Productive Social Safety Net and Youth Employment (P176789)

Project Information Document (PID)

Concept Stage | Date Prepared/Updated: 25-Jun-2021 | Report No: PIDC32066

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BASIC INFORMATION

A. Basic Project Data

Country Sierra Leone	Project ID P176789	Parent Project ID (if any)	Project Name Productive Social Safety Net and Youth Employment (P176789)
Region AFRICA WEST	Estimated Appraisal Date Nov 15, 2021	Estimated Board Date Feb 28, 2022	Practice Area (Lead) Social Protection & Jobs
Financing Instrument Investment Project Financing	Borrower(s) The Republic of Sierra Leone	Implementing Agency National Commission for Social Action (NaCSA)	

Proposed Development Objective(s)

The objective is to improve productivity, employability, and resilience of targeted beneficiaries including vulnerable youth in Sierra Leone.

PROJECT FINANCING DATA (US\$, Millions)

SUMMARY

Total Project Cost	40.00
Total Financing	40.00
of which IBRD/IDA	40.00
Financing Gap	0.00

DETAILS

World Bank Group Financing

International Development Association (IDA)	40.00
IDA Grant	40.00

Environmental and Social Risk Classification

Concept Review Decision

Track II-The review did authorize the preparation to continue

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Other Decision (as needed)

B. Introduction and Context

Country Context

- of sustained economic growth since the end of the civil war in 2002 until 2014, Sierra Leone's economy remains poor and vulnerable to economic shocks. With a population of about 7.8 million in 2019, Sierra Leone is classified as a low-income country. The country had a GDP per capita of US\$1,794 in 2019 (in 2017 Purchasing Power Parity PPP dollars) placing it among the lowest income countries in the world.¹ Since the country's civil war ended in 2002, Sierra Leone's GDP grew at a rate of 7.6 percent per annum between 2003 and 2014. In 2014, however, the onset of the Ebola epidemic and the global drop in iron ore prices caused the GDP to fall by 21 percent, with sharp job losses and decline in activities in agriculture and manufacturing.² Throughout the last two decades, the country's reliance on commodity exports has caused economic growth to be highly volatile. In 2020, prior to the onset of the COVID-19 pandemic, Sierra Leone's economy was projected to grow at a rate of 5.4 percent, the highest since 2016. However, with COVID-19, the economy contracted by 2.2 percent.³
- 2. Sierra Leone's economic growth over the last two decades has not translated into marked poverty reduction, with poverty expected to further increase as a result of the economic slowdown caused by COVID-19. Poverty rate, measured using the national poverty line, fell from 66.4 percent in 2003 to 53.8 percent in 2011.⁴ Since 2011, however, the fall in poverty has largely stagnated and the poverty rate in 2018 stood at 56.8 percent using the national poverty line and 43 percent using the international poverty line of US\$1.90/day.⁵ Poverty in Sierra Leone largely remains a rural phenomenon with close to 74 percent of the population in rural areas living below the poverty line compared to 35 percent in urban areas. With the economic contraction caused by COVID-19 in 2020, poverty using the international poverty line is expected to increase from 40.5 percent in 2019 to 43 percent in 2021, reversing the limited progress made to reduce poverty in recent years.⁶
- 3. Sierra Leone has some of the lowest human capital outcomes in the world. A child born in Sierra Leone today will only be 36 percent as productive when she grows up as she could be if she enjoyed complete education and full health. This is lower than the average for the Sub-Saharan Africa region and slightly lower than the average for low-income countries. In addition, more than 30 percent of children under five were stunted in the bottom two wealth quintiles compared to 18 percent in the richest quintile in 2017. Similarly, close to 35 percent primary and secondary school age children were out of school in the bottom wealth quintile compared to 7 percent in the richest quintile. Ongoing efforts to improve human capital outcomes have likely been further impacted and undermined with COVID-19 induced lockdown and closures.

https://databank.worldbank.org/data/download/hci/HCl_2pager_SLE.pdf?cid=GGH_e_hcpexternal_en_ext

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¹ World Bank, World Development Indicators

² Gonzalez, Alvaro S.; Michel Gutierrez, Veronica. 2017. Sierra Leone: Jobs Diagnostic. Job Series, no.11; World Bank, Washington, DC.

