

**REPUBLIC OF SIERRA LEONE
MINISTRY OF FINANCE
BANK OF SIERRA LEONE**



**SIERRA LEONE SECOND FINANCIAL INCLUSION PROJECT
(P177947)**

**ENVIRONMENTAL AND SOCIAL MANAGEMENT
FRAMEWORK (ESMF)**

(September 8, 2023)

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List of Abbreviations

ACC	Anti-Corruption Commission
ACH	Automated Clearing House
AML	Anti-Money Laundering Law
AML	Anti-Money Laundering
CFT	Combating the Financing of Terrorism
CICO	Cash in-Cash out
COVID-19	Coronavirus Disease 2019
E&S	Environmental and Social
EPA	Environmental Protection Agency
ESCP	Environmental and Social Commitment Plan
ESF	Environmental and Social Framework
ESIA	Environmental and Social Impact Assessment
ESMF	Environmental and Social Management Framework
ESMP	Environmental and Social Management Plan
ESS	Environmental and Social Standard
FSDU	Financial Sector Development Unit
FSU	Family Support Unit (of the Sierra Leone Police Force)
GBV	Gender Based Violence
GM	Grievance Mechanisms
GoSL	Government of Sierra Leone
GRC	Grievance Redress Committee
GRS	Grievance System
HR	Human Resource
IPCP	Infection Prevention and Control Protocol
LMP	Labour Management Procedure
MFI	Micro Finance Institution
MMOs	Mobile Money Operators (MMOs)
MoF	Ministry of Finance (of Sierra Leone)
MSMEs	Micro Small and Medium Scale Enterprises
NaCCUA	National Cooperative Credit Union Association
NBFIs	Non-Bank Financial Institutions
NCPWD	National Commission for Persons with Disability
NEPS	National Electronic Payments Switch
NPPA	National Public Procurement Authority
NRA	National Risk Assessments (NRAs)
OFSID	Other FI Supervision Department (OFSID)
PFI	Participating Financial Institutions
PFM	Public Financial Management
PFMU	Project Fiduciary Management Unit
PIM	Project Implementation Manual
PIU	Project Implementation Unit
POS	Point of Sale
PPE	Personal Protection Equipment
PPSD	Project Procurement Strategy for Development
PSC	Project Steering Committee (PSC)
PWD	Persons with Disabilities
RTGS	Real Time Gross Settlement
SARS COV 2	2019 Novel Coronavirus

SCD	Systematic Country Diagnostic
SEA	Sexual Exploitation and Abuse
SEP	Stakeholder Engagement Plan
SH	Sexual Harassment
SL	Sierra Leone
SLSFIP	Sierra Leone Second Financial Inclusion Project
SLUDI	Sierra Leone Union on Disability Issues
SMEDA	Sierra Leone Small and Medium Enterprises Development Agency
SOP	Standard Operating Procedure
TA	Technical Advisor
Telecoms	Telecommunication Companies
UNCDF	United Nations Capital Development Fund
USD	United States Dollars
WHO	World Health Organization

Executive Summary

This Environmental and Social Management Framework (ESMF) is developed for the Sierra Leone Second Financial Inclusion Project (P177947). The objectives of the ESMF are to provide a framework for the environmental and social management of the project, clear procedures and methodologies for environmental and social screening, assessment, review, approval, and monitoring of activities and sub projects to be financed under the project. This ESMF has been developed specifically to avoid, minimize or mitigate adverse environmental and social impacts and risks that will be associated with rolling out this Project. It is consistent with existing national legislations, the World Bank's Environmental and Social Framework (ESF) and accompanying Environmental and Social Standards (ESSs), World Bank Environmental Health and Safety Guidelines (EHSs) as well as relevant World Health Organization (WHO) guidelines on COVID-19 and other Good International Industry Practices (GIIPs). It also includes templates for environmental and social screening of activities, the preparation of Environmental and Social Management Plans (ESMPs). A stand-alone Labour Management Procedures (LMP) has been prepared for the Project. These instruments are under review at the World Bank. Once the Bank approves them, they will be disclosed in-country and on the Bank's website. The government will also prepare a GBV Action Plan for review and approval by the Bank. It will also be disclosed upon approval. An Environmental and Social Commitment Plan (ESCP) for the project has been prepared and publicly disclosed, with high-level commitment from the Government to mitigate/manage the adverse environmental and social risks/impacts that will arise out of project planning and implementation. A stakeholder Engagement Plan (SEP) has also been prepared, consulted upon, approved by the Bank and subsequently disclosed.

The project proposes to finance activities to support financial inclusion in Sierra Leone for a period of over five years for US\$40 million. Under component 1, there are three subcomponents. These subcomponents supports activities to facilitate adoption and usage of basic transaction accounts. Subcomponent 1.1 would seek to facilitate the expansion of access points, including POS terminals, mobile wallets, and other digital financial access points that facilitate government and other payments. Subcomponent 1.2 seeks to facilitate a safe and efficient payment system with the latest features and functionalities and support ancillary system and participants' access to the payment system through a combination of TA and investment financing. Subcomponent 1.3 would facilitate an enabling environment for increased adoption and usage of transaction accounts through TA and investments.

The proposed project design will support various IDA19 corporate priorities, including gender, climate change and disability inclusion. The project will incorporate features to increase women's access to basic financial services and reduce physical, institutional, and digital barriers in order to increase accessible financial services and products to Persons with Disability (PWDs). These include reforms to strengthen adoption and usage of basic transaction accounts, Digital Financial Services (DFS), and access to finance for women-led Micro Small and Medium Scale Enterprises (MSMEs) and reforms to improve the business environment. The project offers targeted activities under component 2 to facilitate women's access to finance, in particular for women-led MSMEs, through a line of credit (LOC); and technical assistance (TA) to Participating Finance Institutions (PFIs) to develop innovative credit products that do not rely on traditional forms of collateral that women typically lack and to improve their outreach to women customers.

The project will aim to monitor the extent to which activities are contributing toward closing gender gaps by measuring the number of credit registry users who are women, women-led MSMEs that get a loan through the Line of Credit (LOC) supported under the project and the number of innovative financing products launched by PFIs for women-led businesses. By supporting increasing adoption and usage of transaction accounts and Digital Financial Services (DFS), which will substantially reduce travel by all economic actors to physical locations (for example, to the bank or to pay bills or receive payments), the project will support climate change mitigation and adaptation. The project activities will also help to build resilience to the effects of climate change by enabling services such as payments, savings, credit, insurance, remittances, and government transfers that can provide critical support for those managing new environmental realities. The Project has five components. The components and their corresponding activities/sub projects are described as follows:

(a) Component 1: Adoption and Usage of Transaction Accounts

The objective of this component is to support adoption and usage of transaction accounts at a formal financial institution or mobile money provider. It comprises three interrelated subcomponents addressing key barriers related to limited financial access points (Subcomponent 1.1) and other payment systems infrastructure development needs (Subcomponent 1.2), and legal and regulatory barriers and low financial literacy/capability levels (Subcomponent 1.3). These measures aim to contribute to broader adoption and usage of transaction accounts and digital finance in Sierra Leone, including as a store of value and as a steppingstone for the poor to access more advanced financial services. In terms of the Global Crisis Response Framework, Component 1 on adoption and usage of transaction accounts contributes to Pillar 2 (protecting people and preserving jobs, financial market stability).

(b) Component 2: Increasing Access to Credit for MSMEs

The objective of this component is to facilitate access to affordable credit for MSMEs, strengthen supervision of the MFI and NBF sector, and improve the national credit infrastructure. This set of financial sector activities is intended to protect access to financial services for MSMEs affected by the current economic emergency conditions and ongoing localized climate change events and set the stage for expanded financial inclusion in the future. It comprises three interrelated subcomponents addressing three key impediments to sustainable lending and greater outreach by financial institutions to MSMEs: lack of affordable long-term local currency liquidity for financial institutions (Subcomponent 2.1), the lack of supervisory capacity (Subcomponent 2.2), and lack of a modern credit information system covering non-banks (Subcomponent 2.3). In terms of the Global Crisis Response Framework, Component 2 Increasing Access for Credit to MSMEs contributes to the framework's Pillar 2, given the focus on financial market stability

(c) Component 3: Project Management, Monitoring, and Evaluation

This component will support the government and other actors' capacity strengthening for the coordination, design, and implementation, the administrative, technical, financial management, environment and social safeguards of the project by the Project Implementation Unit (PIU) under the oversight of the Project Steering Committee. Other areas of intervention under this component are the coordination among all institutional partners to ensure the efficient flow of information among all actors and coordination with the private sector and the establishment of a monitoring and evaluation mechanism of the project's results and impact. Component 3 also includes support for the development of communication activities to publicize and disseminate project results, best practices, and success stories, project grievance mechanism and environmental and social implementation and monitoring. It will incorporate citizen engagement into the project through a satisfaction survey with project beneficiaries at project mid-term.

(d) Component 4: Contingent emergency response component (CERC)

In line with the World Bank's Operational Policy OP8.00, the PIU would also house a CERC. This is a provisional zero amount component to allow for rapid reallocation of loan proceeds from other project components during an emergency such as a natural or constructed disaster or crisis that has

caused or is likely to cause a major adverse economic or social impact. To trigger this component, the government must declare an emergency or provide a statement of fact justifying the request for activating the use of emergency funding.

The project will generate the following beneficial environmental and social impacts:

- i. Employment and income earning opportunities for project workers and third-party agents notably, installers of IT infrastructure, employees of participating MFIs and mobile money agents consultants;
- ii. Improved access to financial services for women, Persons with Disability and those residing in rural areas; and
- iii. Training programs for relevant staff of BLS and participating FIs that will be delivered under the project will also improve capacity of these workers to better deliver on their functions assigned to them under the current project and future ones.

Potential adverse environmental and social risks/impacts of the project revolve around exclusion of vulnerable groups such persons with disability, women the elderly and those living in remote rural communities from project benefits. Project workers and those seeking to access project benefits may be perpetrators or survivors of Gender Based Violence including Sexual Exploitation and Abuse (SEA) and Sexual Harassment (SH). Lack of transparency in the selection of MSMEs for training and access to credit may result in elite capture, favoritism, and tension. Project activities under component 1 seek to facilitate adoption and usage of basic transaction accounts by expanding digital financial access points and further developing the national payment system. The potential for data security risks including fraud, privacy intrusion, abusive debt collection practices could place the poor and most vulnerable at risk if not properly mitigated. Also, the use of Psychometrics test to determine credit worthiness of a loan applicant poses potential exclusionary risk as the test don't account for other factors that may influence behavior like culture, language, socio-economic status, educational background and race. Sub component 1.1 may support financial institutions expanding into small towns and rural areas, including some small-scale civil and rehabilitation works within existing facilities. There will be some minimal environmental impacts and risks from these activities. Sub Component 2.2 will support MSMEs including minor civil works/rehabilitation of structures and activities in agriculture, commerce, and industry. Some of these activities and sub projects generate air, soil, surface, and ground water pollution from wastes, and adversely affect to aquatic, wetland and terrestrial ecosystems.

Broad mitigation measures outlined in this ESMF align with the World Bank's ESF and are drawn from the relevant World Bank Interim and Good Guidance Notes, World Bank Group's Environmental, Health and Safety Guidelines (EHSGs) and various Government of Sierra Leone policies and strategy papers. These include measures such as ensuring that Contractors' work plans avoid crowding on site, provision of the appropriate Personnel Protective Equipment for site workers, outlining and disclosing a gender-sensitive, disability friendly and spatially sensitive criteria for accessing project support packages and establishing a participatory-accessible time-bound grievance mechanisms for project workers and beneficiaries. Mitigation measures also include establishing multiple uptake points for GBV/SEA/SH survivors and a case management system that is confidential, survivor centered and in tandem with the Sierra Leone GVB Referral Protocol. These measures, together with staff capacity building on the World Bank Environmental and Social Framework (ESF), accompanying Environmental

and Social Standards (ESSs) and other topical issues such as Grievance Mechanisms (GM) and SEA/SH will be the focus of material measures to mitigate the potential environmental and social risks/impacts that will be associated with the project. To ensure that the mitigation measures are contextualized, implemented and monitored, the Project will prepare, disclose and implement environmental and social risk management instruments such as Environmental and Social Screening Reports, Site Specific Environmental and Social Management (ESMPs), Labor Management Procedures and Gender Based Violence Action Plan throughout the project lifespan. These, coupled with the enforcement of environmental and social clauses inserted into contract documents and reporting mechanisms will form the thrust of procedures to address environmental and social risks and impacts that will be associated with the project.

Bank of Sierra Leone (BSL) will establish an Environmental and Social Management System (ESMS), for Component two (2) activities involving Participating Financial Institutions (PFIs), with a clearly defined environment and social policy to guide its operations and other financial institution participating in the project. Other features of the ESMS under the Sierra Leone Second Financial Inclusion Project include recruitment of a competent, environmental, and social/gender specialists to support environmental and social risk management, environment and social screening and assessment and monitoring and reporting. This ESMF will guide sub projects and activities under the other components of this project.

The Bank of Sierra Leone, under the auspices of the Ministry of Finance (MoF), will be responsible for overall project implementation, prompt and efficient coordination, oversight and monitoring of the project. BSL will establish a Project Implementation Unit (PIU) with an Environmental and Social Specialist who will be responsible for ensuring compliance with the requirements of the relevant World Bank Environmental and Social Standards (ESSs) and Sierra Leonean environmental and social protection laws as well as continuous environmental and social training. Stakeholders involved in aspects of ESMF implementation are Financial Services Association (FSA), National Cooperative Credit Union Association (NaCCUA), Insurance Companies, National Commission for Persons with Disability (NCPWD), Owners of Micro Small and Medium Scale Enterprises, the media, Community Banks (CBs) and other financial and non-bank institutions, Gender Based Violence Service Providers, traditional authorities, and women groups. The World Bank will maintain an oversight role to ensure compliance with its Environmental and Social Standards. The Bank will also review and provide approval for environment and social risk management instruments and monitor the progress of ESMF implementation.

In terms of environmental and social monitoring, Participating Financial Institutions (PFIs) and Clients will submit Monthly Monitoring Reports to the PIU domiciled at BSL with a section dedicated to progress on the implementation of E&S mitigation measures/plans outlined in the Sub Project ESMPs as well as E&S non-compliance issues and timelines for compliance. It will also cover incidence/accident reports, status of grievances received in the reporting month and emerging E&S issues, among others. The Environmental and Social/Gender Specialist at the PIU shall review and validate the progress reports through field visits/verifications and consolidate them into the quarterly report for review by the World Bank.

Under the ESMF/ESMS, there will also be training and sensitization on environmental and social issues around the project. Training programs to build capacity for the implementation of mitigation and management measures outlined in this ESMF. It includes workshops presentation and demonstrations. These have been identified and the cost has been added to the ESMF implementation budget. These include training programmes in grievance redress mechanisms (GRM), and GBV/SEA/SH. It is estimated that a total amount of Three Hundred and Fifty-Five Thousand United States Dollars (USD 355,000.00) will be required to implement the ESMF. The estimated cost includes the cost of training programs proposed (USD110, 000.00) in this ESMF.

A separate Stakeholder Engagement Plan (SEP) has been prepared for the Project, based the World Bank's Environmental and Social Standard 10 on Stakeholder Engagement. The SEP can be found at https://mofsl.gov.sl/wp-content/uploads/2023/05/SEP_SLFIP_P177947.pdf

1.0 Introduction

This Environmental and Social Framework (ESMF) assists the Government of Sierra Leone (GoSL) in identifying the type of environmental and social assessment that should be carried out for the Sierra Leone Second Financial Inclusion Project (P177947). The Project, which is a sequel to the Sierra Leone Financial Inclusion Project (P166601), also includes a Contingent Emergency Response Component (CERC) that can be activated to make resources available to the project in emergencies. The Project's Development Objective (PDO) is, "The objective of the project is to promote a more inclusive and resilient financial sector for individuals and micro, small, and medium sized enterprises (MSMEs)." The ESMF has been prepared in accordance with the World Bank's Environmental and Social Framework (ESF). It includes a template for screening sub-project (Annex A). Other specific environmental and social risk management instruments that are required by the ESF, such as the SEP have been developed, approved by the Bank and disclosed. It will be implemented throughout the project period as captured in the Environmental and Social Commitment Plan (ESCP) that has been prepared, approved by the Bank and disclosed on 18th April, 2023. It signals GoSL high-level commitment to mitigate adverse environmental and social risks/impacts associated with the project. The project Stakeholder Engagement Plan (SEP) has also been approved by the Bank. It was disclosed in-country on 23rd April, 2023.

1.1 Purpose of the Environmental and Social Management Framework

The Sierra Leone Second Financial Inclusion Project will be implemented nationwide. The purpose of this framework is to guide the Bank of Sierra Leone and beneficiary financial institutions on E&S screening and subsequent assessments and management of Environmental and Social (E&S) risks/impacts during project implementation in accordance with the Environmental and Social Framework (ESF).

1.2 Rationale for Environmental and Social Management Framework

The exact scope of planned interventions under the project are currently not defined and location of some sub projects/activities are not known. Therefore, a framework approach has been adopted to identify potential social and environmental risks and impacts and ensure consistent treatment of same during all phases of project; preparation, implementation, operation, and decommissioning.

1.3 The Scope of the Environmental and Social Management Framework

The scope of this framework includes procedures relevant to the development of the project activities/sub projects, including how to conduct environmental and social screening of activities/sub-projects, assess the environmental and social risks and impacts and identify mitigation measures as well as monitor and report on progress towards meeting the requirement of relevant Environmental and Social Standards (ESSs). This ESMF covers a broad description of the project, existing policy and legal frameworks, relevant World Bank and Sierra Leone laws, baseline conditions, broad environmental and social impacts/risks and accompanying mitigation measures, procedures for environmental and social assessment, stakeholder engagement, grievance redress mechanisms and institutional arrangement/responsibilities. This ESMF has been developed to, specifically, avoid, reduce, or mitigate adverse social and environmental risks and impacts.

The following types of activities shall not be eligible for financing under the Project:

- i. Major civil works;
- ii. Civil works and rehabilitations outside the footprints of existing structures;
- iii. Sub-projects or activities associated with change in land use and resettlement of any kind;
- iv. Activities that may cause long term, permanent and/or irreversible adverse impacts to natural systems (e.g., loss of natural, modified and critical habitats);

- v. Activities that have a high probability of causing serious adverse effects on human health and safety (such as give rise to SEA/SH) and/or the environment (e.g. emit significant quantities of greenhouse gases);
- vi. Activities that may have significant adverse social impacts and may give rise to social conflict;
- vii. Activities that may adversely affect the rights and well-being of vulnerable or disadvantaged groups;
- viii. Activities that may involve economic and/or physical displacement;
- ix. Activities that are located within cultural heritage sites or may involve adverse impacts on cultural heritage assets;
- x. Activities categorized as substantial and high environmental and social risk;
- xi. Importation and introduction of invasive/alien plant and animal species;
- xii. Production or activities involving forced labour¹ or child labour²;
- xiii. Production or trade in any product or activity deemed illegal under Sierra Leonean laws or regulations or international conventions and agreements
- xiv. Production or trade in³
 - a. weapons and munitions
 - b. hard liquor
- xv. Gambling, casinos and equivalent enterprises⁴
- xvi. Any business relating to pornography or prostitution.
- xvii. Trade in wildlife or wildlife products regulated under CITES⁵
- xviii. Production or use of or trade in hazardous materials ⁶ such as radioactive materials, unbounded asbestos fibers and products containing PCBs⁷
- xix. Cross-border trade in waste and waste products unless compliant to the Basel Convention and the underlying regulations.
- xx. Drift net fishing in the marine environment using nets in excess of 2.5 km in length; and
- xxi. Production, use of or trade in pharmaceuticals, pesticides/herbicides, chemicals, ozone depleting substances⁸ and other hazardous substances subject to international phase outs or bans.

¹ Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions.

² Employees may only be taken, if they are at least 18 years old, as defined in the Sierra Leonean Labor Law

³ This applies when these activities are a substantial part of a project sponsor's primary operations

⁴ This applies when these activities are a substantial part of a project sponsor's primary operations

⁵CITES: Convention on International Trade in Endangered Species or Wild Fauna and Flora

⁶ This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any other equipment where EFP considers the radioactive source to be trivial and/or adequately shielded.

⁷ Polychlorinated biphenyls, a group of highly toxic chemicals. PCBs are likely to be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950-1985

⁸ Ozone Depleting Substances: Chemical compounds, which react with and delete stratospheric ozone, resulting in "holes in the ozone layer". The Montreal Protocol lists ODs and their target reduction and phase out dates.

2.0 Project Description

2.1 Overview of the Sierra Leon Financial Inclusion Phase 2 Project

The project will finance activities to support financial inclusion in Sierra Leone over five years with investments and TA amounting to US\$40 million. The project's scope is specifically geared toward building resilience to economic, financial, and climate-related shocks with DFS and access to finance interventions and strengthening institutional capacity and systems of the BSL. Under Component 1, the proposed project supports activities to facilitate adoption and usage of transaction accounts, expansion of digital financial access points, and further development of the NPS infrastructure. Under Component 2, the proposed project supports a subsidized line of credit (for no more than two years) and, if macroeconomic conditions improve, a more sustainable line of credit for MSMEs. Component 3 supports project management and monitoring and evaluation (M&E), and Component 4 is the Contingent Emergency Response Component (CERC).

The Project Development Objective (PDO) is to promote a more inclusive and resilient financial sector for individuals and micro, small, and medium sized enterprises (MSMEs). For this project, financial inclusion would be achieved by expanding the adoption and usage of transactional accounts, DFS, and access to finance for individuals and MSMEs using services provided by accredited financial institutions. Resilience means the responsiveness of the financial sector to unanticipated economic, financial, or climate-related shocks faced by individuals and MSMEs.

