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IDA/R2018-0023/1

February 12, 2018

Closing Date: Thursday, February 22, 2018 at 6:00 p.m.

FROM: Vice President and Corporate Secretary

Sierra Leone - Freetown Emergency Recovery Project

Project Appraisal Document

Attached is the Project Appraisal Document regarding a proposed grant to Sierra Leone for a Freetown Emergency Recovery Project (IDA/R2018-0023), which is being processed on an absence-of-objection basis.

Distribution:
Executive Directors and Alternates
President
Bank Group Senior Management
Vice Presidents, Bank, IFC and MIGA
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Document of

The World Bank

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Report No: PAD2690

INTERNATIONAL DEVELOPMENT ASSOCIATION

PROJECT APPRAISAL DOCUMENT

ON A

PROPOSED GRANT

IN THE AMOUNT OF SDR7.10 MILLION
(US$ 10 MILLION EQUIVALENT)

TO THE

REPUBLIC OF SIERRA LEONE

FOR A

FREETOWN EMERGENCY RECOVERY PROJECT

February 8, 2018

Social, Urban, Rural And Resilience Global Practice
Africa Region

CURRENCY EQUIVALENTS

(Exchange Rate Effective Dec 31, 2017)

Currency Unit	=	US Dollar
US$1.00	=	SDR 0.702183

FISCAL YEAR
January 1 - December 31

Regional Vice President:	Makhtar Diop
Country Director:	Henry G. R. Kerali
Senior Global Practice Director:	Ede Jorge Ijjasz-Vasquez
Practice Manager:	Meskerem Brhane
Task Team Leader(s):	Robert Reid

ABBREVIATIONS AND ACRONYMS

AfDB	African Development Bank
ARAP	Abbreviated Resettlement Action Plan
ASSL	Audit Service Sierra Leone
AWPB	Annual Work Plan and Annual Budget
BGS	British Geology Survey
CPF	Country Partnership Framework
DA	Designated Account
DaLA	Damage and Loss Assessment
DFID	Department for International Development (U.K)
DMD	Disaster Management Department
DO	Development Objectives
DPO	Development Policy Operation
DRM	Disaster Risk Management
DRR	Disaster Risk Reduction
DTM	Digital Terrain Model
EPA	Environmental Protection Agency
EOC	Emergency Operation Center
EOI	Expressions of Interest
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
EU	European Union
FCC	Freetown City Council
FERP	Freetown Emergency Recovery Project
FM	Financial Management
FWC	Freetown WASH Consortium
GDP	Gross Domestic Product
GFDRR	Global Facility for Disaster Reduction and Recovery
GIS	Geographic Information System
GoSL	Government of Sierra Leone
GRM	Grievance Redress Mechanism
GRS	Grievance Redress Service
GVWC	Guma Valley Water Company
HEIS	Hands-on Expanded Implementation Support
IA	Implementing partner
IBRD	International Bank for Reconstruction and Development
IC	Internal Control
ICR	Implementation Completion and Results Report
IDA	International Development Association
IsDB	Islamic Development Bank
IFR	Interim financial report
INTEGEMS	Integrated Geo-information and Environmental Services
IPF	Investment Project Financing
ISA	International Standard on Auditing

ISP	Implementation Support Plan
ISR	Implementation Status and Results Report
LRF	Landslide Response Framework
MCC	Millennium Challenge Corporation
MDAs	Ministries, Departments and Agencies
M&E	Monitoring and Evaluation
MIC	Ministry of Information and Communication
MIS	Management Information System
MoFED	Ministry of Finance and Economic Development
MLCPE	Ministry of Lands Country Planning and Environment
MTR	Mid-Term Review
MoWHI	Ministry of Works, Housing and Infrastructure
MoWR	Ministry of Water Resources
NaCSA	National Commission for Social Action
NDMA	National Disaster Management Agency
NGO	Non-Governmental Organization
NPF	New Procurement Framework
NPAA	National Protected Area Authority
NPV	Net Present Value
NSPS	National Social Protection Secretariat
ONS	Office of National Security
PAD	Project Appraisal Document
PC	Project Coordinator
PCU	Project Coordination Unit
PDO	Project Development Objective
PDT	President Delivery Team
PEFA	Public Expenditure and Financial Accountability
PFM	Public Financial Management
PFMU	Project Fiduciary Management Unit
PFP	Project Focal Point
PIM	Project Implementation Manual
PIP	Public Investment Program
PIU	Project Implementation Unit
PPSD	Project Procurement Strategy for Development
PSC	Project Steering Committee
PRP	President Recovery Priorities
RAP	Resettlement Action Plan
SLRA	Sierra Leone Roads Authority
SOE	Statement of Expenditure
SOP	Standard Operating Procedure
SORT	Systematic Operations Risk Rating Tool
SSN	Social Safety Nets
TDF	Transformational and Development Fund
TOR	Terms of Reference
TSU	Technical Support Unit
TTL	Task Team Leader

UN	United Nations
UNICEF	United Nations Children's Fund
UNDP	United Nations Development Program
UNOPS	United Nations Office for Project Services
USAID	United States Agency for International Development
VfM	Value for Money
WB	World Bank
WFP	World Food Program

BASIC INFORMATION

Is this a regionally tagged project?	Country(ies)	Financing Instrument
No		Investment Project Financing

[✓] Situations of Urgent Need of Assistance or Capacity Constraints

[ ] Financial Intermediaries

[ ] Series of Projects

Approval Date	Closing Date	Environmental Assessment Category
22-Feb-2018	28-Feb-2021	B - Partial Assessment

Bank/IFC Collaboration
No

Proposed Development Objective(s)

The Project Development Objective is to rehabilitate selected critical infrastructure and to strengthen government capacity for managing disaster risk.

Components

Component Name	Cost (US$, millions)
Component 1: Rehabilitation of Public Infrastructure and Slope Stabilization	7.84
Component 2: Strengthening institutional capacity	1.80
Component 3: Project Management	1.90

Organizations

Borrower : Ministry of Finance and Economic Development (MoFED)

Implementing Agency : Ministry of Finance and Economic Development (MoFED)

Safeguards Deferral

Will the review of safeguards be deferred?

[✓] Yes [ ] No

PROJECT FINANCING DATA (US$, Millions)

SUMMARY

Total Project Cost	11.54
Total Financing	11.54
Financing Gap	0.00

DETAILS

Counterpart Funding	1.54
Borrower	1.54
International Development Association (IDA)	10.00
IDA Grant	10.00

Expected Disbursements (in US$, millions)

Fiscal Year	2018	2019	2020	2021
Annual	1.50	2.50	3.50	2.50
Cumulative	1.50	4.00	7.50	10.00

INSTITUTIONAL DATA

Practice Area (Lead)

Social, Urban, Rural and Resilience Global Practice

Contributing Practice Areas

Climate Change and Disaster Screening

This operation has been screened for short and long-term climate change and disaster risks

Gender Tag

Does the project plan to undertake any of the following?

a. Analysis to identify Project-relevant gaps between males and females, especially in light of country gaps identified through SCD and CPF

No

b. Specific action(s) to address the gender gaps identified in (a) and/or to improve women or men's empowerment

Yes

c. Include Indicators in results framework to monitor outcomes from actions identified in (b)

Yes

SYSTEMATIC OPERATIONS RISK-RATING TOOL (SORT)

Risk Category	Rating
1. Political and Governance	High
2. Macroeconomic	Substantial
3. Sector Strategies and Policies	Moderate
4. Technical Design of Project or Program	Moderate
5. Institutional Capacity for Implementation and Sustainability	Substantial
6. Fiduciary	Substantial
7. Environment and Social	Substantial
8. Stakeholders	Substantial

9. Other	
10. Overall	Substantial

COMPLIANCE

Policy

Does the project depart from the CPF in content or in other significant respects?

[ ] Yes [✓] No

Does the project require any waivers of Bank policies?

[ ] Yes [✓] No

Safeguard Policies Triggered by the Project	Yes	No
Environmental Assessment OP/BP 4.01	✓	
Natural Habitats OP/BP 4.04	✓	
Forests OP/BP 4.36	✓	
Pest Management OP 4.09		✓
Physical Cultural Resources OP/BP 4.11	✓	
Indigenous Peoples OP/BP 4.10		✓
Involuntary Resettlement OP/BP 4.12	✓	
Safety of Dams OP/BP 4.37		✓
Projects on International Waterways OP/BP 7.50		✓
Projects in Disputed Areas OP/BP 7.60		✓

Legal Covenants

Sections and Description

The Recipient shall, not later than one (1) month after the Effectiveness Date, prepare and adopt, in form and substance satisfactory to the Association, a Project Implementation Manual.

The Recipient, prior to commencement of bidding for civil works, shall prepare, adopt and disclose, the relevant environmental and social safeguards instruments, including the Environmental and Social Impact Assessment ("ESIA"), the Environmental and Social Management Plan ("ESMP"), and the Resettlement Action Plan ("RAP") or Abbreviated Resettlement Action Plan ("ARAP"), in form and substance satisfactory to the Association, and

incorporate the relevant recommendations of said safeguards documents into the bidding documents.

Conditions

PROJECT TEAM

Bank Staff

Name	Role	Specialization	Unit
Robert Curle Jesse Reid	Team Leader(ADM Responsible)		GSU19
Innocent Kamugisha	Procurement Specialist(ADM Responsible)		GGOPA
Sydney Augustus Olorunfe Godwin	Financial Management Specialist		GGOAS
Alidu Babatu Adam	Social Safeguards Specialist		GSU20
Allan Dunstant Odulami Cole	Team Member		AFMSL
Ana Campos Garcia	Team Member		GSU13
Anita Bimunka Takura Tingbani	Environmental Safeguards Specialist		GEN01
Deepali Tewari	Team Member		GSU19
Deo-Marcel Niyungeko	Team Member		GWA08
Elad Shenfeld	Team Member		GFDRR
Frank Anthony Fariello	Counsel	Country Lawyer	LEGAM
Gertrude Sara Morgan	Team Member		GSU13
Gloria Malia Mahama	Social Safeguards Specialist		GSU20
Isabelle Celine Kane	Team Member		GSU19
Ivan Dharma Bruce	Team Member		GSU19
Maiada Mahmoud Abdel Fattah Kassem	Team Member	Disbursement Officer	WFACS
Rildo Santos	Team Member		GSU13
Shahrzad Mobasher Fard	Team Member		GMTMN

Sheikh Alhaji Yayah Sesay	Team Member		AFMSL
Sumati Rajput	Team Member		GFDRR
Swati Sachdeva	Team Member		GSU19
Thierry Michel Rene Martin	Team Member		GSU10
Toshihiro Sonoda	Team Member		GEN07

Extended Team

Name	Title	Organization	Location

TABLE OF CONTENTS

I. STRATEGIC CONTEXT

A. Country Context

1. **Situated on the West Coast of Africa, Sierra Leone is one of the poorest countries in Sub-Saharan Africa.** Per capita gross domestic product (GDP) stagnated after independence in 1961, contracting by 3.4 percent on average during the civil war (1991–2001) and increasing by an average of 5.9 percent from 2002 to 2014. The decade-long civil war displaced more than 2 million people[1] and deeply impacted Sierra Leone's economic and social development. The country was severely affected by twin shocks in 2014, the Ebola virus outbreak and the downturn of international prices of iron ore, the combination of which caused the economy to contract by more than 20 percent,[2] plunging the country into economic and social turmoil, from which the economy is still recovering.

2. **Agriculture remains the main source of livelihood in Sierra Leone, particularly for the rural poor, but the rate of urbanization is on the rise.** Agriculture employs more than half of the country's formal and informal workforce, and contributed to almost 50 percent of increase in GDP between 2001 to 2014. The current trend of urbanization is 2.75% per annum which exceeds the population rate of 2.36% per annum. The share of the population living in urban areas almost doubled from 21 percent in 1967 to about 40 percent in 2015, with a high concentration in the capital, Freetown, which has grown to an estimated population of 1 million. 40 percent of Sierra Leone's population of 7.1 million and 36 percent of Sierra Leone's poor live in urban areas, where poverty headcount rates have declined[3] despite economic activity being predominantly informal. Formal work is restricted to the few most highly educated workers – over 35 percent of wage jobs and over 88 percent of non-agricultural self-employment are informal.[4]

3. **Sierra Leone's geography, geology, and climate endows the country with a wealth of natural resources, but also leaves the country susceptible to natural disasters and climate change.** Sierra Leone has a tropical monsoon climate and has an extended rainy season from May to November, which brings torrential downpours with over 4,000 mm annual precipitation. The most prevalent climate disasters include floods, wind storms, landslides, and coastal erosion. In the last 15 years, four major floods have affected over 220,000 people and caused severe economic damage.[5]

4. **The Notre Dame Global Adaptation Index ranks Sierra Leone 158 out of 182 countries and territories in terms of vulnerability to climate change.[6]** With 13 percent of its area and more than 35 percent of the population at-risk, the mortality risk from multiple hazards is high. Extreme precipitation and sea level rise increasingly threatens coastal areas with flooding and erosion. The country's average annual temperature is projected to increase between 1.0° C and 2.6° C by the 2060s and 1.5° C and 4.6° C by the 2090s. Sea level is projected increase between 0.4 m to 0.7 m by 2100.[7]

[1] City governments have been unable to deliver adequate infrastructure and services commensurate with the pace of urbanization (World Bank 2010)

[2] World Bank (2017); Republic of Sierra Leone, Priorities for Sustainable Growth and Poverty Reduction, Systematic Country Diagnostic (SCD); Report No. 115408.

[3] The largest changes in poverty headcount occurred in urban areas outside the capital Freetown, where rates declined from 70.9 percent in 2003 to 39.9 percent in 2011 (World bank calculations based on SLIHS 2003 and 2011, SCD).

[4] Findings from the 2014 Labor Force Survey in Sierra Leone http://dx.org

[5] Sierra Leone: Rapid Damage and Loss Assessment of August 14th, 2017 Landslide and Floods in the Western Area; Report No. 121120.

[6] This ranking is developed under the Notre Dame Global Adaptation Initiative (ND-GAIN) (http://index.gain .org/ranking/vulnerability). This is a program within the Notre Dame Environmental Change Initiative. United Framework Convention on Climate Change (UNFCCC), World Bank, United Nations Environment Program (UNEP), are some of their many partners. ND-GAIN is an observer to the Adaptation Committee convened by UNFCCC.

[7] Global Facility for Disaster Reduction and Recovery: *https://www.gfdrr.org/sierra-leone*

B. Situation of Urgent Need of Assistance

5. **On August 14th 2017, Freetown experienced one of its most severe landslides.** The landslide, comprising a mix of clay soil and boulders of up to 40 cubic meters, ripped through the city of Freetown with tremendous energy destroying everything in its path. Residents reported a large 'tidal wave' of material advancing down the river channel immediately after the landslide. The event had a massive human impact, with 1,141 declared dead or missing and over 6,000 people affected. The landslide caused major destruction of infrastructure, including 349 buildings, bridges, roads, schools, and health facilities. On the same day, flooding throughout the city also damaged infrastructure and affected households.

6. **President Ernest Koroma declared a Level 3 emergency on August 16th 2017.** An emergency meeting was held with donors on August 15th 2017 to explore potential immediate support to Sierra Leone. The Office of National Security (ONS) deployed personnel and resources across the city to respond to emergency calls, and to help deal with the disaster. ONS activated the Pillar Working Groups to coordinate the response, including government counterparts, development partners, and other key stakeholders. Three temporary camps received support from a number of bilateral donors, UN agencies, and civil society organizations. The camps are now closed following a series of cash payments to 1,908 validated affected households.

7. **Following the event, the Government requested the World Bank's financial and technical support in a letter dated August 15th, 2017, including a request for an assessment of the impact of the disaster.** The Damage and Loss Assessment (DaLA) was completed in early September 2017 and estimated a total economic value of the effects of the landslides and floods at US$31.65 million. The total recovery needs have been estimated at US$82.41 million, with US$40.54 million needed for recovery interventions in the first year, and US$41.86 million for the second and third year.

8. **The World Bank responded fast and has committed over half the resources provided by partners to support the recovery effort.** A first tranche of World Bank funding has been provided through supplemental grant financing of $10 million from an ongoing Development Policy Operation (DPO) (P165639). This supplemental financing, which was approved by the World Bank at the end of November 2017, provides fiscal space for the Government to respond to the most immediate recovery priorities, informed by the DaLA and the Landslide Response Framework (LRF). Additionally, the World Bank is allocating around US$5 million from an ongoing health project to respond to health needs emerging from the recent disaster and to strengthen the national emergency medical services (nEMS). Further, in response to the Government's request for additional assistance, dated October 25th 2017, the World Bank will make available a second line of financing through this proposed Freetown Emergency Recovery Project (FERP). This additional US$10 million will help finance specific recovery and reconstruction priorities requiring more hands-on support to integrate build-back-better approaches into design and coordination.

9. **There is a window of opportunity to support urgent reconstruction and rehabilitation interventions, and strengthen disaster risk management (DRM) capabilities.** Considering the relatively short dry season in Sierra Leone, urgent repair and reconstruction works need to be implemented before the next rainy season sets in again in mid-May. Therefore, the government has already started some urgent repairs, with support from UN Office for Project Services (UNOPS) and has started planning for some of the more complex interventions, that would be financed by this project. Some of these preparatory activities will be financed upfront by the Government (see section III. B. *Project Cost and Financing* for further details). In addition, strong inter-governmental momentum has been generated around the recovery effort, which can lead to lasting DRM institutional strengthening if timely support is provided. The Project is therefore being processed under Paragraph 12 (Situations of Urgent Need of Assistance), Section III of the Investment

Project Financing (IPF) policy (formerly OP 10.00) and is being prepared using condensed procedures including deferral of environmental and social requirements to the project implementation phase (although preparations for the studies will begin to ensure that key project activities can commence once the project becomes effective).