³ World Bank. 2021. Sierra Leone: Macro Poverty Outlook. Available at: https://pubdocs.worldbank.org/en/885471492188170236/mpo-sle.pdf

⁴ World Bank. 2019. Sierra Leone - Systematic Country Diagnostic: Priorities for Sustainable Growth and Poverty Reduction

⁵ World Bank. 2020a. Sierra Leone - Country Partnership Framework for the Period FY21 - FY26

⁶ World Bank. 2021. Sierra Leone: Macro Poverty Outlook. Available at: https://pubdocs.worldbank.org/en/885471492188170236/mpo-sle.pdf

⁷ World Bank. 2020b. Sierra Leone: Human Capital Index 2020. Available at:

⁸ UNICEF (United Nations Children's Fund). 2017. Multi-Indicator Cluster Survey (MICS)

⁹ Ibid

- 4. The economic growth between 2003 and 2014 added few jobs in Sierra Leone's economy. While the share of industry in the Sierra Leone's overall GDP peaked between 2010 and 2014, the share of employment in industry remained relatively constant. The country is yet to adequately experience structural transformation and continues to be predominantly rely on the agriculture and services sector for employment. 55 percent of the employed labor force work in agriculture, with only 6 percent of the employed labor force working in industry, and 39 percent employed in services in 2019.
- 5. The population of Sierra Leone is overwhelmingly young providing the country with the one-time opportunity to experience rapid economic development, as the largest cohort of working age population enters the labor market. However, the pace of job creation in the country has not kept up with the number of youths entering the labor market every year. 75 percent of the population in Sierra Leone is below the age of 35, across both rural and urban areas, and across males and females. Sierra Leoneans aged between 15 and 35 is set to increase from 2.8 million in 2020 to 4.5 million in 2050 as the largest cohort of Sierra Leoneans under the age of 15 enter the working-age population in the next 30 years. 10 This age structure allows Sierra Leone an opportunity to reap the "demographic dividend". But in order to realize this, the youth need to be well-equipped with proper education and skills, and opportunities need to exist in the labor market to absorb the youth bulge. On the supply side, high rates of inactivity and low levels of educational attainment among youth currently hampers their prospect in the labor market. The secondary school completion rate among youth is just 12 percent.¹¹ Similarly, on the demand side, Sierra Leone's growth episodes have not been accompanied by an increase in diversification or an expansion of employment opportunities. The youth bulge is therefore associated, in part, with low skills and frustration around unmet expectations, both potential sources of fragility. These issues are further complicated by the COVID-19 pandemic as youth already grappling with limited opportunities will be further hard pressed to find employment opportunities under the current environment.
- 6. The Government of Sierra Leone (GoSL), through the Medium-Term National Development Plan (MTNDP)¹², recognizes the need to generate critical and sustainable jobs for youth and identifies several key areas for driving economic growth. Among prioritized areas for propelling economic growth and creating jobs are: (i) enhancing human capital, (ii) improving agricultural productivity by encouraging commercial farming and upgrading agricultural value chains; (iii) modernizing fisheries production by introducing new technology; (iv) upskilling in the tourism and hospitality sector to increase the contribution of services to GDP from 36 to 45 percent; (v) upgrading industrial production outside the mining sector by creating special economic and export processing zones; and (vi) investing in renewable energy to harness abundant hydropower, solar, and wind energy from within the country.