2.2 Project Beneficiaries for Sierra Leone Second Financial Inclusion Project

The main project beneficiaries are Sierra Leoneans and businesses that are currently not financially included. A specific focus is on targeting women and women-owned enterprises to reduce disparities in access to finance for women and Persons with Disabilities (PWDs). Direct beneficiaries of the project will include:

- Individuals and businesses that will benefit from an improved payments and credit infrastructure, financial education and consumer protection.
- Individuals and businesses that will benefit from the new products and services available under the project including residents of rural areas, through facilitating expansions of financial access points.
- Sierra Leonean MSMEs owners who will benefit from increased access to credit.
- Financial institutions that will utilize the improved payments and credit infrastructure, and those that benefit from the LOC and strengthened lending capabilities. Mobile money operators will benefit from increased use of their e-money services and expansion of their agent network.
- BSL and the Ministry of Finance will benefit from progress on their financial inclusion targets, better cash management through digitalization of government payments, and institutional capacity building.

2.3 Project Components

The components are as follows:

2.3.1 Component 1: Adoption and usage of Transaction Accounts (Estimated US\$ 11 million equivalent)

The objective of this component is to support adoption and usage of transaction accounts at a formal financial institution or mobile money provider. It comprises three interrelated subcomponents addressing key barriers related to limited financial access points (Subcomponent 1.1) and other payment systems infrastructure development needs (Subcomponent 1.2), and legal and regulatory

barriers and low financial literacy/capability levels (Subcomponent 1.3). These measures aim to contribute to broader adoption and usage of transaction accounts and digital finance in Sierra Leone, including as a store of value and as a steppingstone for the poor to access more advanced financial services. A detailed description of the sub components are as follows:

a. Sub-component 1.1: Enhancing Access Points for Digital Payments (US\$3.0 million)

Sub-component 1.1 seeks to facilitate the expansion of access points, including POS terminals⁹, mobile wallets, and other digital financial access points that facilitate government and other payments. Agent banking has enormous potential for expanding outreach in marginal areas of the country, such as small towns and rural areas. One of the strategies for increasing outreach in marginal areas is therefore to help eligible financial institutions set up a network of agents that can manage cash in–cash out transactions. These cash in–cash out transactions can include receiving government transfers or remittances and making payments for utilities or bank loans.

The project will finance a feasibility study to identify models, costs, legal and regulatory issues¹⁰, financing (grants or matching grants), and the outline of a communications strategy to enable efficient agent banking network development by financial institutions. The agent banking matching grants implementation arrangements will be determined through the feasibility study and codified in an operations manual. Following this feasibility study and discussions with eligible banks, MFIs, and other NBFIs, the project will support such agent network expansions with a matching grant, with a greater match from the project for more rural areas (using a system based on the BSL geospatial study). The matching grant would be provided through a window and managed by access to an LOC management firm,¹¹ at least until the midterm review. A matching grant will be offered to financial institutions that want to expand small town and rural operations. However, no major civil works will be supported, and any rehabilitation or minor works must be undertaken within the existing physical footprint of an existing structure. No change in land use, resettlement of any kind, or other environmental or social risks will be proposed or supported in the feasibility study.

In addition, (a) TA will be provided to banks, MFIs, and other NBFIs to support the adoption of measures toward expansion of access points and acceptance infrastructure for DFS, including QR codes (for example, development of standards and other measures to support interoperability between QR codes) and (b) TA will be provided to support the GoSL in the use of the national payments system for G2P payments and receipts and the integration of the Integrated Financial Management System of the Ministry of Finance (MoF) to the BSL's Electronic Funds Transfer (EFT) System and the instant payments switch. This would provide the GoSL access to the NPS (RTGS, EFT, and NEPS) for receipt and payments because it has already invested in the hardware and software necessary to allow for the digitalization of government payments through the World Bank Public Financial Management and Improvement Project.

b. Sub-component 1.2: National Payments System Infrastructure Development (US\$6 million)

Subcomponent 1.2 seeks to facilitate a safe and efficient payment system with the latest features and functionalities and support ancillary system and participants' access to the payment system through a combination of TA and investment financing. Specifically, the project would finance the following: - The required RTGS and ACH/ACP upgrades or replacements for compliance with developments and international standards. This would be based on an initial assessment of existing systems and infrastructure, also keeping in view development since its implementation and technical requirements

⁹ Physical devices (POS, mobile POS, and so on) and digital devices (QR code-based payments, and so on)

¹⁰ Any TA for improving legal/regulatory frameworks related to agency banking will be provided before agency banking expansion matching grants implementation.

¹¹ The same firm will also manage the lines of credit under Component 2 and be housed within the BSL.

for linkages to regional systems and for operations on a 24/7 basis. This will be complemented with TA to support increased usage and viability of both RTGS and ACH/ACP systems.

Shared infrastructure and core banking systems upgrades for MFIs³⁶ (to help with the switch), cost sharing TA, and off-the shelf hardware/software for the digitalization of any eligible MFIs (that are not already supported by TA in this domain) selected through an expression of interest. To the extent possible, the project will leverage technology to improve accessible features of the digital platforms and online banking infrastructure.

c. Sub-component 1.3 : Enabling Environment for Increased Adoption and Usage of Transaction Accounts (US\$4 million)

Sub-component 1.3 would facilitate an enabling environment for increased adoption and usage of transaction accounts through technical assistance and investments. Specifically, with the new NPS Act 2022 assigning more powers and responsibility to BSL, activities under consideration include; TA to support BSL in developing the regulatory framework for some of the functions assigned under the new NPS Act 2022. This would be based on an initial mapping of existing legal and regulatory frameworks and capacity building for BSL staff (including for oversight, agency banking, financial consumer protection regulation, and market conduct supervision as per BSL responsibility under the Act). This subcomponent will also finance implementation of key recommendations—both TA and investments for addressing existing cybersecurity gaps—of a cybersecurity assessment of the payment system infrastructure that will be undertaken by the BSL. Sub component 1.3 will also include adoption and usage of digital payments, fraud monitoring, monitoring of infrastructures that support alias services, third-party initiation service protection. Finally, the TA will support design and implementation of financial literacy/capability-enhancing interventions (delivered through adequate cost-effective channels such as mobile phones, local radios, and TV) focusing on features, usage, and benefits of transaction accounts and electronic money transactions (for example, information on the availability of redress mechanisms). Specific campaigns will be targeted to the existing or potential clients of financial institutions or mobile money providers benefiting from the activities under Subcomponents 1.1 and 1.2.

2.3.2 Component 2: Increasing Access to Credit for MSMEs (US\$23.0 million)

The objective of this component is to facilitate access to affordable credit for MSMEs, strengthen supervision of the MFI and NBFi sector, and improve the national credit infrastructure. This set of financial sector activities is intended to protect access to financial services for MSMEs affected by the current economic emergency conditions and ongoing localized climate change events and set the stage for expanded financial inclusion in the future. It comprises three interrelated subcomponents addressing three key impediments to sustainable lending and greater outreach by financial institutions to MSMEs: lack of affordable long-term local currency liquidity for financial institutions (Subcomponent 2.1), the lack of supervisory capacity (Subcomponent 2.2), and lack of a modern credit information system covering non-banks (Subcomponent 2.3):

a. Sub Component 2.1: Enhancing the Supply of Affordable and Innovative Financial Services for MSMEs (US\$15.0 million)

Subcomponent 2.1 will provide a Line of Credit (LOC) for MSMEs (US\$10 million with an additional US\$2 million Conditional LOC amount to offset the interest rate subsidy) affected by the prolonged exogenous shocks and more recently the spike in inflation that has further constrained already limited access to credit, raising the risks of MSME bankruptcies. The line of credit will provide short- to medium-term financing for eligible MSMEs in local currency, with credit flowing from an LOC management firm initially housed at the BSL's Project Implementation Unit (PIU), to multiple accredited retail financial institutions (PFIs) to on-lend to MSMEs. This line of credit will provide a time-bound transparent subsidized interest rate to sound PFIs, which will pass on the subsidy to MSMEs. PFIs will also be encouraged to support innovative climate adaptation and climate

mitigation/resilience loan products and products that will increase access to finance for women-led MSMEs. They will receive TA (of up to US\$2 million) to develop these innovative products and generally improving their capacity to serve MSMEs. The interest rate subsidy will meet the requirements established in the World Bank Financial Intermediary Financing (FIF) Guidance Note of 2016, such as (a) transparency; (b) fiscal financing; and (c) time-bound implementation, laid out in Table 1.

Table 1: Analysis of Subsidy Requirements for the Line of Credit in the Project.

World Bank FIF Subsidy Requirements	Project Approach
Transparent	The subsidy will be clearly presented to PFIs and policymakers, but will not be shared with MSMEs, because this has been found to affect repayment performance. The expiration date would be set as no longer than two years from the initial disbursement from the first participation agreement with an accredited PFI.
Fiscally accounted for	The interest subsidy amount is estimated to be no more than US\$2 million, to be calculated periodically against an agreed market funding benchmark rate (considering the higher of the government T-bill rate, plus a margin for the additional risk premium of a PFI, or the policy deposit rate, plus a margin for the cost of mobilizing funds).
Time-bound	Time-bound The subsidy will last for no more than two years and will be for a shorter period if macroeconomic conditions recover or the subsidy cap is reached.
Targeting	Only for sound PFIs that meet the standard World Bank selection criteria for (a) licensing; (b) national regulations and supervision requirements; (c) lending operations for at least two years; (d) audited financial statements; (e) relevant products and experience with the target segments; (f) management information systems, planning, reporting, and internal audit; and (g) standard ratios for capital adequacy, liquidity, equity, profitability, and a reasonably balanced asset and liability structure.
Fiscally sustainable and least-cost way of achieving PDO	<p>This activity is funded by an IDA grant and the subsidy amount and timing has been calculated to ensure the sustainability of the LOC beyond the macro emergency period, after which it will be run on a commercial basis. Even during the subsidized interest period, sufficient interest will be charged to cover the operating costs of the LOC management firm and the operating margin of PFIs such that the principal amount in local currency should be maintained.</p> <p>The interest rate subsidy enables the leveraging of the much larger principal amount and is the least cost way of reaching vulnerable MSMEs at scale. The timely repayment of loans will be more affordable in fiscal terms than a grant or matching grant system to keep productive MSMEs from bankruptcy and having to pay social transfers to unemployed workers.</p>
Only in emergencies	The objective of the subsidy is to help MSMEs survive the economic turmoil of high inflation, which has cut off access to finance in the short to medium term, thereby preserving jobs, making efficient use of productive assets, and accelerating economic recovery
Monitoring	The leveraging and other effects of the subsidy in terms of outreach to affected firms, fiscal costs, and repayment performance will be monitored.
Competition	All PFIs (including commercial banks, MFIs, NBFIs, and SoBs) will be informed about the new line of credit for MSMEs and may apply. Commercial banks and NBFIs currently do not have a focus on MSMEs so most of the competition is expected to be among MFIs.
Policy dialogue to address market imperfection	The IMF and World Bank are discussing improved financial transparency and better debt management systems with government officials. Subcomponents 2.2 and 2.3 will also address policies to improve the functioning of the MSME finance market

In addition to commercial banks, MFIs, and NBFIs, the two SoBs would also be eligible for the line of credit, as long as they meet the requirements for accreditation. These requirements include transparency, governance, portfolio performance, experience in serving the MSME sector, and other financial indicators. SoBs would also be eligible for TA to better serve MSMEs and develop innovative climate adaptation and climate mitigation/resilience.

PFI will take the full credit risk of the loans to MSMEs. PFI will set the maturity and terms of the loans to the end borrowers (MSMEs). There will be an exclusion list for subprojects of MSMEs, subject to a standard World Bank list of ineligible activities due to environmental and social issues as included in the LOC manual. The subsidy phase will last until the earlier of two dates: (a) two years from initial disbursement of the first loan to a PFI, or (b) macroeconomic conditions improve such that the 12-month average of the estimated or actual monthly inflation rate as published by the IMF38 falls under 18 percent.

This approach has been assessed to be the least-cost approach to providing affordable access to finance to as many MSMEs as possible. Even with a subsidized interest rate during the emergency phase, the subsidized line of credit costs are considered lower than the costs of closed businesses, idle productive assets, product shortages driving up local inflation, and unemployment increases covered at least partially by government transfer programs. This line of credit will help minimize unemployment caused by constrained access to finance by sound MSMEs. This response to the economic emergency justifies a subsidized interest rate initially, which meets the FIF requirements for the use of a subsidized interest rate. The World Bank will emphasize that this must evolve to a commercial approach as the economic emergency subsides.

A TA (US\$2 million) will support the capacity building of the wholesale function and PFIs, including for risk management and innovative products for MSMEs. PFIs will be encouraged to relax collateral requirements to expand access to their loans. This line of credit will benefit from TA and investments from other activities under the project, including (a) the credit bureau covering MFIs and NBFIs, (b) the financial literacy effort (in Subcomponent 1.3), and (c) capacity building and systems support for BSL's division providing supervision to other financial institutions (MFIs and other NBFIs) (Subcomponent 2.2). Complimentary, TA is also being provided to MSMEs and women-led SMEs by other

The competitively selected LOC management firm housed in the BSL PIU would initially serve the wholesale lending and due diligence function. The firm would be responsible for developing communications materials to reach out to a broad number of financial institutions (especially MFIs and NBFIs, although commercial banks and SoBs that meet the requirements can qualify for the emergency phase of the line of credit). The LOC management firm would carry out due diligence reviews of potential PFIs, sharing them with the BSL PIU (for review) and the World Bank (for no objection).

The LOC management firm would also develop a training plan, based in part on the gaps in systems and products identified during the due diligence process of interested financial institutions. The World Bank would maintain a no objection for terms of reference (TOR) and the competitively based selection of the specialized management firm implementing the line of credit and the LOC manual, the interest rate charged to PFIs, eligibility requirements, and the environmental and social management system of each participating retail financial institution.

There is currently no appropriate dedicated apex institution with the necessary legal mandate; internal due diligence; and risk management systems, staffing, and experience. Not later than 24 months after the date of effectiveness, the PIU will identify a qualified apex institution satisfactory to

the World Bank for the sustainable management of the LOC and ensure that the apex institution is appraised for technical capacity, in form and substance satisfactory to the World Bank, before the transition can begin.

The eligibility criteria for loan uses and eligible sub-borrowers are as follows: (a) MSMEs operating in Sierra Leone; (b) small and medium enterprises, registered as a legal entity (for example, sole proprietorship, partnership, or limited liability company), registered with either the tax authorities, and or if applicable any licensing authority; and (c) and private sector owned. For MSME subprojects to be eligible, they must meet the following eligibility criteria: (a) be financially viable according to the PFI; (b) be used for business investment and or working capital needs; and (c) be in compliance with the negative list and with other environmental and social requirements. Sub loans must be in local currency, with the PFI retaining the full credit risk.

The World Bank Environmental and Social Standard (ESS9) covers lines of credit and establishes requirements for financial intermediaries. The ESS9 requirement has important implications for PFI accreditation. The portfolio will be a 'specific purpose portfolio'. Each PFI will have an Environmental and Social Management System (avoiding any substantial or high-risk loans and any activities on the exclusion list in the LOC manual) and meet performance targets on financing women-led MSMEs and climate change adaptation or mitigation.

PFI will ring fence the loan portfolio and provide the LOC manager with a list of proposed eligible subprojects. No subprojects involving resettlement, significant changes in land use, use of hazardous waste or potentially dangerous working conditions will be financed by the project. PFI will be required to monitor and report MSME loans with a breakdown by gender and amounts going to climate adaptation and mitigation, including disaster risk-related activities. The overall LOC target for gender is for 55percent of disbursed amounts to go to women-led MSMEs and 20 percent of disbursed amounts to benefit climate adaptation and mitigation measures.

Interest rate determination will be outlined in the LOC manual and will need to be responsive to market conditions and incentivize good credit risk practices by PFI. The objective during the emergency phase will be to help PFI reach as many eligible MSMEs as possible by optimizing the subsidy design such that the end borrower has access to rates close to those before the recent spike in inflation. At the same time, the PFI will get a sufficient margin to cover operational costs and credit risk, while the wholesale unit collects enough interest to eventually sustain itself. The interest generated should permit the principal amount to be maintained at least in local currency terms. To ensure that the PFI does not unduly capture the subsidy, there will be an initial indicative cap on the average margin of around 12 percent, with the PFI capacity building, competitive selection, and monitoring processes incentivizing a good balance between more efficient margins and greater MSME outreach.

In general, this component will conform with the best practices required by the World Bank FIF guidelines for LOCs. The MSME LOC will meet the requirements of time-bound subsidies, with a subsidized interest rate for a limited time of no more than two years. The subsidized interest rate will be sufficient to cover the cost of savings deposits and all administrative expenses incurred by PFI to ensure operational sufficiency during the emergency period of subsidized interest rate lending. (Table 2 provides details of the subsidy strategy and rationale

b. Subcomponent 2.2: Enhanced Supervisory Capacity (US\$5.0 million)

Subcomponent 2.2 strengthens the supervision capacity of financial sector regulators (especially the BSL's OFISD, BSL's Banking Supervision Department, and other public and private institutions, such as the Apex

Bank and Financial Intelligence Unit (FIU), so they are better able to support sustainable MSME access to finance. It will finance a combination of investments and TA:

- An investment in upgrading the manual monitoring system(s) of the BSL's OFISD, and the usage thereof, to enable supervisors to better monitor risks and take timely corrective actions. An initial assessment will be carried out to explore potential upgrade of the existing BSL offsite monitoring tools or potential integration with the systems being used by the BSL's Banking Supervision Department (Valtech Systems);
- Such upgrading will be complemented by TA to BSL's OFISD to improve off-site monitoring and on-site inspection, including revised templates for monthly submission of financial and operational information (supervisory returns), a risk-based early warning system, and new templates for extraction of granular data from MFI core banking systems and computer-assisted examination techniques to assess credit risk management and compliance with prudential standards regarding asset quality and capital adequacy; and
- TA to BSL's OFISD to strengthen the existing regulatory framework for NBFIs and credit facilities to MSMEs in line with international best practices. This includes support for developing regulatory frameworks for new

c. Subcomponent 2.3: Enabling a Modern Credit Infrastructure (US\$3.0 million)

This subcomponent aims to facilitate the establishment and operationalization of a modern credit reference system. Specifically, activities under consideration include a TA on the following:

- i. adopting a well-coordinated and competitive tendering process for recommended credit reference system upgrades and adjustments in the development and implementation of robust system deployment plans, including user acceptance testing and fixes;
- ii. TA on roll out of effective credit reference system and value adding credit scoring data analytics solutions to facilitate specialized financing – gender, climate and agri-financing; and
- iii. TA on credit reference system capacity building and awareness creation among stakeholders;

In addition, this sub component will involve financing of recommended credit reference system upgrades and adjustments, including for integrating functionality to track movable collateral. This investment financing will be informed by the recommendations of an on-going assessment of the current situation, including IT capabilities for information sharing on the ground, which is expected to be finalized by end-April 2023.

2.3.3 Component 3: Project Management, Monitoring and Evaluation (Estimated US\$ 4 million equivalent)

This component will support:

- strengthening the capacity of BSL, MoF, FIU, the Apex Bank, SMEDA, and relevant ministries, departments, and agencies (MDAs) for the coordination, design, and implementation of the Project;
- the administrative, technical, financial management (FM), environment, and social safeguards of the project by the PIU under the oversight of the Project Steering Committee (PSC);
- coordination among all institutional partners to ensure the efficient flow of information among all actors and coordination with the private sector;
- the establishment of a M&E mechanism of the project's results and impact;
- the development of communication activities to publicize and disseminate project results, best practices, and success stories;
- establishment of a project grievance mechanism; and
- environmental and social implementation and monitoring.

The Project will incorporate citizen engagement through a satisfaction survey with project beneficiaries at project midterm. The project will set up a project-specific Grievance Redress Mechanism that will be designed to collect, review and address stakeholders' complaints and grievances. The GRM, with multiple uptake locations, will be accessible to all stakeholders to report concerns or complaints if they feel affected by any of the project activities. It will include specific procedures to address SEA/SH related complaints with multiple accessible entry points, referral to GBV service providers and confidential, survivor centered complaint management protocols.

2.3.4 Component 4: Contingent Emergency Response Component (CERC)

In line with the World Bank's Operational Policy OP8.00, the PIU would also house a CERC. This is a provisional zero amount component to allow for rapid reallocation of loan proceeds from other project components during an emergency such as a natural or constructed disaster or crisis that has caused or is likely to cause a major adverse economic or social impact. To trigger this component, the government must declare an emergency or provide a statement of fact justifying the request for activating the use of emergency funding.

3.0 Policy and Legal Framework

3.1 World Bank Environmental and Social Framework

The World Bank ESF seeks to support borrowers to develop and implement environmentally and socially sustainable projects as well as build capacity in the assessment and management of environmental and social impacts and risks associated with the implementation and operation of projects. The ESF contains environmental and social standards that borrowers must apply to all projects in order for the projects to be sustainable, non-discriminatory, transparent, participatory, environmentally and socially accountable as well as conform to good international practices. The ten (10) Environmental and Social Standards (ESS) are:

- i. Environmental and Social Standard 1 (ESS1): Assessment and Management of Environmental and Social Risks and Impacts;
- ii. Environmental and Social Standard 2 (ESS2): Labor and Working Conditions;
- iii. Environmental and Social Standard 3(ESS3): Resource Efficiency and Pollution Prevention and Management;
- iv. Environmental and Social Standard 4 (ESS4): Community Health and Safety;
- v. Environmental and Social Standard 5 (ESS5): Land Acquisition, Restrictions on Land use and Involuntary Resettlement;
- vi. Environmental and Social Standard 6 (ESS6): Biodiversity Conservation and Sustainable Management of Living Natural Resources;
- vii. Environmental and Social Standard 7 (ESS7): Indigenous Persons/Sub Saharan African Historically Underserved Traditional Underserved Traditional Local Communities;
- viii. Environmental and Social Standard 8 (ESS8): Cultural Heritage;
- ix. Environmental and Social Standard 9(ESS9): Financial Intermediaries; and
- x. Environmental and Social Standard 10 (ESS10): Stakeholder Engagement and Information Disclosure.

The relevance of the Environmental and Social Standards to the Project are presented in Table 2.