C. Sectoral and Institutional Context

10. **Despite its economic dominance, Freetown's economic and social infrastructure is dilapidated, and service delivery from existing limited assets is deteriorating rapidly.** Ninety-five percent of Freetown's population is not served by the water supply utility which loses 40 percent of the treated water due to leakages. Only 60 properties in the central business district of the city are connected to the existing 4 km sewage system, the rest of the city is served by septic tanks, pit and bucket latrines, with inadequate liquid and fecal management posing a severe hazard. Fifty percent of the cholera outbreaks in 2012 were in Freetown. The carrying capacity of the existing storm water drainage system, in a city with heavy rainfall, is constrained, both due to unplanned development in natural water ways, but also because of inadequate solid waste management. The two existing waste dumps inside dense neighborhoods of the city are full and are continuing to receive waste, exacerbating health, environmental and drainage challenges. Urban mobility is severely impaired by poor infrastructure, poor management of road space and inadequate public transport. Scarce land is utilized by single-family homes, while the poor live in overcrowded and unhygienic conditions in slums, as there are no zoning laws and land development is fragmented.

11. **Uncontrolled urbanization and climate change continue to exacerbate disaster risks, especially in Freetown.** The capital's coastal position, located on a peninsula and surrounded by mountains means there is limited space for the city to expand. An accelerating ribbon development along the coast and into the more elevated, steeper and forested central mountain belt are resulting in increasing exposure of people and assets to landslides, floods and sea-level rise. Deforestation is increasing surface run-off and intensifying existing risks from floods and landslides further.

12. **The landslide and floods impacted a wide range of service delivery infrastructure throughout the city including transport, water and sanitation, health and education services.** The event had a major impact on transport connectivity, damaging and destroying eight bridges and over five km of roads, adversely impacting the lives and livelihoods of surrounding communities. The event damaged parts of the piped water network, the reservoir of the Babadorie water treatment system, and floods also entered the Charlotte water system, requiring the clearing of boulders and desilting of the weir.

13. **Urgent remediation measures are also needed to stabilize the slopes of the landslide areas to prevent further landslide and flood risk.** The landslide debris is in a loose or soft disturbed condition and includes a considerable number of large boulders, some in a precarious state. There are potentially unstable 'rafts' of soil and weathered rock still clinging to the steep slopes. It is possible that these could slip during future rainstorm events, putting at risk any communities downstream and potentially threatening any reconstructed bridges or culverts. Water continues to seep from the face of the hill scar, into the new gulley in the debris. Earthworks will be required to stabilize and re-profile the area to a more natural shape and to clear and re-establish watercourse channels. Steep slopes along watercourses will need battering back or strengthening to limit the risk of erosion causing localized landslidesand risk to human life.

14. **Sustained inter-governmental coordination, led by ONS and informed by the DaLA and the LRF, is helping to identify priorities and opportunities for resilient recovery and enhanced disaster risk management capacity.** Following the completion of the DaLA, the Government developed the LRF, with the support of the UN. The LRF complements the findings of the DaLA, and increased the estimate of needs from US$80 to US$100 million. The framework identifies six

priorities for urgent action: (i) housing and social protection; (ii) water and sanitation systems; (iii) investing in the Technical Pillar to inform coordination and design of resilient recovery interventions; (iv) reviewing and relocating health facilities impacted by the disaster; (v) repairing and rehabilitating roads and bridges; and (vi) slope stabilization.

15. **Activities implemented under the FERP will build on recent and ongoing activities and can inform future sectoral investments.** In the medium to long term, a number of World Bank projects are anticipated, covering topics such as urban development, transport and land. The project will also aim to assist the extension of the national social safety net system, which the Bank is supporting, in order to factor in disaster vulnerability into safety net targeting mechanisms. This would draw on a multi-hazard risk assessment, financed by the World Bank and led by ONS, which was presented to the Government in early December 2017. The findings of this risk assessment will also be integrated into the design of the works under this project and DRM institutional strengthening. The project also has the potential to leverage further investment in disaster risk management and solid waste management.

D. Higher Level Objectives to which the Project Contributes

16. **The proposed project will contribute to the World Bank Group's twin goals of eliminating extreme poverty and boosting shared prosperity.** By rehabilitating basic service delivery infrastructure in the affected areas, and by providing support to building institutional capacity to strengthen disaster preparedness and coordination of response, the proposed FERP interventions aim to improve living conditions of the residents of affected areas and restore and strengthen the means for reducing extreme poverty and boosting shared prosperity. Key criteria for selection of the location of works will include investments in affected areas: i) with poorest and most vulnerable populations; ii) with sizeable populations; and iii) access to livelihoods.

17. **This project aligns with Sierra Leone's principles of sustainable growth and poverty reduction as outlined in the 2017 Systematic Country Diagnostic (SCD).** The SCD identifies natural disasters, mainly recurrent floods, drought, and landslides, likely exacerbated by climate change, to be one of the key environmental risks causing severe economic damage and loss of life. Further, disasters affect productive sectors of agriculture, energy, and transport. These disruptions have far-reaching effects on populations that are dependent on these key sectors.

18. **Sierra Leone's Agenda for Prosperity lists disaster risk and emergencies as a cross-cutting risk that undermines sustainable development.** The Agenda for Prosperity outlines preparatory work between 2015-2018 to pave the way for Sierra Leone's vision for 2035 to being an "inclusive, green, middle-income country". In the document, disaster risk is considered a risk to Sierra Leone's population across all ages. The document refers to the need for building resilience to natural disasters by, for example; i) improving weather and climate services through better early warning systems; ii) strengthening the government's capacity to manage disaster risk; and iii) ensuring risk-informed land-use planning. This project will aim to address several of these challenges, including strengthening community resilience through early warning systems, and working with different partners to address capacity constraints for coordination and response to disasters. In addition, resilience was also clearly emphasized in the 2018 Budget Speech presented on 27 October, 2017 by the Minister of Finance and Economic Development.

II. PROJECT DEVELOPMENT OBJECTIVES

A. PDO

19. **The Project Development Objective** is to rehabilitate selected critical infrastructure and to strengthen government capacity for managing disaster risk.

B. Project Beneficiaries

20. **The project will benefit 34,000-44,000 of Freetown's population, of which 40-50 percent are women.** It will directly benefit communities impacted by the disaster of August 14 2017: (i) 400-600 people will benefit from slope stabilization works, with potentially life-saving interventions, which will reduce the overall risks to communities living close to the main landslide area; (ii) 14,000-18,000 people will benefit from restored and improved access to roads, bridges and associated drainage infrastructure; and (iii) 20,00-26,000 people will benefit from restored or improved access to water. The project will improve the quality of life of the people of Freetown by restoring public service delivery infrastructure and helping the city to manage the risk of future floods and landslides. In addition, the people of Sierra Leone will also benefit from the strengthened capacity of the Government in disaster preparedness and early warning system services. The capacities of the institutions involved in project implementation will be also be strengthened, supported by the Project Coordination Unit (PCU) and the Project Financial Management Unit (PFMU) within the Ministry of Finance (MoFED).

C. PDO-Level Results Indicators

21. **The achievement of the PDO will be monitored by the following outcome indicators**:

- Number of beneficiaries with restored or improved access to service delivery infrastructure (percentage of which are women)
- Number of people protected by slope stabilization works (percentage of which are women)
- Disaster preparedness and contingency plan developed (Y/N)

III. PROJECT DESCRIPTION

A. Project Components

22. **The PDO will be achieved through two components, which align with the findings of the DaLA, and support the Government's overall recovery program:** (i) Rehabilitation of Public Infrastructure and Slope Stabilization; and (ii) Strengthening Institutional Capacity.

23. **Component 1: Rehabilitation of Public Infrastructure and Slope Stabilization (US$7.2 million IDA + US$0.64 million counterpart financing)**. This component will finance the restoration and improvement of key public infrastructure and stabilize the area around the slope from where the landslide initiated. The activities under this component will be implemented through three sub-components: (i) Slope Stabilization and Remediation measures; (ii) Road, Bridge, and Drain Infrastructure Rehabilitation; and (iii) Water infrastructure Rehabilitation.

24. **Sub-Component 1.1 Slope Stabilization and Remediation measures (US$1.8 million IDA + US$0.14 million counterpart financing)**. This sub-component will support technical studies, consultation process and implementation of the works needed, including inter alia: (i) removing rock and soil materials that remain at risk of slipping in the next rainy season, (ii) reducing existing risk by reprofiling steep slopes, (iii) ensuring that some river beds are cleared of sediment and riverbanks are protected, (iv) replanting, and (v) demolishing damaged and unstable buildings. This would be a fast-disbursing sub-component, and much of the technical design, feasibility studies, and safeguards instruments will start ahead of project effectiveness so that works can advance ahead of the next rainy season in mid-May. UNOPS will be contracted to implement this sub-component.

25. **Sub-component 1.2: Road, Bridge, and Drainage Infrastructure Rehabilitation (US$2.8 million IDA + US$0.25 million counterpart financing)**. This sub-component will support, inter alia: (i) reconstruction and enhancement of affected pedestrian and vehicular bridges, (ii) road rehabilitation in critical areas, tailored to volume and vehicle usage, (iii) preventive protection and stabilization works on selected sections of the transport network, and (iv) rehabilitation and upgrading of drainage culverts and channels. These activities will be implemented with Sierra Leone Roads Authority (SLRA), housed in the Ministry of Works, Housing and Infrastructure (MoWHI).

26. **Sub-component 1.3: Water Infrastructure Rehabilitation (US$2.6 million IDA + US$0.25 million counterpart financing)**. This sub-component will support restoration of services to improve access to water for affected communities through, inter alia: (i) rehabilitating and upgrading the piped water network in affected areas, (ii) strengthening community water points, including water kiosks and boreholes, and (iii) rehabilitating affected water treatment plants and reservoirs. This will be implemented with the Guma Valley Water Corporation (GVWC).

27. **Component 2: Strengthening Institutional Capacity (US$1.8 million IDA).** The objective of this component is to improve the capability and performance of the GoSL to manage disaster risk and strengthen drainage and solid waste management planning in Freetown. The disaster highlighted the need for different agencies in the Government to better coordinate and respond to disaster emergencies, especially by improving communication and early warning systems. The disaster was also exacerbated by the poor management of solid waste in the city, obstructing the already inadequate drainage channels. Activities under this component will be delivered through two sub-components: (i) Strengthening Disaster Risk Management and Early Warning Systems; and ii) Strengthening Solid Waste Management Planning.

28. **Sub-component 2.1: Strengthening Disaster Risk Management and Early Warning Systems ($1.2 million):** This sub-component will strengthen the institutional capacity of the Government to manage and respond to disasters through activities including, inter alia: (i) updating the Government's disaster risk management (DRM) framework, (ii) improving emergency preparedness capacity, (iii) supporting early warning and response systems. The design of these activities will start with a diagnostic in three key areas: a) the legal and institutional framework, b) human resources capacity, and c) assessment of operational facilities and equipment. This sub-component will be implemented with ONS.

29. **Sub-component 2.2 Strengthening Solid Waste Management Planning ($0.6 million).** This component will support technical studies for solid waste management and drainage for Freetown. This will include: (i) technical studies to improve the management and assess the potential closure and reclamation of the Kissy dumpsite adversely affected by the flooding (leading to several thousand cubic meters of waste being washed away to sea); (ii) finalize the ongoing Freetown Solid Waste Management Strategy, including a topographic survey of the Kissy dumpsite; and (iii) conduct a stability assessment, an environmental and social baseline of site, a hydraulic study of the basin, and options for site closure and redevelopment. This sub-component will be implemented in collaboration with the Environment Protection Agency (EPA), and other relevant stakeholders.

30. **Component 3: Project Management (US$1 million IDA + US$0.9 million counterpart financing).** This component will support the administrative management of the Project by the PCU, the PFMU and implementing partners, including: (i) the cost of a Project Coordinator, specialists in financial management, procurement, environmental and social safeguards, and monitoring and evaluation, (ii) the hiring of other technical experts needed for project preparation and implementation, (iii) preparation of environmental and social safeguards studies and instruments, (iv) carrying out the fiduciary aspects of the Project including audits, (v) the provision of training and workshops, (vi) the financing of the necessary goods, equipment, and operating costs, (vii) costs associated with convening and reporting to the Project Steering Committee (PSC), and (viii) implementation of safeguards instruments.

B. Project Cost and Financing

31. **The project will allow flexibility in resource allocation across project sub-components.** This is achieved by not having itemized disbursement categories, in anticipation of evolving needs in a fluid and fast moving recovery context. Such flexibility allows the project to adapt if the government mobilizes different sources of financing to support certain priorities, and to maximize synergy and complementarity with other related interventions. The project budget breaks down as follows:

Table 1 Project Cost (US$ million)

Project Components	Project cost	IDA Financing	Counterpart Financing
Component 1: Rehabilitation of Public Infrastructure and Slope Stabilization	7.84	7.2	0.64
Component 2: Strengthening Institutional Capacity	1.8	1.8	-
Component 3: Project Management	1.9	1.0	0.90
Total	11.54	10.0	1.54

32. **The Government will finance preparatory activities ahead of project effectiveness including the establishment of the PCU and completion of some technical and safeguards studies for the most urgent recovery interventions.** This will allow for works to be conducted as soon as the project becomes effective during the narrow window of opportunity before the rainy season begins again in May. As part of the above-mentioned counterpart financing, the Government will also finance the necessary safeguards-related compensation to households in line with the safeguards instruments. This is related to the demolition of damaged houses, and temporary disruption to households or businesses, caused by the rehabilitation and construction of roads, bridges, drainage and water pipes. This is something that the IDA grant cannot finance or reimburse. This preliminary estimate is US$500,000. This estimate will be refined once the safeguards instruments have been designed.

C. Lessons Learned and Reflected in the Project Design

33. **The Project was designed using existing best practices.** The proposed project considers lessons learned from previous emergency operations in the Africa region, and also from the World Bank's experience in emergency recovery projects, for example the recent Malawi Drought Recovery and Resilience Project, the Multi-Sectoral Crisis Recovery Project for North Eastern Nigeria, and Burundi Infrastructure Resilience Emergency Project, the Cambodia South East Asian DRM Project, and the Honduras DRM Project. These have provided useful lessons on the importance of programmatic approaches, maintaining a flexible design, and strengthening government capacity. Key lessons learned incorporated are outlined below.

34. **The proposed project adopts a multi-sectoral programmatic approach to ensure the project supports broader government recovery priorities.** Under this approach, the FERP is seen as a subset of a larger multi-sector and multi-partner recovery effort identified in the DaLA. While the size of the project is small in comparison to the scale of the needs, the project will have a leveraging impact and promote coordination among related interventions from the Government, development partners, and other World Bank projects. Components have been designed in close collaboration with various Government entities including MoFED, MoWHI, the Ministry of Water Resources (MoWR), ONS, SLRA, EPA, and the Freetown City Council (FCC). Development partners were also consulted during project preparation, including the African Development Bank (AfDB), the Islamic Development Bank (IsDB), the Department for International Development DFID, the European Union (EU), the United States Agency for International Development (USAID), UNOPS, the United Nations Development Porgramme (UNDP), the World Food Programme (WFP), etc. to ensure synergies and complementarity of activities designed under this project. There is also significant collaboration between the different ongoing and upcoming World Bank engagements to ensure that other sources of World Bank financing can help leverage priorities under this project.

35. **The project incorporates actions to reduce project delays due to non-compliance on safeguards requirements, as experienced by previous projects.** In previous years, bottlenecks emerged because of asset enumeration and valuation, dealing with speculative activities as well as inadequate funds for compensation and resettlement entitlements. In addition, contractor's compliance with safeguards requirements has been less than satisfactory. Given the project urgency, particularly for the slope stabilization works which need to be completed before the next rainy season, the following steps have been identified to avoid setbacks and facilitate quick disbursement: (i) technical designs, feasibility analysis, and safeguards studies, which can take up to 3-4 months will commence ahead of project implementation; (ii) asset enumeration and valuation is proposed to be done early to determine the estimated cost. A cut-off date will be established immediately following enumeration to minimize speculation; and (iii) early in implementation, all governmental bodies involved in the Project will participate in working sessions and training on design of contracts and procedures to be followed.

IV. IMPLEMENTATION

A. Institutional and Implementation Arrangements

36. **The multi-sectoral recovery program will require close coordination with stakeholders.** Each sub-component will be implemented in coordination with the relevant Ministries, Departments, and Agencies (MDAs), and coordinated by a PCU established in MoFED. All financing will be managed by the newly established PFMU in MoFED, which will carry

out all procurement, financial management and internal auditing for the project, in coordination with the PCU and Implementing Partners. To ensure effective collaboration with implementing partners and to facilitate close collaboration with the PFMU, the PCU will be housed within the same department in MoFED. Overall strategic and policy oversight will be provided by a Project Steering Committee (PSC) made up of high-level representatives of the main implementing partners and stakeholders, and chaired by MoFED. Particular effort will be made to build the capacities of the relevant MDAs, both technically, as well as in project management.

37. **The Project Steering Committee (PSC) will provide overall strategic oversight and ensure policy coordination.** The PSC is to be chaired by a designated high-level representative from MoFED and will comprise designated representatives from key implementing partners including SLRA, GVWC, ONS, MWHI, MoWR, EPA, and FCC. The PSC will review the Project's annual work plan and implementation progress and address any implementation challenges. The PSC will ensure coordination with the broader recovery program of the government, led by ONS. When necessary, the PSC will establish a Technical-Operational Committee (TOC) to follow up on specialized issues. The detailed functions and composition of the committee would be provided in the Project Implementation Manual (PIM).