Sectoral and Institutional Context

7. In recent years, GoSL has heavily relied on social protection programs and their delivery systems to respond to shocks and economic crises. The Social Safety Nets (SSN) project is the GoSL's flagship cash transfer program and was established in 2014 with funding support from the World Bank and UNICEF. Since its inception, the SSN has

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¹⁰ Data from United Nations, World Population Prospects

¹¹ Data based on Sierra Leone Integrated Household Survey (SLIHS), 2018

¹² Government of Sierra Leone. 2019, "Sierra Leone's Medium Term- National Development Plan 2019-2023, Volume 1", IMF Country Report 19/218, International Monetary Fund, Washington DC. Retrieved from: https://www.imf.org/en/Publications/CR/Issues/2019/07/09/Sierra-Leone-Economic-Development-Documents-National-Development-Plan-2019-23-47099

benefited 238,142 extreme poor individuals and through the second and the third Additional Financing will extend benefits to additional 508,300 beneficiaries. ¹³ The systems built for targeting, enrolling and payment of cash transfers through the SSN has proved to be instrumental in response to the 2014 Ebola outbreak, as the GoSL coordinated donor resources, including from the World Bank, to engage in a rapid scale-up of cash transfer interventions, benefiting nearly 60,000 of the poorest households across the country. ¹⁴ A similar approach was taken in the response to the widespread flooding and landslides in 2017. Reflecting the instrumental role of social protection in reducing poverty and mitigating the impact of shocks in the country, the GoSL placed social protection at the center of its COVID-19 response, the Quick Action Economic Response Programme (QAERP) – the GoSL's ambitious economic response package to mitigate the impact of the COVID-19 shock on businesses and households. To scale up the SSN Project in response to COVID-19, the Government: (i) provided one-time Emergency Cash Transfers (ECT) to 29,000 vulnerable urban households with informal sector workers with an additional coverage of 36,000 through the contribution from the European Union (EU) planned for benefit payments in June 2021; and (ii) expanded the scale up of the SSN/Ep Fet Po cash transfers to extremely poor households from the originally planned 35,000 households to covering an additional 30,000 households (hence a total of 65,000 households). Currently, the payments for the 35,000 households are ongoing, and targeting processes for the 30,000 households are expected to start in July 2021.

- 8. The GoSL has also taken important steps to improve the coordination of the social protection sector but gaps in social protection coverage remain a concern. The National Social Protection Secretariat (NSPS) was established within the National Commission on Social Action (NaCSA) to lead the development of common social protection systems and enhance policy coordination. National coordination mechanisms have since been established and are functioning regularly: (a) the National Social Protection Inter-Agency Forum (IAF), chaired by the Office of the Vice President and composed of ministers; and (b) the Social Protection Technical Steering Committee (TSC), composed of technical directors from key sector ministries. Despite the efforts by the government to scale up SSN, coverage gaps remain. The first phase of the SSN reached 18 percent of the extremely poor households in the country, while through the scale up, the program will reach an additional 38 percent of the extreme poor households. This still leaves more than 40 percent of the extreme poor households without any support.
- 9. A critical area where there is a gap and where GoSL's objectives can be further supported using the systems established under the Social Protection programs is on job creation and employment. As highlighted earlier, Sierra Leone's burgeoning youth population need access to better and more productive jobs. More than three-quarters of the population in Sierra Leone is below the age of 35. At current rates of population growth, the economy will need to create approximately 100,000 new jobs per year to maintain employment rates to keep up with population growth and take advantage of the demographic dividend. Realizing this, the GoSL's Medium-Term National Development Plan (MTNDP), 2019-2023, includes a Youth Employment Cluster that aims to promote productive and adequately remunerative employment opportunities to youth. However, there are few programs currently that aim to boost productivity and facilitate sustainable labor market insertion, especially for the growing youth population.

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¹³ The first phase of the SSNP covered 30,452 households. Based on estimates from the Sierra Leone Integrated Households Survey (SLIHS) data, the average household size among the extreme poor is 7.82. Multiplying 30,452 by 7.82 gives 238,142 individuals covered by the first phase. The second and the third additional financing of the SSNP is slated to cover 65,000 additional households. Multiplied by 7.82, the SSNP is expected to cover around 508,300 additional individuals.

