60.00
IDA Grant	60.00



Environmental and Social Risk Classification

Substantial

Concept Review Decision

The review did authorize the preparation to continue

B. Introduction and Context

Country Context

1. **Sierra Leone is susceptible to economic and climate shocks**, which has hampered macro-stability and the ability to sustain growth. Over the past decade, the country has experienced periods of growth interrupted by shocks—the twin shocks of Ebola and commodity price collapse during 2014-15, natural disasters (flooding and mudslides), the COVID-19 pandemic, and geopolitical unrests. These shocks have often been compounded by policy missteps resulting in slow and volatile growth and macroeconomic imbalances. Sierra Leone’s GDP per capita, estimated at US\$726, classifies it as a low-income country, and 23.2 percent of the population lives below the international poverty line (WB, Macro Poverty Outlook). While the country has set an ambitious target of achieving middle-income status by 2039, reaching this goal will require significant efforts to restore macroeconomic stability, enhance human capital, strengthen resilience to shocks emanating from natural disasters, improve climate resilience and address institutional and governance constraints to growth.
2. **Economic pressures have mounted in recent years, making it necessary for the country to take hard measures to avoid another crisis.** Monetary and fiscal policy slippages had aggravated the impact of exogenous shocks in recent years, jeopardizing macroeconomic stability. During 2023, inflation rose to 54.6 percent by October and averaged 47.3 percent by end-year, the currency depreciated further by 18 percent following a 40 percent depreciation in 2022, the fiscal deficit, despite modest improvement, exceeded the target by 2.2 percentage points of GDP, and forex reserves declined below 3 months of imports. At 7.4 percent of GDP, Sierra Leone’s domestic revenue collection is one of the weakest in the world. The government has since begun to take corrective steps to tighten its fiscal and monetary policy stance. Tough measures were adopted in 2023 and 2024, including sharp increases in administered fuel and electricity prices (40 percent and 100 percent respectively), significant tightening of monetary policy (775 bps), and expenditure consolidation (0.9 percent of GDP). As a result, year-on-year inflation has subsided to 20.2 percent. Employment remains concentrated in rainfed, low-productivity, subsistence agriculture on increasingly small, fragmented, and degraded plots vulnerable to climate change.
3. **Climate change impacts have already been felt in Sierra Leone.** Over the past 25 years, Sierra Leone has experienced more than 300 disaster events. It is considered the 11th most climate vulnerable country in the world with increasing exposure to recurrent and more extreme flooding, landslide, drought, and wildfire events. ThinkHazard similarly ranks those climate risks as high, exacerbated by climate change due to increasing temperatures and changing rainfall patterns. The WB Climate Change Knowledge Portal (CCKP) surmises that increases in climate change-exacerbated droughts and floods affect the country’s water resources and related infrastructure, which hinders growth.
4. **Reliable access to Water Supply Sanitation and Hygiene (WASH) is a fundamental driver of human development and can reduce vulnerability to climate-sensitive public health outcomes.** The Human Development Index (HDI) score of 0.452 is well below the average for West Africa (0.505) and ranks 182nd of 189 countries (UNDP, 2022). Water quality, sanitation and hygiene improvements are demonstrated to reduce water borne diseases (such as



diarrhea, cholera, etc.) and prevent other illnesses, impacting short-term health outcomes and long-term growth and cognitive development potential. The current state of WASH access in Sierra Leone not only negatively affects living standards but also hinders future economic progress. To achieve the Sustainable Development Goal (SDG) 6, which challenges countries to reach universal access to safely managed water and sanitation by 2030, Sierra Leone must move its WASH sector forward by expanding basic access to WASH and investing in higher-quality WASH services that have complementary benefits for improving human development and eradicating poverty. Supporting WASH interventions in Sierra Leone is thus critical to improve public and environmental health, welfare and development.