38. **The Project Coordination Unit (PCU) will support and facilitate project implementation.** The PCU, housed in the MoFED, will work closely with the PFMU, also housed in MoFED and responsible for carrying out all fiduciary activities for the project. The PCU will support coordination between the PFMU and the Implementing Partners. The PCU will play a central technical role in project management and design, while working closely with implementing partners in the MDAs to build their capacity, and gradually facilitating the implementing partner MDAs to play a more central technical role in project management. This will include support in drafting terms of references (TORs), bidding documents, evaluating proposals, environmental and social safeguards studies, monitoring and evaluation (M&E), communications and community engagement support for the project. The head of the PCU, the Project Coordinator (PC) has the mandate to implement the project and will act as the Executive Secretary of the PSC reporting on progress and implementation issues. The PC will also be the main interface for the Project with the World Bank and support coordination with other development partners. The PCU will be headed by the Project Coordinator and will have the following functions, including, but not limited to: (i) contract management support to Implementing Partners, in coordination with PFMU; (ii) engineering and technical design support to Implementing Partners; (iii) environmental and social safeguards support; (iv) M&E coordination; and (v) community engagement and communications support. Staff for the different functions of the PCU will be competitively selected based on merit, relevant experience and qualifications. Depending on work load, more than one function may be carried out by the same individual. PCU members will be employed on a full-time basis throughout the project implementation period and in line with the annual work plan requirements.

39. **Implementing Partners will be responsible for technical inputs into their respective sub-component**. Sub-component 1.1 on Slope Stabilization and Remediation measures will be contracted to UNOPS; Sub-component 1.2 on Road, Bridge, and Drainage Infrastructure Rehabilitation will be implemented with SLRA; sub-component 1.3 on Water Infrastructure Rehabilitation will be implemented with GVWC; sub-component 2.1 will be implemented with ONS; sub-component 2.2 will be implemented with EPA. Implementation agencies will work closely with the PCU on overall project management and with PFMU on fiduciary processes.

40. **For component 1.1. it has been agreed with the Government that UNOPS would be contracted for implementing the earth works and slope stabilization measures.** UNOPS has a strong presence and capacity in Sierra Leone and is able to mobilize the relevant technical expertise rapidly in order to conduct the design work and effective supervision of the activities. Speed is of the essence for this component, so UNOPS has secured US$139,000 from DFID to commence preparatory studies and surveys immediately, in order to begin works as soon as the project becomes effective.

41. **The Project Fiduciary Management Unit (PFMU) will be responsible for all procurement, financial management and internal auditing.** GoSL has recently obtained approval from the World Bank to restructure the country's project implementation arrangements for fiduciary functions of World Bank funded projects and operations. Going forward all World Bank projects are required to centralize all fiduciary functions into a dedicated unit within MoFED, which was established in early December 2017. This unit will undertake all the fiduciary functions as well as prepare internal audit schedules to conduct internal audit that focuses on project related internal controls (IC) and processes. The PMFU will work in close collaboration with the PCU and implementing partners in the preparation of bidding documents, TOR's, financial and technical evaluations, procurement plans, M&E reports, and contract management.

B. Results Monitoring and Evaluation

42. The PCU will be responsible for reporting to the PSC and the World Bank on results with inputs from the Implementing Partners. The PCU will provide quarterly implementation progress reports to the World Bank. The results framework in Annex 1 provides the key indicators, targets, and data collection arrangements. The indicators and targets underpin the components identified during project preparation. Given the nature of this emergency project, these were intentionally kept more flexible with ranges to allow the project to adapt to evolving recovery needs. The PFMU will provide oversight on M&E and report to the World Bank on the overall project portfolio.

C. Sustainability

43. **Building back better principles will ensure longer term sustainability of the works.** Many of the proposed interventions under the FERP, especially slope stabilization and rehabilitating infrastructure are aimed at fostering sustainable development and resilience solutions in the face of future disaster risks exacerbated by a changing climate. To this effect, the project will adapt cost-effective building back better strategies to ensure that all critical public assets and infrastructure funded under the project are reconstructed to technical specifications that can withstand future disasters and climate events. The introduction of cost-effective disaster-resilient design principles will improve the long-term sustainability of critical public infrastructure.

44. **Sustainability of the investments will be ensured by promoting ownership of investments and project results and appropriate operations and maintenance practices.** Full engagement of MDA, local authorities and communities in identifying, prioritizing, and supervising investments and activities will help ensure the quality of the implementation and construction as well as beneficiaries' satisfaction and sense of ownership. These factors, along with community awareness of the importance of the investment activities and risk reduction measures to help prevent loss of life and property should help promote adequate operation and maintenance levels. The Project Implementation Manual will describe the coordination mechanisms, the role and responsibilities of each MDA during implementation, and later operation and maintenance commitments related to any investments financed by the project to warranty sustainability.

D. Role of Partners

45. **Development partners are leading a number of engagements to support GoSL's recovery program.** In addition to the World Bank's engagements (see Project Context for more details), there are many ongoing interventions. The African Development Bank (AfDB) is supporting GoSL by: (i) providing water supply for Internally Displaced Populations; (ii) emergency repair of the Kington fecal sludge management facility; and (iii) a comprehensive study for the Freetown water resources management and investment plan to be ready by 2019. The Islamic Development Bank (IsDB) is

providing a grant of approximately US$280,000 for immediate recovery activities in the DaLA. The European Union (EU), through GFDRR's ACP-EU Natural Disaster Risk Reduction Program, has provided US$400,000 for: (i) the Sierra Leone Post-Landslides and Floods Rapid Needs Assessment, and (ii) the Sierra Leone Post-Landslides and Floods Recovery Framework. There is ongoing dialogue between ONS and the World Food Program on upgrading disaster response logistics facilities. Additionally, a Recovery and Risk Management Action Plan has been prepared by the United Nations Development Program (UNDP) in coordination with the UN system to support GoSL under the leadership of MoFED in coordination with the ONS.

46. **Several organizations are addressing waste management issues in Freetown.** UNDP is currently providing technical assistance for debris and solid waste management following the mudslide and floods. Freetown WASH Consortium (FWC) with funding support from DFID, in collaboration with the Freetown City Council and President's Delivery Team (PDT), is supporting a feasibility study for the development of new landfilling capacity, as well as an assessment of Solid Waste Management practices at the community level. The relatively narrow scope of both studies articulates with the broader strategic approach of the proposed activities under this project. Findings and conclusions regarding these components will be instrumental for completing the Solid Waste Management strategy, and serve as a basis for further studies in relation to landfill development and community based activities.

47. **Several other interventions are targeting immediate response and better food security for affected households.** DFID and WFP in collaboration with UNICEF and the NaCSA are supporting an emergency cash transfer to the victims of the disaster. Between September and November 2017, emergency cash transfers have been delivered to about 1,908 validated affected households through an independent payment provider. DFID and UNICEF have expressed interest in extending the duration of emergency cash transfers for an additional three months. WFP planned activities focus on supporting vulnerable households to: (i) improve food security; (ii) enhance food security monitoring through monthly collection of food security and price data; and (iii) strengthen social safety nets, especially for vulnerable children, through targeted school feeding. Further, the Sierra Leone Social Safety Nets (SSN) Program, financed by the World Bank[8], has developed Social Protection systems and tools for targeting and enrolment, anti-corruption and grievances monitoring; and a Social Protection Registry for Integrated National Targeting. The program is currently undergoing a national expansion phase and may consider absorbing SSN eligible households in Western Urban that were affected by the recent disasters, depending on availability of funds.

V. KEY RISKS

A. Overall Risk Rating and Explanation of Key Risks

48. **The overall risk for achieving the PDO is rated as substantial**.

49. **Political and governance risk is rated as High.** Even though the landslides have created political momentum, with strong government ownership, the risk is rated as high for two main reasons: i) elections are planned for March 2018, which means there could potentially be a change in government with new priorities just as the project becomes effective; and ii) current government capacity and lacking coordination mechanisms regarding managing DRM interventions. In order to ensure that these risks are mitigated, the World Bank team will work with the current government to ensure all documentation with regard to the project is completed before the elections. Further, the

[8] P143588, Sierra Leone Safety Nets Project

World Bank team in collaboration with MoFED and the PCU will seek to brief the new government, should a new government be appointed in March 2018.

50. **Macroeconomic risk is Substantial.** The risk of continuing domestic and external imbalances and the subsequent macroeconomic effects could weaken the overall recovery program. First, new tax policy measures effective in late 2016, may continue to fall short of expectations as in the first half of 2017, thus leading a further accumulation of arrears. Second, aid inflows could also fall short of the pledged amount, particularly if development partners perceive a weakening of Government commitment to reforms. Third, the domestic financial system faces significant challenges because of the weak financial positions of the two state-owned banks that hold 33 percent of the assets in the system. As an investment project, with specific areas of intervention identified, the macroeconomic situation should not impact the achievement of the PDO, and the team will ensure that the financing that the government is contributing towards some preparatory activities and social safeguards compensation is budgeted for prior to the elections.

51. **Institutional capacity for implementation and sustainability risk is rated as Substantial.** While the technical design of the works components is relatively simple, there are multiple sectors of implementation and associated implementing partners. This will be managed through the establishment of the PCU to ensure effective coordination between the Implementing Partners and with the PFMU. While implementing the project, the PCU will play a key role in building the technical and project management capacity of relevant Implementing Partners.

52. **Fiduciary risk is rated as Substantial.** Given the number of different implementing partners involved in the project, few of which have little experience working with World Bank's financial management and procurement processes, fiduciary risk is substantial. In order to mitigate this risk, the World Bank's team based in Sierra Leone is already actively engaging with the different agencies to train them on the requirements to successfully implement World Bank projects. This will help ensure that these agencies are prepared with the required skills at the time the project becomes effective in March 2018. Further, the Government is setting up a PFMU, which will work in close collaboration with the different PCUs on fiduciary aspects for all World Bank projects in the country.

53. **Environment and Social risk is rated as Substantial.** Given the nature of the activities being financed under the project, four safeguard policies have been triggered, for which instruments need to be developed before works can begin. Given that different implementing partners have varied capacities and experience, the World Bank team in collaboration with the PCU, will work closely with the implementing partners to ensure that all environment and social safeguard policies are adhered to. The rationale for rating this risk as substantial from an environment perspective is that the project will be implemented in environmentally sensitive areas (the natural river channel of the landslide area) and involve the use of large earth moving equipment. The project is rated substantial on social risks as well since project activities will include demolition of damaged residential units within the mudslide area. Small business operations and houses may experience disruptions in access to roads, bridges, and water distribution lines due to implementation of works. During excavation and physical works at the Regent area, uncovering victims of the landslide is likely, which is socially sensitive and will need to be handled in a culturally appropriate manner. The Bank Team will support the PCU to design a culturally-appropriate protocol for handling the unearthing of victims, that may result from earthworks. OP 4.12 is triggered and sub-project Resettlement Action Plans (RAPs) will be prepared to mitigate the risks on resettlement. Community consultation is emphasized as critical for project implementation, and will include gender-sensitive approaches.

54. **Stakeholder risk is Substantial.** Due to the multi-sectoral nature of the recovery project, there are a number of different stakeholders that need to coordinate and work together. The project will have an overarching PSC that will

bring together representatives from relevant stakeholders involved. Further, the PCU will play an active role in assisting implementing partners and building their capacity on technical and project management aspects. The PCU will also facilitate dialogue between implementing partners, and with the PSC and PFMU. In addition, support will be provided to build the capacity of ONS to coordinate between MDAs to strengthen the integration of disaster risk management into sectoral policy making, planning and investments. The project will also draw on UNOPS' technical expertise and on the ground presence to support capacity building through sub-component 1.1.

55. **Climate change risks were also considered in the project design.** All activities proposed under FERP contribute to strengthening climate adaptation and DRM in Sierra Leone. This project directly responds to the August 2017 landslide and floods, which was a climatic event, resulting from a combination of intense rains and steep slopes formed in weathered rock. All activities and components under the project are specifically designed to provide structural and non-structural solutions to recover from and manage future climate and disaster risks, therefore 100 percent of the project costs have climate change adaptation and DRM co-benefits. For example, the project will finance activities such as stabilization of steep slopes, which will lower risk of future landslides in future rainy seasons and will also include rehabilitation of road, bridge, and drainage infrastructure in a manner which ensures that these will withstand future floods, keeping in mind climate variability and change. Further, this project will invest in building the technical capacity of the government to better prepare for disasters, for example by strengthening early warning systems, and also by enabling better coordination for response after disasters. The project will draw on data from the ongoing multi-hazard risk assessment that considers sea-level rise and future climate scenarios, which will help better define areas and activities of investments under the project.

VI. APPRAISAL SUMMARY

A. Economic Analysis

56. **The economic analysis conducted as part of the project preparation process suggests that the proposed works interventions in Component 1 are economically feasible.** The typology of interventions is expected to lead to positive economic rates of return, largely in excess of the discount rate of 6 percent assumed for these interventions, by: (i) saving human lives; (ii) preserving the value of infrastructure which would have been damaged in the absence of these interventions; (iii) saving time with human movements and increasing regional commercial connectivity; and (iv) increased access to improved water sources and hygiene. The net present value (NPV) of these interventions is estimated at US$27.1 million against a cost of US$7.2 million.

57. **Rationale for public sector engagement and value-added of World Bank support.** The interventions identified under the FERP will address the urgent infrastructure needs of Freetown, relieve the fiscal pressures from the Government, and bear positive externalities on the overall population through numerous direct and indirect benefits. The direct benefits of this Project include the value of saved human lives, the value of time saved commuting for individuals and for businesses, and increased access to potable water. These justify the rationale for public sector engagement. The World Bank has extensive international experience in areas such as slope stabilization and remediation measures, road, bridge and drainage infrastructure, water access and water. In addition, rapid financial support will provide the Government with the required resources to undertake urgent recovery and reconstruction. The project will also help to build the capacity of the Government to manage disaster risks and enhance disaster preparedness, for which the World Bank has extensive experience.

B. Technical

58. **The project design takes into account lessons from past and/or ongoing projects as well as from available assessments and technical expertise**. The project components were informed by a series of assessments and studies post the landslide and flooding to identify recovery needs and strengthen institutional capacity in DRM. The DaLA provided a series of recommendations to the GoSL on immediate, medium and long-term recovery needs and principles for stronger coordination of DRM interventions. All infrastructure designed under the project will integrate 'build back better principles' to ensure resilience and sustainability of future investments. Further, specific actions have been taken to ensure that the designs of works are high quality and meet international standards, including where necessary, gender sensitive measures. Public infrastructure financed by the project will address any potential risks of debris flow of rocks and trees, floods, and consequent change of river course and elevation. Preliminary assessment of the approach and type of vehicular and pedestrian bridges has already been undertaken by SLRA, in conjunction with UNOPS during the DaLA. This will act as useful technical input to selection and implementation of these infrastructure works.

59. **The technical design for the water infrastructure interventions is based on a Priority Investment Plan for Freetown Water Supply System and a pre-feasibility study (GVWC / DFID 2017).** The interventions were selected on the basis of (i) DaLA Report including preliminary recommendations for immediate, medium, and long-term recovery needs from the massive landslide and flooding in Freetown on August 14, 2017; and (ii) Complementarity with ongoing projects including DFID investments on the rehabilitation of Distribution Network, MCC on reforms and technical assistance and the AfDB supporting a comprehensive water resources mobilization study to supply the capital city Freetown. The technical approach outlined by the feasibility study was informed by amapping of the existing piped water network and pressure zones, which has identified areas particularly suited for network expansion due to relatively good water pressure and beneficiaries in affected areas. Furthermore, GVWC has been running system hydraulic modelling to ensure that the planned additional extensions can be supplied with sufficient water and pressure at a consumption rate per capita of house connections of 75 liters per day per person.

60. **The project also integrates specific forward looking interventions such as strengthening early warning systems and institutional capacity for managing disaster risk.** Some of the activities financed include reviewing the Government's existing systems and procedures with respect to natural disaster preparedness. Experience shows that a good way to focus such interventions is by identifying gaps in a few key areas: (a) legal and institutional framework; (b) personnel; and (c) operational facilities and equipment. This will include knowledge exchange and learning from good practice of neighboring countries, for example, Ghana's National Disaster Management Agency (NDMA).

C. Financial Management

61. **The Bank conducted a Financial Management (FM) assessment to determine the adequacy of the financial management systems of the PFMU housed under the MoFED.** The assessment concluded that the FM systems of the PFMU of the MoFED meet the Bank's minimum requirements for the administration of projects funds under paragraph 12 of the IPF Policy (formerly OP / BP 10.00). The PFMU is headed by an Interim Unit Manager who is responsible for ensuring the overall direction of work at the Unit. Under the direction and supervision of the Interim Unit Manager, there is a PFMU financial management team that comprises of the Finance Management Specialist (a qualified accountant), Finance Officer, Assistant Finance Officer, a Finance Assistant and two Administrative Finance Assistants responsible for the day-to-day financial management functions of specified donor funded projects.

62. **The PFMU has satisfactory planning and budgeting, accounting, Internal Control (ICs) financial reporting and external auditing processes in place to support the effective and efficient utilization of resources for the proposed project.** The PFMU will open a US$ denominated Designated Account (DA) at a commercial Bank approved by the Bank. The project will use report-based disbursements through the submission of quarterly IFRs on the sources and uses of project funds. A forecast of the first 6 months' expenditures will form the basis for the initial withdrawal of funds from the Grant, and subsequent withdrawals will be based on the net cash requirements.

63. **The Project will follow a cash basis of accounting and financial reporting and will submit, within 45 days of each GoSL fiscal quarter, quarterly IFRs of the project activities.** At a minimum, the constituents of the IFRs will be: (i) a statement of sources and uses of funds for the reported quarter and cumulative period from project inception, reconciled to opening and closing bank balances; (ii) a statement of uses of funds (expenditures) by project activity/component, comparing actual expenditures against budget, with explanations for significant variances for both the quarter and cumulative period; and (iii) DA Reconciliation Statement. The annual audited financial statements of the project shall be submitted to IDA within 6 months of the end of the GoSL's fiscal year (i.e. by June 30 each year). The external auditors will conduct the audits on the project financial statements on TOR as agreed with the Bank.