¹⁴ World Bank. 2017. Sierra Leone: Rapid Damage and Loss Assessment of August 14, 2017 Landslide and Floods in the Western Area.

¹⁵ According to the SLIHS data, the extreme poverty rate in Sierra Leone in 2018 was 12.8 percent. There were an estimated 1,341,620 households in Sierra Leone in 2018, which means that 171,727 households lived in extreme poverty. The first phase of SSNP covered 30,452 households, i.e., 17.7 percent of extreme poor households, and the new phase is expected to cover *additional* 65,000 households, i.e., 37.8 percent of extreme poor households.

¹⁶ World Bank. 2020a. Sierra Leone - Country Partnership Framework for the Period FY21 - FY26

- there is variation across rural and urban areas. The overall youth unemployment rate is 4 percent, rising up to 10 percent for urban male youth and 6 percent for urban female youth.¹⁷ Unemployment rates for youth in rural areas are below 1 percent, perhaps alluding to the fact that youths in rural areas are poorer and cannot afford to stay unemployed. Within urban areas, the youth with relatively high levels of education and from relatively better-off households are more likely to be unemployed. Urban youth who have completed secondary education experience the highest rate of unemployment (13 percent). Similarly, 8 percent of youth from the top 20 percentile of the household consumption distribution are unemployed compared to 1.6 percent in the bottom 20 percentile. Underemployment rates are also higher in urban areas and concentrated among the more educated, better-off youth.¹⁸ Across sectors, the prevalence of underemployment is high in wage-paying jobs and self-employment in non-farm enterprises, even though the average weekly hours worked by youth in Sierra Leone is the lowest in agriculture (39 hours) compared to manufacturing (50 hours) or services (47 hours). This suggests that youth employed in agriculture do not wish to work more hours than they already do. Underemployed youth identify lack of opportunities and financial resources as primary constraints to finding more work.¹⁹
- 11. Household-level welfare plays a central role in determining employment levels and types for youth in Sierra Leone. Youth in the poorest 20 percentile of the household consumption distribution are significantly more likely to be employed than the youth who come from top 20 percentile. The type of employment also differs by household consumption, with those from the relatively poorer households less likely to be engaged in wage paying jobs. Moreover, 95 percent of the employed youth from the poorest households are self-employed, while 70 percent of those from the top 20 percentile of the household consumption distribution are self-employed. 83 percent of rural youth and 72 percent of youth with no formal level of education are employed in agriculture. Most youth employed in agriculture produce staple crops such as rice and cassava with only 5 percent of youth engaged in agriculture growing cash crops such as cotton. 60 percent of urban youth, on the other hand are self-employed in non-farm enterprises. 77 percent of youth owned firms are single-person enterprises, while 75 percent of are informal (unregistered) enterprises.
- 12. Compared to relatively low unemployment and underemployment levels, Sierra Leone has a high prevalence of youth who are Not in Employment, Education, or Training (NEET), with urban female youth facing the highest NEET rates. Overall 18 percent of Sierra Leonean youth are NEET. The incidence of NEET is generally high among urban youth and particularly high among female urban youth and youth in Freetown, where the NEET rate rises to 27 percent. Nearly one-fourth of youths with a secondary education and above are NEET, compared to 15 percent without a formal education. However, this pattern is different in urban areas where 29 percent of youth without formal schooling are NEET compared to 27 percent of those with secondary education or above. In contrast to unemployment and underemployment rates, the correlation between household consumption and NEET rates is not strong, with male youth facing high NEET rates in the bottom quintile whereas female youth facing slightly higher rates in the top quintile of the consumption distribution.