Table 2: Relevant World Bank Environmental and Social Standards

ESS	Key Requirements	Status	Remarks/Comments
Environmental and Social Standard 1 (ESS1): Assessment and Management of Environmental and Impacts/Risks	<p>ESS1 provides structured processes or procedures for project categorization, assessing and evaluating project environmental and social risks and impacts as well as management of same (mitigation hierarchy). This standard also sets out Borrower's requirements including the preparation of various instruments such as Environmental and Social Management Frameworks, Environmental and Social Impact Assessment, Environmental and Social Management Plans and Environmental and Social Commitment Plans as well as information disclosure. The standard also lays out project environmental and social monitoring and reporting requirements. ESS1 establishes the applicability of the other ESSs. It establishes the basis for categorizing projects based on the borrower's capacity to manage and monitor environmental and social risks/impacts as well as the implementation of mitigation measures, socio-political context, scale of the undertaken as well as spatial extent and significance of anticipated impacts/risks</p>	Relevant	<ul style="list-style-type: none"> ● IT and financial systems, network and infrastructure upgrades proposed under Component 1.2 and 1.3 and rehabilitation or minor work to be undertaken within the existing physical footprint of existing FI structures under Component 1.3 are likely to generate minimal environmental and social impacts/risks such as generation of construction and e-waste as well as occupational health and safety risks. ● Under Component 2.1, supply of affordable and innovative financial services for MSMEs poses social risks as such as exclusion of rural dwellers and vulnerable groups, notably, women, Persons with Disability and illiterates due to poor communication and out-reach strategies as well as inaccessibility to digital devices. Other social risks associated with this sub component are lack of transparency in the selection of individuals and MSMEs who will benefit from training and Economic Emergency Recovery Fund. This may result in elite capture, favoritism, tension, and risk of SEA/SH. ● FI support to innovative climate adaptation and climate mitigation/resilience products under Component 2.1 may involve minor civil works that may generate construction and climate-related impacts/risks as well as concerns about transparency in the selection of beneficiary MSME owners and workers for training and financial support. ● Other social risks include the incidence of GBV/SEA/SH and labour risks such as child labour, poor conditions of service for project workers. ● An ESCP has been prepared to ensure the Government of Sierra Leone high-level commitment to managing the project's E&S risks. ● Adopt and implement an Environmental and Social Management Framework (ESMF), for the Project, consistent with the relevant ESSs. ● Project beneficiaries would need to prepare and implement site specific ESMPs, if applicable, as set out in the ESMF.

<p>Environmental and Social Standard 2 (ESS2): Labor and Working Conditions</p>	<p>It is to ensure a safe, healthy and conducive working environment for workers and ensure that the environment is free of forced and child labor as well as other forms of intimidation, discrimination and harassment. ESS2 also ensures that workers have channels for grievance redress, freedom of association and access to collective bargaining rights as prescribed by national law. The standard also seeks to protect vulnerable workers. The requirements of Labor and Working Conditions extends to direct, indirect, community and contracted workers as well as primary supply workers on Bank financed projects.</p>	<p>Relevant</p>	<ul style="list-style-type: none"> ● The proposed sub projects/activities described in the exclusion list set out in the ESFM shall be ineligible to receive financing under the Project. ● All proposed sub projects will be screened in accordance with the screening template attached to this Environmental and Social Management Framework (ESMF), which is consistent with the relevant World Bank ESSs (see Environmental and Social Screening Template attached as Annex A). ● The proposed sub projects/activities described in the exclusion list set out in the ESFM shall be ineligible to receive financing under the Project. ● The project shall establish and operate a grievance mechanism for Project workers, as described in the LMP and consistent with ESS2. ● Sub Projects by beneficiary MSMEs will be required to obtain EPA licenses in order to comply with Sierra Leone’s EPA Act, 2008 (as Amended), once they fall under the First Schedule (Section 24) of the Act. ● Sub projects that fall in the categories stipulated in the First Schedule will be screened by SL-EPA based on the criteria established in the Second Schedule (Section 25) of the EPA Act, 2008 (As amended). ● Project workers including employees of participating commercial banks and MFIs need protection from discrimination, SEA/SH and poor working conditions. They will be required to work in safe and secured environment devoid of child and forced labour. ● The project shall prepare and implement the Labor Management Procedures (LMP) for the Project, including, inter alia, provisions on working conditions, management of workers relationships, occupational health and safety (including personal protective equipment, and emergency preparedness and response), code of conduct (including relating to SEA and SH), forced labor, child labor, grievance arrangements for project workers, and applicable requirements for contractors, subcontractors, and supervising firms ● The Project shall establish and operate a grievance mechanism for Project workers, as described in the LMP and consistent with ESS2.
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<p>Environmental and Social Standard 3(ESS3): Resource Efficiency and Pollution Prevention and Management</p>	<p>ESS 3 promotes sustainable resource utilization, avoid and/or minimize project pollution, generation of hazardous and non-hazardous waste and project related emissions. This standard enjoins Borrowers to ensure efficient use of energy, water and other raw materials as well as manage air pollution, hazardous and non-hazardous waste, chemicals and hazardous materials (including pesticides) in both degraded and non-degraded areas given their technical and financial feasibility in line with Good International Industry Practice (GIIP).</p>	<p>Relevant</p>	<ul style="list-style-type: none"> ● Only minor rehabilitations and civil works within the physical footprint of existing structures will be undertaken under the Project. Beneficiary MSMEs may utilize financial support from the project to undertake activities/sub projects that involves the use of water, energy cement, wood, sand and gravel as well as other building materials as part of the project as well as energy. Cost, availability, accessibility, acceptability and environmental considerations (sustainability) should be factored into the choice of construction materials and sources of energy and water for the sub projects/activities under the Project. ● Hazardous and nonhazardous waste such as construction waste, refuse and used toner cartridges will be generated as part of project implementation ● Resource efficiency and pollution prevention and management measures will be detailed out as part of ESMPs to be prepared by project beneficiaries, if required
<p>Environmental and Social Standard 4 (ESS4): Community Health and Safety</p>	<p>Environmental and Social Standard 4 (ESS4) is titled, “Community Health and Safety”. The objective of this standard is to anticipate, avoid and/or mitigate adverse project impacts on beneficiary communities as well as safeguard project-affected communities from traffic and road safety risks, diseases and hazardous materials associated with project implementation and operation. ESS4 enjoins Borrowers to establish contingency measures for emergencies, security, traffic management, road safety and the protection of eco-systems. The standard also requires the design of infrastructure to meet GIIP. ESS4 also talks about requirements for dam safety.</p>	<p>Relevant</p>	<ul style="list-style-type: none"> ● Poorly managed waste from production activities containing hazardous and non-hazardous waste can expose the employees of beneficiary MSMEs and the general population to injuries and infections. ● Project workers and community members may be perpetrators or survivors of GBV/SEA/SH ● Project vehicles may be involved in accidents leading to loss of lives and/of residents in communities where civil works will be undertaken ● Incorporate measures to manage traffic and road safety risks as required in the ESMP to be prepared under actions in ESS1, if required ● Assess specific risks and impacts to the community arising from Project activities including, inter alia, fire outbreak, response to emergencies, and include mitigation measures in the ESMPs to be prepared in accordance with the ESMF. ● Prepare and implement an SEA/SH Action Plan, to assess and manage the risks of SEA and SH Action Plan (see Annex D for template).

<p>Environmental and Social Standard 5 (ESS5): Land Acquisition, Restrictions on Land use and Involuntary Resettlement</p>	<p>ESS5 seeks to avoid forced evictions and involuntary resettlement, improve living conditions of the poor and execute resettlement activities as sustainable development programs. The standard requires that affected persons, households and communities are consulted meaningfully. It is also a requirement under ESS5 that information on the resettlement alternatives, eligibility criteria and compensation packages for project-affected persons, inputs of PAPs, agreements and outcomes are disclosed to project stakeholders and affected persons.</p>	<p>Not Relevant</p>	<ul style="list-style-type: none"> ● Bank of Sierra Leone and beneficiary MSMEs shall incorporate relevant mitigation measures from GBV action plan requirements into the ESHS specifications of the procurement documents and contracts with contractors ● Activities that have the potential to lead to land acquisition, restrictions on land use and involuntary resettlement (physical displacement and economic losses) are excluded from this project (will not be financed by the project)
<p>Environmental and Social Standard 6 (ESS6): Biodiversity Conservation and Sustainable Management of Living Natural Resources</p>	<p>ESS6 seeks to conserve and protect bio-diversity and habitats, as well as support livelihoods of local communities by adopting practices that integrate conservation and development priorities of the local communities into projects. ESS 6 establishes the applicability of the mitigation hierarchy (from avoidance to offsetting) to projects that are likely to have adverse impacts on natural and critical habitats. It also seeks to promote sustainability in the management of living natural resources. The standard defines critical and natural habitats, set out the guidelines for project implementation in these environmentally sensitive zones, commercial</p>	<p>Relevant</p>	<ul style="list-style-type: none"> ● Critical and natural habitats have been excluded from project activities/ sub projects. ● Activities that have the potential to have a significant adverse environmental impact on critical, modified and natural habitats have been excluded from the project (will not be financed under the project) ● Most of the civil works/rehabilitation will be carried out within existing facilities. Nonetheless, ESMPs will provide mitigation measures to prevent downstream negative impacts of project activities on habitats and ecosystems. ● Importation and introduction of invasive or alien species will not be financed by the project

<p>Environmental and Social Standard 7 (ESS7): Indigenous Persons/Sub-Saharan African Historically Underserved Traditional Local Communities</p>	<p>production or harvesting of natural resources as well as treatment of alien and invasive species.</p> <p>To ensure that the development process fosters full respect for human rights, dignity, aspirations, identity, culture, and natural resource-based livelihoods of Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities. It is also aimed at avoiding adverse impacts of projects on Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities, or when avoidance is not possible, to minimize, mitigate and/or compensate for such impacts.</p>	<p>Not Relevant</p>	<ul style="list-style-type: none"> • This category of persons is not found in Sierra Leone
<p>Environmental and Social Standard 8 (ESS8): Cultural Heritage</p>	<p>It defines the elements of cultural heritage to include tangible assets such as shrines, artifacts and stones and intangible assets such as taboos. ESS 8 lays out the Bank’s requirements for development within or close to culturally sensitive zones. This standard also discusses the requirements that should be met prior to the development of projects that are likely to have adverse risks and impacts on cultural heritage sites and resources. The critical requirements include meaningful consultation with affected persons, experts and other interested parties, confidentiality/disclosure as well as movement and commercial use of cultural (heritage) resources. The</p>	<p>Relevant</p>	<ul style="list-style-type: none"> • Much as the Bank of Sierra Leone and beneficiary MSMEs are not located within or close to culturally sensitive areas, there is the possibility of a “Chance Find” during excavations as part of minor civil works and rehabilitations. Intangible cultural activities such as festivals and rites may take place prior or during the execution of works. Cultural practice may contribute to exclusion of women, persons with disability and other vulnerable groups accessing project benefits (credit).

<p>Environmental and Social Standard 9 (ESS9): Financial Intermediaries</p>	<p>Bank’s Environmental and Social Standard on Cultural Heritage seeks to protect cultural heritage resources from adverse project impacts and establish them as an integral part of sustainable development.</p> <p>Sets out how the apex (BSL) and the retail participating Financial Intermediaries (PFI) will assess and manage environmental and social risks and impacts associated with the subprojects it finances. It also promotes good environmental and social management practices in the subprojects the FI finances as well as good environmental and sound human resources management within the FI. It also set out modalities for harmonizing environmental and policies of the Bank of Sierra Leone with that of a PFI in cases where the PFI has different environmental and social policies.</p>	<p>Relevant</p>	<ul style="list-style-type: none"> ● The Bank of Sierra Leone will be playing the role of the apex Financial Intermediary under the Project. It is required to undertake the under listed as part of establishing an Environmental and Social Management System to meet the requirement of ESS9, and cause retail PFIs to maintain their own ESMS with World Bank no objection as follows: <ol style="list-style-type: none"> i. Develop, maintain, and implement an ESMS to identify, assess, manage, and monitor the environmental and social risks and impacts of FI subprojects that receive support from the Project. The ESMS shall include, inter alia, the following elements: ii. Identification of the exclusion list to be used by participating financial institutions (PFIs) [the PFI subprojects] that may receive support from the Project]; iii. An environmental and social policy endorsed by senior management of Bank of Sierra Leone, including zero tolerance for discrimination, child and forced labour and gender based violence and commitment to environmental conservation and protection as well as fair, participatory time-bound grievance mechanisms for workers and clients; iv. Clearly defined procedures for the identification, assessment and management of the environmental and social risks and impacts of [FI subprojects], in accordance with ESS9, including, inter alia, stakeholder engagement and disclosure requirements [applicable to FI subprojects]. v. Exclusion list with the possible activities and FI subprojects that are not eligible for financing; vi. An organizational capacity and competency at the PFI level for implementing the ESMS with clearly defined roles and responsibilities;
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<p>Environmental and Social Standard 10 (ESS10): Stakeholder Engagement and Information Disclosure</p>	<p>ESS10 establishes a systematic approach to stakeholder engagement, while ensuring that appropriate information on project risks and impacts are provided to stakeholders in a timely, comprehensive, accessible and appropriate manner. The standard also ensures inclusive and effective engagement of project affected parties throughout the project cycle and provides avenues for assessing stakeholder interest and incorporating their views into project design and monitoring of projects.</p> <p>As part of meeting the requirements of ESS 10, borrowers are to undertake meaningful consultation and engagement of stakeholders throughout the project life cycle. They are also expected to disclose relevant project information, safeguards report, notably, Stakeholder Engagement Plans as part of fulfilling the requirement of this standard. ESS10 also requires borrowers to set up grievance redress systems that are transparent, culturally appropriate, objective, discrete, accessible as well as sensitive and responsive to the needs of aggrieved persons</p>	<p>Relevant</p>	<ul style="list-style-type: none"> vii. Monitoring, reporting of environmental, performance of [FI subprojects], and the effectiveness of the ESMS by PFIs and validated by the apex (BSL); viii. Incidents and accidents notification and subsequent reporting requirements; ix. An external communications mechanism, including measures to respond to public enquiries, concerns and grievances in a timely manner; x. Disclose a summary of each of the elements of the ESMS through the relevant website. <ul style="list-style-type: none"> ● The project will identify relevant stakeholders and potential barriers for effective consultation. Stakeholders such as PFIs, MGCA and vulnerable groups such as Persons Living with Disability should be identified together with how they can influence the project outcomes and how the project will impact them and their interests. These stakeholders must be consulted early and regularly throughout the project life cycle for their views and inputs on the proposed project interventions in a systematic manner. ● Transparent and accessible channels will have to be provided under the project to receive grievances of project-affected persons including vulnerable persons identified. The grievances must be investigated, resolved and feedback provided in a participatory, transparent and timeous manner. ● An SEP has been prepared and disclosed and shall be implemented throughout Project implementation ● A Grievance Redress Mechanism will be put in place and maintained throughout project implementation at both the Bank of Sierra Leone (PIU) level and also at the level of the participating MFIs (see Grievance Register Log attached as Annex D).
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3.2 Project Categorization under the World Bank ESF

Under the World Bank ESF, the World Bank classifies projects into four (4) categories: High, Substantial, Moderate and Low, largely based on the scale of the project, level of impacts and risks associated with the project, in country socio-political conditions as well as the capacity of the borrower to manage the associated impacts/risks.

The project environmental and social risk rating is Moderate. The project activities will be implemented mainly in urban centers with the objective of enhancing financial inclusion in Sierra Leone through activities to facilitate adoption and use of basic transaction accounts by expanding digital financial access points and furthering the development of the national payment systems. It is not anticipated for such activities to cause injurious harm to the environment and social systems. Nonetheless, component 2 will support MSMEs that may be involved in activities that may include minor civil works. Environmental impacts of the eligible activities could include air, soil, surface, and ground water pollution from wastes, spills, and sediments from the civil works and other sources, such as farming or poultry. These activities also carry health and safety for some category of workers and the public. The exclusion list will limit sub-project selection to only those that have moderate to low environmental and social risks.

Social risks relate to exclusion of vulnerable groups from project benefits. Concentrating financial services in urban centers will likely exclude the rural population and thereby expand already existing poverty gap and inequality created by prevailing difficulties faced by persons with disability, women and rural dwellers in accessing even the most basic financial services. This context coupled with high levels of financial and digital illiteracy will likely exclude these vulnerable groups from project benefits. Lack of transparency in the selection of MSMEs for training and access to credit may result in elite capture, favoritism, tension, and risk of SEA/SH. Women's access to information about financial services is limited and without a strong outreach and communication women in MSMEs, especially those in rural areas, may fall behind in benefitting from the project interventions. Accessibility of financial institutions (where universal accessibility is lacking) as well as accessibility of digital devices limit access to services by Persons With Disability. Other social risks likely to be associated with the project are Sexual Exploitation and Abuse and Sexual Harassment (SEA/SH) involving project workers and beneficiaries as well as intimate partner abuse of project beneficiaries.

The aforementioned environmental and social risks/impacts are largely localized, short-medium terms and be identified, assessed and managed through the preparation and implementation of various environmental and social risk management instruments, namely, SEP, ESMF with LMP and GBV Action Plan as well as ESMPs, if they are required. The project is taking steps to prepare disclose and implement these environmental and social risk management instruments.

3.3 Relevant World Bank Group Guidelines

3.3.1 World Bank Group EHS, 2007

The Environmental, Health, and Safety (EHS) Guidelines are technical reference documents with general and industry-specific examples of Good International Industry Practice (GIIP), as defined in ESS3. The EHS Guidelines contain the performance levels and measures that are normally acceptable to IFC and that are generally considered achievable in new facilities at reasonable costs by existing technology. For World Bank funded projects, application of the EHS Guidelines to existing facilities may involve the establishment of site-specific targets with an appropriate timetable for achieving

them. The environmental assessment process may recommend alternative (higher or lower) levels or measures, which, if acceptable to IFC/World Bank, becomes project- or site-specific requirements. The World Bank Group EHS Guidelines for Water and Sanitation (see <https://www.ifc.org/wps/wcm/connect/Od8cb86a-9120-4e37-98f7-cfb1a941f235/Final%2B-%2BWater%2Band%2BSanitation.pdf?MOD=AJPERES&CVID=jkD216C>) and the General Guidelines (see <https://www.ifc.org/wps/wcm/connect/29f5137d-6e17-4660-b1f9-02bf561935e5/Final%2B-%2BGeneral%2BEHS%2BGuidelines.pdf?MOD=AJPERES&CVID=jOWim3p>) will be relevant for this project.

3.3.2 ESF/Safeguards Interim Note: Covid-19 Considerations in Construction/Civil Works Projects

This interim note emphasizes the importance of careful scenario planning, clear procedures and protocols, management systems, effective communication and coordination and the need for high levels of responsiveness in a changing environment due to the COVID-19 pandemic. It recommends assessing current situation of projects, putting in place mitigation measures to avoid or minimize the chances of infection (Corona virus) and planning what to do if either project workers become infected or the work force including workers from proximate communities are affected by COVID-19. The recommendation in this interim note covers cleaning and waste disposal, medical services and general hygiene for the workforce together with management of site entry and exit points, work practices and medical supplies for site workers. There are also recommendations to ensure continuity in supply of materials and project activities amidst disruption in supply chains as a result of COVID-19. The interim note is useful for both PIU staff and Project Consultants and Contractors (see <https://worldbankgroup.sharepoint.com/sites/wbunits/opcs/Knowledge%20Base/ESF%20Safeguards%20Interim%20Note%20Construction%20Civil%20Works%20COVID.pdf->).

3.4 International Conventions

Relevant International Conventions for the Sierra Leone QEHS SSP are:

- Kyoto Protocol, 1997
The main feature of the Protocol is that it established legally binding commitments to reduce emissions of greenhouse gases. The goal of the Kyoto Protocol is to control emissions of greenhouse gases (GHGs) in ways that reflect underlying national differences in GHG emissions, wealth, and capacity to make the reductions. This protocol was promulgated by the United Nations in 1997.
- Stockholm Convention on Persistent Organic Pollutants, 2001
The Stockholm Convention focuses on eliminating or reducing releases of Persistent Organic Pollutants (POPs). It sets up a system for tackling additional chemicals identified as unacceptably hazardous. Ultimately, the Convention points the way to a future free of dangerous POPs and promises to reshape our economy's reliance on toxic chemicals. United Nations Industrial Development Organization (UNIDO) is responsible for supporting developing countries and countries with economies in transition to implement the Stockholm Convention.
- Convention for Safeguarding Intangible Cultural Heritage, 2003
The Convention for the Safeguarding of the Intangible Cultural Heritage is a UNESCO treaty with a purpose to ensure respect for the intangible cultural heritage of the communities, groups and individuals concerned, to raise awareness at the local, national and international levels of the importance of the intangible cultural heritage as well as ensuring mutual appreciation thereof and to provide for international cooperation and assistance.
- Convention of the Rights of Persons with Disability, 2006
It is an international human rights treaty of the United Nations intended to protect the rights and dignity of persons with disabilities. Parties to the Convention are required to promote, protect, and ensure the full enjoyment of human rights by persons with disabilities and ensure that persons with disabilities enjoy full equality under the law.

3.5 Relevant National Laws

There are several laws in Sierra Leone concerned with development, public health issues and the environment in general. The under listed which relates to the project are also presented in Table 3.2 together with a brief gap analysis and gap filling measures

- i. Environmental Protection Agency Act, 2008;
- ii. Gender Equality and Women Empowerment Act 2022
- iii. The Factories Act of 1974;
- iv. Regulation of Wages and Industrial Relations Act 1971 (No. 18);
- v. The National Fire Service Act, 1980;
- vi. Child Right Act, 2007;
- vii. Sexual Offences Act, 2012 as Amended in 2019;
- viii. Local Government Act, 2004;
- ix. Persons with Disability Act, 2011;
- x. The Anti-Corruption Act, 2008;
- xi. The Right to Access Information Act, 2013;
- xii. Banking Act, 2019;
- xiii. Other Financial Service Act, 2001,
- xiv. The Anti-Money Laundering and Combating of Financing of
- xv. Terrorism Act, 2012
- xvi. National Payment Systems (NPS) Act, 2022 (Act 8 of 2022)
- xvii. Consumer Protection Act, 2020 (No. 7 of 2020)

Table 3: Relevant In-Country Laws.