D. Procurement

64. **The recipient will carry out procurement under the proposed project in accordance with the World Bank's framework** , including "Procurement Regulations for IPF Borrowers" (Procurement Regulations) dated July 2016 and revised in November 2017 under the "New Procurement Framework" (NPF), and the "Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by International Bank for Reconstruction and Development (IBRD) Loans and IDA Credits and Grants", dated July 1, 2016, and other provisions stipulated in the Financing Agreements. Procurement under this project shall be carried out by the PFMU that is under MoFED. The procuring entity as well as bidders, and service providers, i.e. suppliers, contractors and consultants shall observe the highest standard of ethics during the procurement and execution of contracts financed under the project in accordance with Section I and Section II of the Procurement Regulations.

65. **As part of the preparation of the project, the Government shall prepare a Project Procurement Strategy for Development (PPSD)** which will describe how procurement activities will support project operations for the achievement of project development objectives and deliver Value for Money (VfM). The procurement strategy would be linked to the project implementation strategy ensuring proper sequencing of the activities. The PPSD will consider institutional arrangements for procurement; roles and responsibilities; thresholds, procurement methods, prior review, and the requirements for carrying out procurement. It will also include a detailed assessment and description of PCU capacity for carrying out procurement and managing contract implementation, within an acceptable governance structure and accountability framework. Other issues to be considered will include the behaviors, trends, and capabilities of the market (i.e. Market Analysis) to respond to the procurement plan.

66. **The project has triggered Paragraph 12, Section III of the IPF Policy concerning preparation of projects under Situations of Urgent Need of Assistance,** due to this the PPSD may be deferred to the implementation stage and the procurement plan will be developed based on the capacity and risk assessment of the proposed implementing partners. Special arrangements such as direct contracting, the use of UN Agencies, hands-on expanded implementation support (HEIS), force account or civil servants needs and results-based arrangements may be used and will be described in the PPSD. The PPSD will also include a summary on procurement risk, mitigation action plan, and procurement implementation support and supervision plan.

E. Social and Environmental (including Safeguards)

67. **Enhancing Environmental and Social Performance:** The project intends to implement a number of infrastructure works to stabilize the slope of the landslide area, as well as improve access to road, water and sanitation facilities for the disaster impacted areas. This will have a range of positive social and environmental impacts, which can be maximized by effectively integrating key social principles into the design of the project.

68. **Employment:** Per the DaLA report, "The disaster impacted economic activities and generated losses to the livelihoods of affected households, especially those displaced". Impact on loss of livelihood was pronounced among retailers/petty traders, agriculture-dependent population and skilled laborers. It is recognized that a comprehensive livelihood assessment to identify priority areas for support and building resilience is required which is outside the scope of this project. Notwithstanding, there is an opportunity for the project to provide short term income generation for displaced households around the project footprints through skilled and less skilled labor force. This could potentially contribute to capital to restart small businesses.

69. **Gender**: The project is designed to respond to basic needs of the affected communities particularly women by providing access to potable water, as well as restoring road access and bridges for enhanced mobility and trade. In terms of specifics, the project will: (i) promote more sustainable employment for both men and women as a result of improved transport links resulting from rehabilitated bridges, which are more likely to withstand future disasters of similar scale and intensity; (ii) improve information outreach to women on project investments and employment opportunities; (iii) ensure gender sensitive messaging of the disaster risk profile during community awareness; and (iv) prepare safeguards instruments with specific gender considerations. The project will ensure that hiring for implementation of activities under the project is gender neutral.

70. **Gender-Based Violence (GBV):** Parallel to gender considerations, the project will take steps to assess and manage project-related risk on gender-based violence, sexual exploitation, and abuse. As a standard measure, all bidding documents for works will include a code of conduct which shall, *inter alia*, cover gender-based violence and sexual exploitation and abuse, along with an action plan designed to effectively implement said code of conduct, including appropriate training on said code of conduct. The project will engage with relevant government institutions (e.g. police, social welfare, etc.) and local community leaders on the risk of GBV and to encourage local communities to report potential GBV cases involving contractors.

71. **Citizen Engagement**: Consultations with stakeholders including sub-groups in impacted communities is key to preparing the safeguards instruments. Ensuring that communities are informed and that their concerns are incorporated into the project's safeguards instruments. The project will put in place a mechanism for community participation by actively seeking feedback from communities on the project's performance through intermittent perception surveys. The project design, particularly component 2, will provide opportunities to consult with local communities on the disaster risk profiling results and preparedness plans. A multilevel arrangement for registering and addressing grievances and complaints from project-affected people will be developed as part of the project. The primary purpose of the project's grievance redress mechanism is to provide clear and accountable means for affected persons to raise complaints and seek remedies when they believe they have been harmed by the project. The Results Framework will monitor percentages of addressed grievances. The overall scope of the citizen engagement will be guided by a stakeholder engagement plan.

72. **Safeguards**: In addition to the positive impacts, the interventions can also be expected to generate some social and environmental impacts that need to be managed in the design and implementation. These include (i) temporary relocation of shops and small businesses in areas earmarked for road and bridge reconstruction; (ii) demolition of damaged housing units resulting from the landslide; (iii) disturbance/modification of natural habitats; (iv) dust, noise, health and safety of workers and communities; and (v) potential for uncovering human remains and persona assets during earthworks.

73. **A Safeguards Action Plan (See Annex 2) has been prepared to provide detailed guidelines for safeguards planning and execution of the project.** It is expected that, the impacts will be moderate, site specific and temporary under an **Environmental Assessment Category B**. However, FERP will already be operating within a sensitive environmental and social context. It is critical for the project team to work with all due diligence to safeguard the already vulnerable population against the risks associated with the project footprint and explore opportunities to enhance its social and environmental performance. The relevant safeguard instruments will set out details of measures to manage potential environmental and social risks and avoid, minimize, mitigate and/or compensate any adverse environmental and social impacts associated with the implementation of Project activities. Prior to commencement of civil works a safeguards implementation status report will be submitted to the Bank by the PCU clearly indicating measures implemented and any that are still to be implemented prior to construction. In response to the anticipated risks, the project triggers the following World Bank safeguard policies as outlined below in Table 3:

Table 3: Safeguards Policies Triggered

No.	Safeguards policies	Reasons
1	*OP/BP 4.01 Environmental Assessment*	The proposed project Category is "B" Partial assessment. This policy is triggered because the project activities will result in moderate environmental impacts which will be site specific and can be managed through the implementation of mitigation measures. Since the sites and specific project activities are well known the project will prepare the relevant ESIA studies for each of the proposed sites and activities . The project is being prepared under emergency procedures and the safeguards studies will be deferred. However preparations for the studies will commence to ensure that the project activities are prepared for implementation once the project becomes effective.
2	*OP/BP 4.04 Natural Habitats*	The project activities involve works within a natural river channel. The impacts associated with the works will be addressed within the ESIA studies to minimize the occurrence of pollution, siltation or alteration of the natural system through project activities.
3	*OP/BP 4.36 Forests*	This Policy is triggered because the project activities will take place within the WAPNP which is a legally designated national park harboring species of the Upper Guinean Forest. The issues related to this policy will be addressed through the ESIA studies.
4	*OP/BP 4.11 Physical Cultural Resources*	The policy is triggered due to the physical infrastructure and excavation works that will occur as part of project activities. A chance find procedure will be incorporated as part of the safeguards studies.
5	*OP/BP 4.12 Involuntary Resettlement*	The policy is triggered because civil works for slope stabilization would result in demolishing of few mudslide-damaged and unoccupied homes. Rehabilitation of public services (i.e. water, bridges, etc.) may also result in temporary disruption of

		access to homes and makeshift informal business structures along the project's RoW, thereby affecting economic activities and livelihoods. The adverse impacts resulting from physical and economic displacement will be addressed through preparation and implementation of subprojet level Abbreviated Resettlement Action Plans (ARAPs). In addition, the project implementers are also required to initiate and deepen consultation with stakeholders throughout the project's life.

F. World Bank Grievance Redress

74. Communities and individuals who believe that they are adversely affected by a World Bank (WB) supported project may submit complaints to existing project-level grievance redress mechanisms or the WB's Grievance Redress Service (GRS). The GRS ensures that complaints received are promptly reviewed in order to address project-related concerns. Project affected communities and individuals may submit their complaint to the WB's independent Inspection Panel which determines whether harm occurred, or could occur, as a result of WB non-compliance with its policies and procedures. Complaints may be submitted at any time after concerns have been brought directly to the World Bank's attention, and Bank Management has been given an opportunity to respond. For information on how to submit complaints to the World Bank's corporate Grievance Redress Service (GRS), please visit *http://www.worldbank.org/en/projects-operations/products-and-services/grievance-redress-service*. For information on how to submit complaints to the World Bank Inspection Panel, please visit www.inspectionpanel.org.

VII. RESULTS FRAMEWORK AND MONITORING

Results Framework
COUNTRY : Sierra Leone
Freetown Emergency Recovery Project

Project Development Objectives

The Project Development Objective is to rehabilitate selected critical infrastructure and to strengthen government capacity for managing disaster risk.

Project Development Objective Indicators

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
Name: Number of beneficiaries with restored or improved access to service delivery infrastructure		Text	0	34,000-44,000	Annual	Project Monitoring Reports, Beneficiary Survey	PCU, SLRA, GVWC
Female beneficiaries with restored or improved access to service delivery infrastructure		Text	0	40-50%	Annual		
Description: This indicator measures the number of people benefitting from the reconstruction/rehabilitation and/or improvement of critical infrastructure, such as roads, bridges, and water supply.							

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
Name: Number of population protected by the slope stabilization works		Text	0	400-600	Monthly	Project Monitoring Reports, Beneficiary Survey	PCU, UNOPS
Female beneficiaries protected by slope stabilization works		Text	0	40-50%	Annual		
Description: This indicator measures the total number of people protected by investments made towards the slope stabilization works, which will protect lives and properties downstream of the landslide affected area.							
Name: Disaster preparedness and contingency plan developed		Text	No	Yes	Annual	Project Monitoring Reports, Development of manual of action	PCU, ONS
Description: This indicator measures the increased Government coordination across MDAs and development of a disaster contingency plan							

Intermediate Results Indicators

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
Name: Number of bridges reconstructed		Text	0	4-6	Annual	Progress reports from PCU	PCU, SLRA

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
Description: This indicator measures the number of bridges that have been rehabilitated, reconstructed and improved.							
Name: Length of roads rehabilitated		Text	0	4-6 km	Annual	Progress reports from PCU	PCU, SLRA
Description: This indicator measures the number of kilometers of roads (including functioning drainage structures) reconstructed/rehabilitated with transport services restored.							
Name: Number of Kilometers of water piping installed		Text	0	42-55 km	Annual	Progress reports from PCU	PCU, GVWC
Description: This indicator measures the number of kilometers of water piping installed under the project funds.							
Name: Number of Government Officials trained in disaster preparedness and management		Text	0	15-20	Annual	Progress reports from PCU	PCU, ONS
Female Government Officials trained in disaster preparedness and management		Text	0	20-30%	Annual		
Description: This indicator measures the number of Government Officials who have received skill training related to disaster response, early warning, budget planning and monitoring, accountability etc.							

Indicator Name	Core	Unit of Measure	Baseline	End Target	Frequency	Data Source/Methodology	Responsibility for Data Collection
Name: Number of individuals engaged in community disaster risk awareness and preparedness activities		Text	0	3,400-4,400	Annual	Progress reports from PCU	PCU, ONS
Percentage of women engaged in community disaster risk awareness and preparedness activities		Text	0	40-50%	Annual		
Description: This indicator measures the number of people who actively participated in various disaster risk awareness raising and preparedness initiatives funded by the project, such as basic awareness and response action plans for communities in particular high-risk areas to flooding, awareness campaigns with youth, local media campaigns etc.							
Name: Percentage of Greivances Addressed		Text	0	80-100%	Annual	Progress reports from PCU	PCU
Description: Percentage of grievances logged and appropriately responded to, in line with the Project Implementation Manual.							

Target Values

Project Development Objective Indicators

Indicator Name	Baseline	YR1	YR2	YR3	End Target
Number of beneficiaries with restored or improved access to service delivery infrastructure	0	1000-1500	10000-20000	34000-44000	34,000-44,000
Female beneficiaries with restored or improved access to service delivery infrastructure	0				40-50%
Number of population protected by the slope stabilization works	0	400-600	400-600	400-600	400-600
Female beneficiaries protected by slope stabilization works	0				40-50%
Disaster preparedness and contingency plan developed	No	No	No	Yes	Yes

Intermediate Results Indicators

Indicator Name	Baseline	YR1	YR2	YR3	End Target
Number of bridges reconstructed	0	0-1	2-3	4-6	4-6
Length of roads rehabilitated	0	0-1 km	2-3 km	4-6 km	4-6 km
Number of Kilometers of water piping installed	0	5-7 km	25-30 km	42-55 km	42-55 km

Indicator Name	Baseline	YR1	YR2	YR3	End Target
Number of Government Officials trained in disaster preparedness and management	0	0	7-10	15-20	15-20
Female Government Officials trained in disaster preparedness and management	0	20-30%	20-30%	20-30%	20-30%
Number of individuals engaged in community disaster risk awareness and preparedness activities	0	0	500-700	3400-4400	3,400-4,400
Percentage of women engaged in community disaster risk awareness and preparedness activities	0	40-50%	40-50%	40-50%	40-50%
Percentage of Greivances Addressed	0	80-100%	80-100%	80-100%	80-100%

ANNEX 1: DETAILED PROJECT DESCRIPTION

COUNTRY : Sierra Leone
Freetown Emergency Recovery Project

1. **Programmatic approach.** The proposed project will adopt a programmatic approach to recovery. Under this approach, the FERP is seen as a subset of a larger multi-sector and multi-partner recovery effort outlined in the DaLA. While the size of the project is small in comparison to the scale of the needs, the project will have a leveraging impact and promote coordinating among related interventions from the Government, development partners, and other World Bank projects. This will help deliver mutually complementary multi-sector outcomes.

2. **Flexibility.** The project will allow flexibility in resource allocation across project components in anticipation of evolving recovery needs to maximize complementarity with other projects as they materialize in the coming years. Flexibility in the project design is reflected in the following aspects: (a) the PDO allows the selection of interventions across multiple sectors; (b) the infrastructure component retains flexibility to allocate resources across subcomponents during implementation; and (c) flexibility in the project Results Framework, allowing for ranges rather than absolute numbers.

3. **Maximizing complementarity and avoiding overlaps.** The programmatic approach ensures complementarity and reduces risk of duplications across the range of interventions proposed by government institutions and development partners. The project has been designed based on a gap analysis, ensuring complementarity with all known interventions (see Role of Partners for more details). Institutional strengthening will be provided to enhance the Government's capacity to coordinate among relevant actors in the region and ensure ongoing activities are mutually supportive (see Institutional and Implementation Arrangements for further details).

4. **Build-back-better.** This principle will be adhered to, taking into account the drivers of climate and disaster risks in order to reduce the likelihood of similar events having the same devastating impact. All assets and services financed under the project will be designed to improve build-back-better standards, taking into account climate and disaster risks, which will have a marginal added cost. It is estimated that adaptation to climate and disaster risks will add approximately 10 percent to reconstruction costs.

Component 1: Rehabilitation of Public Infrastructure and Slope Stabilization (US$7.2 million IDA + US$0.64 million counterpart financing)

5. The objective of this component is to restore key public infrastructure impacted by the landslides and floods and stabilize the area below the hill slope from where the landslide initiated. The activities under this component will be implemented through three sub-components: (i) Slope Stabilization and Remediation measures; (ii) Road, Bridge, and Drain Infrastructure; and (iii) Water infrastructure Rehabilitation.

Sub-Component 1.1 Slope Stabilization and Remediation measures

Context

6. The landslide debris has been spread across a wide area and much of the finer materials washed downstream in a loose or soft disturbed condition and includes a considerable number of large boulders, some in a precarious state. There

are potentially unstable 'rafts' of soil and weathered rock still 'clinging' to the steeply inclined sheet joints running sub-parallel with the hillside. This makes future slippage possible if future rainstorm events saturate the area, putting at risk any communities downstream and potentially threatening any reconstructed bridges or culverts. Water is continuing to seep from the face of the hill scar, into the new gulley in the debris. Earthmoving will be required to stabilize and re-profile the area to a more natural shape and to clear and re-establish watercourse channels. Steep slopes along watercourses will need battering back or strengthening to limit the risk of erosion which cause localised landslips and risk to human life. Where there are boulders in a precarious position that have potential to topple, these will be moved into a stable arrangement. There are also several highly damaged properties along the pathway of the landslide which will need to be demolished and the rubble removed.

Proposed activities

7. This sub-component will support removing rock and soil materials that remain at risk of slipping in the next rainy season, reprofiling steep slopes, and ensuring that some river beds are cleared of sediment and riverbanks are protected. This would be a fast-disbursing sub-component, and much of the technical design, feasibility studies, and safeguards instruments would start ahead of project effectiveness so that works can advance ahead of the next rainy season in mid-May. UNOPS will be contracted to implement this sub-component.

8. **Technical Assessment and Design.** This will include desk studies and walkover surveys assessing damage extent. It will also assess stability of hillside beyond hill scar. For the design work, Digital Terrain Model (DTM) will be used to calculate volume of material for upper slope trimming and run-out extent after blasting. DTM will also be used to establish earthmoving cut / fill volumes, final ground profiles and watercourse channel morphology. Assessments will also be undertaken for use of boulders within remediated area and for identifying the highly damaged structures they may need to be demolished. Different options will be considered for removing unstable material from slip face through blasting or erection of landslide barriers. Extent of protection at tops of slopes, adjacent to affected area will also be delineated.

9. **Stakeholder engagement.** Engagement with all relevant parties will be critical from an early stage. All relevant government entities will need to be consulted. Key parties include: EPA; National Protected Areas Agency (NPAA); ONS; Ministry of Lands, Country Planning, and Environment (MLCPE); and Local community.