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¹⁷ Unemployment rate is calculated as the percentage of people in the labor force who are not currently unemployed and looking for employment, following international (ILO) definition

¹⁸ Underemployment rate is calculated as the percentage of people in the labor force who are employed but work less than 40 hours a week and have expressed the desire to work more hours

¹⁹ All of the statistics cited in this paragraph are derived from the SLIHS 2018 survey

- NEET irrespective of geographical location or education levels due to domestic responsibilities and lack of financial resources to start their own business. Women account for 58 percent of NEET youth in urban areas and 68 percent of NEET youth in rural areas. For female youth, staying out of the labor market and the educational system can be closely linked with domestic and childbearing responsibilities. 41 percent of rural female youth and 33 percent of urban female youth cite domestic responsibilities and taking care of children as a reason for not engaging with the labor market. Across rural and urban areas, 38 percent of women have been pregnant or given birth in the last 12 months are NEET, compared to 28 percent of women who are active in the labor force. Similarly, another constraint identified by women for staying out of the labor force is lack of financial resources to start a business. 30 percent of urban female youth who are NEET point to lack of access to finance as the biggest obstacle to participating in the labor market. For rural male youth, lack of financial resources and disability are key issues for being NEET 8.2 percent of the rural male youth who are NEET identify as Persons with Disability (PWD) compared to 3.5 percent of the rural male youth who are employed. ²⁰ Among the PWDs, youth affected by the civil war face psychosocial challenges that constrain productive engagement with the labor market and need support through behavioral interventions. ²¹
- 14. A review of current programs that aim to advance the agenda of youth employment in the country found valuable lessons and gaps that the proposed project will address. Drawing on desk research, review of online resources, and accessible project documents and evaluation reports, a review of 24 government and donor funded youth employment programs found that a total of US\$ 103m worth of programs have already been implemented to support various aspects of youth employment in the country. These programs offered both supply side interventions (16 out of 24) that aimed to provide skills development and labor market training to beneficiaries as well as demand side interventions (11 out of 24) that supported businesses through subsidies, tax cuts, and incubation. The review, however, also found several gaps in supporting the youth employment agenda. Most programs were implemented in the Western Area (13 out of 24) which left out rural youth who need support to move away from subsistence agriculture. The mapping also showed that only 5 of the interventions specifically targeted vulnerable youth groups including women or PWDs. Similarly, only five programs explicitly provided grants or credits to expand access to finance, which is repeatedly highlighted as a critical constraint that youth face in starting or expanding their businesses. Finally, only six out of the 24 programs reached more than 10,000 youth, suggesting considerable room for expansion among programs that are successful.²²
- 15. The country has taken important strides toward improving youth employment outcomes in recent years. In 2014, the Government, with the support of the World Bank adopted a revised National Youth Policy, which outlines the Government's priority areas of intervention and key strategies for youth empowerment. To implement the priority areas of the policy, the Government with support from the United Nations Development Programme developed A Blueprint for Youth Development Programme (2014-2018), which identifies several constraints and opportunities to providing better livelihood options for youth in the country. ²³ Agriculture and fisheries sectors are earmarked with the potential for generating most sustainable jobs for youth in the near term, but the blueprint mentions that this requires significant policy reform, political will, and practical action. In addition, the government has established the MoYA and the

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 $^{^{\}rm 20}$ All of the statistics cited in this paragraph are derived from the SLIHS 2018 survey

²¹ Betancourt, T.S., McBain, Newnham,E, J. *et al.* A behavioural intervention for war-affected youth in Sierra Leone: a randomized controlled trial. J Am Acad Child Adolescent Psychiatry. 2014 Dec;53(12):1288-97. doi: 10.1016/j.jaac.2014.09.011. 2014 Oct 2.

²² The detailed lessons from this assessment are summarized in a recently published note on Youth Employment in Sierra Leone. Available at: https://documents.worldbank.org/en/publication/documents-reports/documentdetail/842891619677858048/post-review-youth-employment-note

²³ Sierra Leone, Ministry of Youth Affairs (2014): A Blueprint for Youth Development

NaYCOM. Other government policies which provide further commitment to addressing youth unemployment issues include the "*Agenda for Prosperity (A4P)*". This policy document defines the overall development of the country and is the main national anchor for dealing with the medium to long-term challenges posed by the EVD outbreak. The A4P includes a Labor and Employment Pillar, with the objective of providing productive and adequately remunerative employment opportunities for vulnerable groups, particularly the youth. Additionally, the main thrust of the National Social Protection Policy adopted in 2011 is to improve the livelihoods of poor people through small and medium enterprise development.