Sectoral and Institutional Context

5. **Sierra Leone boasts impressive water resources yet faces significant economic water scarcity due to limited infrastructure.** The country receives an average of 2,526 millimeters of rain annually, translating to a potential 80-100 cubic kilometers of water per year. This is the highest in West Africa. Sierra Leone has approximately 160 billion cubic meters of annual renewable water. Despite this abundance, the actual utilization highlights scarcity with a mere 0.1 percent withdrawal rate. Sierra Leone faces systemic economic water scarcity primarily due to limited water storage capacity, poor water governance and limited investment in water resource management. The situation is compounded by population growth which has doubled between 2000 and 2022, while access to WASH only recorded marginal increases during the same period
6. **Sierra Leone faces critical gaps in WASH service delivery, which contributes to hindering human development, exacerbates poverty and water-borne diseases.** Nationally, in the past two decades, the proportion of people with access to safely managed water has only increased from 5 percent (2000) to 10 percent (2022). Access to basic water increased from 36 percent (2000) to 55 percent (2022). However, disparities exist between those with at least basic coverage (combining safely managed and basic access) in rural and urban areas, estimated at 54 percent and 80 percent, respectively. Sierra Leone's open defecation rate reduced from 25 percent in 2000 to 16 percent in 2022. However, the portion of the population using unimproved sanitation is still high (26 percent), while only 23 percent of the population have access to at least safely managed and basic sanitation, and 34 percent have limited sanitation. Thus, close to 50% of Sierra Leoneans do not have access to at least basic sanitation.
7. **The Sierra Leone Water Supply and Sanitation Diagnostic – 2024: A Paradox of Scarcity in Abundance, highlights key binding constraints for the water sector.** Sierra Leone faces significant challenges in providing universal access to safe and affordable water and sanitation services as well as in effectively protecting and managing its water resources for economic development. Despite significant progress in water sector planning, evident in, among others, the National Water Resources Management Agency (NWRMA) Act No. 5 of 2017 and the NWRMA- Strategic Development Plan, the sector remains underfunded, with a substantial gap between current investment levels and the resources needed to achieve the Sustainable Development Goals (SDGs). The sanitation sector is lagging behind, with only a small percentage of the population having access to safely managed sanitation facilities.
8. **Addressing these challenges requires a multifaceted approach.** In addition to increasing funding for priority infrastructure investments, it is essential to strengthen the governance and institutional capacity of the WASH sector. This includes improving coordination among government agencies, enhancing the efficiency of service delivery institutions, and addressing underlying sector inefficiencies. The recent transfer of the sanitation mandate from the Ministry of Health to the Ministry of Water Resources confers in one ministry the responsibility of the broad water sector. The renewed focus on the Government of Sierra Leone in the water sector presents a unique opportunity to strengthen institutional and sector staff capacity to deliver and to promote integrated and sector-wide approaches.



Relationship to CPF

9. Sierra Leone's national medium-term development plan (2019-2024) and the World Bank's Country Partnership Framework (CPF) for FY21-FY26 both prioritize WASH (GoSL, 2019; World Bank, 2020). While the national development plan prioritizes improvement in water infrastructure systems, the World Bank's CPF, under Focus Area 2, Human Capital Acceleration for Inclusive Growth, emphasizes improving water infrastructure and waste management. This alignment highlights the shared focus on improving water infrastructure and sanitation which are crucial aspects of human capital development for inclusive growth. The recently completed Performance and Learning Review (PLR) of the CPF (May 2024) also emphasizes the importance of improving access to water services for Sierra Leoneans and the interest of the government to revive the World Bank's engagement in the water sector with a new operation.

C. Proposed Development Objective(s)

10. The proposed Project Development Objective is to *increase access to water supply and sanitation services, improve operational performance of the water supply services providers and enhance water resources management in Sierra Leone.*
11. The Project will be financed through an Investment Project Financing of US\$ 60 million to be implemented over 6 years. Selection of this instrument was based on its flexibility and suitability to incorporate financing for a range of activities including investments, capacity building, and technical assistance to support system establishment for WRM and WASH services improvement.

Key Results (From PCN)

12. PDO indicators:
- Number of people with strengthened capacity under the Project
 - Percentage of Non-Revenue Water reduction
 - Nationwide Water Resources Master Plan adopted and under implementation
 - Number of people provided with water, sanitation and /or hygiene, of which (%) is safely managed (Scorecard)
 - Number of people provided with safely managed water (total/female) (Scorecard)
 - Number of people provided with access to limited sanitation in public facilities (total/female)

D. Concept Description

13. The proposed Project will support the country's engagement to improve Water Resources Management (WRM) and access to WASH. It will contribute to address climate change exacerbated floods, droughts, and heatwaves through two main aspects: improving Water Security (Components 1 and 2) and improving access and efficiency of WASH services (Components 3 and 4). The Project will prioritize investments allowing the most direct impacts on Human Development and Human Capital improvement. It will prepare plans and programs to structure activities to strengthen institutions and water sector performance, while piloting undertaking water resources protection of selected threatened watersheds. It will also promote donor coordination and collaboration, with a special focus on access to water supply in rural areas and to make Sierra Leone Open Defecation Free (ODF).
14. The proposed Project is structured in six components:



Component 1: Institutional Strengthening and Human Capital Development (US\$ 10 million).

15. This component will focus on strengthening the Ministry of Water Resources and Sanitation (MWRS) to integrate the recently added sanitation mandate; develop enforcement and monitoring capacity; strengthen MWRS' role of coordinating sector stakeholders and their interventions; and establish a Donor coordination group involving all sector stakeholders to ensure coordinated approaches and alignment with the Government's priorities. It will also support comprehensive institutional and staff capacity building of sector agencies, and strengthen national water quality monitoring and surveillance.