10. **Safeguards Studies.** Environmental and Social Impact Assessment, and Environmental and Social Management Plans will need to be carried out and approved by the World Bank before civil works commence. A Resettlement Action Plan covering any involuntary resettlement required, will also be needed. Work on these elements should start in parallel with the engineering assessments and design, in order to have them approved in time for civil works to commence.

11. **The following works have been considered and will be refined further, based on more detailed investigation and surveys, to indicate their feasibility, value for money and availability of resources.** This will include, inter alia:

- Placing a protective berm ahead of upper slope trimming
- Rock face above Regent is to be stabilized by the removal of all "significant" loose debris.
- The debris field below the landslip area to the bottom of the deposited superficial deposits (approx. 600m west of the eastern extent of the bottom of the slip) has to be reshaped to ensure the stability of the newly formed slopes.
- All large boulders in this area are to be rendered safe.
- The area is to be replanted with trees and vegetation of local providence

- Any partly destroyed properties within this area are to be fully demolished and all materials that are not stone or concrete arising from these specific properties are to be removed from site.
- The new alignment of Lumley Creek in this area is to be formalized / stabilised and where required erosion protection measures installed.
- The existing water courses leading in to Lumley Creek are to be re-excavated (currently blocked by landslip debris), formalized and stabilized.
- Demarcation posts are to be installed at 100m centres along the full line of Lumley Creek (both sides) apart from where there are formalized residential areas. These demarcation posts will de-mark no build areas as directed by the government.

Sub-component 1.2: Road, Bridge, and Drainage Infrastructure Rehabilitation

Context

12. Connectivity among and accessibility between communities (Regent, Motormeh, Pentagon, Kamayama, and Kaningo) were lost because of collapsed bridges and damaged access roads. Eight road and pedestrian bridges connecting Kamayama and Kaningo were moderately damaged or destroyed; two road bridges along the river channel between Regent and Charlotte were impacted; and about 5.5 kilometers of feeder roads were damaged. Although the economic losses associated with lack of connectivity could far exceed the cost of the physical damage, these losses have not been assessed for lack of suitable data.

Proposed Activities

13. This sub-component will support the rehabilitation of bridges and access roads in affected areas integrating build-back better approaches, and the improvement of its climate resilience through: (i) reconstruction and enhancement of affected pedestrian and vehicular bridges, (ii) road rehabilitation in critical areas, tailored to volume and vehicle usage, (iii) preventive protection and stabilization works on selected sections of the transport network, and (iv) strengthening drainage culverts and channels. These activities will be implemented with Sierra Leone Roads Authority (SLRA), housed in the Ministry of Works, Housing and Infrastructure (MoWHI).

14. For the bridges, SLRA has developed a prioritization matrix to identify more critical bridges. Initial estimates of costs were also developed for bridges, roads and culverts. Prioritization of bridges was conducted based upon: (i) Cause of damage (whether the bridge was damaged by flood/landslide event or other means); (ii) Operational consideration (social safeguard issues limited to land encroachment); (iii) Serviceability (number of persons that will be served by the bridge and the percentage poor and vulnerable); (iv) Value & Cost (valuation limited to the percentage initial estimated cost of the bridge; (v) compared to that of the total initial cost of all bridge identified during the august assessment); (vi) Access to public facilities (including hospitals, schools, and markets).; and (vii) Contribution to traffic flow within congested areas.

15. A prioritization matrix was developed based on these criteria and percentages were assigned to each of these criteria with weightings assigned to each criteria. Based on further field investigation and feasibility studies, this prioritisation may be adapted.

16. Build-back-better measures will be integrated into the road, bridge and culvert design, considering a flood return period of at least 20 years. Climate change scenarios will be factored into these calculations, and technical studies and

detailed designs will be used to determine the most appropriate design standards required, ensuring optimal value for money, including maintenance costs. Infrastructure maintenance under this component will be financed for the first year by the project, after the initial contractor warranty expires, and then handed over to the Roads Maintenance Fund for regular maintenance and repairs.

Sub-component 1.3: Water Infrastructure Rehabilitation

Context

17. The water situation in Freetown is in a critical state due to inadequate investment in production capacity to increase the distribution network in order to cope with the current demand. Extensive use of long individual inadequate 'spaghetti' connections have occurred due to the lack of formal secondary and tertiary distribution network, with non-revenue water as high as 50% of the total water produced. A new water source with adequate distribution system is urgently required. In Freetown, prior to the recent landslides and flooding, it was estimated that 74 percent of the population living in the most affected areas, relied on point sources such as protected hand-dug wells which are unsuitable for dense urban environments prone to flooding, where water points are very close to on-site sanitation facilities. Due to the severity of the flooding, even the sealed wells are likely to have been contaminated. Further, illegal connections to piped water system through spaghetti pipes tapping the mains exacerbate risk of contamination. With regard to damages to utility infrastructure, reported damages on the Babadorie water system located in Regent include a crack on the raw water reservoir as a result of the landslides while the flooding damaged the existing power generator, pumping station and water treatment plant including distribution network / spaghetti pipes from Babadorie plant, Regent /Pentagon up to Kamayama, and Sheriff Drive/ Lumley.

18. The project will focus on the Babadorie water system and distribution network toward affected areas while other development partners are supporting complementary activities including:

- DFID: Rehabilitation of Guma Dam Valley Water System including the bulk treatment Plant, transmission system, distribution network and expanding access towards the eastern part of Freetown;
- MCC: Enactment of 3 new water bills (GVWC act, SALWACO Act and WR Agency Act); providing technical assistance to strengthen the operation and commercial viability of GVWC; support to undertake a condition assessment of Freetown's water supply network
- AfDB: Master Plan study for the development of potential water resources to supply Greater Freetown.

Proposed activities

19. This sub-component will support restoring and improving access to water for affected communities through: (i) rehabilitating and upgrading the piped water network in affected areas, (ii) strengthening community water points, including water kiosks and boreholes, and (iii) rehabilitating affected water treatment plants and reservoirs. This will be implemented with the Guma Valley Water Corporation (GVWC) and the Ministry of Water Resources (MoWR).

20. This intervention will support the project to increase recovery to access safe water supply services in the affected area and invest in emergency repairs and extension of the refurbishment of the Babadorie water system, including the existing raw water treatment plant, pumping station and extensions of the existing network in affected areas (Regent/Pentagon, Kamayama, Malama, and sheriff Drive/ Lumley). Further, in affected areas out of reach by the piped network, the project will construct boreholes, water kiosks and supply of water bowsers in the area to provide access to those that cannot gain piped water access to their homes directly.

21. **Rehabilitation of Babadorie water plant.** The project will invest in key repairs, refurbishment of the existing raw water treatment plant, pumping station, installation laboratory testing equipment including connection to the electrical grid. This will increase access to reliable water to affected areas. The Babadorie raw water reservoir, constructed in 1914, this water reservoir has a capacity of 4 million liters a day when water is available. The reservoir is leaking from the splash wall around its perimeter and needs refurbishment. The water treatment plant, uses a simple slow sand filtration treatment system and treated water pumping station, and needs minor refurbishment. Significant manual intervention is required for removing clogged sand from the slow sand filters. Further, only one of the two hypochlorite dosing pumps is currently operational and one of the two main transfer pump is out of service. On the pumping mains, there is no functioning flow metering on site and no laboratory testing equipment for the plant. The prefeasibility studies proposed the following interventions (i) erection of covering structure over Sand Washing Bay to protect workers during inclement weather during sand washing; (ii) reinstatement of concrete slabs over drain pipe in valve positions associated with collection chambers; (iii) internal and external painting of all structures within the plant premises and (iv) mechanical and electrical works including slow sand filters, sand washing improvements, chlorination, etc.

22. **Rehabilitation and extension of distribution network to affected areas.** The project will invest in expansion of distribution network to affected Regent/Pentagon, Kamayama, Malama, and sheriff Drive/Lumely where alternative solutions are at risk due to recent flooding. In drawing the proposed pipeline routes, distribution mains followed roads recognized by Google Maps and/or routes judged from the imagery to be sufficiently wide and sufficiently formal to lay a pipeline. Where neither of these criteria were met, distribution mains were not provided. The number of properties bordering the secondary distribution mains will be counted and compiled. The project will take this opportunity to set model for the demand metered area to tackle the issue of non-revenue water in Freetown.

23. **Water supply to affected areas without piped network.** The project will support around Kamayama, Malama and Sheriff Drive for the construction of boreholes, the supply of water bowsers and installation of new kiosks and standpipes. GVWC will provide the polygons for the priority areas requiring these interventions.

24. **Sustainability of the investments will be ensured through appropriate operations and maintenance practices.** This will include: (i) reducing water losses by improving metering and leak detection systems; (ii) increasing the ability of the GVWC to connect new customers; and (iii) supporting maintenance of a network information system and hydraulic model and improving billing and collection efficiency, in coordination with a project supported by Millennium Challenges Corporation (MCC). Further, during project implementation, the project team will build the capacity of GVWC by training staff to administer district metered areas and reduce non-revenue water in the network after bulk-meter and customer meters' installations.

Component 2: Strengthening Institutional Capacity (US$1.80 million IDA)

25. The objective of this component is to improve the capability and performance of the GoSL to manage disaster risk and strengthen drainage and solid waste management planning in Freetown. The disaster highlighted the need for different agencies in the Government to better coordinate and respond to disaster emergencies, especially by improving communication and early warning systems. The disaster was also exacerbated by the poor management of solid waste in the city, obstructing the already inadequate drainage channels. Activities under this component will be delivered through two sub-components: (i) Strengthening Disaster Risk Management and Early Warning Systems; and ii) Strengthening Solid Waste Management Planning.

Sub-component 2.1: Strengthening Disaster Risk Management and Early Warning Systems.

26. This sub-component will strengthen the institutional capacity of the Government to manage and respond to disasters through activities including, inter alia: (i) updating the Government's disaster risk management (DRM) framework, (ii) improving emergency preparedness capacity, (iii) supporting early warning and response systems.

Context

27. The landslides present a unique opportunity for the Government to conduct a thorough "lessons learned" exercise. This will examine the way in which the Government responded to the disaster and distil strengths as well as weaknesses which should be taken into account for any future events. The exercise will focus on reviews and diagnostics of the Government's existing systems and procedures with respect to natural disaster preparedness, and identify gaps in three key areas: a) the legal and institutional framework, b) human resources capacity, and c) assessment of operational facilities and equipment. This sub-component will be implemented with ONS. An important aspect of this exercise will include knowledge exchange and learning from good practice of neighboring countries.

Proposed Activities

28. **Strengthening national and local DRM frameworks and institutions.** The goal of this activity is to support the development of an organized, integrated emergency management system that will enable the country to plan and respond to both everyday emergencies as well as major disasters in a systematic and effective manner. This will entail support to integrating resilience considerations into the legal, policy and urban planning frameworks and to achieve 'risk-informed' development. It could also include reviewing existing DRM legislation and policies, recommending new or amended legislation and policies and strengthening the institutional capabilities of the DRM multi-sectoral system. This activity could include a review of financial preparedness, such as availability of ex-ante funding for emergency response, contingency planning, fast-track procurement, financial protection strategy, and risk-based critical infrastructure investment plans.

29. **Improving emergency preparedness and response systems and capacity.** The focus of this task will be to achieve better coordination of efforts for emergency preparedness and response activities within the different Government agencies. Based on the diagnostic of the current ONS facilities, activities may include support to emergency operations and disaster preparedness facilities and equipment. Support would also build the capacity of ONS for DRM response and coordination, and Geographic Information System (GIS) applications. This will include enhancing ONS-DMD's ability to collect, analyze and disseminate information to enable better decision-making in advance of emergencies, during response operations and through the transition to early recovery.

30. **Establishment of early warning and response systems.** This activity will focus on enhancing disaster risk preparedness through community-managed early warning mechanisms. Based on the findings of various risk and vulnerability assessments for the city of Freetown, efforts will be made to identify disaster vulnerability hotspots and tailor disaster preparedness and response mechanisms accordingly. The Project will support a program of activities to strengthen the capacity of relevant government institutions and communities to manage and respond to disaster risks. This activity will include the development of an awareness raising strategy, training sessions to promote anticipation and monitoring of risks by residents, and scaling up community engagement in disaster response for targeted communities. This could also include tailoring social protection targeting mechanisms to take into account disaster vulnerability and not only poverty indicators, in line with ongoing efforts to broaden the national social safety net system.

Sub-component 2.2 Strengthening Solid Waste Management Planning

Context

31. The waste sector in Freetown has been struggling for years to cope with the rapid urbanization, lack of accessibility to densely populated areas as well as lack of infrastructures and financing. In August 2017, rainfall and floods further impacted the sector. Investigations led to consider the development of waste treatment capacity as a priority. Until such capacity is available, any attempt to improve waste collection may be counterproductive, mostly resulting in further illegal dumping as both dumpsites are completely saturated. In such a degraded context, activities in the waste sector must be considered in a wider and more comprehensive perspective, in order to properly address the associated social and environmental issues.

Proposed activities

32. This component will Support technical studies on solid waste management and drainage for the city of Freetown. This will include: (i) technical studies to improve the management and assess the potential closure and reclamation of the Kissy dumpsite adversely affected by the flooding (leading to several thousand cubic meters of waste being washed away to sea); (ii) finalizing the ongoing Freetown Solid Waste Management Strategy, including a topographic survey of Kissy dumpsite; a stability assessment; an environmental and social baseline of site, a hydraulic study of the basin, and options for site closure and redevelopment. This sub-component will be implemented in collaboration with EPA and in coordination with other key stakeholders.

33. **Technical assistance for the closure and reclamation of Kissy dumpsite.** Heavy rainfall affected the stability of Kissy dumpsite, resulting in the collapse of the waste above the traversing culvert. The collapse led to several thousand cubic meters of waste being washed away to sea, forming a 30m deep canyon with sub-vertical walls in the waste deposit. The risk of collapse is considered very high and threatens the lives of waste pickers scrapping for metals and plastics, as well as dwellers living nearby. Despite this critical situation, the dump continues to receive more than 100 tons of waste each day. It is important to note that a large community lives in the estuary of Granville Brooke, directly downstream from the dump. The collapse further increased the vulnerability of the community by spreading a large volume of waste across the area, adding to the existing contamination and blocking the drainage system.

34. In regard to this unique conjunction of risks, direct intervention is not recommended. Instead, a more cautious approach is proposed by providing technical assistance for the safe closure and reclamation of the site. This technical assistance would be based on short term expertise for the following activities (i) Topographic survey of Kissy dumpsite, (ii) stability assessment (iii) environmental and social baseline of site, (iv) hydraulic study for the river basin (v) proposals for site closure and redevelopment.

35. **Support Freetown Waste Management Strategy.** The DaLA report outlined the vulnerability of the current dumpsites to extreme events and the need for development of properly engineered waste treatment capacity. Previous studies have led to the pre-identification of candidate sites for landfill construction. Preliminary site assessment is under way and should lead to the identification of the preferred site. To support finalization of the strategy, it is proposed to support the design of the new landfill by providing technical assistance for (i) the preliminary design of the new facility; (ii) the preliminary design of the transfer system; and (iii) a technology review for recovering energy from waste.

Component 3: Project Management (US$1.0 million IDA + US$0.90 million counterpart financing)

36. This component will support the administrative management of the Project by the PCU, the PFMU and implementing partners, including: (i) the cost of a Project Coordinator, specialists in financial management, procurement, environmental and social safeguards, and monitoring and evaluation, (ii) the hiring of other technical experts needed for project preparation and implementation, (iii) preparation of environmental and social safeguards studies and instruments, (iv) carrying out the fiduciary aspects of the Project including audits, (v) the provision of training and workshops, (vi) the financing of the necessary goods, equipment, and operating costs, (vii) costs associated with convening and reporting to the Project Steering Committee (PSC), and (viii) implementation of safeguards instruments.

ANNEX 2: IMPLEMENTATION ARRANGEMENTS

COUNTRY : Sierra Leone
Freetown Emergency Recovery Project

Project Institutional and Implementation Arrangements

1. **The multi-sectoral recovery program will require close coordination with the different stakeholders.** Each sub-component will be implemented in coordination with relevant MDAs, and coordinated by a PCU established in MoFED, in the same department as the PFMU, responsible for all fiduciary activities. Overall strategic and policy oversight will be provided by a PSC made up of high-level representatives of the main implementing partners and stakeholders, and chaired by the MoFED. Particular effort will be made to build the capacities of the relevant MDAs, both technically as well as in project management.

Project *Steering Committee (PSC)*

2. **The PSC will provide overall strategic oversight and ensure policy coordination.** The PSC is to be chaired by a designated representative from MoFED and will comprise designated representatives from key implementing partners including SLRA, GVWC, ONS, MWHI, MoWR, EPA, and FCC. The PSC will review the Project's annual work plan and implementation progress and address any implementation challenges. The PSC will ensure coordination with the broader recovery program of the government, led by ONS.

3. **The PSC will ensure coordination with the broader recovery program of the government**. This is currently being coordinated by ONS, consisting of a multi-agency committee that meets regularly to discuss resilient recovery priorities and strategy, as well as a technical support unit (TSU) which is being conceptualized. If the TSU is formed and financed, then this unit could also play a key role in working with the PCU and the implementation agencies in the design of relevant project activities.

Project Coordination Unit (PCU)

4. **The PCU will support and facilitate project implementation.** The PCU will play a central role in project management and design, while working closely with implementing partners in the MDAs to build their capacity, and gradually facilitating the implementing partner MDAs to play a more central technical role in project management. This will include support in drafting terms of references (TORs), bidding documents, evaluating proposals, environmental and social safeguards studies, monitoring and evaluation (M&E), communications and community engagement support for the project. The head of the PCU, the PC will report on progress and implementation issues to the PSC. The PCU will provide fiduciary support to assist in the coordination between the multiple implementing partners and the PFMU. The PMFU will provide oversight on M&E and to report to the World Bank on the overall project portfolio.