Legislation	Relevant Sections	Comments/Gaps	Gap Filling Measures
Environmental Protection Agency Act, 2008	<p>The EPA Act is the legislation governing the protection of the environment and the EIA/ESIA process. This Act establishes the role and function of the Environment Protection Agency (EPA) for monitoring implementation and evaluation of national environmental policies of Sierra Leone as well as the obligations of the proponent (environmental licenses' holders) and the Board of Directors of SL-EPA in the event that an environmental license is granted.</p> <p>Part IV of the EPA Act 2008 exclusively deals with the activities that require an EIA and requirements of an EIA. This part of the Act emphasizes the processes and procedures leading to the acquisition of environmental licenses with respect to the conduct of an acceptable EIA studies. Projects likely to have negative environmental impacts or for which an EIA or ESMP is required under the Act's Regulation, should not be implemented, unless an EIA/EMP has been concluded and approved in accordance with these regulations.</p>	<p>Although most of the provisions under the Act relate to ESS1, the SL-EPA classification/categorization scheme (Category A, B and C) does not align with the World Bank's categorization (High, Substantial, Moderate and Low risk) under ESS1.</p> <p>In terms of information disclosure, a requirement of ESS1 and ESS10, Section 27 (1) of the Environmental Protection Agency Act, 2008 stipulates that the Agency upon receiving the draft EIA report shall circulate it to professional bodies, associations, ministries and governmental organizations for their comments. Under Section 27(2), the Agency is also required to openly display the EIA report in two consecutive issues of the Gazette as well as in the newspapers to allow for public viewing. The proponent is expected to address the comments from the public as received through the Executive Director within fourteen (14) days upon receipt of the comments. The law is silent on involuntary resettlement.</p>	<p>Project beneficiaries who undertake sub projects deem to have adverse environmental and social impacts/risks will have to apply for environmental licenses from SL-EPA by formally applying to the Agency. Upon screening the projects, appropriate instruments as may be directed by the SL-EPA will be prepared and approved by SL-EPA, after which an Environmental License will be issued to cover that particular sub project, prior to the commencement of works, intervention and/or procurement.</p> <p>The scope of consultations in the SEP will be widened to include PAPA, vulnerable groups, and other stakeholders who have interest or will be impacted by the project but are outside those mentioned in the EPA</p>

<p>Gender Equality and Women Empowerment (GEWE) Act , 2022</p>	<p>The Act provides that a minimum of 30 per cent of elective and appointive positions in public and private sectors be reserved for women. The GEWE Act also includes a minimum of 30% of top leadership positions for women. Under the Act women are to enjoy at least 14 weeks of maternity leave</p> <p>The Act is about mainstreaming gender, and having gender units within all ministries, departments and agencies, and gender-responsive budgeting. In terms of access to finance, the Bank of Sierra Leone and the Ministry of Finance are mandated to come up with new approaches to increase women’s access to finance.</p>	<p>ESS10 requires participation and engagement of all project stakeholders including women in all aspects of the project including participating in the benefits of project outcomes.</p> <p>The law also align with requirement of ESS2 in terms of requirement for term and conditions of work, as it allows for an extended maternity leave for women</p>	<p>Act, as required in ESS1 and ESS10.</p> <p>No further action required</p>
<p>Regulation of Wages and Industrial Relations Act 1971 (No. 18)</p>	<p>These regulations specify the collective agreement between Employers in the Building and Construction Trade Group in the Republic of Sierra Leone involving the following Worker Unions:</p> <ul style="list-style-type: none"> ● Artisans, Public Works, and Services Employees Union; ● General Construction workers Union; ● Skilled and Manual Production workers Union; and ● Sierra Leone Union of Securities, Watchmen and General Workers Union <p>Conditions of Service issues including Hours of Work (Clause 9), modalities for payment of overtime (Clause 13), Annual Leave and Leave Allowance (Clause 15) and Maternity with full pay for maximum of twelve weeks (Clause 17), Dirty Work Allowance for workers who come into contact with sewerage, rubbish, wood, dust and toxic materials (Clause 56) and Termination of Work Contract (Clause 26) are outlined explicitly in the Act.</p> <p>Health and Safety issues are covered under Clause 37 and 51. They include the Employer providing raincoats, goggles, welding marks, helmets and other safety gear as well as toilet and hand washing facilities for employees. Workers’ right to form unions and engage collective</p>	<p>The Act is largely consistent with workers’ organization and work-based grievance redress mechanisms requirements under ESS2. Nonetheless, timelines for the resolution of grievances and providing feedback to aggrieved workers are not outlined in this regulation. The Act is also silent on the right of aggrieved workers to go to court. Although the law does not support any form of discrimination, it does provide explicit measures to enhance vulnerable persons such as women, persons with disabilities access to employment</p>	<p>Timelines for resolving grievances and the option to access the law court has been introduced in the work-based grievance redress mechanisms of the project. In addition, vulnerable groups will be offered the first right of employment in terms of non-hazardous assignments/tasks</p>

	<p>bargaining are recognized in Clause 30, while workers' right to representation is conferred under Clause 32.</p> <p>In this Act, Workers Grievance Redress Mechanisms have been explicitly outlined in Clause 29, in a seven-step process. The process commences from verbally discussing grievances with immediate supervisors, then to management (employers) either directly or through union leadership where unions exist and finally petitioning the Minister of Labour and Social Security in the event that work-based grievance redress measures fail to resolve the grievance in question.</p>	
<p>Child Right Act, 2007</p>	<p>Part III of the Act talks about the Employment of Children. It stipulates the minimum age at which free education ends, when children can engage in full-time employment or apprenticeship at fifteen (15 years) though the Act allows children to engage in light work (non-strenuous and non-hazardous work) at the age of thirteen (13) but only persons eighteen (18) years and above can engage in hazardous work such as civil works. The Act which prohibits children from working at night also sets conditions for apprenticeship.</p>	<p>The Child Rights Act has adequate provisions to combat child labour. However, the minimum age for light work (13 years) stipulated in the Act is less stringent than the requirements of ESS 2 (14 years).</p> <p>The project takes the position that children 18 years and below will not participate in any work related to the SL QEHSSP. This will be reflected in various Labour Management Plans prepared and implemented under the project.</p>
<p>Sexual Offences Act, 2012 as Amended in 2019</p>	<p>The Sexual Offences Act of 2012 criminalizes non-consensual sex between persons, including spouses. The Act increased the consensual age from 13 years, under the Prevention of Cruelty against Children Act (CAP 31) to 18 years. Section 19 of the Act introduces the concept of sexual penetration, which replaces Unlawful Sexual Knowledge and increases the organs involved in sexual penetration to include the mouth and anus. The Act further provides that any object used for penetration satisfies the act of sexual penetration. The Act is gender neutral, technically including sexual acts between same sexes. Marriage is not a defense for perpetrators under this Act. The confidentiality of victims (survivors) during investigation and prosecution is guaranteed under the Act. The Act also provides for medical assistance for survivors. The Act explicitly sets out sanctions for offenders including jail terms.</p>	<p>The Act aligns well with ESS2 as it promotes safety at work and ensures that survivors of Gender Based Violence, Sexual Abuse and Exploitation and Harassment are not discriminated against within the work environment while seeking redress.</p> <p>It also aligns well with ESS4 as it enjoins the state to provide medical and other forms of support for GBV survivors. In line with the survivor-centered approach, the law guarantees the confidentiality of GBV/SEA/SH survivors.</p> <p>To operationalize this law, a GBV Action Plan will be prepared under this project. Sub-project and project activities will be screened for GBV/SEA/SH risks while sub-project ESMPs will proffer mitigation measures for GBV/SEA/SH.</p>

NASSIT Act, 2001 (Act 5)	This Act established The National Social Security and Insurance Trust (NASSIT) to administer a Social Security Scheme that provides financial security to all employees in Sierra Leone in the form of old age, invalidity and survivors' benefits based on Social Insurance principles	The Act is consistent with Terms and Conditions of Work requirements under ESS2.	No gap filling measures but Bank of Sierra Leone will have to ensure that all project workers are enrolled with NASSIT
Persons with Disability Act, 2011	Per Section 24(2) this Act, public buildings/facilities that are accessed by the general-public are to be disability friendly, while Section 14 (2) enjoins government to adapt existing structures to enhance access by persons with disability. In Section 20 and 21 of the Act, it is an offence to deny a person contracts and employment opportunities on the basis disability.	Consistent with non-discriminatory and infrastructure and equipment design and safety requirements under ESS2 and ESS4 respectively	No gap filling measures required
Prevention and Control of HIV and AIDS Act, 2007	The Act seeks to control the spread of HIV-AIDs and prevent discrimination against Person Living with HIV/AIDS. Prevention and Control of HIV and AIDS, Act 2007 enjoins government to create awareness about the mode of transmission and support for Person Living with HIV/AIDS. Section 23 establishes that discrimination of Persons Living with HIV/AIDs in terms of access to employment, health services and education as an offence. While Section 11 also prohibits testing for HIV/AIDS as a condition for gaining employment, Section 21 makes deliberate or recklessly transmission and non-disclosure of HIV/AIDS positive status prior to sexual encounter an offence.	Consistent with exposure to community health issues and non-discriminatory requirements of ESS4 and ESS2 respectively	No further gap filling measures required as the requirements of ESS2, ESS4 and the Act will be presented in the project Labour Management Procedures
Banking Act, 2019	The Act guarantees the continued existence of the Bank of Sierra Leone as the Central Bank of Sierra Leone. It establishes its autonomy as well as the administrative and management structure. Section 5(2) of the Act outlines the functions of the Central Bank, which includes: <ul style="list-style-type: none"> i. formulate and implement monetary and financial policy and prudential standards; ii. establish, promote, license and oversee sound and effective payment, securities settlement and clearing systems; iii. license, register, regulate and supervise financial institutions as specified by the Act and other laws; and iv. adopt and implement macro-prudential policy measures by regulations or guidelines 	The Act does not require the Bank of Sierra Leone to establish and maintain an Environmental and Social Management System (ESMS) as required by ESS9. This notwithstanding, elements of the requirements information disclosure (ESS10) are present in the provisions of the Act that enjoins the Central Bank to publish and gazette reports including financial reports and studies on monetary policy as well as briefing of Parliament	The Bank of Sierra will establish and maintain an Environmental and Social Management System (ESMS) consisting of an environmental and social policy, environmental and social organizational capacity assessment and building, environmental and social risk categorization and assessment, monitoring and

	<p>Section 21 of the Act, enjoins the Bank of Sierra to publish financial reports as well as reports and studies on monetary policy on its web site and other places. At the request of Parliament or on its own accord, Section 22 of the Banking Act 2019 requires that the Bank of Sierra Leone inform Parliament and the public about monetary policy not less than two (2) times in a year.</p>	<p>and the public on same at least two times a year.</p>	<p>evaluation as well as a reporting and grievance system</p>
<p>Other Financial Service Act 2001</p>	<p>This Act guides the setting up and operation of institutions carrying out financial activities other than banking in areas such as licensing, regulation and supervision. The Act establishes eligibility for license (Section 5) and the Bank of Sierra Leone as the regulating and licensing authority for non-bank financial institutions in Sierra Leone. The Act also stipulate the reporting requirement of non-bank financial institutions regulated by the Bank of Sierra Leone</p>	<p>The Act does not require financial institutions to establish and maintain an Environmental and Social Management System (ESMS) as required by ESS9. This notwithstanding, elements of the requirements information disclosure (ESS10) are present in the provisions of the Act that enjoins the Central Bank to publish and gazette reports including financial reports and studies on monetary policy as well as briefing of Parliament and the public on same at least two times a year.</p>	<p>Participating commercial banks and MFIs will be required to establish ESMSs that align with ESS9 requirements and that to be established by the Bank of Sierra Leone</p>
<p>Anti-Money Laundering and Combating of Financing of Terrorism Act, 2012.</p>	<p>This Act establishes the National Consumer Protection Commission and defines its functions and powers. The Act also defines rights of consumers and provides mechanisms for the protection and enforcement of such rights and rules regarding fair market practices. The Commission shall be responsible for the administration of this Act and carry out the functions as set out by this Act. The Commission shall, among other things, monitor the operation of consumer markets in Sierra Leone, consider how they can be improved for consumers, and make recommendations to the Minister of Finance. The Commission shall also investigate allegations of non-compliance with this Act and take action to ensure that appropriate remedies are implemented. Under the Act, a consumer or consumer representative on behalf of a consumer may submit a complaint- (a) regarding goods or services; or (b) alleged unfair supplier or service provider conduct in the provision of</p>	<p>This Act is consistent with ESS10 especially as it provides grievance redress mechanism for customers who has concerns about goods, services and/or the conduct of suppliers.</p>	<p>No further actions required</p>

<p>Consumer Protection Act, 2020 (No. 7 of 2020)</p>	<p>goods and services. The Act sets out procedures for the handling of complaints.</p> <p>This Act establishes the National Consumer Protection Commission and defines its functions and powers. It also defines the rights of consumers and provides mechanisms for the protection and enforcement of such rights and rules regarding fair market practices. The Commission shall be responsible for the administration of this Act and carry out the functions as set out by this Act. The Commission shall, among other things, monitor the operation of consumer markets in Sierra Leone, consider how they can be improved for consumers, and make recommendations to the Minister of Finance. The Commission shall also investigate allegations of non-compliance with this Act and take action to ensure that appropriate remedies are implemented. Under the Act, a consumer or consumer representative on behalf of a consumer may submit a complaint- (a) regarding goods or services; or (b) alleged unfair supplier or service provider conduct in the provision of goods and services. The Act sets out procedures for the handling of complaints.</p>	<p>This Act is consistent with ESS10 especially as it provides grievance redress mechanism for customers who has concerns about goods, services and/or the conduct of suppliers.</p>	<p>No further actions required</p>
<p>The Anti-Corruption Act, 2008</p>	<p>The Act establishes the independent Anti-Corruption Commission for the prevention, investigation, prosecution and punishment of corruption and corrupt practices and related matters.</p>	<p>Consistent with ESS10</p>	<p>No gap filling measures required</p>
<p>Local Government Act, 2004</p>	<p>This Act seeks to devolve all development initiatives and authority to people at the grassroots. As such, it has empowered the local councils as the highest political and legislative authority in the locality. The Councils are responsible for promoting the development of the locality with the resources at its disposal and those that they can mobilize from the central government and its agencies, NGOs and the private sector.</p> <p>Part VII Section 90, also empowers the Local Councils to enact by-laws consistent with the provisions of the national constitution. The byelaws may cover community health and safety issues including sanitation, food safety and animal husbandry.</p> <p>Under Schedule III of the Act functions under the Ministry of Health and Sanitation devolved to the Councils are Registration of births and deaths, public health information and education, Primary Health care Secondary</p>	<p>The Act encourages local participation in development as required by ESS10</p>	<p>No gap filling measures required</p>

	<p>Health care, maintenance of non-technical equipment, facilities management and procurement of equipment and medicines.</p> <p>The Act also makes for the establishment of a Ward Development Committees in each ward for a locality as well as their membership in Part XIII. Section 96 (1) charges Ward Development Committees to mobilize the citizenry for self-help and development, act as focal points for discussing local needs and problems, organize communal and voluntary work especially in sanitation and educate residents on their rights and obligations in relation to local government and decentralization.</p>		
<p>The Right to Access Information Act, 2013</p>	<p>The Act provided for the disclosure of information held by public authorities or by persons providing services for them and to provide for other related matters.</p>	<p>Consistent with ESS10</p>	<p>No gap filling measures required</p>
<p><i>The Sierra Leone Local Content Agency Act, 2016</i></p>	<p>The Local Content Act is aimed at promoting growth and development of the domestic private sector by creating linkages with the large domestic and foreign firms through the utilization of local resources and products, and to promote the integration of the Sierra Leoneans in all economic activities. It also requires sectoral policies and projects to promote the utilization of locally available Sierra Leonean goods in the industrial and manufacturing sectors as well as support the growth of small and medium enterprises through targeted Government procurement and promote a culture of local ownership and participation in aspects of productive work.</p>	<p>The Act aligns with the Project Development Objective</p>	<p>No further gap filling measures are required</p>
<p>National Payment Systems (NPS) Act, 2022 (Act 8 of 2022)</p>	<p>The NPS Act sets out the procedures and systems for a safe, secure, and efficient payment system in the country that will protect users of the payment services and instruments</p>	<p>The Act aligns with the Project Development Objective</p>	<p>No further gap filling measures are required</p>
<p>The Factories Act of 1974</p>	<p>The Factories Act, 1974 demands for all aspects of cleanliness, reports of all injuries, accidents, diseases and death. Under this Act the Factories Inspectorate Department under the Ministry of Labour and Social Security has the power to monitor work place compliance in terms of</p>	<p>The Act promotes cleanliness, health and safety within the work environment and covers owners, occupiers, supervisors and workers alike, which are all requirements</p>	<p>Sub-contractors will be covered under this project through the preparation and implementation of labour</p>

labour laws, especially among factories, and enforce measures to ensure occupational accidents and diseases are minimized within the work environment (Section V of the Factories Act, 1974). The Act expands the definition of factories to include construction sites. It makes reports of accidents, death, injuries and the outbreak of diseases mandatory (Section VII) and empowers the Factory Inspectorate Department to enforce general health and safety conditions within factories. There are also sanctions for non-compliance including fines, jail terms and prohibition of works and closing down of factories. The Act enjoins owners and factory operators to notify Factory Inspectors at the district level of accidents and incidents. The Act promotes cleanliness, health and safety within the work environment and covers owners, occupiers, supervisors and workers alike.

of ESS2. Nonetheless, it does not extend to sub-contractors as explicitly mentioned in ESS 2, unless one argues that such third parties' entities are themselves "factories" hence they are obligated to comply with the Act.

management procedures and mitigation measures in ESMPs, when they are required.

3.6 Relevant National Policies and Plans

There are a number of national policies, strategy papers and plans that have useful recommendations and guidelines relevant for the Sierra Leone Second Financial Inclusion Project and whose objectives and envisaged outcomes align with the project. These are discussed below:

3.6.1 National Strategy for Financial Inclusion (2022 – 2026)

The National Strategy for Financial Inclusion (NSFI2) prepared by the Bank of Sierra Leone builds on the lessons and achievement of National Strategy for Financial Inclusion (NSFI 1) implemented from 2016 to 2021. It aligns with the National Medium Term Development Plan. The strategy envisages a focused approach to increase access and usage and enhance quality financial products and services by prioritizing strategic interventions targeting women, the youth, rural populations and Micro, Small and Medium Enterprises. The strategy adopts a participatory approach to identify the challenges militating against financial inclusion in Sierra Leone.

Some of the challenges outlined in the strategy are stringent documentation requirements, high interest rates across all products for all clients, and lack of innovative credit reference solutions for all FSPs to be able to verify credit history of clients. Collateral requirements for MSMEs, farmers in rural areas, women and the youth who do not have assets to use as collateral is also a major challenge identified in the strategy that militate against financial inclusion. There is also the problem of lack of a strong interoperable digital financial infrastructure, which has limited the use of digital payments and the problem of ascent start-up ecosystem and limited resources to support Fintechs, new businesses and young entrepreneurs. Other challenges are low levels of financial education and literacy for all people and poor banking experience and customer service/relationship for clients.

NFIS 2 discusses the role of data and information, policy and regulation, stakeholder communication and consultation together with targeting underserved groups such as women, youth, rural communities and Micro, Small and Medium Enterprises as the key drivers to attaining financial inclusion in Sierra Leone. The document goes on further to outline improving access to client centric client services, digital financial services, financial education, literacy and consumer protection as priority interventions areas to accelerate financial integration in the country and sets out explicit objectives for each intervention area. The strategy also elaborates on monitoring, evaluation and learning, an implementation matrix and implementation risks and mitigation measures.

3.6.2 National Policy on the Advancement of Women

The Policy provides a conducive environment, which will allow women to improve their status and participation, to empower them and enhance their capacities as agents of change and beneficiaries of political and economic development, thus ensuring the full use of human resources for national development. It provides integrated guidelines for evaluating the activities of government department/institutions, civil society organizations, donor agencies and NGOs that are engaged in implementing Women in Development programmes. The Policy's introduction underscores the fact that because women's contribution to the national economy is acknowledged and yet is undervalued, there is a need for their full integration into the development process in order to increase their contribution for national development.

The policy goals are as follows:

- To fully integrate women in the development process, to empower them, enhance their capacities as agents of economic, social and political development and in this way ensure the full development of human resources for national development;
- To achieve national awareness and respect for women's rights as citizens and as agents and beneficiaries of development;
- To ensure that all forms of discrimination against and abuse of women are eliminated;
- To ensure the elimination of attitudinal, cultural, traditional, legal and religious constraints to greater recognition of and respect for and improvement of the status and situation of women; and
- To ensure that ingrained legal, cultural, religious, political, customary and economic practices that present obstacles to the advancement of the status of women are removed.

While the short term objectives of the policy are to;

- To promote and strengthen technologies, which will lighten women's workload, raise their income and provide time for self-improvement;
- To institutionalize women's issues at various levels for the co-ordination and monitoring of activities aimed at the empowerment of women for their full integration in the development process and for the implementation of the National Policy on the Advancement of Women;
- To provide integrated guidelines for programmes of action and for evaluating the activities of government departments, private sector organizations, donor agencies, and NGOs and women's groups who sponsor or are involved with women in development programmes; and
- To provide the basis and rationale to institutionalize channels that increase women's access, in a regular and sustainable manner, to resources essential for their improved standards of living, to poverty alleviation and increased productivity-credit, more efficient health care, land, education, greater share of the market at local, national and international levels.

A network approach is adopted as the implementation strategy to encourage mobilization of all women for participatory democracy, development, sharing of information and technological innovations essential for production and reduction of the drudgery of women's work.