- 16. Youth employment and jobs is a key current priority area for the GoSL. The MTNDP (2019-2023) includes key objectives that aim to promote productive and adequately remunerative employment opportunities to youth. Several programs have been implemented by relevant MDAs in the recent past that, among others, provide apprenticeships and entrepreneurship support for youth (National Youth Commission [NaYCOM] and Ministry of Youth Affairs [MoYA]), provide economic empowerment to persons with disability with special emphasis on skills training (Ministry of Social Welfare [MSW]), prevent child labor through provision of education (Ministry of Labor and Social Security [MLSS]), and support youth with labor-intensive public work programs (NaCSA). Many international partners are also increasingly active in promoting the youth employment agenda in the country with programs in productive safety nets (World Food Program), employment promotion (GIZ) and safe space for adolescents and youth (UNICEF).
- 17. Taking stock of the labor market outcomes for youth, three key considerations emerge that the proposed project "Productive Safety Nets and Youth Employment (PSNYE)" will aim to address. First, youth are constrained by both demand side challenges such as lack of access to finance as well as supply side challenges such as lack of access to quality vocational training. Following global evidence, interventions that combine training and access to finance or credit are likely to have the most success in improving employment outcomes for youth. Second, it is clear that along many dimensions rural and urban youth suffer from different set of constraints. Rural youth are mostly employed in low-productivity subsistence agriculture where job quality seems to be the most binding constraint whereas urban youth are more likely to be unemployed, underemployed or NEET where job access seems to be the binding constraint. Third, it is clear that marginalized groups such as women and PWDs, including marginalized youth suffer worse labor market outcomes that precludes them from productively contributing to the economy. Mainstreaming marginalized groups as target beneficiaries can help youth to productively contribute to their societies.

Relationship to CPF

18. The proposed PSNYE project is fully aligned with the most recent Country Partnership Framework (FY21-26; Report #148025) for Sierra Leone. The CPF aims to support GOSL's a human capital-driven model of development and growth strategy by focusing on economic diversification to reduce the volatility and vulnerability of the economy. In particular, the proposed activities of the project are directly aligned with *Focus Area 2: Human Capital Acceleration for Inclusive Growth* and *Focus Area 3: Economic Diversification and Competitiveness with Resilience* pillars. As jobs is the central focus in terms of outcomes for the CPF, the proposed activities of the project will target individuals and households, particularly vulnerable youth, to provide them with a coordinated set of interventions including cash transfers, skills training, mentoring, access to finance, and links to market to help boost their income and employability. Similarly, the project will also target inactive youth to provide them with income-earning opportunities through Labor Intensive Public Works (LIPW) in rural and urban areas and provide skilled youth in urban with employment- and entrepreneurship-related services to help them achieve better labor market outcomes. The CPF realizes that a frustrated youth demographic is a potential source of fragility and prioritizes interventions that facilitates them to contribute as productive members of Sierra Leone's society.

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19. The proposed project is also fully aligned with the World Bank COVID-19 Crisis Response Approach. In particular, the project contributes towards achieving the objectives set for in: (i) *Pillar 2: Protecting the poor and vulnerable from the economic and social impact of the pandemic*; (ii) *Pillar 3: Saving livelihoods, preserving jobs, and ensuing more sustainable business growth and job creation*; and (iv) *Pillar 4: Strengthening policies, institutions, and investments for resilient, inclusive, and sustainable recovery*. Building on the instrumental role played by the Social Protection programs to shield the extreme poor households and vulnerable informal sector workers from the negative economic impact of COVID-19, the proposed project aims to lay the groundwork for a strong and resilient recovery in Sierra Leone. The project aims to improve the productivity and employability of youth in urban and rural areas through interventions that are catered to their needs and will help put them on a sustainable economic path. In doing so, the project also aims to improve the delivery systems built so far through deep engagement with GoSL, to enable these systems to not only protect the poor and vulnerable, but also propel them to achieve better labor market outcomes.