5. Staff for the different functions of the PCU will be competitively selected based on merit, relevant experience and qualifications. PCU members will be employed on a full-time basis throughout the project implementation period and in line with the annual work plan requirements. The PCU will have the additional flexibility to hire short term consultants to assist on specific tasks dependent on work loads. Hiring procedures for all staff under the PCU will be gender neutral, allowing women and men equal opportunity. The below functions will be required, and in some cases, depending on workload, more than one role could be undertaken by one individual.

- **The Project Coordinator** will be a full-time senior professional and will ensure general oversight and effective coordination among the MDAs and implementing partners involved with the project. The Project Coordinator's responsibilities will include a) overall coordination of the project b) manage PCU staff and activities ensuring timely implementation, compliance with World Bank requirements and adherence to agreed results c) monitor costs and financing d) serve as a focal point for tracking progress of implementation and outcomes and e) provide reports and information to the PSC, MoFED and the World Bank.
- **Contract management and monitoring and evaluation** will include a) coordination between the PFMU and the Implementing Partners on procurement processes and keeping track of all ongoing contracts, b) coordinate and collate regular M&E of project performance; c) develop a Management Information System (MIS) for the Project and d) develop and implement the M&E plan.
- **Engineering and Technical Designs** will be responsible for a) quality assurance of physical infrastructure investment; b) reviewing technical specification in bidding documents, c) reviewing technical design and engineering drawings for proposed works for the Project, and d) reviewing progress reports and contract execution.
- **Social safeguards and community engagement** will a) develop, coordinate and ensure the implementation of RAPS/ARAPs; b) identify and liaise with all stakeholders in social related issues in the Project; c) conduct impact and evaluation and beneficiaries' assessment; d) establish partnerships and liaise with stakeholders e) produce and disseminate progress reports for internal audiences; f) engage with traditional and non-traditional communications channels to raise awareness of the Project.
- **Environmental Safeguards** will be responsible for: a) collating baseline data on relevant environmental characteristics of the identified works sites under component 1; b) coordinating with implementing partners on potential environmental impacts co-ordinate the safeguards activities of the implementing entities; c) ensuring that project activities are implemented in accordance to best practices and guidelines set-out in the site specific ESIAs, ESMPs; d) assist with the monitoring of mitigating measures and the impacts of the Project during implementation e) liaising with all stakeholders involved in environment related issues in the project and produce safeguards progress reports.

6. The PCU would plan activities and identify the need for procurement in consultation with the implementing partners, while PFMU would carry out procurement on request. The PCU will be responsible for compiling the Annual Work Plans, based on input from implementing partners for the sub-components, and will liaise with the PFMU to prepare budgets, periodic progress reports, and procurement plans. The PCU will provide technical advice and guidance to the implementing partners. The PCU will liaise frequently with project focal points in the different implementing partners to address any implementation challenges and needs. They will meet periodically with the fiduciary teams to review project progress and help address M&E concerns.

Implementing Partners

7. **Implementing Partners will be responsible for technical inputs into their respective sub-component**. Sub-component 1.1 on Slope Stabilization and Remediation measures will be contracted to UNOPS; Sub-component 1.2 on Road, Bridge, and Drainage Infrastructure Rehabilitation will be implemented with SLRA; sub-component 1.3 on Water Infrastructure Rehabilitation will be implemented with GVWC; sub-component 2.1 will be implemented with ONS; sub-component 2.2 will be implemented in collaboration with EPA and other relevant stakeholders. Implementation agencies will work closely with the PCU on overall project management and with PFMU on fiduciary processes.

8. **For component 1.1. it has been agreed with the government that UNOPS would be contracted for implementing the earth works and slope stabilization measures.** UNOPS has a strong presence and capacity in Sierra Leone and is able to mobilize the relevant technical expertise rapidly in order to conduct the design work and effective supervision of the activities. Speed is of the essence for this component, and works will need to be done ahead of the next rainy season so UNOPS have secured $139,000 from DFID to commence preparatory studies and surveys immediately, in order to commence works as soon as the project becomes effective.

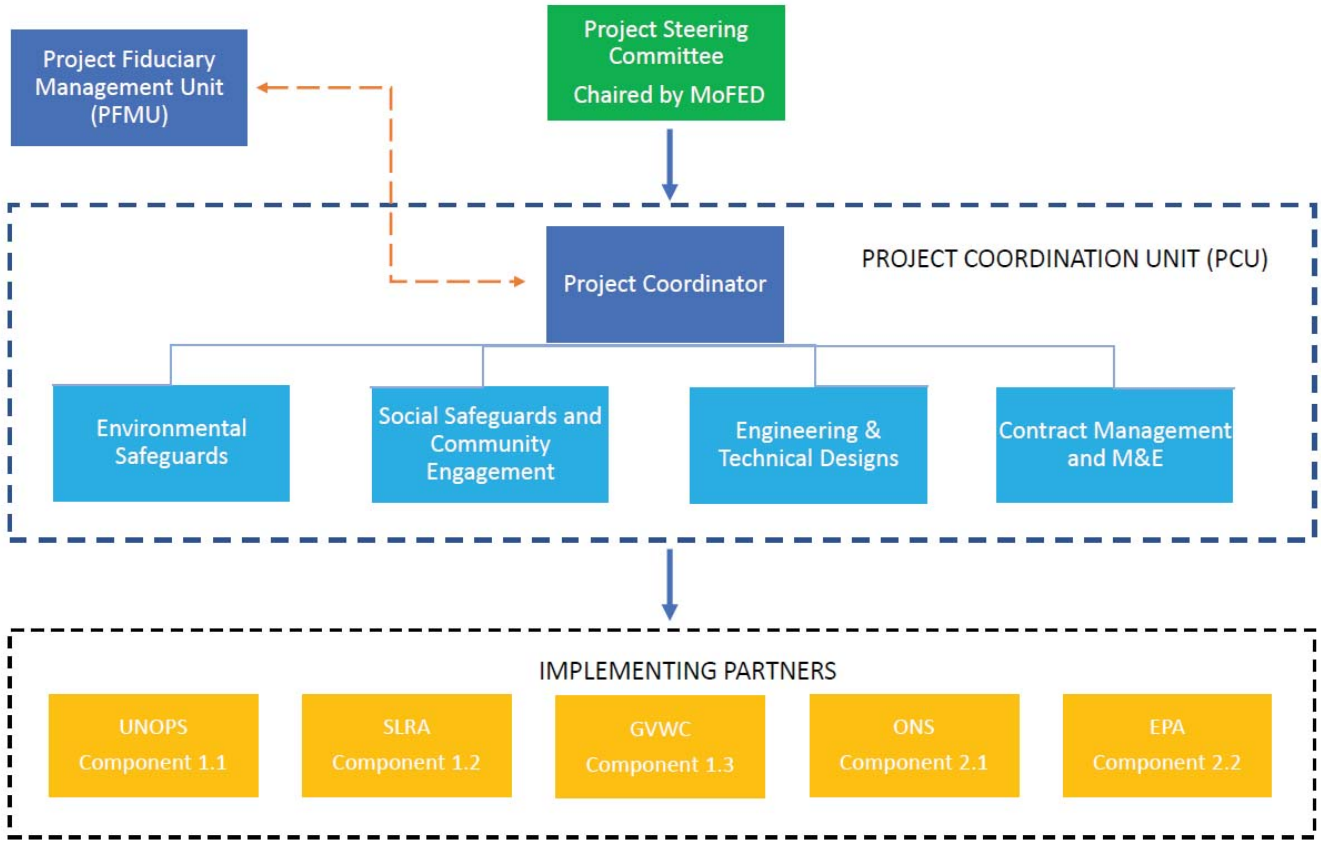
9. **Each responsible implementing partner will appoint a project focal point (PFP),** the PFP will conduct the daily tasks of IDA sub-component implementation and periodic assessments of its progress. The PFP are expected to have a good understanding of World Bank procedures including safeguard and fiduciary policies. The PFP will also be responsible for providing inputs to PCU and PFMU teams for the preparation of the quarterly unaudited IFRs regarding the project and overall consolidated quarterly reports.

Project and Fiduciary Management Unit (PFMU)

10. **The Project Fiduciary Management Unit (PFMU) will be responsible for all procurement, financial management and internal auditing.** GoSL has recently obtained approval from the World Bank to restructure the country's project implementation arrangements for fiduciary functions of World Bank funded projects and operations. Going forward all World Bank projects are required to centralize all fiduciary functions into a central dedicated unit within MoFED, which was recently established. This unit will undertake all the fiduciary reporting functions as well as prepare internal audit schedules to conduct internal audit that focuses on project related internal controls (IC) and processes. The PMFU will work in close collaboration with the PCU and implementing partners in the preparation of bidding documents, TOR's, financial and technical evaluations, procurement plans, M&E reports, and contract management.

11. Procurement activities in each respective executing agency will be centralized and executed by PFMU in collaboration with PCU and the implementing partners. The PFMU will focus on quality and process oversight, centralized procurement, reporting, and contract management and ensure that the procurement is done in accordance with the procurement regulations and national procurement procedures as defined in the Project Procurement Strategy for Development (PPSD). Procurement planning shall be done through STEP system and will include information on the timing of the procurement activities.

Figure 1: Implementation Arrangements



Financial Management

12. A financial management assessment of the PFMU of the MoFED was conducted in accordance with OP10.00 as complemented with the FM guidelines outlined in the Financial Management Practices Manual issued by the Financial Management Sector Board on March 1, 2010.

13. The objective of the assessment was to determine whether: (i) PFMU has adequate financial management arrangements to ensure that project funds will be used for purposes intended in an efficient and economical way; (ii) the project's financial reports will be prepared in an accurate, reliable and timely manner; (iii) the entities' assets will be safe guarded; and (iv) the arrangements are subject to acceptable audit arrangements by IDA.

14. **The overall FM risk for the project at preparation is assessed as High, but with the expected risk mitigation measures when adequately implemented, the residual FM risk is rated as Substantial.**

15. **Country Issues:** According to the 2014 Public Expenditure and Financial Accountability (PEFA) which included an analysis of Sierra Leone's Public Financial Management (PFM) strengths and weaknesses, the Government has taken considerable actions to improve PFM since 2010.

16. The adoption of a number of new laws has had a positive impact on the regulatory framework for PFM. The new PFM Law that has replaced the Government Budgeting and Accountability Act (GBAA) 2005, and the Public Debt Law passed in 2011 are two important legislations contributing to the enhanced legislative framework. The establishment of the Procurement Directorate and the Public Investment Planning Unit of MoFED; and capacity increases and improvements in the number and quality of staff within the Ministry of Finance, the Accountant-General's Department and the Office of the Auditor-General are positive developments in the PFM environment.

17. A weakening of budget credibility and predictability for both expenditures and revenues (underestimated); minor gains in comprehensiveness not impacting on fiscal management challenges; weaknesses in expenditure control (including payroll); and low levels of transparency are weaknesses to be addressed as the Government considers moving the system to a level that is capable of directing resources to priority areas and supporting high quality expenditure outcomes.

18. PFM reform in Sierra Leone is directed at all the dimensions of the PFM system. The PFM Reforms Strategy 2014-2017 seeks to develop the basis for the GoSL to accelerate PFM reforms and establish an efficient, effective and transparent PFM system that minimizes opportunities for corruption.

19. The Strategy is being pursued under the following four themes:

- Budget Planning Comprehensiveness, and Credibility; its primary aims are to establish a credible and stable budget process, particularly to establish a transformational and development fund (TDF), public investment program (PIP) and link investment to recurrent operations and maintenance spending through the MTEF process.
- Financial Control and Accountability, Service Delivery and Oversight; the most critical objective of which is to complete the roll-out of IFMIS to major spending MDAs and bring all CG public accounts--including sub-vented accounts and DP project accounts--on to IFMIS.
- Revenue Mobilization; whose two objectives will be (1) to establish more effective tax and control regimes for extractive industries through the Extractive Industries Revenue Act and the Oil Exploration Act and (2) improving the system for recording and reconciling payment and receipts.
- Strengthening Local Governance Financial Management through Local Councils for Effective Decentralization; A critical objective shall be the consolidation of the implementation of the PETRA Accounting Package in all local councils including the real time processing of transactions by selected councils.

20. The PFM Strategy if successfully implemented will put in place appropriate structures and processes to promote transparency and accountability and mitigate the fiduciary risk of utilizing public funds both at the country and project levels as well as have positive impact of aggregate fiscal discipline, the strategic allocation of resources and the efficiency of public service delivery. The PFM reform is being supported through a donor financed PFM project which include DFID, AfDB and IDA.

21. The bulk of external assistance in terms of programming has been channeled off-budget both in the sense that resource allocations are not reflected in the government's budget documents and those funds are not disbursed through

country Treasury systems. This lack of information and absence of effective instruments to guide the allocation of external financing seriously undermine the integrity and effectiveness of the budgetary system. There is insufficient transparency in public finances. The budget process is not yet transparent. The PFMRP project being currently implemented aims at addressing all the above weaknesses by mobilizing funds from a number of donors to finance a comprehensive public financial management overhaul of the respective integrated systems and ensure an inclusion of donor funded projects in government chart of accounts and budgets so that eventually they are able to use existing country systems.

22. **Project Risk Assessment and Mitigation.** This section presents the results of the risk assessment and identifies the key FM risks and the related risk mitigating measures.

Table 4: Risk Rating Summary Table

Risk		Risk Rating	Risk mitigating measures	Residual Risk rating
1	**Country Level** Weaknesses in legislative scrutiny, low human capacity, declining revenues and energy challenges affecting timely and adequate intergovernmental fiscal transfers.	H	Efforts are being made to help GoSL substantially resolve and enhance revenue management framework in the medium term. The PFM Improvement and Consolidation Project seeks to address the human capacity issues including FM capacity and improve process aspects.	H
2	**Entity Level** The political arm of the Entity and / or Management may unduly interfere with, and/or override, project financial management controls.	H	An independent project financial management unit with officers paid by the Project will manage the fiduciary aspects of the project to ensure independence. An independent external audit will be carried out annually under the project. The design of the project will include an enhanced accountability framework to ensure control of soft expenditures from possible abuse. Initially, regular FM reviews will be conducted by the Bank team to provide support.	S
3	**Project Level** Weak FM capacity could result in slow execution of the project and delayed reporting could impact on progress.	H	PFMU will be manned by qualified personnel that will handle the day to day management for the GoSL. The performance of the staff hired in the Unit will be reviewed annually to act as a basis for renewal of their individual contracts.	S
4	**Budgeting** Budget and annual work plan preparations may be delayed and may not be comprehensive. Risk of cost overruns and adverse variations	M	The AWP would be submitted annually before implementation starts for review by the Bank team which would ensure it is realistic and unit cost estimates are reasonable based on industry and global	L

	in expenditure could arise due to potential slow implementation and padding of the related unit costs of goods and services entailed in the implementation.		experiences gathered in some jurisdictions that have undertaken similar operations and also cross check the same with the local market. Also, budget execution reporting through quarterly IFRs will be routinely monitored by IDA with variations in unit costs tracked to ensure major deviations are followed up and investigated. The Budget Office will also monitor budgeted activities to ensure effective use of budgets	
5	**Accounting** Government Accounting System not yet installed at the Unit. Use of manual accounting system not generating reliable, accurate and timely accounting information for project appropriate decision making acceptable to the Bank.	H	PFMU will use a customised accounting system. The Financial Procedures Manual is being revised to take into account peculiar design of the project. The Bank's team will provide support to relevant project staff at PFMU	S
6	**Internal Control (IC)** Project funds not being used for intended purposes because of inadequate IC by management and lack of control measures pertaining to soft expenditures and usage of executive override. This may give rise to non-compliance with IC procedures.	S	Adequate IC over the disbursement and accountability of funds for eligible expenditures will be further strengthened by the adoption of an enhanced accountability framework for the project and internal audit oversight on the Project at PFMU will be instituted. The internal auditors will be required to generate periodic internal audit reports which should be shared with relevant stakeholders including the Bank. The ICs will also be documented in the FM manual for the Project. Internal and external auditors would be expected to clearly identify and report any cases of breach of IC procedures by the project management.	M
7	**Fund Flow** Possible delays in processing withdrawal applications leading to problems in honoring payments to third parties. Submission of Withdrawal Applications delayed.	S	The PFMU will be responsible for preparing and submitting withdrawal applications, and acceptable service standards for settlement of bills will be established. IDA funds will be disbursed through the US$-denominated DA to be opened by the PFMU Simplified flow of funds arrangements will be included in the PIM.	M

8	**Financial Reporting** Delays in the preparation and submission of un-audited IFRs and/or unreliable IFRs submitted.	M	IFRs shall be submitted to the Bank within 45 days after end of each calendar quarter. The content of the IFR will include Sources and Uses of Funds, Uses of Funds by Category, bank accounts reconciliation and a schedule of amounts drawn from the Credit.	L
9	**Auditing** Delays in the submission of audit reports and the timeliness of management follow up on audit issues.	S	The audit TOR will be agreed and a qualified and acceptable auditor appointed with relevant input of Audit Service Sierra-Leone ASSL. Continuous satisfactory performance of auditors will be basis for continuous engagement. The audit would be done in accordance with International Standards on Auditing (ISA) and, International Public Sector Accounting Standards. The audited financial statement is expected to be submitted to the Bank not later than 6 months after the end of each fiscal year. The TOR for the external auditors has to be cleared by the Bank. The Bank will liaise closely with implementing partners to ensure that management takes corrective actions on identified weaknesses.	M
	OVERALL RISK RATING	H		S

H —High, S — Substantial, M — Moderate and L — Low.

23. A summary of the key findings of the financial management assessment as well as the FM arrangements under the project as conducted is presented as hereunder.

