Early Warning System

WB-P177947

Sierra Leone Financial Inclusion Phase 2

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Quick Facts

Countries	Sierra Leone
Financial Institutions	World Bank (WB)
Status	Proposed
Bank Risk Rating	B
Voting Date	2023-03-09
Borrower	Government of Sierra Leone
Sectors	Finance
Investment Type(s)	Grant
Investment Amount (USD)	$ 30.00 million
Project Cost (USD)	$ 30.00 million

Project Description

According to bank documents, the objective of the project is to facilitate the financial inclusion of individuals and micro, small and medium sized enterprises (MSMEs).

1. Component 1: Adoption and usage of transaction accounts. The objective of this component would be to support adoption and usage of transaction accounts. These measures aim to contribute to broader adoption and usage of transaction accounts and digital finance in Sierra Leone – including as a store of value and as steppingstone for the poor to more advanced financial services.
    i. Sub-component 1.1: Enhancing access points for digital payments. Sub-component 1.1 would seek to facilitate the expansion of access points, including point of sale (POS) terminals, mobile wallets and other digital financial access points that facilitate government and other payments.
    ii. Sub-component 1.2: National payments system infrastructure development. Sub-component 1.2 would seek to facilitate a safe and efficient payment system with the latest features and functionalities and support ancillary system and participants' access to the payment system through a combination of TA and investment financing.
    iii. Sub-component 1.3 Enabling environment for increased adoption and usage of transaction accounts. Sub-component 1.3 would seek to facilitate an enabling environment for increased adoption and usage of transaction accounts through a combination of technical assistance and investments.
2. Component 2: Increasing access to credit for MSMEs. The objective of this component is to facilitate sustainable access to credit for MSMEs, in particular women-led businesses.
    i. Sub-Component 2.1: Enhancing the supply of and demand for MSME A2F. Sub-component 2.1 is centered around an MSME line-of-credit to competitively selected Participating FIs (PFIs) and accompanying TA to all eligible FIs so they can better serve MSMEs.
    ii. Sub-Component 2.2: Enhanced supervisory capacity. Sub-component 2.2 will invest in the supervision capacity of financial sector regulators (especially the BSL's Other FI Supervision Department, and potentially others such as Apex Bank based on further scoping) so they are better able to support sustainable MSME access to finance.
    iii. Sub-Component 2.3: Enabling a modern credit infrastructure. This sub-component aims to facilitate the establishment and operationalization of a modern credit reference system and support increased uptake of the newly launched collateral registry.
3. Component 3: Project Management, Monitoring and Evaluation. This component will support: (i) Government and other actors capacity strengthening for the coordination, design, and implementation; (ii) the administrative, technical, and financial management of the project by Project Implementation Unit (PIU) under the oversight of Project Steering Committee; (iii) the coordination among all institutional partners to ensure the efficient flow of information among all actors and coordination with the private sector; (iv) the establishment of monitoring and evaluation mechanism of the project's results and impact; (v) the development of communication activities to publicize and disseminate project results, best practices, and success stories.
4. Component 4: Contingent Emergency Response Component (CERC). In line with the World Bank's Operational Policy OP8.00, it would also house a CERC. This is a provisional zero amount component to allow for rapid reallocation of loan proceeds from other project components during an emergency such as a natural or constructed disaster or crisis that has caused or is likely to cause a major adverse economic or social impact. To trigger this sub-component, the Government must declare an emergency or provide a statement of fact justifying the request for activating the use of emergency

Investment Description

- World Bank (WB)

Contact Information

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ACCESS TO INFORMATION

To submit an information request for project information, you will have to create an account to access the Access to Information request form. You can learn more about this process at: https://www.worldbank.org/en/access-to-information/request-submission

ACCOUNTABILITY MECHANISM OF THE WORLD BANK

The World Bank Inspection Panel is the independent complaint mechanism and fact-finding body for people who believe they are likely to be, or have been, adversely affected by a World Bank-financed project. If you submit a complaint to the Inspection Panel, they may investigate to assess whether the World Bank is following its own policies and procedures for preventing harm to people or the environment. You can contact the Inspection Panel or submit a complaint by emailing ipanel@worldbank.org. Information on how to file a complaint and a complaint request form are available at: https://www.inspectionpanel.org/how-to-file-complaint

Bank Documents

- Project Information Document [Original Source]