3.6.3 National Policy on Gender Mainstreaming

The overall goal of the policy is to mainstream gender concerns in the national development process in order to improve the social, legal, political, economic and cultural condition of the population, particularly marginalized groups. Its aim is to provide for policy makers and other actors in the development field, reference guidelines for identifying and addressing gender concerns, particularly when taking policy decisions to redress imbalances which arise from existing inequalities; to promote access to and control over economically significant resources and benefits, or to ensure the participation of both women and men in all stages of development.

The specific objectives of the gender mainstreaming policy are:

- To provide policy makers and other key actors in the development field with reference guidelines for identifying and addressing gender concerns when taking development policy decision.
- To identify and establish an institutional framework with the mandate to initiate, coordinate, implement, monitor and evaluate national gender-response development.
- To redress imbalances which arise from existing inequalities:
- To ensure the participation of both women and men in all stages of the development process.

- To promote equal access to and control over economically significant resources and benefits by men and women.
- To promote recognition and value of women's roles and contributions as agents of change and beneficiaries of the development process.

It is expected that the policy objectives shall be achieved through the following strategies:

- Sensitization on gender issues at all levels;
- Promoting a Gender and Development (GAD) approach that is needed on the understanding of gender roles and social relations of women and men as well as the Women in Development (WID) approach which focuses on women specifically;
- Ensuring that the Gender Mainstreaming Policy shall be translated, understood, disseminated and implemented by all sections of Sierra Leone society;
- Promoting appropriate education, sensitization and creation of awareness on the responsibility of all concerned parties in each sector to address the specific gender concerns within the sector.
- Ensuring gender-responsive development planning at the community, district and national levels;
- Promoting a holistic and integrated approach to development planning to ensure that gender issues common to different sectors are adequately identified, analyzed and addressed;
- Promoting and carrying out gender oriented research in order to identify gender concerns;
- Promoting a gender-responsive monitoring and evaluation mechanisms for development;
- Promoting a gender-sensitive approach to technical co-operation among the various actors in the development arena; and
- Advocating for gender equity at all levels.

The Ministry of Social Welfare, Gender and Children Affairs will lead institutional arrangements for the implementation of the policy. It shall establish and chair a multi-sectoral Steering Committee to strengthen this multi-sectoral co-ordination and collaborative role. The Committee shall co-ordinate, monitor and review the formulation of gender-responsive policies and their implementation within sectors.

3.6.4 The GBV Referral Protocol

The GBV Referral Protocol is a technical guidance document that aims to ensure that all survivors/victims of GBV (Domestic and sexual violence) receive a prompt and comprehensive response from service providers that meets their needs from the first point of contact onwards. The protocol is in response to existing commitments by the Government of Sierra Leone such as the Poverty Reduction Strategy (PRS)- Agenda for Change, the Child Rights Act 2007, and the three Gender Acts (Domestic Violence 2007, Registration of Customary Marriage and Divorce Act, 2007 and the Devolution of Estates 2007), and other related policies. This Referral Protocol is an agreement of cooperation among the respective Government of Sierra Leone Ministries, Departments and Agencies to ensure an effective response to, and coordination of, services for victims/ survivors of Gender Based Violence (Domestic and sexual violence). The organizations:

- Ministry of Gender and Children Protection
- Ministry of Health and Sanitation (MoHS);
- Ministry of Education, Science and Technology (MEST);
- Ministry of Local Government and Rural Development;

- Sierra Leone Police -Family Support Units (FSUs); and
- Non-Governmental Organizations (NGOs) /Community Based Organizations (CBOs)

The primary objectives of the Referral Protocol are to:

- Ensure that Survivors/victims of GBV (Domestic and Sexual Violence) receive prompt and coordinated response from service providers;
- Ensure that a holistic and comprehensive support and services are being provided for survivors/victims of domestic and sexual violence. This will include free medical care, psychosocial support, protective care, and legal services (legal advice, representation, mediation and litigation (impact litigation));
- Ensure that existing policies and agreed procedures are followed with maximum opportunity for the provision of support services to survivors/victims and for prosecution of perpetrators;
- Ensure that standards of professional practices are prescribed and followed with regards to confidentiality, information sharing and recording of sensitive information, avoiding conflicts of interest;
- Raise awareness among all key stakeholders about GBV/SE/SH and the Referral Protocol; and
- Develop a framework for monitoring and evaluation.

The Ministry of Gender and Children Protection will lead the process of executing this policy in collaboration with other Ministries, the Sierra Leone Police-FSU, Local Councils at national, regional and chiefdom levels in relation to children and women victims of all forms of abuse.

4.0 Baseline Conditions

4.1 Location and Population

The Republic of Sierra Leone is a country on the southwest coast of West Africa. It is bordered by Liberia to the southeast and Guinea to the northwest and northeast. Sierra Leone has a total land area of 71,740 km² (27,699 sq. mi). As of 2019, the population of Sierra Leone was estimated to be 7,176,260 with an annual growth rate of 2.13%. It is estimated that 3,507,584 (48.9%) are males, while 3,668,676 (51.1%) are females. The country is divided into four (4) regions and 16 districts.

4.2 Religion and Ethnicity

Sierra Leone is officially a secular state. Islam and Christianity are the two main religions in the country. The constitution of Sierra Leone provides for freedom of religion and the Sierra Leone Government generally protects it. According to a 2020 estimates by the Pew Research Center^[176] 78.5% of Sierra Leone's population are Muslims (mostly Sunni), 20.4% are Christians (mostly Protestants) and 1.1% belong to a traditional African religion or other beliefs. The Inter-Religious Council of Sierra Leone estimated that 77% of Sierra Leone's population are Muslims, 21% are Christians, and 2% are followers of traditional African religion.

Sierra Leone is home to about sixteen ethnic groups, each with its own language. The largest and most influential are the Temne at about 35.5% and the Mende at about 33.2%. The Temne predominate in the Northern Sierra Leone and some areas around the capital of Sierra Leone. The Mende predominate in South-Eastern Sierra Leone (with the exception of Kono District). The vast majority of

Temne are Muslims at over 85%; with a significant Christian minority at about 10%. The Mende are also Muslim majority at about 70%, though with a large Christian minority at about 30%. The third-largest ethnic group are the Limba at about 8.4% of the population. The Limba are natives of Sierra Leone. They have no traditional of origin, and it is believed that they have lived in Sierra Leone before the European encounter. The Limba primarily settled in Northern Sierra Leone, particularly in Bombali, Kambia and Koinadugu Districts. The Limba are about 60% Christian and 40% Muslims. The Fula at around 3.8% of the population. They are descendants of seventeenth- and eighteenth-century Fula migrant settlers from the Fouta Djallon region of Guinea, they live primarily in the northeast and the western part of Sierra Leone. The Fula are virtually Muslims (over 99%).

Mandingo (also known as Mandinka) are descendants of traders from Guinea who migrated to Sierra Leone during the late nineteenth to mid-twentieth centuries. The Mandinka are predominantly found in the east and the northern part of the country. They predominate in the large towns, most notably Karina, in Bombali District in the north; Kabala and Falaba in Koinadugu District in the north; and Yengema, Kono District in the east of the country. Like the Fula, the Mandinka are virtually all Muslims at over 99%. The Konos live primarily in Kono District in Eastern Sierra Leone. They are descendants of migrants from Guinea. The majority of the Kono ethnic group are Christians, though with an influential Muslim minority. The Creole or Krio people (descendants of freed African American, West Indian and liberated African slaves, who settled in Freetown between 1787 and about 1885, make up about 3% of the population. They primarily occupy the capital city- Freetown and its surrounding (Western Area). The Creoles or Krios are virtually Christians-about 99%.

Other minority ethnic groups found in Sierra Leone are the Oku people, Lokko, Kru, Sherbro, Kuranko. There is a small number of Sierra Leoneans, who are of partial or full Lebanese ancestry. Sierra Leonean-Lebanese are the descendants of traders who first came to the nation in the 19th Century.

4.3 Climate of Sierra Leone

Sierra Leone's has a tropical climate. The rainy season runs from May to November with an average temperature of 22-25°C. The dry season is from December to May with temperatures reaching 25-27°C, accompanied by dry, cool winds from the Sahara Desert. Humidity during the rainy season can reach 93 percent. It decreases inland to about 47% as the rainfall declines. There is little variation in the day length due to the country's proximity to the equator.

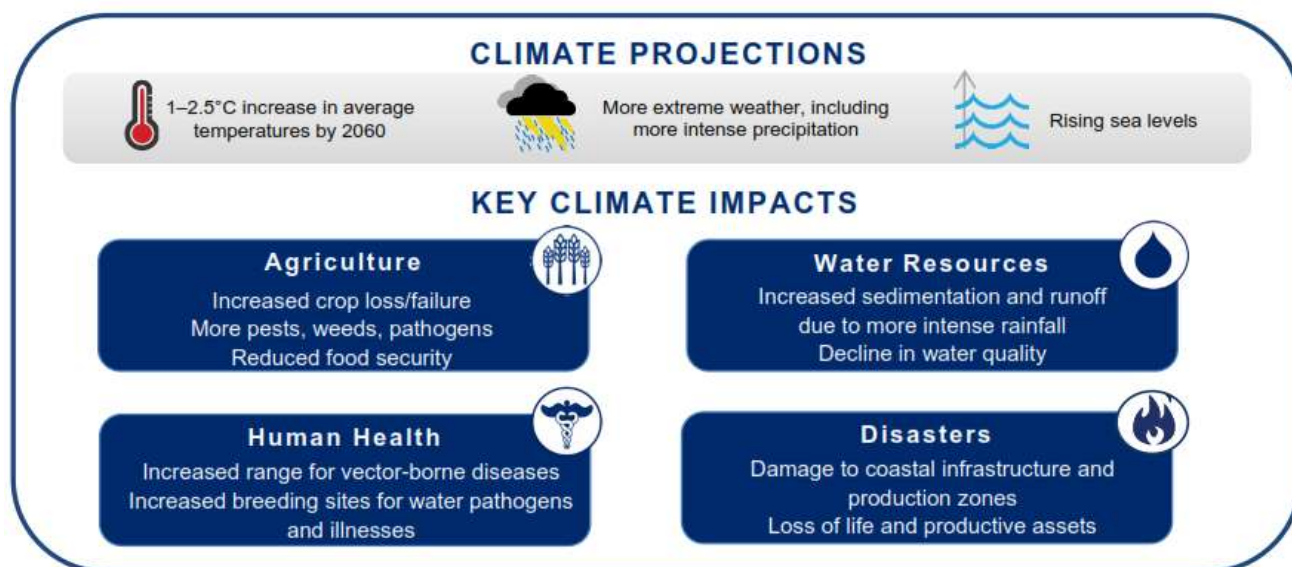
The rainy season is largely controlled by the movement of the tropical rain belt, also called the Inter-Tropical Convergence Zone (ITCZ), which oscillates between the northern and southern tropics over the course of a year. During this period, the average rainfall is 2,746 mm. Rainfall is highest along the coast, reaching 3,000 mm to 5,000 mm per year. Decreasing as it moves inland, it reaches 2,000 mm-2,500 mm on the eastern border of the country. Average monthly rainfall peaks in July and August with an average of 27 rainy days (GoSL, 2018).

4.4 Vulnerability to Climate Change in Sierra Leone

Sierra Leone is among the 10% of countries in the world that are most vulnerable to the adverse consequences of climate change, and presently one of the least able to cope with its effects (see Figure 4.1 for major climate vulnerabilities). Sierra Leone occupied the 86th position on the 2019 Climate Risk Index with a score of 76.5. Historical trends reveal higher temperatures (+0.8°C)-an average increase of 0.18°C per the past decade, increased nighttime temperature, reduced annual precipitation-with significant decadal variability (1960s-1970s show increased rainfall, while 1980s show drier

conditions), increased variability in the rainy season, with some observations suggesting a later onset/shorter duration and increased intensity of single rainfall events¹².

Figure 4.1: Climate Change Risk Profile, Sierra Leone



Sierra Leone is highly vulnerable to climate change risks including high temperatures, wild fires, floods and landslides/mudslides. Extreme weather-induced floods accounted for 90% of people affected by disaster in Sierra Leone. From 1980 to 2010, floods affected 221,204 people, killing 145. This represents about 11% of people killed by disaster in the country¹³. While the whole country is vulnerable, the most heavily affected areas during recent years include: Kroo Bay, Susan's Bay, Granville Brook, Lumley area in Western Area, Port Loko and Kambia Districts, the Newton catchment area, Pujehun and Bo areas, Kenema and Moyamba Districts and the coastal beaches of the Western Area Peninsular¹⁴ (GoSL, 2021). The recent one that dominated news headlines, globally, was the August 14, 2017 landslide/mudflow, which occurred in along the slope of Lofa Mountain. It affected Freetown following three days of torrential rainfall. This disaster killed 1,141 people and left more than 3,000 people homeless. Over the past 25 years, the country has experienced more than 30 natural disasters, out of which 10 were floods.

Table 4: Climate Risk Ratings in Selected West African Countries including Sierra Leone

Climate Disasters	Sierra Leone	Liberia	Guinea	Cote d'ivoire	Mali	Mauritania	Niger	Senegal
River flood	High	High	High	High	High	High	High	High
Urban flood	High	High	High	High	High	High	High	High
Water scarcity	Very Low	Very Low	Medium	Low	High	High	High	High
Extreme heat	High	High	High	High	High	High	High	High

¹² USAID (2016). Climate Change Risk Profile.

<https://www.climatelinks.org/sites/default/files/asset/document/2016%20CRM%20Fact%20Sheet%20-%20Sierra%20Leone.pdf>

¹³ GoSL (2018). Third National Communication of Sierra Leone to the United Nations Framework Convention on Climate Change: Freetown: Ministry of Ministry of Lands, Country Planning and the Environment.

<https://unfccc.int/sites/default/files/NDC/2022-06/210804%202125%20SL%20NDC%20%281%29.pdf>

¹⁴ GoSL (2021) National Adaptation Plan: Freetown: Ministry of Lands, Country Planning and the Environment https://unfccc.int/sites/default/files/resource/SierraLeone_INAP_Final.pdf

Wildfire	High	High	High	High	High	High	High	High
Earthquake	Low	Very low	Low	High	Low	Very low	Very low	Low
Landslide	High	Very low	High	Low	Very low	Low	Very low	Very low
Volcano	No data	No data	No data	No data	Very low	No data	Very low	No data
Coastal flood	High	High	Medium	Medium	No data	High	No data	High
Tsunami	Low	Low	Low	Very Low	No data	Medium	No data	Medium
Cyclone	No data	No data	No data	No data	No data	No data	No data	No data

Source: Think Hazard (<https://thinkhazard.org/en/>).

Empirical evidence back the vulnerability of Sierra Leone to the multiple climatic risks presented in Table 4. General circulation models estimate a 1°-2.5°C increase in average temperature by 2060, with more rapid warming inland. The level of the Atlantic Ocean will rise (0.1–0.56 m by 2100, relative to 1980–1999 levels), coupled with an increasing risk of storm surges from June to September¹⁵. For precipitation, projections from the ensemble mean of bias-corrected models in CORDEX Africa indicate that between 2011 and 2040 a potential increase (up to 10 percent) in annual total precipitation is anticipated, regardless of the emissions scenario¹⁶. The increments in precipitation do not necessarily mean that it will even distributed in time and space. The analyses suggest that the increase in precipitation will distribute itself evenly across space and time but will manifest as increase in frequency and intensity of storms and flash floods (extreme weather events).

The current changing weather patterns are likely to affect production levels adversely including a decline in oceanic productivity, with severe risks for food security and negative repercussions for human health and livelihoods. Project related-climatic risks could manifest as damage to infrastructure and MSMEs products/produce and or assets as well as disruption in service delivery. Extreme weather events can also delay the execution of minor civil works and rehabilitations envisaged under the project. Nonetheless, one of the project sub components (Component 2.2) involves supporting MSMEs with financing to deliver innovative climate adaptation and climate mitigation/resilience products.

4.5 Financial Services and Inclusion in Sierra Leone

The financial sector of Sierra Leone exhibits dualistic tendencies. It is mainly dominated by commercial banks, with cumulative assets of SLL 7430 billion (Leone, the local currency) as of 31 December 2017, or USD 971.1 million, representing 79.2% of total domestic financial sector assets. The sector is small and underdeveloped consisting of 14 commercial banks, 17 community banks, 11 insurance companies, 23 microfinance institutions or MFIs (5 of which are authorized to collect deposits), a stock exchange, 2 mobile money operators, 62 bureau de change and 59 associations providing financial services. Two state-owned banks hold about 30% of the total financial sector assets. The Central Bank (Bank of Sierra Leone) is responsible for monetary policy and overall regulation and supervision of Sierra Leone's financial sector, while the National Social Security Insurance Trust (NASSIT) and the Sierra Leone Insurance Commission (SLICOM) oversee the pension and insurance sectors, respectively. The local stock exchange, the Sierra Leone Stock Exchange (SLSE), has only 3 listed companies, with relatively low capitalization estimated at USD 30 million.

¹⁵ USAID (2016). Climate Risk Profile Sierra Leone.

<https://www.climatelinks.org/sites/default/files/asset/document/2016%20CRM%20Fact%20Sheet%20-%20Sierra%20Leone.pdf>

¹⁶ SMHI (2012). Climate Information. <https://climateinformation.org/>.

4.5.1 Banks

Commercial banks dominate the financial sector. There are 14 commercial banks, which account for 85% of the financial sector assets, and the two state-owned banks hold about 30 percent of total financial sector assets.¹⁷ The banking sector is highly concentrated, with the five largest banks making up 66 percent of total banking sector assets. Out of the extremely small 6 percent ratio of domestic credit to private sector in 2020, the banks provided 5.9% of it. The Banking Act 2019 regulates banks. The system appears to be well capitalized, profitable, and liquid, mainly due to high asset concentration in government securities.¹⁸

Banks in Sierra Leone primarily offer traditional short-term products with high collateral requirements. The main credit facilities available are microloans, overdraft facilities, general business and agricultural loans backed by real estate collateral, and asset financing (property and vehicle).¹⁹ Apart from relying on the underdeveloped credit registry, the banks have not started exploring alternative information and collaboration with fintech providers to improve credit risk assessments for the unbanked and underbanked. Loans tend to be made on a short-term basis only, with repayment required beginning the month following disbursement.

4.5.2 Micro-Finance Institutions

The microfinance sector in Sierra Leone is diverse, consisting of four different types of institutions that target similar client segments namely credit-only MFIs, deposit-taking MFIs, members-based community banks and yet-to-be-licensed credit cooperatives referred to as financial services associations, and an Apex Bank. There were 59 financial services associations, 17 community banks and 23 MFIs in the country, of which 5 were simultaneously offering credit and customer deposit management services (see Table 5).

Table 5: Distribution of Assets among MFIs in Sierra Leone (as of March 2022, in million US\$)

Type of Institution	Number	Net Loans	Total Assets	Equity	Equity/Assets
Deposit-taking MFIs	5	22.5	44.6	9.5	21%
Credit-only MFIs	25	21.3	27.9	11.3	40%
Community banks	17	6.9	12.3	4.9	40%
Financial services associations	59	5.2	7.4	4.5	61%
Apex Bank	1	0.9	4.8	1.9	40%
Total	107	56.7	96.9	32.1	33%

Source: Data provided by the Bank of Sierra Leone.

The microfinance industry in Sierra Leone operates under the Other Financial Services Act of 2001, and its implementing regulations, issued by BSL, are the Guidelines for the Operations of Credit-only MFIs (2009) and the Operating Guidelines for Other Deposit-taking Institutions (2011). Microfinance institutions also provide finance for the private sector and 47% of the SMEs with access to finance in 2016 survey obtained it from micro-finance institutions (Ministry of Trade and Industry 2016). They consist of many small institutions with relatively few assets. Out of 57 licensed credit-only MFIs, only 25 actively send reports to BSL. In addition, there are 23 other deposit-taking institutions, including five deposit-taking MFIs, 17 community banks, and the Apex Bank (SL) Ltd. The Apex Bank, in turn, has

¹⁷ Sierra Leone Digital Economy Diagnostic, World Bank Group (2020)

<https://openknowledge.worldbank.org/handle/10986/35805>

¹⁸ <https://www.imf.org/en/Publications/CR/Issues/2022/07/29/Sierra-Leone-2022-Article-IV-Consultation-and-Fifth-Review-under-the-Extended-Credit-521569>

¹⁹ Based on interviews with financial service providers and a review of available data on their websites.

facilitated the registration of 59 financial services associations as legal entities awaiting the licensing process with BSL.

MFIs give more attention to MSMEs and unbanked individuals but they face a number of challenges including lack of access to funding rates equal to the T-Bill or Monetary Policy Rates, some regulatory obstacles, and the lack of skills and know-how to properly innovate.

4.5.3 The Insurance Sub Sector

There are 11 insurance companies, whose assets had increased significantly in recent years. Assets increased by nearly 200% between 2010 and 2014 to attain SLL 111.6 billion, i.e. about USD 25 million. A new regulatory framework was put in place in 2016 to strengthen the sector's penetration rate, financial solidity indicators and governance. The *Sierra Leone Insurance Commission* (SLICOM) is the sector's regulator.

4.5.4 The National Social Security Insurance Trust (NASSIT)

The National Social Security Insurance Trust (NASSIT) manages Sierra Leone's pension system. It covers both civil service and private sector employees. Negotiations have recently begun between NASSIT and associations of informal economic stakeholders to include them in the national pension plan. The legal retirement age is 60 years, and the payment of benefits is subject to a minimum contribution period of 180 months. Contributors' premiums increased to SLL 347.7 billion (USD 45.4 million) in 2017, while NASSIT retirement benefits in the same year amounted to SLL 80.3 billion (USD 10.5 million).