24. **Planning and Budgeting.** The respective entities' Annual Work Plans and Budgets (AWPB) will be prepared and approved based on the policy guidelines and strategy planning as laid-out in the PIM to be developed, and consistent with the provisions of the Government Budgeting and Accountability Act 2005.This budget will be activity based and in line with the cost tables of the project. The AWPB is expected to be prepared in a participatory way and will be approved before each new financial year begins. The financial part will be monitored during Project implementation using unaudited IFRs. PFMU will ensure timely preparation, review, consolidation, and approval of the annual work program.

25. **Accounting Policies, System and Procedures.** The PFMU will set up and maintain books of accounts specifically for this Project. Books of accounts will include a main cash book, and ledgers, fixed asset registers, and contracts register. The PFMU will use a customized FM system (TOM2PRO) and will ensure that codes for the transactions are adequately reflected in its books.

26. The accounting systems will contain: (a) a chart of accounts and a coding system capable of capturing transactions classified by project components and IDA disbursement categories; (b) use of the cash or modified cash method of accounting; (c) a double entry accounting system; and (d) the production of annual financial statements and quarterly IFRs in a format acceptable to IDA. An accounting policies and procedures manual will be prepared to include the project financial transactions procedures at each of the implementing partners. The Manual will contain the necessary ICs including internal checks and segregation of duties.

27. **Internal Audit and Control.** The Internal Audit Unit of MoFED will carry out periodic internal audit reviews of activities carried out in the implementation of the Project and share copies of their report with the Bank.

28. Segregation of duties, and full compliance with the provisions of the PIM, especially as pertaining to internal control aspects, will remain a key ingredient in the implementation of the expenditure processing activities at the PFMU and the executing agencies during the life of the project.

29. **Governance and Anti-Corruption.** The Bank's Anti-Corruption Guidelines *("Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants",* dated October 15, 2006 and revised in January, 2011) apply to this operation. Sections of these guidelines, especially those relating conflict of interest, procurement and contract administration monitoring procedures, procedures undertaken for replenishing the DA and use of the Project's asset shall be provided as an annex to the Project's Financial Procedures Manual. Additional mitigation measures will include advocating good governance, close monitoring and spot checks by the internal audit units of the implementing entities, as well as enhanced social responsibility by the GoSL and implementing entities.

30. Supporting documentation will be retained by the implementing partners for review by the IDA missions and external auditors.

31. **Financial Reporting Arrangements.** PFMU will be responsible for the preparation and submission of quarterly IFRs for the project, to be submitted within 45 days after the end of the quarter to which they relate. It will also be responsible for the preparation of the annual financial statements for the fiscal period to which they relate and having them audited. The information in these reports will be clearly linked with the chart of accounts for the Project.

32. The following quarterly IFRs and annual Financial Report will be produced:

(a) A statement of sources and uses of funds for the reported quarter and cumulative period from project inception, reconciled to opening and closing bank balances.
(b) A statement of uses of funds (expenditures) by project activity/component, comparing actual expenditures against budget, with explanations for significant variances for both the quarter and cumulative period.

33. The annual financial statements should be prepared in accordance with International Public Sector Accounting Standards (which inter alia include the application of the cash basis of recognition of transactions) and ISA within 6 months after the end of each fiscal year.

34. The Financing Agreement will require the submission of audited financial statements to the Bank within six months after the end of each financial year. These Financial Statements will comprise:

(a) a Statement of Sources and Uses of Funds/Cash Receipts and Payments, which recognizes all cash receipts, cash payments, and cash balances controlled by the project entities and separately identifies payments by third parties on behalf of the project entities;
(b) a Statement of Affairs/Balance Sheet as at the end of the financial year, showing all the assets and liabilities of the Project;
(c) The Accounting Policies Adopted and Explanatory Notes. The explanatory notes should be presented in a systematic manner with items on the Statement of Cash Receipts and Payments being cross-referenced to any related information in the notes. Examples of this information include a summary of fixed assets by category of assets and a summary of Withdrawal Schedule, listing individual withdrawal applications; and
(d) A Management Assertion that IDA funds have been expended in accordance with the intended purposes as specified in the relevant World Bank legal agreement.

35. Indicative formats of these statements will be developed in accordance with fiduciary requirements and agreed with the Country Financial Management Specialist.

36. **External Audit.** The ASSL is by law responsible for the audit of all government finances and projects. However, in view of the prevailing capacity constraints, it is likely that the ASSL could outsource such service to a private firm of auditors with qualifications and experience acceptable to the IDA.

37. PFMU will be responsible for preparing the project financial statements on which the auditor will issue a single opinion covering project accounts, the usage of statement of expenditures (SOEs), and the management of DAs. In addition, a management letter outlining any internal control weaknesses will also be issued by the external auditor together with the audit report.

38. The project financial statements will be audited annually in accordance with ISA by independent auditors acceptable to IDA based on TORs acceptable to IDA as above annotated. The auditors should be appointed prior to the first audits period to allow the auditors able to submit the audit report within the due date. The audited financial statements will be submitted to IDA within six months after the end of each fiscal year. The cost of the audit will be financed from the project proceeds.

39. **Fraud and Corruption.** Inefficient service delivery due to poor governance practices and weak PFM environment is an inherent issue. Possibility of circumventing the internal control system such as colluding practices, bribes, abuse of administrative positions, mis-procurement among other considerations are critical risks that may arise. Other internal control incidences that may expose the project to fraud and corruption include but not limited to (a) late submission of supporting documents; (b) poor filing and records; (c) lack of work plans and or budget discipline; (d) unauthorized commitment to suppliers, and (e) bypassing budget and expenses vetting procedures. The project shall mitigate these potential fraud and corruption related risks through (i) strengthened project monitoring; ii) specific aspects on corruption auditing will be included in the TORs for the external audit; (iii) targeted FM Procedures and internal control mechanisms across the project activities shall be detailed in the project OM (iv) strong FM staffing arrangements (v) periodic FM supervisions (vi) IFRs reviews and monitoring (vii) measures to improve social accountability and transparency shall be integrated into the project design and consistent with the social mobilization thematic area in component one of the project, including ensuring that project reports are available to the public.

Table 5: Agreed Action Plan

	Action	Date due by	By Whom
i.	Refresher course / training of PFMU Finance Team on the Bank FM and disbursement procedures	Not later than four months after project effectiveness	PFMU
ii.	Preparation of the Project Implementation Manual incorporating the financial management policies and procedures.	Date of Effectiveness	PFMU
iii.	Input of the relevant project codes into the accounting software.	Not later than one month after project effectiveness	PFMU
iv.	Recruitment of an additional FM Officer to strengthen the Finance Division of the PFMU, if the PFMU is not fully operational by Project effectiveness	Not later than three months after project effectiveness	PFMU

40. **Conclusion.** The conclusion of the assessment is that the FM systems of the PFMU meet the Bank's minimum requirements for the administration of projects funds under OP / BP 10.00. The overall FM residual risk of the Project is **Substantial**.

Disbursements

41. **Designated Accounts** (DA). To facilitate funds flow to the GoSL, a segregated DA will be opened in US Dollars at a commercial bank acceptable to the Bank and managed by PFMU. The DA will cater to the implementation requirements for all the components.

42. **Disbursement Arrangements**. The Report - based disbursement method will be used as a basis for the withdrawal of credit proceeds. The project provides for the use of 'advances, reimbursements, direct payment, and special commitments' as applicable disbursement methods, and these will be specified in the disbursement letter.

43. For Component 1.1. UNOPS will be contracted to implement the activities. An agreement will be signed between the government and UNOPS to implement the works, so that once the project becomes effective the component can transfer an advance of at least 50 percent of the sub-component allocation to UNOPS to implement the slope stabilization works ahead of the next rainy season.

Procurement

44. Procurement under the proposed project will be carried out in accordance with the World Bank Procurement Regulations for IPF Borrowers published July 2016 and revised November 2017; the 'Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants', dated October 15, 2006 and revised in January 2011 and as of July 1, 2016; and other provisions stipulated in the Financing Agreement.

45. All procuring entities as well as bidders and service providers, that is, suppliers, contractors, and consultants, shall be expected to observe the highest standard of ethics during the procurement and execution of contracts financed under the project in accordance with Section I and II of the World Bank Procurement Regulations for IPF Borrowers of July 2016 and revised November 2017.

46. A PPSD shall be prepared by the Borrower and will be finalized and be in place for operationalization by the Borrower before implementation commences. The PPSD describes how procurement activities will support project operations for the achievement of the PDOs and deliver value for money. The PPSD is linked to the overall project implementation strategy by ensuring proper sequencing of procurement activities. It also provides information regarding: institutional arrangements for procurement; roles and responsibilities; thresholds, procurement methods, and prior reviews; and other requirements needed for carrying out procurement shall be elaborated in detail in the strategy. The PPSD also includes a detailed description of the procurement capacity needed by the executing agencies for carrying out procurement with specific focus on managing contract implementation, governance structure, and accountability framework. Other aspects to be captured are behavior and capabilities of the market (that is, market analysis) to respond to the Procurement Plan. The project activities will require strong technical capability by the executing agencies for the preparation of proper technical specifications to avert lack of or inadequate market response.

47. The capacity or a plan to enhance the capability of the client will be further described in the final PPSD. Also, special arrangements like direct contracting; the use of SOEs, UN Agencies, local NGOs, and force account; or civil servants needs, results-based arrangements, and need for prequalification, if any, will be described in the final PPSD. The final PPSD will also include a summary on procurement risk, mitigation action plan, and procurement implementation support and supervision plan.

48. The key features of the New Procurement Framework that have been triggered and included in the PPSD are advance contracting; use of national procurement procedures; fragility, conflict, and violence/emergency situations; use of UN Agencies; hands-on and expanded implementation support and use of NGOs; and other aspects including post procurement review (third-party audit), request for proposal, sustainable procurement and community driven development. Following the situation on the ground, the strategy will trigger Paragraph 12 Section III of IPF Policy on the use of emergency procedures. This has become necessary so that the procurement systems and strategy can readily respond to the emergency situations. Procurement operation will respond to the emergencies dealing with life, health and safety-threatening conditions; restoration of livelihood and reconstruction.

49. The project will be implemented by different agencies with different sectors of intervention including SLRA, MoWR/GWVC, ONS, UNOPS and EPA. Procurement activities in each respective executing agency will be centralized and executed by PFMU that will be housed under MoFED in collaboration with PCU that will be coordinating technical components. The PCU will ensure that procurement management of the project is carried in accordance with the Bank procurement regulations for IPF Borrowers and the National Procurement procedures when procurement is approaching national market.

50. PFMU will be responsible for coordination of procurement management of the project. The PFMU will focus on quality and process oversight, centralized procurement, reporting, and contract management and ensure that the procurement is done in accordance with the procurement regulations and national procurement procedures as defined in the PPSD. Procurement planning shall be done through STEP system and will include information on the timing of the procurement activities.

Environmental and Social (including safeguards)

Social Safeguards Action Plan

51. The purpose of the Safeguards Action Plan (SAP) is to lay out the magnitude of Environmental and Social Risks to be expected and mitigation measures to consider. It also describes the sequencing and preparation time for safeguards instrument (Bank review, clearance, and approval and disclosure steps) as well as implementation and supervision arrangements.

52. The proposed FERP is being prepared as an emergency operation triggered by a natural disaster which resulted in a landslide and widespread flooding in parts of Freetown. The project activities include Slope stabilization of the Mount Sugarloaf area of Regent, rehabilitation of water distribution network for residents downstream of the Guma reservoir and the rehabilitation of selected roads and bridges. The proposed environmental assessment Category is "B" because project impacts are expected to be moderate, site specific and easily mitigated with the proposed Environmental and Social measures. The project triggers OP4.01 on Environmental Assessment, OP4.04 on Natural Habitats, OP4.36 on Forests and OP4.12 on Involuntary Resettlement. The proposed safeguards instruments to be developed and used under the project are an ESIA, ESMPs, and Abbreviated or Resettlement Action Plans because the specific locations and activities are well known. The needs of the project are straightforward, however the ESIA process will provide an analysis of alternatives to the approach of the required interventions to minimize Environment and Social impacts. This assessment and the associated design of the relevant safeguards instruments, will set out details of measures to manage potential environmental and social risks and avoid, minimize, mitigate and/or compensate any adverse environmental and social impacts associated with the implementation of Project activities, including measures designed to prevent gender-based violence and sexual exploitation and abuse. Prior to commencement of civil works a safeguards implementation status report will be submitted to the Bank by the PCU, clearly indicating measures implemented and any that are still to be implemented prior to construction.

53. Multiple Government agencies and development partners including UNOPs, SLRA, GWVC, ONS, and EPA will be involved in the implementation of the project with different capacities in World Bank safeguards policies. Given this kind of institutional arrangement, each executing agency will have dedicated safeguards focal persons. In addition, the PCU will recruit the services of full time environmental and safeguards specialists to help to support the team during implementation. Training will also be provided for the PCU during implementation.

54. Projects being prepared under emergency procedures may make provisions for the safeguards instruments to be deferred until after board approval. However, in order for the project to be ready for implementation once approval is obtained and also the fact that the activities and locations have been identified in sufficient detail, the project will (i) go ahead with the preparation of the specific ESIAs and RAPs along with the technical designs (ii) undertake a preliminary assessment of properties to estimate the cost of compensation for budgeting and to facilitate quick declaration of cut-off date to minimize speculative activities (iii) clarify source and availability of funding for compensation payment (iv) undertake consultation and communication to differentiate compensation payment for impacts related to the project footprint against the already existing need resulting from the disaster. Table below summarizes the work plan for addressing safeguard requirements of the project.

Table 6: Safeguards Action Plan

Instrument/Action	Explanation/Procedures	Deliver/Not later than
Register project with EPA, Sierra Leone	*This is an EPA Requirement and not necessarily a pre-requisite for preparing the ESIAs, ESMPs or RAPs.*	*January-February 2017*

	Obtain, complete and submit EA Registration form.	
Draft TORs for, ESIA, and RAPs	*client drafts, Bank reviews and provide clearance* *Client uses TOR to initiate Expression of Interest (EoI) and contracting of consultants*	*January-February 2018*
Environmental and Social Impact Assessment(ESIA) including ESMPs	*To cover specific Sub-project sites* *Copies to the Bank for review and clearance* *Consultation and disclosure per Bank and country regulations (different times allowed)* *Final copy to be disclosed in country and in bank info-shop*	*March-May 2018*
Abbreviated/ Resettlement Action Plans (A)RAP	*To cover sub-project that will result in demolition of assets and or displacement of livelihood sources.* *Alternatives for minimizing or avoiding displacement* *Final copy to be disclosed in country and in bank info-shop*	*March-May 2018*
Staffing for safeguards implementation	*Each executing entity will have dedicated safeguards personnel to carry out day to day safeguards management activities.* *Additionally, the client will hire experienced safeguards personnel as part of the PCU to coordinate safeguards activities and ensure effective implementation and supervision.*	*Before preparation of safeguards instrument*
Safeguards capacity building	*Safeguards trainings and support to all implementing partners.*	*To be done before and during implementation stages*

55. During the project preparation, each implementing partner will have dedicated safeguards personnel to help in the preparation of the TORs and reviews of the safeguards studies. The PCU safeguards specialists will co-ordinate the activities of each implementing partner to ensure that the relevant studies are carried out and implemented in accordance with both the World Bank and GoSL environmental guidelines and policies.

56. **Employment Opportunities.** Per the DaLA report, “The disaster impacted economic activities and generated losses to the livelihoods of affected households, especially those displaced”. Thirty-one percent of victims surveyed in the U-report poll indicated that helping to restart their businesses was the most helpful form of post-emergency support after relocation and rebuilding. It is recognized that, a comprehensive livelihood assessment to identify priority areas for support and building resilience is required which is outside the scope of this project. Notwithstanding, there is an opportunity for the project to provide short term income generation for displaced households around the project footprints through skilled and less skilled labor force. This could potentially contribute to capitals to restart small businesses and consistent with one of the Recovery Need recommendations to prioritize hiring workers from affected households during rebuilding activities.

57. **Gender.** A total of 1,908 households were affected by the disaster. Female headed household constitute about 25%. The DaLA report found out that Impact on loss of livelihood was pronounced among retailers/ petty traders, agriculture-dependent population and skilled laborers. This means the livelihood of women will be negatively impacted by the disaster since they are usually the largest groups engaged in street vending and petty trading. While the project will respond to basic needs of the affected communities particularly women by providing access to water, restoring road access and bridges for enhanced mobility and trade, the following specific activities will be considered to promote women access to some of the project benefits. (a) promote female employment and raise awareness of contractors on gender-sensitive employment practices, (b) improve information outreach to women on project investments and employment opportunities, (c) ensure gender sensitive messaging of the disaster risk profile during community awareness (d) Safeguards instruments will be prepared with specific gender considerations.

58. **Gender-Based Violence:** Parallel to gender considerations, the project will take steps to assess and manage project-related risk on gender-based violence, sexual exploitation, and abuse. As a standard measure, all bidding documents for works will include a code of conduct which shall, *inter alia*, cover gender-based violence and sexual exploitation and abuse, along with an action plan designed to effectively implement said code of conduct, including appropriate training on said code of conduct. The project will engage with relevant government institutions (e.g. police, social welfare, etc.) and local community leaders on the risk of GBV and to encourage local communities to report potential GBV cases involving contractors.

59. **Citizen Engagement.** Consultations with stakeholders including sub-groups in the impacted communities are key requirement to preparing the safeguards instruments. This is to ensure that communities are informed and that their inputs and concerns are incorporated into the project's safeguards instruments. It is required that, the project put in place a mechanism for community participation in project monitoring throughout the project cycle and to address concerns and complaints upfront as they arise. To this end, the project will establish a Grievance Redress Mechanism (GRM) through which complaints will be channeled and addressed. There will be intermittent Beneficiary Feedback Assessment to ascertain the proportion of population satisfied with quality of rehabilitation works. The project design, particularly component 2 will provide opportunities to consult with local communities on the disaster risk profiling results and preparedness plans. The overall scope of citizen engagement will be guided by a stakeholder engagement plan.