C. Proposed Development Objective(s)

The objective is to improve productivity, employability, and resilience of targeted beneficiaries, including vulnerable youth in Sierra Leone.

Key Results (From PCN)

- a. Percentage of new or existing micro and small enterprises operational 6 months after receiving support (of which, percentage female-led)
- b. Number of beneficiaries of the labor-intensive public works (of which, females)
- c. Number of urban youths supported for employment and entrepreneurship (of which, female)

D. Concept Description

- **20.** The proposed PSNYE project will be an IPF of US\$ 40 million, spanning five years. It is composed of five components (with tentative allocations) as follows:
 - a. Component 1: SSN Cash Transfers and Provision of Economic Inclusion Support
 - b. Component 2: Productive Labor-Intensive Public Works and Life Skills Support for Youth
 - i. Sub-Component 2A: Cash for Work (CfW) in Rural Areas
 - ii. Sub-Component 2B: Green Public Works (GPW) in Urban Areas
 - c. Component 3: Employment and Entrepreneurship Support for Youth
 - iii. Sub-Component 3A: Support to Youth-led Household Enterprises
 - iv. Sub-component 3B: Establishment of a Platform to Support Youth Employment
 - d. Component 4: Systems Development, Institutional Strengthening and Project Management Support
 - v. Sub-Component 4A: Systems Development and Coordination
 - vi. Sub-Component 4B: Project Management Support
 - e. Component 5: Contingent Emergency Response Component (CERC)
- 21. Component 1- SSN Cash Transfers and Provision of Economic and Inclusion Support: This component aims to provide an integrated package of services to extreme poor households to put them on a sustainable economic path. This package will, in addition to the regular income support through the SSN cash transfers, include a start-up capital grant, training and mentoring, and support for behavioral change. In consultation with relevant stakeholders

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and project beneficiaries the component will develop an integrated package of services which could include: (i) programs that improve investments in nutrition, health, and education; (ii) programs that improves the gender and disability sensitivity/responsiveness of program delivery; or (iii) programs that improve financial inclusion and access to finance, among others.

22. Component 2: Labor-intensive Public Works and Life Skills Support for Youth:

- a. Sub-Component 2.1: Sustainable Cash for Work (SCfW) in Rural Areas seeks to provide youth with immediate employment opportunities in rural areas of Sierra Leone. The objective of this sub-component is to provide youth with immediate employment opportunities in rural areas of Sierra Leone. This component will target inactive and underemployed rural youth, particularly female youth, to provide or supplement their livelihoods with environmentally sustainable CfW opportunities in rural areas. Proposed activities to be carried out under this component include rehabilitation and improvement of small-scale irrigation (existing tertiary irrigation canals, tube wells, and borewells) to enhance climate resilience, improvement of feeder roads, and soil conservation measures such as planting trees, gabions, and drainage canals.
- b. Subcomponent 2,2: Green Public Works in Urban Areas aims to provide youth with immediate employment opportunities to improve environmental and sanitary aspects of urban areas of Sierra Leone. Examples of proposed activities under this component could include improvement in public spaces including cleaning of public areas, tree planting, garbage and refuse collection and waste disposal, rehabilitation of classroom blocks and public toilets and repairing of clinics or primary health centers.
- c. Both sub-components will also aim to provide participating youth with life-skills training aimed at: (i) conflict resolution and peer community awareness on sanitation, hygiene, and health promotion to enhance the long-term benefits to youth participating in the productive public works program; and (ii) behavior modification around self-esteem, sexual and reproductive health, communication strategies, work readiness, teamwork, and community relations, as well as basic business and money management practices.
- 23. Component 3: Employment and Entrepreneurship Support for Youth. This component will: (i) support young individuals and youth groups who either have established businesses or are interested in opening new business with on-the-job apprenticeships or vocational training to improve their skills and business management practices and startup grants; and (ii) establish a platform where youth can access information to enhance their employability and empowerment and which will enable the collection and dissemination of information on jobs, training and livelihood programs, policies and empowerment opportunities for the youth.
- 24. Component 4: Systems Development, Institutional strengthening and Project Management Support: This component will support activities related to: (i) overall project supervision, monitoring, and coordination, (ii) implementation of components 1-3 (iii) implementation of third-party monitoring, Grievance Redress Mechanism (GRM), and anti-corruption measures under the Anti-Corruption Commission; (iv) financial management and procurement arrangements; (v) environmental and social safeguards; and (vi) inter-agency coordination for implementation of social protection programs. The component will also finance learning activities such as: (i) impact evaluations and tracer studies and (ii) knowledge sharing events, including work at the level of central and local government; and (iii) the programming and implementation of training for staff at the respective implementation agencies.
- **25. Component 5: Contingency Emergency Response Component:** This component will support contingency and emergency response through emergency cash transfers.