4.5.5 Digital Financial Services/ Mobile Money Operation

Digital financial services (DFS) development in Sierra Leone is still at an early stage (stage 1 of 4 in DFS development using the trajectory of the World Bank's 2020 DFS report) and constrained by several supply- and demand-side factors. Cash continues to be the main payment instrument, especially for small-value payments. Sierra Leone has two (2) licensed mobile money operators namely: Orange Money and Afrimoney. The value of mobile money transactions in Sierra Leone at end-2017 amounted to SLL 309 billion (USD 40.4 million) for 1.9 million transactions. According to Global Findex, in 2021, only 27% of adults had made or received a digital payment in the previous year, behind the Sub-Saharan average (50%) and regional comparators, including Ghana (66%), Liberia (46%), and Nigeria (34%). Sierra Leone has historically lagged behind its counterparts in West Africa in DFS adoption. Compared with an average mobile money uptake of 24% across West Africa in 2017, only around 19% of the Sierra Leonean population had a mobile money account in 2021. Factors such as barriers from the regulatory framework, limited financial system and connectivity infrastructure,²⁰ low levels of innovation on the supply side, and low degree of financial literacy to increase customer uptake and inadequate access points explain this phenomenon.

Despite recent improvements supported by the ongoing World Bank-funded Financial Inclusion Project, the legal and regulatory framework payments and non-bank, financial institutions' regulatory and supervisory framework needs to be strengthened. BSL is working on strengthening the existing

²⁰ Only 23 percent of households have electricity at a national level; in rural areas that number is even lower at 2 percent. See Sierra Leone 2019. Demographic and Health Survey. The 2018 SLIHS shows that the country has over 77% mobile phone coverage corresponding to 64.6% and 97.4% of rural and urban areas respectively. However, showed the Northern, North-West, and Eastern regions had lower coverage²⁰. Over 50% of Sierra Leoneans own a mobile phone, but mobile broadband penetration remains low at 24% according to Sierra Leone's National Innovation and Digital Strategy 2019.

National Payment System (NPS) infrastructure by implementing a new National Electronic Payments Switch (NEPS)²¹ under SLFIP.

4.5.4 Access and Utilization of Financial Services in Sierra Leone

Financial inclusion is the ability to use available financial products and services offered by formal financial service providers (FSPs). It is a function of access, utilization of financial products/services and quality of service. In terms of access, both banking and non-banking financial institutions points of access are considered in the estimation of financial inclusion. In Sierra Leone, BSL regulated formal financial access points include the premises of the existing 14 commercial banks (with over 140 branches combined, 128 ATMs, and 280 POS terminals) plus the 54 MFIs with their over 200 branches combined as well as the 73 registered Forex Bureaus, 59 FSAs, and 17 community banks (CBs). Collectively, these institutions account for 89% of all financial service access points. The remaining 11% are outside the remit of BSL. They consist of Mobile Money Operators, Sierra Leone Post Office (SALPOST) outlets (43 branches), National Cooperative Credit Union Association (NaCCUA) members Formal Money Remittance Companies, Mobile Money Operators and insurance company locations. As of December 2020, there were 25 credit unions operating in 12 of the country's 16 districts under the umbrella body of the National Cooperative Credit Union Association (NaCCUA) and 14 insurance companies with 47 branches regulated by the Sierra Leone Insurance Commission (SLICOM) in Sierra Leone. Western Union, MoneyGram, Ria, and World Remit are the only formal remittance transfer (limited liability) companies registered in Sierra Leone. The three (3) Mobile Money Operators (MMOs) with a combined agent network of over 35,000 points are also part of this category.

Geospatial Data Analysis and Mapping for Financial Inclusion Project Report mapped 1,811 financial access points in Sierra Leone, 75% of the points belonged to mobile money agents, 7% belonged to Micro-Finance Institutions, 6% each were for commercial banks and forex bureaus, while 3% were for Financial Services Associations (FSAs). In terms of regional distribution, the Western (Western Urban, Western Rural) and Southern (Bo, Bonthe, Moyamba, Pujehun) regions reported over 59% of the access points cumulatively, while the Eastern region (Kailahun, Kenema, and Kono) recorded 20% of mapped access points. The Northern (Bombali, Falaba, Koinadugu, and Tonkolili) and North West (Kambia, Karene, Port Loko) regions lagged behind with only 13% and 8% respectively. The study also highlighted the rural-urban dichotomy. The more urbanized districts of Western Urban, Bo, Kenema, and Bombali accounted for 67% of the financial access points mapped. Most of these financial access points are concentrated in Freetown and other urban centers. An estimated 42% of chiefdoms in the country lacked any financial services access points, while 41% of access points are in Western Urban and Bo alone. Community Banks, financial service associations, deposit-taking MFIs, credit-only MFIs,

²¹ When implemented, NEPS will support both card transactions (performed at automated teller machines and through point of sale [POS]) and the Fast Payments System. The infrastructure will allow for interoperability and ultimately contribute to financial inclusion and deepening, as individuals will need an account to make or receive digital payments. The infrastructure would support USSD and QR payments and ease using aliases for Fast Payments System transactions. Implementation and sustainability post implementation need close involvement and coordination among all stakeholders. For focused attention and continued innovation of products and services, stakeholder cooperation and involvement are required, including ensuring that the systems adopt international standards, for example, International Standards Organization (ISO) standards, cyber security and business continuity standards, and so on.

and mobile money providers have a greater presence in rural areas than banks do, although their outreach remains quite limited, and their scale of operations is significantly small.

Utilization of basic financial services is also low in Sierra Leone with a large unbanked population. Only 19.8% of the adult population have access to formal financial services. Furthermore, it is estimated that only 13.9% of the adult population (15 year and above) have a bank account compared to 34.1% in Sub Sahara Africa. The proportion increases to 28.8%, if the index expands to cover those having accounts with mobile money operators but it still lags behind the figure for Sub Sahara Africa (55%). Males are better off than females (33.4% versus 24.8%)²². Details on the level of utilization of financial products/services are summarized in Table 6.

Table 6: Number of Accounts, Volume & Value of Transactions at Financial Institutions (2021)

Account Type	Number of Accounts	Number of Transactions (2021)	Value (Le '000) of Transactions (2021)
Current Account *	520,138	-	8,130,759,369
Savings Account *	1,661,508	-	2,614,545,612
Time Deposit	4,873	-	847,240,230
Mobile Money Account	6,517,573	59,167,418	9,556,236,167
Loan Account **	399,427	14,499***	367,918,438
Total	9,103,519	59,181,917	21,516,699,816

Source: Bank of Sierra Leone (2022). National Strategy for Financial Inclusion [2022-2022]. Freetown: Bank of Sierra Leone.

*Commercial Banks, all MFIs; ** all MFIs; *** Number of new loans disbursed by credit-only MFIs

The low level of utilization of financial services/products is primarily due to low incomes and high illiteracy levels-financial illiteracy inclusive. In Sierra Leone, 43% of the total population live below the international poverty line of \$1.90 USD with the proportion rising to 60% in rural areas²³. Mobile money transfer, voice and data fees, though generally at par with the rest of the ECOWAS and Mano River Union (MRU) region, also seen as too high for Sierra Leoneans²⁴. For example, in 2020, NATCOM imposed a floor price for data and voice, but these had to be revised tariffs downward due to public outcry.²⁵ Literacy rates (15 years and older) is currently estimated at 43.2% (51.6% for males and 34.9% for females). Clients' perceptions of the instability of the banking sector also adversely affects patronage of financial services and products.

4.6 Gender Inequality and Gender Based Violence in Sierra Leone

The legacy of the conflict in Sierra Leone has influenced the nature and extent of GBV in the post-conflict phase. Women have had very limited assistance to deal with the health, psycho-social and economic consequences of sexual violence experienced during the war and the continued discrimination they face in the post-conflict phase. Sierra Leone is also a highly patriarchal society, and

²² worldbank.org/en/publication/globalindex

²³ World Bank (2020). World Bank Poverty and Equity Brief: Sierra Leone

https://databankfiles.worldbank.org/public/ddpext_download/poverty/987B9C90-CB9F-4D93-AE8C-750588BF00QA/SM2020/Global_POVEQ_SLE.pdf

²⁴ ITweb Africa (2020) "Sierra Leone implements controversial new floor plan for phone calls" [Sierra Leone implements controversial new floor plan for phone calls \(itweb.africa\)](https://www.itweb.africa/news/sierra-leone-implements-controversial-new-floor-plan-for-phone-calls)

²⁵ "Sierraloade (2021). "NATCOM Announces Reduction of Mobile Network Tariffs" [NATCOM Announces Reduction of Mobile Network Tariffs \(sierraloade.sl\)](https://sierraloade.sl/news/natcom-announces-reduction-of-mobile-network-tariffs)

institutionalized gender inequalities and discriminatory customs, particularly in relation to marriage, property rights, financial access and sexual offences exacerbates gender inequality and Gender Based Violence.

Poverty in Sierra Leone is estimated at 43%, even though it declined from 54.7% in 2011. In Sierra Leone poverty is a rural phenomenon and female issue; with 44% women as against 42% men being poor and 60% of the rural population living in poverty compared to 20% of urban dwellers). Literacy rates also remain low at 43.2% disproportionately in favor of men (51.7%) against women (34.8%). The high levels of illiteracy and poverty amongst Sierra Leonean women and girls, more so those in rural areas prevent them from upholding many of their recognized rights. Similarly, economic insecurity contributes to women's vulnerability to GBV. Their marginalization from local and national decision-making processes further limits their ability to redress the gender inequalities that perpetuate GBV in the country and further limit better integration of women into the formal financial system. Many women in Sierra Leone lack formal collateral also due to customary land rights, which makes it difficult for them to access credit and other financial services from traditional lenders²⁶. According to the World Bank gender data portal, only 4.6% of women owned a house on their own, while 18.6% of men did so in 2019.

Globally, Sierra Leone with a score of 0.644 ranked 152 out of 170 countries on the Gender Inequality Index (GII) in 2019 co-signing it to the low category. The figure for Sierra Leone (0.644) does not compare favourably to the Sub-Saharan Africa average of 0.570. The country also ranks 121 on the Gender Gap Index. Lifetime Physical and/or Sexual Intimate Partner Violence stands at 53% while Physical and/or Sexual Intimate Partner Violence in the last 12 months is at 40%²⁷. Statistics on rape and sexual assault remain high with the highest number recorded among adolescent girls. Rainbo Initiative Statistics reveal that 2,707 and 234 Sexual and Physical Assault cases were recorded across their five centres of operation in Sierra Leone respectively in 2022 compared to 3,701 and 326 respectively in 2021. It is estimated that 65.2% reported SGBV cases involved persons less than 15 years, a minimum age of survivors was 3 months.

The current government has demonstrated renewed commitment to combat Gender Inequality and Gender Based Violence in Sierra Leone. A stand-alone-Ministry of Gender and Children Affairs has also been established since 2019 with professional staff to lead policy development, implementation, monitoring and evaluation as well as advice government on gender and children development issues and co-ordinate of partnerships in the sector. A referral protocol prepared in 2012 is currently under review.

An important step to empower more women in Sierra Leone was the passing of the Gender Empowerment Act, 2022. The Act equalizes access and rights to credit and financial services, transactions, and products for women. Towards achieving greater financial inclusion for women, BSL

²⁶<https://documents1.worldbank.org/curated/en/099150006152211874/pdf/P1779940663f6b09308f080e2ea3e7e4c2.pdf>

²⁷ UN Women (2023). Global Database on Violence against Women <https://evaw-global-database.unwomen.org/en/countries/africa/sierra-leone?typeofmeasure=ddab7517185e4381a415e4f7f098448b>

has launched the National Strategy for Financial Inclusion 2022–2026 with a strong emphasis on women and MSMEs. The President on 7th February 2019, declared rape and sexual violence a national emergency in Sierra Leone after the rape and subsequent paralysis of a 5-year-old girl. He directed that a dedicated division in the courts be set up to investigate and prosecute these sexual crimes, among others.²⁸ In October 2019, Parliament passed the Sexual Offences (Amendment) Act of 2019. These interventions have widespread public support. The 2020 Afro-barometer study report revealed that 9 out of every 10 Sierra Leones are aware that rape has been declared national emergency by the President, while 89% support the imposition stiffer punishment pronounced by the President and subsequently the Amended Act.

In 2020, the Government of Sierra Leone with support from UNFPA-Sierra Leone, Irish Aid and the Government of China established six (6) One-Stop Centres in government hospitals in the following communities; Port Lokko, Kabala, Kailahum, Moyamba, Pujehum and Kingherman Road in Freetown. The Government One-Stop Centres offer a comprehensive package of services including medical and legal support, counseling and family planning services for survivors of GBV, and have reached over 532 survivors since their inception. In addition, there are five (5) Rainbo centres (One Stop Centre) located in public health facilities in Freetown, Bo, Kenema, Makeni and Kono provide the under listed services for survivors:

- Medical examination and treatment for injuries and illness caused by the assault;
- A medical certificate confirming the survivor has been raped or sexually assaulted;
- Counselling to help cope with the emotional and psychological effects of rape;
- Help reporting the incident to the police;
- Information on the legal system if the person wants to take the case to court;
- Referral to other agencies for help that is not provided by the Rainbo Centre; and
- Follow-up and provide further counselling for survivors when they are at home.

Survivors in communities without One Stop GBV Centres may report cases to the nearest health care facility or any of the 80 Family Support Units (FSUs) attached to police stations across Sierra Leone. As a specialized unit of the Sierra Leone Police Force, FSUs mandate comprise of investigation and referral of rape, sexual assault, indecent assault, domestic violence, missing persons, child abuse, child trafficking, juvenile offences, and related matters on specific instructions of the Inspector General of Police or Assistant Inspector of Police-Gender Affairs. The FSU has also additional responsibilities to protect survivors of SGBV and child abuse as well as alleged offenders. Their responsibilities also include receiving, scrutinizing, and recording reports, issuing police medical reports for referral and medical treatment of survivors, investigating, recording and referring cases, offering counselling services to victims/survivors, referring victims/survivors to service providers, arresting suspects, monitoring court proceedings and following up with survivors. The FSUs also covers proactive activities such as awareness and sensitization activities in the form of workshops, seminars, dialogues as well as radio and television discussions.

²⁸ Kardas-Nelson, M., & Inveen, C. (2019). Sierra Leone's president declared rape a national emergency. What happens now? Goats and Soda, NPR WNYC. 15 February.
<https://www.npr.org/sections/goatsandsoda/2019/02/15/694846069/sierra-leones-president-declared-rape-a-national-emergency-what-happens-now>

An emergency toll-free line (116) initially established for medical emergencies and whistle blowing has been expanded to cover uptake of GBV cases as well as counselling and referral for GBV survivors who access the platform with further addition of another line (115) for the MGCA.

These interventions notwithstanding, Sierra Leone has only witnessed a marginal decline in SGBV cases and survivors also find it difficult to access the judicial system-only 1.2% of the cases Rainbo recorded in 2019 were successfully prosecuted. A situation attributed to the culture of compromise and acceptance, poorly resourced police and judiciary, and a lack of forensic equipment to strengthen evidence generation²⁹. Although legal aid, counselling and medical services are to be provided for the survivors at no cost to them as per the Sexual Offences Act 2019, incidental cost such as transportation cost for survivors to access GBV Service Centres, FSU offices and courts during case management is also major challenges as much as they fear stigmatization and reprisal. Other challenges include high turnover of staff at various FSUs and in adequate transportation for same during case management.

²⁹ Schneider, L. (2019). Why do Sierra Leonean women don't feel protected by domestic violence laws. The Conversation. <https://research.vu.nl/en/publications/why-sierra-leonean-women-dont-feel-protected-by-domestic-violence>

5.0 Potential Environmental and Social Impacts/Risks and Mitigation Measures

The following interventions under the project have Environmental and Social concerns:

- Financial institution selection of agents for cash out transactions subcomponent 1.1
- Selection of PFIs for IT infrastructure and core upgrades (Component 1.3);
- Selection of BSL staff for capacity building
- Minor rehabilitation, installations and/or civil works by participating MFIs to be undertaken within the physical footprint of an existing structures (Subcomponent 1.3)
- Selection of financially distressed MSMEs for support under the Economic Emergency Recovery Fund and Line of Credit (Sub Component 2.1)
- Support to eligible MSMEs for innovative climate adaptation and climate mitigation/resilience products as appropriate, which may include minor civil works, installations and/or other hazardous activities within the footprint of existing MSMEs (Sub Component 2.1)
- Financing of recommended credit reference system upgrades and adjustments, including for integrating functionality to track movable collateral 2.3).

The project will generate the following beneficial environmental and social impacts:

- i. Employment and income earning opportunities for project workers and third party agents notably, installers of IT infrastructure, employees of participating FIs and mobile money agents consultants;
- ii. Improved access to financial services in rural areas; and
- iii. Training programs for relevant staff of BLS and participating FIs that will be delivered under the project will also improve capacity of these workers to better deliver on their functions assigned to them under the current project and future ones.

There will also be some potential adverse environmental and social risks and impacts associated with the interventions under the Sierra Leone Second Financial Inclusion Project. These are discussed in Table 7, 8 and 9 together with their corresponding broad mitigation measures.

Table 7: Potential Adverse Environmental and Social Impacts/Risks and Mitigation Measures During Design/Planning.

Impact/Risk	Impact/Risk Description	Mitigation Measures
Exclusion of relevant BSL and participating PFI staff for project related capacity enhancement programmes	The absence of clear guidelines, content and selection criteria for the capacity enhancement programmes under the project may rather exclude eligible staff and undermine the skills and knowledge transfer objective of the project if not properly designed and transparent.	<ul style="list-style-type: none"> • The content/details of capacity building/ training programmes for staff of BSL and participating PFIs and partners will be disclosed and circulated within the premises and Units of BSL and participating MFIs (including advertisement in the print and electronic media) together with eligibility criteria and mode of application • A pre-determined criteria for selecting beneficiaries for the various training and career development programmes will be prepared, consulted upon and disclosed • Gender and Disability Sensitive Committees with clear Terms of Reference will be put together to undertake the selection of beneficiaries for the various career development and training programmes • A transparent, participatory, and accessible Grievance System within BSL and the participating MFIs will be set up to provide avenues for individuals and groups who are not satisfied with the selection process and any other grievance to bring their grievances to the attention of the authorities for speedy redress and feedback
Exclusion of vulnerable from benefiting from the Economic Emergency Recovery Fund and other project interventions	MSMEs belonging to persons deemed as vulnerable or marginalized on the grounds of sex (women) disability status (Persons with Disability) and location (rural and difficult to reach areas) may be excluded from benefiting from the Economic Emergency Recovery Fund. They may not be aware of the existence of the Fund and the eligibility criteria. Their business proposals may be competitive but because of their sex, disability, and location of their business, could be excluded or sidelined.	<ul style="list-style-type: none"> • The content, eligibility criteria, mode of application, closing date for applications sources of further information and other relevant information about the Economic Emergency Recovery Fund and other project interventions will be disclosed in both English and local languages notably <i>kreow</i> including advertisement in the print and electronic media • Posters and flyers with relevant project information such as eligibility criteria will be pasted at vantage points on the premises of BSL, Participating FIs, (NaCCUA), FSA, town hall, palaver huts, mobile operator points and other public places in various communities • A pre-determined criteria for selecting individuals and MSMEs who benefit from the Emergency Recovery Fund will be prepared, consulted upon and disclosed • A minimum 30% quota will be allocated to women entrepreneurs and MSMEs owned by women and women will be encouraged to develop competitive business proposals that meets the requirements of the Emergency Recovery Fund in line with the requirements of Gender Empowerment Act, 2022

Impact/Risk	Impact/Risk Description	Mitigation Measures
		<ul style="list-style-type: none"> • Persons With Disability will be encouraged and supported to apply for support from the Emergency Respond Fund through their organisations/associations such as SLUDI • Gender and Disability Sensitive Committee with clear Terms of Reference will be put together to undertake the selection of beneficiaries for the various career development and training programmes • A transparent, participatory, and accessible Grievance System within BSL and the participating MFIs will be set up to provide avenues for individuals. MSMEs and groups who are not satisfied with the selection process and any other grievance can bring their grievances to the attention of the authorities for speedy redress and feedback
<p>Lack of transparent and standards guidelines for procuring goods and services under project</p>	<ul style="list-style-type: none"> • The inability of project implementers to establish and follow existing national procurement laws and good international industry standards will lead to the procurement of sub standards goods such as IT equipment as well as inexperienced and incompetent service providers. • Once procurement processes are not transparent the project will suffer delays and cost overruns arising out of litigation, queries and mis procurement 	<ul style="list-style-type: none"> • Procurement under the proposed project will be carried out in accordance with the World Bank’s Procurement Regulations for Investment Project Financing Borrowers’ (dated November 2020), the ‘Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants’ (dated July 1, 2016) and beneficiary disclosure requirements, as well as other provisions stipulated in the project Legal Agreements • Sierra Leone ‘National Public Procurement Act of 2016’ will apply for tenders approaching national market taking into considerations the requirements of Clauses 5.3, 5.4, 5.5 and 5.6 of the Procurement Regulations for IPF Borrowers • The Project Procurement Strategy for Development (PPSD) will be prepared to set out the selection methods to be followed in the procurement of goods, works, and non-consulting and consulting services financed under the project. • The project will use the World Bank’s STEP to plan and track all procurements under the project and also measure procurement performance under the project • The project shall recruit a procurement staff with required qualification and experience acceptable to the Bank to perform procurement operations
<p>Selection of unsuitable structures for minor</p>	<ul style="list-style-type: none"> • Selecting medium to large-scale rehabilitation and civil works outside existing MFI and beneficiary MSMEs structures may extend physical footprints of these activities beyond the structures and their 	<ul style="list-style-type: none"> • Any proposal for minor civil works and rehabilitation will have to include a detailed design and Bill of Quantity that clearly defines the scope of work • All proposed structures for rehabilitation and activities under sub component 1.3 will be screened in accordance with the Environmental and Social

Impact/Risk	Impact/Risk Description	Mitigation Measures
<p>rehabilitation and civil works</p>	<p>immediate environs creating substantial and high risk activities beyond the anticipated physical footprint of the project.</p>	<p>Management Framework (ESMF) prepared for the Project using the screening template attached as Annex A). Sub projects and activities under 2.1 and 2.3 will be under the ESMS</p> <ul style="list-style-type: none"> • Sites/Structures close to or within environmentally and culturally sensitive areas will be avoided (see Exclusion list as a part of the screening template in Annex A) • Civil works and rehabilitations (sub projects) and activities rated as substantial and high risk as well as those with physical footprints beyond the structure and the site where it is located will be excluded from the project (see Exclusion list as a part of the screening template in Annex A) • For moderate risk sub projects/activities prepare, disclose, adopt, and implement an environmental and social management plans (ESMP) or other instruments required for the respective project activities/Sub Projects. The instruments shall be prepared per national environment and social assessment regulations/processes, in accordance with the World Bank ESS1 and other ESSs, the World Bank EHSs, and other relevant Good International Industry Practice (GIIP) in a manner acceptable to the Bank. • Low risk activities and sub projects will be screened for approval by the Bank prior to their commencement (see Annex A for the screening template)
<p>Poor Data Storage</p>	<ul style="list-style-type: none"> • Private and confidential information about individuals or groups and their business (MSMEs) obtained during a review of their application for support under the Emergency Respond Fund may end up in the public domain without their consent and to the detriment of the affected individuals or MSMEs due to lack of confidentiality protocols or poor data handling and storage methods 	<ul style="list-style-type: none"> • Ensure data security protocols are included in all agreements with participating FIs and other entities • Ensure that a graduated security access and clearance system is in place at BSL and each participating FI to regulate staff and external access to limit access to non-anonymized data/information, • Sensitization and creation of awareness on Data Protection and Security laws and the need for data protection will be undertaken for relevant staff of FIs and BSL • Ensure that all data centers are properly secured • Ensure all agencies to be involved in data collection and handling sign non-disclosure agreements and Codes of Conduct

Impact/Risk	Impact/Risk Description	Mitigation Measures
		<ul style="list-style-type: none"> • Ensure that all data and information that is publicly disclosed or displayed are anonymized • Ensure that data and information collected during review of application are encrypted. • Assess the level of knowledge, attitude, and practice for implementing agency staff on data protection and security and regularly train them on data security • Undertake Cybersecurity Audit to determine whether implementing agencies have proper data protection and security mechanisms and the level of compliance with relevant regulations. The Audit should include a review of policies, standards, guidelines and procedures, as well as a review of professional certifications of IT technical personnel and equipment. • Undertake staff capacity building on data protection, which should include certification of personnel with access to public data and information

Table 8: Potential Adverse Environmental and Social Risks and Impacts- Construction/Implementation Phase.