60. **Grievance Redress Mechanism (GRM).** A multilevel arrangement for registering and addressing grievances and complaints from project-affected people would be developed as part of project preparation. The primary purpose of the project's grievance redress mechanism is to provide clear and accountable means for affected persons to raise complaints and seek remedies when they believe they have been harmed by the project. The GRM will be designed to take account of local structures and procedures for addressing project related concerns, and will constitute an additional avenue through which the project can engage with relevant stakeholders throughout the project life cycle. Aside the project-specific GRM, communities and individuals may submit complaints to the World Bank's Grievance Redress Service or other recourse channels that are available to them. The Results Framework will monitor percentages of addressed grievances. The overall scope of citizen engagement will be guided by a stakeholder engagement plan.
61.

Monitoring and Evaluation

62. **The Project will put in place a multi-tier quality oversight and control, and results monitoring mechanism** entailing: (a) physical quality control and supervision; (b) resulting M&E system (c) social accountability and grievance redress systems, and (d) third performance verification and audits by independent parties as needed.

63. **The target values of the indicators listed in the results framework were estimated based on preliminary assumptions.** These are based on the proposed budget allocation among the subsectors included in the proposed project components. These indicators and targets were developed as per the components identified during project preparation. Given the nature of this emergency project, these were intentionally kept more flexible so they can be easily adjusted during project implementation, based on selection of works. The project's Mid-term Review (MTR) will be undertaken after 18 months of project implementation.

64. **Outcome Monitoring and Evaluation**: The PCU in collaboration with the PFMU will be responsible for operationalizing the Results Frameworks and Results Monitoring System. The PCU will provide biannual results project implementation to all concerned project's constituent agencies.

65. **Social and Environmental Monitoring**: This will include (i) monitoring compliance with the environmental regulation; social and environmental safeguards and environmental and social assessment provision; and (ii) overall monitoring and oversight of social and environmental issues at project level.

66. **Regular Quality Supervision and Certification**: This will be carried out by each implementing partner in close collaboration with the PCU. Detailed quality guidelines will be developed by the PCU and PFMU and adopted by all implementing partners during project implementation.

67. **Physical Progress Monitoring and Audits**: Physical progress monitoring will be carried out by each implementing partner in conjunction with the PCU and the PFMU on a monthly basis, and consolidated by the PCU which in turn will share the reports on a quarterly/monthly basis with the World Bank and MoFED. Financial progress will be reported through the quarterly IFRs.

68. **Implementation support will entail both routine and ad-hoc quality checks at various stages of implementation.** Periodic monitoring will include process reviews, reporting of outputs and maintaining updated records. This will include the following: (i) Social and Environmental Monitoring, (ii) Physical Progress and Process Monitoring, (iii) Third Party Monitoring as needed, and (iv) Results M&E.

ANNEX 3: IMPLEMENTATION SUPPORT PLAN

COUNTRY : Sierra Leone
Freetown Emergency Recovery Project

Strategy and Approach for Implementation Support

1. The FERP has been designed to help the population of Freetown recover from the August 14, 2017 landslides and floods, and strengthen their resilience to future disasters of this nature. While a majority of investments will target multi-sectoral investments in the city of Freetown, the project will also support national institutional strengthening for disaster preparedness and recovery to reinforce sustainability of project investments.

2. The Implementation Support Plan (ISP) describes how the World Bank will work in close coordination with the GoSL during project implementation to ensure mitigation of risks identified during project preparation and provides necessary technical guidance to facilitate achievement of the PDO (linked to results/outcomes identified in the results framework). Given that this is an emergency project, several important decisions regarding investments will be taken during implementation, making this close collaboration essential.

3. **The ISP has been developed considering important situational factors.** These include: (a) the emergency nature of the project; (b) project focus on resilient recovery of a critical sector and addressing urgent livelihoods needs of the people of Freetown; (c) lessons learned from similar operations; (d) planned implementation schedule; and (e) risks and needs as summarized in the Systematic Operations Risk-Rating Tool (SORT).

4. **The Systematic Operations Risk Rating Tool (SORT) rates the overall implementation risk as Substantial,** with the following elements of risk considered to be Substantial: (a) Political and Governance, (b) Institutional Capacity for Implementation and Sustainability, (c) Fiduciary, and d) Environment and Social. The risks result from the emergency nature of project interventions, geographical coverage of disaster-affected sites, and the need to develop institutional coordination across various implementing entities.

5. **Given the multi-sectoral nature of the project, better coordination between different government entities with the implementation agencies is key for successful project implementation.** The multi-sectoral sub-components of the project warrant implementation by different entities. Traditionally, Sierra Leone has had single-sector projects, which are housed under the sector-specific line Ministry. Given the nature of its multi-sectoral nature, this PCU will be housed under the MoFED, and implemented by ONS, SLRA, GVWC, and UNOPS. World Bank will work with the government, especially through the PCU to ensure adequate collaboration and coordination for project activities.

6. **Implementation support will be provided by the World Bank team (to the extent possible, regionally based), consisting of staff with relevant competencies in operations, procurement, financial management, and safeguards.** The World Bank team will undertake periodic field missions throughout the Project's implementation as required. Experience under previous emergency operations has shown that, given the challenging nature of such projects, specific World Bank responsibilities require higher than normal supervision and support requirements including the transfer of knowledge that the World Bank has gained over the past decade in similar operations.

7. Given the emergency nature of the project and the resulting needs demonstrated in the country, this ISP focuses on (a) ensuring compliance with World Bank procedures, (b) achieving the project development objective, (c) building

capacity of Government institutions to ensure sustainable recovery, and (d) ensuring alignment and complementarity of project activities with other ongoing and known planned World Bank and other development partner interventions in Sierra Leone.

Implementation Support Plan and Resource Requirements

8. **The World Bank's ISP for the Project draws from the emergency nature of the Project, lessons learned from past World Bank projects the region and in the country**. The core principles underlying the FERP ISP are: (i) the need for hands-on implementation support[9] since the Project has been prepared using emergency procedures, which often require additional details to be outlined during implementation; and (ii) the need to strengthen the capacity of implementing partners to ensure sustainability of interventions, using technical assistance from World Bank systems as well international staff and consultants as needed. The plan will be reviewed and revised as required.

9. **The ISP includes frequent review of implementation performance and progress.** The World Bank team will monitor progress on several fronts including: (i) key performance indicators as defined in the Results Framework and the Project's contributions to broader programmatic outcomes for recovery and peace building; (ii) implementation of project activities in the different sites with oversight from the PCU; (iii) proper fiduciary management of all activities carried out by PFMU in coordination with the PCU and other implementing partners; (iv) reconciliation of payments with contracts; (v) supervision of large numbers of state-level procurement activities, and (vi) monitoring of key legal covenants.

10. **Information from various sources will be used to assess and monitor the progress of the Project throughout its implementation.** In addition to the data generated through the Project's MIS and M&E, the World Bank will also review the findings and results of third-party assessments and environmental and social audits that will be undertaken during the course of project implementation.

11. **World Bank support for implementation of FERP activities will go beyond formal semi-annual implementation support missions and field visits**. The World Bank team will provide regular support to the PCU and component implementing entities, given the relative complexity of the Project. The PCU in coordination with all relevant stakeholders will produce semi-annual Implementation Status Reports (ISR) for World Bank management and the public, which will include adequate progress updates, track risk development, and monitor efficacy of mitigation measures. In addition to ISRs, periodic briefings will also be prepared for management. It is proposed that in the first two years of project implementation, three missions per year will be conducted.

12. Implementation support missions will focus on the following areas: (i) technical assistance, (ii) M&E, (iii) client relations, (iv) financial management, (v) procurement, (vi) safeguards, and (vii) communications.

13. **The World Bank's Procurement, FM, and Environmental and Social Safeguards Specialists will also provide timely and effective support.** In addition to carrying out an annual ex-post review of procurement that falls below the prior review thresholds, the Procurement Specialist will provide routine hands-on support to the procurement agencies on a needs basis. The FM Specialist will review all financial management reports and audits and take necessary follow-up actions as per World Bank procedures, working closely with the PCU and PFMU housed under MoFED. Semi-annual inputs from the environmental and social safeguards specialists will be required throughout the Project, and both formal implementation support missions and routine field visits will ensure that all required mitigation measures are

[9] Including for implementation, fiduciary and safeguards risk mitigation.

implemented in accordance with the World Bank safeguards policies. The project will also conduct comprehensive fiduciary assessment of implementing partners to reduce fiduciary risks. The Procurement, FM and Safeguards Specialists will also help identify capacity building needs to strengthen fiduciary and safeguards capacity at the federal and state levels.

14. **As the overall FM risk rating of the project is substantial, implementation support of project financial management will be performed at least twice a year.** The implementation support of the project will closely monitor the FM aspects, and will include but not limited to operation of DA, evaluation the quality of budgets, project financial monitoring and management reviews of financial reports, quality of IFRs, relevancy of the FM Manual, internal controls, work and document flow and quality of financial records, and follow up of audit and mission findings. The review will also conduct random reviews of the statements of expenditures, compliance with covenants. Based on implementation support result, the risk will be re-assessed and the frequency of supervision recalibrated.

15. The following ISP reflects the preliminary estimates of the skill requirements, timing, and resource requirements over the life of the Project. Keeping in mind the need to maintain flexibility over Project activities from year to year, the plan will be reviewed annually to ensure that it continues to meet the implementation support needs of the Project.

Table 7: FERP Implementation Support Plan

Year	Focus	Skills Needed	Trips/Resources	Partner Role	Comments
Year 1	• Project launch • Initialization of Project components • FM systems functioning effectively • Procurement practices following World Bank norms • ESMP in place	• Team lead • FM, Procurement, Safeguards Specialists • Engineer, Transport, Water, Solid Waste Management, DRM, and M&E Specialists	• 4/18 Resource needs: $70,000 • 7/18 Resource needs: $70,000 • 10/18 Resource needs: $70,000 • Routine Suppo $20,000	• Fully staffed PCU to operationalize Project components • Contract project management, other local support firms as needed in coordination with PFMU • Prepare comprehensive Project progress and results monitoring reports in advance of each mission in coordination with PFMU • Update implementation and procurement plans routinely	• Project will likely become effective by March 2018 with the first mission occurring in April 2018. • Task team to support smooth start-up following effectiveness • Ensure safeguard arrangements are built into implementation plans • Review implementation, commitment and disbursement status • Provide support to monitor progress of activities, in-depth technical review of

				• Organize field visits • Ensure program alignment with ongoing and pipeline projects of World Bank and other partners	implementation; make adjustments to implementation plan if needed
Year 2	• Monitor implementation of Project activities • Mid-Term Review • FM, Procurement, Safeguards	• Team lead • FM, Procurement, Safeguards Specialists • Engineer, Transport, Water, Solid Waste Management, DRM, and M&E Specialists	• 2/19 Resource Needs: $80,000 • 9/19 Resource Needs: $100,000 (MTR) • Routine Support: $20,000	• Prepare comprehensive Project progress and results monitoring reports in advance of each mission in coordination with PFMU • Update implementation and procurement plans routinely • Organize field visits • Ensure program alignment with ongoing and pipeline projects of World Bank and other partners	• Review implementation, commitment and disbursement status • Ensure safeguards arrangements are built into implementation plans • Provide support to monitor progress of activities, in-depth technical review of implementation; make adjustments to implementation plan if needed • Conduct MTR after 18 months
Year 3	• Monitor implementation of Project activities • FM, Procurement, Safeguards • Planning for final evaluation and Implementation Completion and Results (ICR) • Project withdrawal and closure	• Team lead • FM, Procurement, Safeguards Specialists • Engineer, Transport, Water, Solid Waste Management, DRM, and M&E Specialists	• 3/20 Resource needs: $60,000 • 9/20 Resource needs: $80,000 • Routine Support: $20,000	• Prepare comprehensive Project progress and results monitoring reports in advance of each mission in coordination with PFMU • Update implementation	• Review implementation, commitment and disbursement status • Ensure safeguards arrangements are built into implementation plans • Provide support to monitor progress

				and procurement plans routinely • Organize field visits • Ensure program alignment with ongoing and pipeline projects of World Bank and other partners • Project closure	of activities, in-depth technical review of implementation; make adjustments to implementation plan if needed

ANNEX 4: ECONOMIC ANALYSIS

COUNTRY : Sierra Leone
Freetown Emergency Recovery Project

1. The Project Development Objective (PDO) of the US$ 10 million Sierra Leone Freetown Emergency Recovery Project is in line with the main binding constraints identified in the 2017 Sierra Leone SCD as well as Sierra Leone's Agenda for Prosperity which paves the way for Sierra Leone's Vision 2035. The PDO of the project is to support resilient recovery through targeted reconstruction and rehabilitation of critical infrastructure and slopes impacted by the landslide and flooding, and by strengthening government capacity for managing disaster and climate risk. This PDO addresses a main constraint to shared prosperity and poverty reduction identified in the 2017 SCD related to environmental risks. Furthermore, this operation supports Sierra Leone's Agenda for Prosperity, which lays out a medium-term strategy for achieving the Vision 2035 targets consisting of becoming an "inclusive, green, middle-income country", by building resilience against natural disasters.

2. To ensure the sustainability of identified interventions, a surge of early recovery interventions, are combined with activities that promote a gradual transition toward medium-term recovery and resilience building. The Project will include a first component on the rehabilitation of public infrastructure and slope stabilization, which will consist of: (i) slope stabilization and remediation measures (US1.8 million); (ii) road, bridge, and drainage infrastructure rehabilitation (US$2.8 million); water infrastructure rehabilitation (US$2.6 million). The second component under this project will consist of strengthening institutional capacity, which will be comprised of: (i) Strengthening early warning systems (US$1.2 million); and (ii) Solid Waste Management Planning (US$0.6 million). Finally, the third component will consist in financial support for project management (US$1 million).

3. The project will be implemented by financing the PCU, which will coordinate closely with the PFMU that coordinates the different ongoing World Bank projects in Sierra Leone. This component will support the PCU for supervision of activities financed through the project for procurement, financial management, and social and environmental safeguards. Oversight of any technical assistance and training, as well as operating costs will also be financed as part of this component. This project will also support, through the PCU, coordination with the PSC, the different implementing partners, and other partners.

4. A programmatic approach to the scaling up of interventions is being undertaken. Indeed, the financial resources will be allocated through a three-phased approach to meet the needs of the country in the short, medium and long term. The financial resources under the current DPO will be supplemented by an additional budget support of US$10 million under a DPO financed by IDA to provide some fiscal space to implement activities to recover from the successive crises. This proposed DPO will help alleviate the medium-term fiscal pressures engendered by the natural disaster and help address the emergency needs in the transition from the humanitarian response to urgent reconstruction and recovery needs.

5. The economic analysis conducted as part of the project preparation process suggests that the proposed interventions under sub-components 1.1, 1.2 and 1.3 are economically feasible. The typology of interventions sub-components 1.1, 1.2 and 1.3 are expected to lead to positive economic rates of return, largely in excess of the discount rate of 6 percent assumed for these interventions, by: (i) saving human lives; (ii) preserving the value of infrastructure which would have been damaged in the absence of these interventions; (iii) saving time with human movements and

increasing regional commercial connectivity; (iv) increasing hygiene and access to potable water; and (v) increasing opportunity for agriculture and livestock activities.

6. *The following assumptions have been made towards the economic analysis of sub-components 1.1, 1.2 and 1.3:*
(i) Valuation of costs and benefits: based on market and shadow prices;
(ii) Appraisal period: a 10-year appraisal period has been selected for component 1.1 and a 15-year appraisal period has been selected for components 1.2 and 1.3; and
(iii) Discount rate: a 6 percent discount rate is applied.

Sub-Component 1.1: Slope Stabilization and Remediation Measures (US$ 1.8 million)

7. This sub-component will reduce the risk of future landslides around the hill and the surrounding areas where the landslides occurred. Certain parts of the areas will be reshaped and reprofiled, with rock materials at risk of slipping being removed. Under this typology of interventions, benefits will accrue in terms of value of lives saved and the value of infrastructure which would have otherwise been damaged. This typology of interventions would remain economically feasible with a minimum risk of landslide of 2 percent or at a maximum cost of US$ 15.3 million.

Sub-component 1.2: Road, Bridge, and Drainage Infrastructure Rehabilitation (US$2.8 million)

8. This typology of interventions will reconnect communities which have incurred damages to their road, bridge and drainage infrastructure by financing the restoration as well as the enhancement of bridges. The benefits will consist of value of time saved with human movements, value of greater regional connectivity and the value of reduced risk of future landslides. This typology of interventions would remain economically feasible at a maximum cost of US$ 13.9 million.

Sub-component 1.3: Water Infrastructure Rehabilitation (US$2.6 million)

9. This typology of interventions is focused on restoring community wells and boreholes, the affected water treatment plants and reservoirs, and the improvement of the piped water systems. Benefits have been calculated based on the value of increased hygiene and time saved with greater access to water. This typology of interventions would remain economically feasible at a maximum cost of US$5.0 million.

10. Component 2 which consists in strengthening of flood and landslide early warning and response systems ensures that the typologies of interventions under Component 1 are sustainable. Indeed, Component 2 reduces the risk of recurrence of similar natural disasters in the future by raising the capacity of the Government and of local communities to anticipate disaster risks in a timely manner through early warning systems. The project will provide support for: (i) the establishment of early warning and response system to be owned by the communities in areas at risk of flooding and landslides to enable effective response to similar disasters and reduce losses to infrastructure and protect lives and livelihoods; (ii) the development of community based contingency planning supported by ONS, based on hazard identification and risk evaluation; and (iii) risk mapping for planning and investment, and pre-registration of vulnerable communities in Freetown to enhance social protection response mechanisms. This will also include the development of awareness raising strategy, training sessions to promote anticipation and monitoring of risks by residents, and scaling up community engagement in disaster response for targeted communities based on risk identification activities.