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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	

The Environmental Risk is rated as Moderate. The environmental risks of the project are mainly s associated with civil works and public greening activities proposed under component 2. The physical improvements on public infrastructure will involve small scale rehabilitation of existing facilities, namely: irrigation, feeder roads, gabions and draining canals, classroom blocks and public toilets, clinics and primary health centers. The component will also finance refuse and garbage collection and waste disposal; and will support green public works in urban areas through cleaning and tree planting in public spaces. These activities could have an impact and the key environmental risks include air, soil, surface and ground water pollution from wastes, spills and sediments generated during rehabilitation of irrigation canals and wells, feeder roads and drainage canals; threat to aquatic, wetland and terrestrial ecosystems from poor handling of construction wastes; safety of workers, farmers, pedestrians and the general public during road works, as well as students, teaching staff, health workers, hospital patients, service users, visitors and other members of the community during the rehabilitation works on school and health infrastructure. For buildings with asbestos cement materials (ACM), workers may be exposed to asbestos from demolition or removal of sections of these buildings. The cleaning and tree planting exercise would have environmental and community health benefits but could also have minimal negative impacts on society and the environment during implementation, if it is not managed properly. While the government may have weak systems in place and poor safeguards implementation history, the localized and temporary nature of these impacts can be easily managed by the contractors using established, cost-effective, and technically feasible mitigation measures under regular supervision. These mitigation measures will be described in Environmental and Social Management Framework and Plan (ESMF and ESMP).

The Social Risk is rated as Moderate. The project builds on experiences and lessons from the ongoing Sierra Leone Social Safety Nets (SSN) Project (P143588) and the Sierra Leone Youth Employment Support Project (YESP; P121052) which was implemented between 2010 to 2015. While the project activities are expected to have positive social impacts including support to poor and vulnerable households with regular income support through cash transfers, provision of start-up capital grant, training and mentoring, and support for behavioral change under component 1; provide youth with immediate employment opportunities in rural areas of Sierra Leone through Labor Intensive Public Works under component 2 and Support for Youth Employment and Entrepreneurship opportunities under component 3, some social risks are also envisaged. Project activities relating to allocation of cash transfers, start-up capital and employment opportunities could be prone to discrimination and exclusion of certain vulnerable groups. Misunderstanding on eligibility criteria for these safety nets could also lead to tensions. Labor intensive public works proposed under component 2 may exposed workers and nearby community members to health and safety risks including injuries, COVID-19, and gender-based violence (GBV). Whilst these issues could occur, they are not expected to happen on a large scale nor expected to be significant because of the project design. The project will rely on a robust system designed by Statistics SL on beneficiary targeting, which allows for objective selection of eligible beneficiaries without prejudices. Routine safety procedures are expected to be sufficient to mitigate and manage other health and safety risks posed by this project.

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APPROVAL

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Country Director:	Gayle Martin	30-Jun-2021

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