Potential Adverse Impacts/ Risks	Impact/Risk Description	Proposed Mitigation Measures
<p>Occupational Health and Safety Issues</p>	<p>Employees of Project Consultants, local contractors and sub-contractors contracted to undertake minor civil, rehabilitations, and installation in selected FIs structures may be exposed to the corona virus and other pathogens.</p> <p>Accidents may occur during the minor civil works, installations and rehabilitation works within the structures of selected FI structures leading to injuries and potential loss of life</p>	<ul style="list-style-type: none"> • Adopt and implement the Labor Management Procedures (LMP) for the Project, including, inter alia, provisions on working conditions, management of workers relationships, occupational health and safety (including personal protective equipment, and emergency preparedness and response), code of conduct (including relating to SEA and SH), forced labor, child labor, grievance arrangements for Project workers, and applicable requirements for contractors, subcontractors, and supervising firms. • The relevant WHO COVID-19 guidelines and the World Bank ESF/Safeguards Interim Notes will guide work methods of local contractors and sub-contractors. For example, a detailed work program will be prepared for civil works allowing for rotation of workers and other measures that avoid overcrowding on site. • All employees of Project Consultants, Sub Contractors and Sub-Contractors will undergo sensitization on COVID-19 preventive measures and symptoms based on

Potential Adverse Impacts/ Risks	Impact/Risk Description	Proposed Mitigation Measures
		<p>the WHO General Population Guidelines and Guidelines for Rational on the use of Personal Protective Equipment (PPEs)</p> <ul style="list-style-type: none"> • Environmental and Social Clauses inserted into Contract Documents of Sub Project Contractors and Sub-Contractors will be used to enforce compliance to OHS measures in ESMPs and other E&S instruments
<p>Poor Labour Relations</p>	<p>Sub Project Contractors and Sub-Contractors may practice unfair/discriminatory recruitment practices (e.g., against women) and recruit unqualified or under aged persons (child labor) to work on site. Sub Project Contractors and sub-Contractors may attempt to subvert the national labor laws, e.g., paying wages lower than the national minimum wage.</p>	<ul style="list-style-type: none"> • Adopt and implement the Labor Management Procedures (LMP) for the Project, including, inter alia, provisions on working conditions, management of workers relationships, occupational health, and safety (including personal protective equipment, and emergency preparedness and response), code of conduct (including relating to SEA and SH), forced labor, child labor, grievance arrangements for Project workers, and applicable requirements for contractors, subcontractors, and supervising firms • Establish and operate a grievance mechanism for Project workers, as described in the LMP and consistent with ESS2
<p>Incidence of Gender Based Violence, Sexual Exploitation and Abuse, and Sexual Harassment involving Site workers</p>	<p>Employees of Project Contractors and Sub-contractors may be perpetrators or survivors of rape and other GBV, SEA/SH incidents.</p>	<p>The project shall prepare, adopt, and implement an SEA/SH Action Plan, to assess and manage the risks of SEA and SH</p> <p>The transparent, participatory and accessible grievance redress systems at the Sub Project level shall consist of clearly structured and well-advertised uptake points for reporting cases of GBV/SEA/SH including GBV Service Providers, FSU and focal persons in the selected health care facilities to serve both site workers and community members</p> <p>The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner.</p> <p>Contractual Clauses making it mandatory for site workers to attend GBV/SEA/SH sensitization seminars, cooperate with investigative agencies, and comply with laws on non-discrimination and GBV/SEA/SH will be inserted in Sub Project Contractors' and Consultants Contracts.</p>

Potential Adverse Impacts/ Risks	Impact/Risk Description	Proposed Mitigation Measures
		<p>Employees of Project Consultants, Contractors and Sub-Contractors will be made to sign a Code of Conduct with acceptable behavior and sanction against GBV/SEA/SH among others</p> <p>Sensitization workshops on GBV/SEA/SH shall be undertaken for project workers including employees of BSL, participating FIs and other relevant stakeholders such as SLUDI</p> <p>A SEA/SH Prevention and Response Action Plan has been attached as Annex D</p>
<p>Environmental risks and impacts associated with resource efficiency and material supply; construction related solid wastes, wastewater, noise, dust and emission management; hazardous materials management etc.</p>	<p>Excessive use of water, gravel and energy, soil erosion as well as water, air and noise pollution together with poor waste management during construction, rehabilitation and installation works will contribute to environmental degradation.</p>	<ul style="list-style-type: none"> • Site specific ESMPs (see sample in Annex B) will be prepared capturing resource minimization and mitigation measures of adverse impacts on material sources • Incorporate resource efficiency and pollution prevention and management measures in the ESMP to be prepared as part of ESMPs • Enforceable Environmental and Social Clauses will be inserted in the Contracts of project Contractors and sub-Contractors to ensure environmental conservation and pollution prevention measures on site and material sources
<p>Community Health and Safety Issues</p>	<p>Visitors and community members can be involved in accidents or pick up infections including COVID-19 within the selected FIs and BSL structures that will undergo minor rehabilitations and installation of IT equipment/infrastructure resulting in injuries and morbidity and mortality.</p> <p>Construction equipment and trucks will be involved in accidents leading to injuries, fatalities and loss of property and/or traffic disruptions.</p>	<ul style="list-style-type: none"> • The project shall ensure that community health and safety risks/impacts arising out of project activities, including, inter alia, fire outbreak, risks of labor influx, response to emergencies, are assessed and managed and mitigation measures are included in the ESMPs to be prepared in accordance with the ESMF (Sample mitigation measures are given in Annex B) • Emergency response plans will be prepared as part of Sub Project ESMPs • Neighborhood close to where selected structures for rehabilitation are located as well as workers in these facilities will be sensitized on infection prevention and control, GBV/SEA/SH as well as OHS issues related to the intervention to be implemented in their respective communities/work places

Potential Adverse Impacts/ Risks	Impact/Risk Description	Proposed Mitigation Measures
	<p>Other community health risks include upsurge in non-infectious diseases such as malaria in project communities due to poor waste management (housekeeping) on site and construction methods</p>	<ul style="list-style-type: none"> • In addition to implementing measures to minimize the incidence of accidents and traffic disruption such as ensuring that project drivers keep speed within the 20kmph speed limit, a GRM will be set up as part of the project implementation architecture to receive, investigate and resolve grievances associated with injuries, fatalities, and loss of property through accidents and provide information to the general public
	<p>Females within the communities and organization, where minor rehabilitations or installation of equipment and ITC infrastructure will be installed can become survivors of GBV/SEA/SH</p>	<ul style="list-style-type: none"> • BLS shall incorporate GBV action plan requirements into the agreements, ESHS specifications into the procurement documents and contracts with participating FIs, contractors and supervising firms. • Site Specific ESMP for civil works will include mitigation measures for SEA/SH • Project contractors shall be required to strictly implement the GBV-related measures and accountability framework spelled out in site-specific ESMPs. • BSL shall ensure adequate costing and funding for the implementation of these SEA/SH-related prevention and response measures in the GBV Action Plan, ESMF and site specific ESMPs . • A transparent, participatory, accessible, and tiered grievance system will be established by BSL and participating FIs. It shall consist of clearly structured and well-advertised uptake points for reporting cases of SEA/SH, the locations of the nearest GBV Service Providers, relevant police authorities and survivor centered procedures to verify and manage such complaints with referral protocols to focal persons, health care facilities etc., to serve both site workers and community members • Contractual Clauses making it mandatory for site workers to attend GBV/SEA/SH sensitization seminars, cooperate with investigative agencies, and comply with laws on non-discrimination and SEA/SH will be inserted into Works Contracts. • BSL shall ensure that all site workers sign a Code of Conduct and are trained regularly on SEA/SH and consequences of misconduct <p>A SEA/SH Prevention and Response Action Plan template has been attached as Annex D</p>

Potential Adverse Impacts/ Risks	Impact/Risk Description	Proposed Mitigation Measures
Degradation of natural resources	Minor civil works and rehabilitation of existing structures of participating FIs may involve clearing vegetation on site leading to soil erosion. There is a remote possibility of eroded sediments drifting into nearby water bodies to increase sediment loading in the waterbodies	<ul style="list-style-type: none"> The Project shall assess the environmental impacts of proposed project activities in accordance with ESS 3 and the Environmental, Health and Safety Guidelines (EHSGs) Site -specific ESMPs for minor civil and rehabilitation works will be prepared to capture resource minimization and mitigation measures of adverse impacts on the soil and waterbodies near the site of sub –projects Enforceable Environmental and Social Clauses will be inserted in the Contracts of Project Contractors and sub-Contractors by the BLS to ensure environmental conservation and pollution prevention measures on site and at material sources
Project Impact on Cultural Heritage and Biodiversity	During digging of trenches/holes for foundations, septic tanks etc. workers may ‘chance’ on materials of cultural, archaeological, historical and/or religious significance.	<ul style="list-style-type: none"> The Chance Find Procedure will be applicable in the event of a chance find
Climate Change Impacts: Exposure to extreme weather Events	Extreme weather events such as floods may cause accidents, injury and mortality and may destroy structures	<ul style="list-style-type: none"> Liaise with Meteorological Agency on weather forecasts and early warning systems during civil works Prepare and implement emergency response plans for natural hazards as part of site specific ESMPs

Table 9: Potential Adverse Environmental and Social Impacts/Risks-Operational Phase.

Potential Adverse Impacts/Risks	Description	Proposed Mitigation Measures
Generation of waste for sub projects and project activities	Proposals that will receive support from the Emergency Responds Fund may include sub projects and/or activities, such as food processing, which are likely to generate hazardous and non-hazardous waste.	<ul style="list-style-type: none"> Ensure that BSL, participating FIs, MSMEs and individual entrepreneurs who will implement sub projects/activities that are likely to generate waste shall prepare, disclose and implement waste management plans as part of site-specific ESMPs including recommendations for the management of electronic-waste-where necessary. The waste management plans will be guided by the World Bank Group ESHG for Water and Sanitation based on the principle of the 4Rs- reduce, reuse, recycle and recovery, bearing in mind existing technologies for treating and disposal of e-waste in the country and the constraints in waste management

Potential Adverse Impacts/Risks	Description	Proposed Mitigation Measures
Labour Relations	Labour and working conditions of staff of BSL and other participating FIs, and other project workers may be compromised once they work without contracts, unpaid allowance and specific Conditions of Service	<ul style="list-style-type: none"> • Project beneficiaries and staff of BSL and participating FIs will be trained on sound waste management strategies • The Project shall be carried out in accordance with the applicable requirements of ESS2, as set out in Labour Management Procedures (LMP) to be adopted for the Project, including through, inter alia, implementing adequate occupational health and safety measures (including personal protective equipment, and emergency preparedness and response measures), setting out grievance mechanisms for project workers etc. • All contracts will be vetted by the Ministry of Labour and Social Security before they are signed by workers under the project • All project workers will be given contracts specifying the type of work they are to undertake and their remuneration package as well as their conditions of service. • All project workers will also be provided with a Code of Conduct (CoC), guiding them in their interaction among themselves, with project beneficiaries and other E&S aspects • A participatory, confidential and accessible grievance mechanism system with multiple uptake points will be set up at both the level of BSL and the participating FIs, disclosed to all workers and they will be encouraged to report any issues associated with OHS as well as labour and working conditions/relations through the established uptake points
Gender Based Violence, Sexual Exploitation and Abuse, and Sexual Harassment	<p>Officials involved in the selection of individuals and MSMEs who will benefit from the Economic Emergency Recovery Fund, line of Credit and other project support packages may demand sexual favours in return for enlisting applicants on these programmes.</p> <p>Vulnerable persons such as Persons Living with Disability may also suffer abused as they attempt to access various support packages under the project</p>	<ul style="list-style-type: none"> • The Project shall prepare, adopt, and implement a Gender-Based Violence Action Plan (GBV Action Plan), to assess and manage the risks of gender-based violence (GBV) and sexual exploitation and abuse (SEA) and sexual harassment (SH) • Ensure that a transparent, participatory and accessible grievance system is installed within the organizational set up of BSL and participating FIs that incorporates a clear structured and well-advertised uptake points for reporting cases of SEA/SH and principles of confidentiality, dignity and self-determination of survivors. The system shall provide access to GBV Service Providers for survivors upon their request. • The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner.

Potential Adverse Impacts/Risks	Description	Proposed Mitigation Measures
		<ul style="list-style-type: none"> • In addition to measures, outlined to make the selection process fair and rigorous during the design and planning phase of the Project, existing GBV Service Providers, FSU and the MGC which includes a digital platforms (hotline 116) will be advertised and made available as an uptake point on GBV/SESA/SH related grievances • Background checks on Selection Committee members will be undertaken to ensure persons nominated to serve on the Committees have unblemished records • A SEA/SH Prevention and Response Action Plan template has been attached as Annex D
Emergency Response	Fire and other natural disasters and accidents may occur at the BSL and participating FI offices/outlets as well as MSMEs premises selected leading to injuries, fatalities and/or damage to stocks and equipment etc. as well as spills	<ul style="list-style-type: none"> • Emergency Response Plans will be prepared as part of sub project ESMPs for the various facilities covering fire, spillage and equipment failure and will be implemented • The EOC toll free emergency hotline (117), Contacts (phones number) of the nearest HCF, police station and fire station will be placed in the corridors and doors within the selected BSL, beneficiary MSMEs and FIs premises
Corruption, Fraud and Abuse of Office	Officials involved in procurement, supply and other related activities may be involved in fraudulent and corrupt practises such as diversion of funds and the procurement of sub standards goods and services	<ul style="list-style-type: none"> • In addition to measures outlined at the planning stage under procurement, BSL shall establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances in relation to the Project, promptly and effectively, in a transparent manner that is culturally appropriate and readily accessible to all Project-affected parties, at no cost and without retribution, including concerns and grievances filed anonymously, in a manner consistent with ESS10 • The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner. • The ACC set up, including the toll free hotline (515) and Community Monitors within communities nationwide, will be used to receive, investigate and provide feedback on allegations of fraud, corruption and abuse of office under the Project within their specified timelines

6.0 Procedures to Address Environment and Social Issues

6.1 Introduction

Several activities will be undertaken to ensure that the environmental and social impacts/risks of sub projects/activities under Components 1.1, 1.3, 2.1 and 2.3 with safeguards concerns are duly identified, assessed and managed and reporting requirements of ESS1 and Sierra Leone national laws are complied with. These are discussed in the following sub sections. Environmental and Social Commitment Plan (ESCP) has already been prepared and disclosed for the Project.

6.2 Preparation of Project Level Environmental and Social Risk Management Instruments

In addition to the Environmental and Social Commitment Plan and Environmental and Social Management Framework, other relevant complementary environmental and social risk management instruments must be prepared, approved by the World Bank and disclosed before the start of project implementation. These instruments are discussed below.

6.2.1 Stakeholder Engagement Plan (SEP)

BSL has prepared a SEP. The World Bank has approved it and it has subsequently been disclosed. It identifies stakeholders at all levels of the project including women, Persons with Disabilities Micro-Finance institutions, Telecommunication Companies, GBV Service Providers and the media and ensures that their interests and views integrated into project design and implementation. The SEP also discusses strategies for continuous stakeholder consultation and engagement throughout the project-cycle. The SEP also presents accessible, transparent, and participatory channels through which stakeholders can air and resolve grievances arising out of project preparation and implementation. The World Bank has issued guidelines for Stakeholder Consultation amidst the prevalence of COVID-19. BSL will implement the SEP using the Environmental and Social Safeguards Specialist at PIU as the focal person. The SEP aligns with World Bank ESS10 and Sierra Leonean laws

6.2.2 Labor Management Procedure

Bank of Sierra Leone has prepared a Project Labor Management Procedure (LMP) for review and approval by the Bank. It will guide recruitment and labor relations. It is guided by the requirements of ESS2 and SL labor laws. SLB will implement the mitigation measures in the LMP throughout the Project.

6.2.3 Gender Based Violence Action Plan

A Gender Based Violence Action Plan will guide in mitigating potential risks relating to Gender-Based Violence, Sexual Exploitation and Abuse, or Sexual Harassment (GBV/SEA/SH) involving project workers, beneficiaries, the public and other stakeholders. It will be prepared in line with the ILO convention 190, as well as the World Bank's ESS2, ESS4 and ESS10 with due regard for relevant Sierra Leonean Gender laws and the SL- Referral Protocol. The World Bank will review and approve this document. It will subsequently, be disclosed and implemented throughout the project. A SEA/SH Prevention and Response Action Plan has been attached as Annex D.

6.2.4 Disclosure of Environmental and Social Risk Management Instruments

The final versions of the ESMF, LMP, SEP and the GBV Action Plan will be uploaded on the BSL and Ministry of Finance websites. Hard copies of these documents shall be disclosed to relevant stakeholders such as Participating FIs. The documents shall be disclosed internally within the Bank and uploaded on to the Bank's Website upon approval by the Bank and subsequent disclosure in country.

6.3 Establishing Environmental and Social Management System (ESMS)

BSL and the participating FIs are required to establish a functional Environmental and Social Management System (ESMS) for component 2.2 sub projects and activities. This consists of the under listed activity and the Environmental and Social Risk Management Procedures outlined under section 6.4:

6.3.1 Environmental and Social Policy

BSL needs to draft and consult upon an environmental and social policy with accompanying principles and objectives to guide the achievement of sound environmental and social performance standards within the operations of the Bank. The policy, which will guide environmental and social actions, must align with the requirements of the World Bank ESF, international protocols ratified by Sierra Leone and in-country laws. Some of the principles that align with the World Bank ESF are zero tolerance for discrimination, child and forced labor and gender-based violence and commitment to environmental conservation and protection as well as fair, participatory time-bound grievance mechanisms for workers and clients. Once the board of BLS approves the policy, the Governor must sign it before it is disclosed publicly. Staff of BSL must be sensitized on the policy. The policy also contains Exclusion List, a set of prohibitive activities that the Bank shall not finance, support, or engage in as part of its operations. Participating FI may decide to adopt the BSL policy or draft their own.

6.4. Environmental and Social Risk Management Procedures

The under listed Environmental and Social Risk Management Procedures will be undertaken for all sub projects and activities with environmental and social concerns:

6.4.1 Environmental and Social Screening and Categorization

The under listed activities and sub projects under Component 1 and 2 with environmental and social risks and impacts will undergo environmental and social screening under the project using the environmental and social screening checklist/screening form (see Annex A for screening template with Exclusion List):

- installation of IT equipment;
- minor civil works and rehabilitations with the physical footprints of existing BSL and FIs structures and MSMEs premises/sites;
- MSMEs proposals under the Economic Emergency Recovery Fund and MSMEs credit support

Other activities listed in Schedule 24 of the EPA Act, 2008 (as amended) and importation of substances as indicated in Schedule 40 will also require environmental license under the EPA Act 2008 (as amended).

PFIs and beneficiary MSMEs will undertake environmental and social screening. Environmental and Social Screening will involve review of relevant literature, including the business proposal of applicants, relevant World Bank ESSs and EHSs, visiting the selected intervention areas and their immediate environs to observe and record environmental and social baseline conditions. It will also involve undertaking initial consultations with stakeholders. Environmental and Social Screening will also identify anticipated project impacts and risks together with broad mitigation measures and provide relevant information on the subproject/projects activities to facilitate sub project categorization and approval by the World Bank and the country-level Environmental Regulatory Agencies.

The outcome of the screening exercise will determine the type of environmental and social risk management instrument that will be prepared for the sub-project/activity. The proposed

subprojects/activities are expected to fall into low to moderate risk category, as they are likely to be small to medium scale with largely reversible, quantifiable, localized, and temporary risks/impacts that can be identified and mitigated by developing subproject site-specific environmental and social management plans. Any subproject or activity deemed substantial or high risk following the screening exercise and environmental and social risk category by the Bank will be excluded from the project and ineligible for project financing. Environmental and Social Screening and categorization will be integrated into the appraisal process for applicants under the Economic Emergency Recovery Fund.