Component 2: Water Resources Management Improvement (US\$ 7 million).

16. This component will strengthen the development of key Water Resources Management (WRM) tools to increase knowledge, monitoring and reporting of water resources, both in quantity and quality, and to promote Integrated Water Resources Management (IWRM) in Sierra Leone. This will include, inter alia, developing a nationwide Water Resources Master Plan, building protective barriers and measures to avoid encroachment of protected areas of selected watersheds, and metering abstraction points used for commercial purposes to monitor consumption.

Component 3: Priority Investments in Urban Water Supply and Sanitation (US\$ 23 million).

17. This component will strengthen the Guma Valley Water Company's (GVWC) operational efficiency, reduce water losses, update customer database, install water meters, and extend access to safely managed water in selected underserved areas of the Freetown metropolitan area. It will also develop increase access to improved public toilet with handwashing in schools, hospitals/health centers, major market places and bus stations, build a second fecal sludge treatment plant in Freetown and prepare a plan to structure the sludge management value chain.

Component 4: Priority Water and Sanitation Investments in Secondary Cities and Rural Areas (US\$ 17 million).

18. This component will improve access and operational efficiency of water service, promote improve sanitation and hygiene practices in selected secondary cities and underserved districts, This component will also support the MWRS in developing a national "Clean and Green Salone" behavior change campaign aiming at making Sierra Leone Open-Defecation Free and promoting handwashing with soap. It will seek to initiate a collective action possibly through partnerships to promote using toilets and handwashing with soap.

Component 5: Project Management (US\$ 3 million).

19. This component will finance costs related to Project implementation, monitoring and reporting. It will also finance a Project management consultant and/or technical assistance support to the MWRS and implementing agencies.

Component 6: Contingency Emergency Response Component (US\$ 0 million).

20. This component is to facilitate fast crisis response for which the Government may want to reallocate funding rapidly.

Legal Operational Policies

Policies	Triggered?
Projects on International Waterways OP 7.50	No



Projects in Disputed Area OP 7.60

No

Summary of Screening of Environmental and Social Risks and Impacts

21. The Project's Environmental and Social (E&S) risks are rated Substantial. Potential risks emanate from Project activities in water infrastructure, pollution, and disease transmission from sewage handling, and weak institutional capacity to manage these risks. MWRS and partners will establish E&S risk management per the ESF. The Project aims to strengthen institutions, develop human capital, improve urban water and sanitation, and eradicate open defecation. It faces risks related to sewage handling, civil works, biodiversity impact, and potential conflicts over barriers in water catchment areas. Construction may cause temporary noise, air, and water pollution, and health and safety risks.
22. Institutions involved have some E&S risk management experience from previous projects but require ESF training. EPASL has a rigorous risk assessment process. The Project will prioritize stakeholders' consultation and ensuring that a Grievance Redress Mechanism (GRM) is in place in all Project areas. Risks include social exclusion, involuntary resettlement, and ensuring clean water access in poor and remote areas. The construction of a FSTP in Freetown may require land acquisition and disadvantaged groups must be included in consultations. Civil works could induce labor influx and GBV risks. The Project may cause temporary and permanent land acquisition and displacement. MWRS's E&S capacity will be strengthened through strategic capacity building and technical assistance support for design and feasibility studies and to ensure required coordination and consultation of affected communities with special attention to involve women and poor and/or vulnerable groups.
23. The risk of Sexual Exploitation, Abuse, and Sexual Harassment (SEA/SH) is substantial, with 62% of women in Sierra Leone having faced SEA/SH. The Project will support women's health, hygiene, and sanitation, contributing to gender equality. An SEA/SH assessment and action plan will be prepared, including recruiting a service provider and GBV/SEA/SH staff. The Project will leverage existing SEA/SH risk action plans and ensure a responsive GRM, worker training, and an Accountability and Response Framework.
24. Stakeholder engagement will focus on inclusive participation and information disclosure using appropriate language and media. Key stakeholders include MWRS, NWRMA, the Guma Valley Water Company (GVWC) and the Sierra Leone Water Company (SALWACO), Freetown City Council, and city councils of selected secondary cities. Beneficiaries include communities with access to clean water, schools, health facilities, students, water service providers, maintenance workers, FSTP users, CSO/NGOs, and those adversely affected by the Project. An inclusive Stakeholder Engagement Plan (SEP) will be prepared and implemented, proportional to the Project's nature, scale, risks, and impacts. The SEP will be disclosed before Project appraisal, ensuring consultations are timely, relevant, understandable, and accessible. A documented record of stakeholder engagement will be maintained and publicly disclosed. A Project-wide GRM will address concerns, including a confidential channel for GBV issues. Local actors and liaison officers may be designated to coordinate the SEP implementation.

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