The Environmental and Social Risk Management Specialists at the PIU will prepare the screening report for installation of IT equipment/infrastructure and other installations with low environmental and social risks for the approval of the Bank. From the perspective of existing environmental regulations in Sierra Leone, rehabilitations and accompanying minor civil works, do not require environmental licenses,

6.4.2 Identification, Assessment and Management of the Environmental and Social Risks and Impacts including FI Subprojects

For FI sub projects and activities that are rated as moderate risks under the World Bank ESF environmental and social management plans will be prepared to meet the requirements of relevant ESS1, other relevant ESSs and SL laws. Third Party Consultants recruited by project beneficiaries will carry out environmental and social assessment, post environmental and social screening by the BSL and categorization. The Environmental and Social Specialist at the PIU will be responsible for the preparation of Terms of Reference for all environmental and social management plans to be prepared under the project based on the outcomes of the screening exercise. The World Bank will review and approve these ToRs before they are issued to the client.

Site Specific ESMPs shall consist of the set of mitigation, monitoring, and institutional measures to be taken during the implementation and operation of a project to eliminate adverse environmental and social risks and impacts, (including those related to SEA/SH) offset them or reduce them to acceptable levels. The ESMP also includes the measures and actions needed to implement these measures. The ESMPs shall (a) identify the set of measures to potentially adverse impacts; (b) determine requirements for ensuring that those mitigation measures are made effectively and in a timely manner; and (c) describe the means for meeting those requirements. ESMPs, typically, contain the under listed sections:

- a. A non-technical executive summary;
- b. Background to the proposed project;
- c. Projects description, including log-frame and project activities, location, and geographic extent of the project;
- d. Brief reference to the legal framework in the country relevant for environmental and social management and how the project ensures compliance.
- e. A brief description of baseline environmental and socio-economic characteristics (including livelihoods, baseline on vulnerable groups including women, elderly, persons with disabilities, levels of literacy, etc.) and conditions of the project site and its environs
- f. Complete list of identified negative effects (impacts and risks) that specific project activities may cause and their significance;
- g. Mitigation measures accompanying environmental and social risks/impacts identified with timelines for implementation, responsible party and budget;
- h. Monitoring mechanisms including monitoring objectives, parameters to be monitored, frequency of monitoring, budget and responsibility for monitoring as well as monitoring and reporting procedures;
- i. Description of the capacities of the executing entities to implement the ESMP and, where

- required, capacity enhance programs and their cost for same;
- j. Integration of the ESMP into the Project; and
- k. Annexes (including a summary of stakeholder consultations of key issues/concerns raised and responses from the project team, maps, pictures and diagrams, plans such as OHS, community health and safety, grievance mechanism registry)

In preparing ESMPs, baseline environment and socio-economic data collection on physical parameters, commensurate with the nature and scope of the sub-project, will be collected using primary and secondary data collection methods and analyzed for emerging trends and compatibility with existing standards. Desk studies to review relevant in-country laws, World Bank ESSs and EHSs as well as WHO, World Bank and in-country COVID-19 guidelines, will also be undertaken. The literature review will also cover project-related documents and similar ESMPs elsewhere. There will also be extensive stakeholder consultation as part of the ESMP preparation process. Annex B presents a Sample ESMP Template.

6.4.3 Insertion of Environmental and Social Clauses into Agreements and Contract Documents

It will be the duty of BSL (Environmental and Social Specialist and Procurement Specialist at the PIU) to insert Environmental and Social Clauses prescribed in the ESMPs and other safeguards documents as well as conditions of the environmental licenses from SL-EPA into loan agreements (offer letters) for successful applicants and in bid documents and contracts for sub project contractors. Environmental and Social Clauses must also feature in every agreement with partner FIs.

6.4.4 An Organizational Capacity and Competency for Implementing the ESMS

BSL is required under the Sierra Leone Second Financial Inclusion Project to recruit an Environmental and Social Specialists as part of the PIU. The Environmental and Social Specialist position shall be equivalent to a Senior Level Manager at BSL. He/She will report directly to the Project Co-ordinator at PIU. He/She will be responsible for the following:

- Review and clear environmental and social screening forms for all subprojects prepared by PFIs and MSMEs
- Prepare ToRs for ESMPs for subprojects/activities
- Supervise the preparation of ESMPs by consultants
- Review and submit draft ESMPs to the World Bank for review and clearance
- Monitor subproject compliance with their ESMP, including field visits and spot checks
- Work closely with PIU procurement specialist and FIs to incorporate environmental and social requirements/clauses into subproject design, appraisal, resource mobilization and contracts/agreements
- Compile quarterly, and annual reports on environmental and social risk management performance of ESMPs/ESCP implementation for submission to World Bank
- Provide assistance and deliver capacity building trainings to BSL and participating FIs staff and other relevant stakeholders
- Ensuring that all project activities comply with the requirements in the ESCP and relevant World Bank ESSs
- Act as a Grievance Mechanism (GM) focal point and coordinate with the grievance committees and other stakeholders in GM including those related to GBV/SEA/SH
- Prepare regular reports/updates for the World Bank

- Ensure preparation and disclosure of ESMPs, LMP and SEP and other instruments and project environmental and social reports
- Liaison with the World Bank on E&S compliance
- oversee the SEA/SH-GM process, keep confidential records, conduct training with stakeholders on the presence and function of the SEA/SH-GM process, Codes of Conduct (CoC) and to ensure all project workers, including newly on boarded are trained on the CoC and sign them

The Environmental and Social Specialist at the PIU domiciled at BSL must have at least a Master's Degree in Environmental Science, Civil Engineering, Geography, Planning, Development Studies, Sociology or a related discipline with at least 8 years post qualification experience including 5 years as an Environmental and Social Safeguards Specialist. He/she must demonstrate a good knowledge of Sierra Leone's environmental, labor, planning, social protection, and gender laws and the World Bank Environmental and Social Standards (ESSs). He/She must demonstrate experience in working at PIU/PIU/PCU of donor funded project (at least 3 years). Membership of a relevant professional body and participation in a previous assignment in Sierra Leone will be an advantage.

The participating FIs will also designate a focal point staff for environmental and social risk issues such as data collection, field verification and the preparation of screening report during environmental and social monitoring and reporting as well as sub project/applicant business appraisal under the Emergency Respond Fund. The focal point staff member at the participating FI level will also be responsible for providing information about the project (especially the Economic Emergency Recovery Fund and credit support MSMEs) to potential clients and the public as well as serve as focal persons for the uptake of client and worker grievances and providing feedback to them (Complaint Desk). The Focal Point Staff at the FI level will directly report to Managing Director, who will be the Environmental and Social Lead at the participating FI.

6.4.5 Monitoring, Reporting of Environmental and Social Performance of FI sub projects, and the Effectiveness of the ESMS.

ESS9 enjoins FIs to establish monitoring procedures to review progress and compliance of their operations as well as those of the sub projects they support based on in-country environmental and social laws, contractual obligations, and requirements of international framework such as World Bank Environmental and Social Standards. FIs are also expected to report on monitoring activities monthly, quarterly, or annually as may be agreed with the BSL. There is also mid-term and terminal evaluation, which covers the entire portfolio and will provide lessons and feedback for possible restructuring of the project or to guide future engagements among stakeholders.

The Environmental and Social Safeguards Specialist at the PIU will oversee E&S monitoring with the support of participating FI Environmental and Social Officers. Two types of monitoring reports will be required from the PIU:

a. Monthly Progress Reports

Participating FIs and Clients will submit Monthly Progress Reports to the PIU domiciled at BSL with a section dedicated to progress on the implementation of E&S mitigation measures/plans outlined in the Sub Project ESMP as well as E&S non-compliances issues and timelines for compliance. It will also cover incidence/accident reports, status of grievances received in the reporting month and emerging E&S issues, among others.

The report will also discuss mitigation measures of identified impacts/risks during the reporting month such as ensuring site workers are in the appropriate PPEs, ensuring the sites have adequate warning and directional signs and appoint of dedicated persons to enforce environmental, social, labor, health and safety laws and protocols as well as sanctions for non-compliances. The Participating FIs will be responsible for ensuring compliance as specified in the ESMPs and Monthly Progress Reporting to the PIU at BSL. Implementing corrective/mitigation measures and ensuring compliance with mitigation measures in the ESMP shall be the responsibility of clients and the participating FIs.

The Environmental and Social Specialist at the PIU shall review and validate the progress reports including field visits/verifications and consolidate them into the quarterly report for the World Bank.

b. Quarterly Reports

The PIU at BSL will compile a summary of the E&S issues on the Project in a quarter and submit to the Bank in the Quarterly Report in line with the commitment made by GoSL in the ESCP. This will report on the following issues; progress of physical works (if any), progress on OHS and COVID 19 mitigation measures, GBV awareness sensitization/trainings, E&S impacts/risks associated with project implementation, performance of the Grievance Mechanisms, challenges as well as the environmental and social performance of contractors among others. Quarterly reports shall be submitted to World Bank no later than 15 days after the end of each reporting period.

c. Third Party Reports

Third party specialists (Consultants) will also prepare environmental and social audit reports and a Project completion report on the overall ESMF implementation..

d. SL-EPA Monitoring

SL-EPA may conduct compliance monitoring of FI sub projects as per their regulation, and EIA licenses are renewed annually based on compliance.

6.4.6 Incident and Accident Notification and Reporting

Participating FI and clients who implement sub projects and/or project activities will have to notify the PIU domiciled at BSL of any accident or incident within 48 hours of notification and subsequently prepare a detailed incident and accident report on the accident or incident indicating the date, time and place of occurrence, persons and/or equipment involved. Other information includes type and description of accident/incident, immediate response measures and remedial measures put in place. The detailed incident/accident report shall be included in the subsequent monthly progress report to the PIU.

Incident and accident reporting will be included in agreement/contracts signed with participating FIs and client (Economic Emergency Recovery Fund and credit support to MSMEs) as well as service providers such as installers of IT equipment/infrastructure, contractors, and consultants. Incidents and accidents include motor accidents, occupational injuries, infections and the outbreak of novel diseases, motor accidents, SEA/SH and other forms of Gender Based Violence involving project workers (as survivors or perpetrators)

BSL, through its PIU, shall promptly notify the World Bank of any incident or accident related to the Project, which has, or is likely to have a significant adverse effect on the environment, the affected communities, the public or workers no later than 48 hours after learning of the incident or accident. These shall include cases of sexual exploitation and abuse (SEA), sexual harassment (SH), and accidents that result in death, serious or multiple injury and crashes.

BSL, through its PIU, will also provide sufficient detail regarding the scope, severity, and possible causes of the incident or accident, indicating immediate measures taken or that are planned to be taken to address it, and any information provided by any contractor and/or supervising firm, as appropriate.

Subsequently, at the World Bank's request, BSL shall prepare a report on the incident or accident and propose any measures to address it and prevent its recurrence.

6.4.7 External Communications and Disclosure Mechanisms (including Grievance Mechanisms).

BSL and participating FIs are also expected to engage stakeholders such as employees, disability organizations, National Cooperative Credit Union Association, Financial Services Association, GBV Service Providers during the preparation and monitoring of their own environmental and social policies as well as the implementation of the ESMF, SEP site specific ESMPs, LMP, GBV Action Plan and ESCP,

While BSL, beneficiaries of the Economic Emergency Recovery Fund and participating FIs are required to consult stakeholders during environmental and social screening and environmental and social assessment, they are also expected to disclose approved instruments and reports on their websites. Hard copies shall be dispatch to relevant stakeholders, so they reference them during monitoring of project implementation.

BSL, participating FIs and beneficiaries of Emergency Respond Fund shall establish, publicize, maintain, and operate an accessible grievance mechanism, to receive and facilitate resolution of concerns and grievances in relation to the Project, promptly and effectively, in a transparent manner that is culturally appropriate, readily accessible and guarantees confidentiality of the aggrieved party. The project level at BSL Grievance Mechanism and those established at the participating FI level shall be consistent with the requirements of ESS10.

The grievance mechanism shall be equipped to receive, register, and facilitate the resolution of SEA/SH complaints, including through the referral of survivors to relevant gender-based violence service providers, all in a safe, confidential, and survivor-centered manner. The GM will be open to project workers, GBV/SEA/SH survivors and MSMEs and the project affected persons and public. Section 7.3 and 7.4 discuss the GM in details.

6.4.8 Environmental and Social Training and Awareness Creation

The purpose, role casting and processes involved in the establishment and maintenance of a functional ESMS as well as the content of BSL Environmental and Social Policy and Exclusion List should be communicated to all project workers and relevant stakeholders including potential applicants under the Emergency Responds Fund. In addition, dedicated training programmes including those that cover the requirements of the relevant World Bank ESSs, Grievance Mechanisms and GBV/SEA/SH should be delivered to project workers and stakeholders with responsibilities for implementing aspects of the ESMS. The training programmes must include beneficiaries of the Emergency Responds Fund. Typical training formats include workshops, seminars, interactive sessions and office meetings as well as practical field demonstrations. The Environmental and Social Specialist at PIU supported by external consultants approved by the World Bank will develop and conduct the necessary environmental and social trainings.

Flyers, stickers, e-mail pop ups and small handbooks summarizing relevant project information, exclusion list, BSL environmental and social policy, Grievance Mechanisms including uptake points for aggrieved parties and SEA/SH/GBV survivors can be used create and sustain awareness on aspects of the ESMS. More details on environmental and social training are presented in section 8.2.

6.5 Technical Assistance Activities

The BLS will ensure that the consultancies, studies (including feasibility studies), capacity building, training, and any other technical assistance activities under the Project are carried out in accordance with Terms of Reference acceptable to the World Bank, that are consistent with the ESSs. They will also ensure that the outputs of such activities comply with the Terms of Reference.

6.6 Contingency Emergency Response Component

The Contingency Emergency Response Components (CERC) Manual to be prepared for the Project will include a description of the environmental and social risk assessment and management arrangements if the CERC component becomes activated. This may include a CERC ESMF or an Addendum to this ESMF based on the subproject activities that will be funded under the CERC component. If such additional documentation or revision to documentation is needed, the BSL will prepare, consult, adopt, and disclose these in accordance with the CERC Manual, and implement the measures and actions necessary.

7.0 Public Consultation and Disclosure

7.1 Public Consultations and Stakeholder Engagement

Citizen Engagement is embedded into the design of the project to, not only, respond to the needs of various sociodemographic groups but also to ensure effective implementation and ownership. A Stakeholder Engagement Plan is being prepared for review and approval by the Bank. The project will prepare a Stakeholder Engagement Plan (SEP), which will serve as a guide for periodic public consultations to increase awareness of all stakeholders and collect their feedback throughout the life cycle of the project. This document identifies stakeholders across scale together with their interest. The SEP analyzes stakeholder interest, their influence on project outcomes as well as how the project will impact them. Finally, it discusses methods that will be used for stakeholder engagement and document stakeholder consultation that will be incorporated into the design of the subprojects. The plan proposes various methods that have been used and will be used to consult stakeholders during preparation and implementation of the project. Most of these consultations will be virtual in order to minimize the risk of spreading the corona virus, while social distancing and wearing masks will be observed for the few face to face meetings. Upon approval, it will be disclosed both on MoHS and the Bank websites.

The feedback received from beneficiary surveys, spot checks, and stakeholder engagements will inform the project to strengthen the delivery of essential services. Moreover, citizen engagement for a broader population beyond the project beneficiaries will be further facilitated by the grievance mechanism.

7.2 Preliminary Consultations

In addition to high-level consultations involving the World Bank, various country team, consultations will discuss the objectives and scope of the Project as well as potential environment and social issues that are likely to be associated with the preparation and implementation of the project. Given project preparation timelines, these consultations were across sample of stakeholders. A SEP has been prepared, approved by the World Bank, and disclosed. It will guide stakeholder identification and engagement by the project team.

Table 10 below presents a summary of the relevant issues discussed at the various country level engagements. Further stakeholder engagements and public consultations will be undertaken during project implementation, based on the guidelines in the Project Stakeholder Engagement Plan.

Table 10: Summary of Relevant Stakeholder to be Consulted for Sierra Leone Second Financial Inclusion Project

Stakeholder	Purpose of engagement and summary of key decisions taken)	Method of engagement	Location	Date of Consultation/Engagement
PROJECT PREPARATION PHASE				
Bank of Sierra Leone	Presented the summary of project activities for women and explained the benefits they stand to gain from project.	Physical meetings, emails, phone calls and virtual meetings	Freetown	November 2022
Ministry of Finance	The meetings were also used to seek the support and cooperation for the project	Physical meetings, emails, phone calls and virtual meetings	Freetown	November 2022
National Revenue Authority	Presented the summary of project activities for women and explained the benefits they stand to gain from project.	Physical meetings, emails, phone calls and virtual meetings	Freetown	November 2022
Ecobank MF	The meetings were also used to seek the support and cooperation for the project	Physical meetings, emails, phone calls and virtual meetings	Freetown	November 2022
SALPOST	Presented the summary of project activities for women and explained the benefits they stand to gain from project.	Physical meetings, emails, phone calls and virtual meetings	Freetown	November 2022
Apex Bank	The meetings were also used to seek the support and cooperation for the project	Physical meetings, emails, phone calls and virtual meetings	Freetown	November 2022
BRAC Microfinance limited	Presented the summary of project activities for women and explained the benefits they stand to gain from project.	Physical meetings, emails, phone calls and virtual meetings	Freetown	November 2022
SME Association	The meetings were also used to seek the support and cooperation for the project	Physical meetings, emails, phone calls and virtual meetings	Freetown	November 2022
Leasing Companies	Presented the summary of project activities for women and explained the benefits they stand to gain from project.	Physical meetings, emails, phone calls and virtual meetings	Freetown	November 2022

Stakeholder	Purpose of engagement and summary of key decisions taken)	Method of engagement	Location	Date of Consultation/Engagement
PROJECT PREPARATION PHASE				
Financial Intelligence Unit (FIU)	The meetings were also used to seek the support and cooperation for the project	Physical meetings, emails, phone calls and virtual meetings	Freetown	November 2022
UNCDF	Presented the summary of project activities for women and explained the benefits they stand to gain from project.	Physical meetings, emails, phone calls and virtual meetings	Freetown	November 2022
Women's Groups	Presented the summary of project activities for women and explained the benefits they stand to gain from project. The meetings were also used to seek the support and cooperation for the project	Physical meetings, emails, phone calls and virtual meetings	Freetown	November 2022
Ministry of Social Welfare, Gender and Children's Affairs (MSWGCA)	To discuss modalities aimed at strengthening the gender mainstreaming into the project	Physical meetings, emails, phone calls and virtual meetings	Freetown	February 2023
UN Women	To discuss modalities aimed at strengthening the gender mainstreaming into the project	Physical meetings, emails, phone calls and virtual meetings	Freetown	February 2023

7.3 Grievance Mechanisms

There shall be a comprehensive project wide GRM that will provide opportunities for affected parties to channel their concerns, questions, and complaints to the various implementation agencies through multiple grievance uptake channels. The GRM will have a trained specialist to address any related issues and complaints.

Essentially, the Grievance Mechanism (GM) will assist in resolving complaints and grievances in a timely, effective, and efficient manner that satisfies all parties involved. It will ensure transparent and credible process for fair, effective resolution of grievances thereby building trust and cooperation among stakeholders. Specifically, the GM:

- Ensures that appropriate and mutually acceptable redress actions are identified and implemented to the satisfaction of complainants;
- Avoids the need to resort to judicial proceedings as a way of seeking redress; and
- Provides affected people with avenues for making a complaint or resolving any dispute that may arise during project implementation.

7.3.1 The Grievance Mechanisms: Process

The environmental and Social Safeguards Specialist at the PIU will lead in managing the GRM processes including disseminating all relevant information about the GRM processes to the various stakeholders from national to the districts and community levels. He/she shall provide systems for anonymous reporting in ways that protect complainants. This will largely create an enabling environment to allow grievances to be raised by project-affected persons without fear of victimization. A focal person (s) shall be assigned to operate the call/documentation center and ensure timely escalation of complaints and grievances to the resolving officers. A Grievance Register is Attached as Annex E.

7.3.2 Scope of the Grievance Mechanisms

The GRM for the Sierra Leone Second Financial Inclusion Project will be available for use by all project stakeholders including those directly and indirectly impacted-positively or negatively. This will offer an opportunity to project affected persons to submit questions, concerns/complaints, comments, suggestions and obtain resolution or feedback.

7.3.3 Implementation Steps of Grievance Mechanisms

Grievance Redress Committee shall be established to ensure timely and appropriate resolution of grievances due to project activities. The coordination responsibility of the GM shall rest with the Social Safeguards Specialist and the focal persons of the call/report centers. Complaints can be registered through calls, text messages, emails or voice mail, and suggestion boxes etc. at all project sites and communities. Once complaints are received at the call or report centre(s), they will be forwarded to the GRM Committee or the appropriate bodies, persons or pillar leads for resolution. Specifically, the team shall adhere to the following responsibilities:

- i. Ensure that committees investigate grievances and propose appropriate measures to avoid or minimize adverse impacts of the interventions;
- ii. Ensure that the processes comply with existing safeguard procedures and policies;

- iii. Build the capacity of focal persons in effective community engagement, grievance handling, and negotiation and conflict resolution;
- iv. Build trust and maintain rapport by providing affected persons and the wider public with adequate information on the project and its GRM procedures;
- v. Follow up with GRM committee on the status of investigations and resolution of grievances, as well as communicating outcomes with complainants;
- vi. Regularly provide a report on GRM results to the project proponents and the World Bank.

The GRM implementation process will involve the following steps, which have been summarized in Table 11.

Table 11: Steps in Project-specific Grievance Handling Processes.

GRM stages	Description of Tasks	Responsibility	Timeline
Assign Focal Persons	The Social Safeguards Specialist liaise with stakeholders to identify Focal Persons to manage the designated grievance call/documentation centers.	Social Safeguards Specialist GBV Specialist Community Outreach Specialist	Prior to project implementation
Train assigned focal persons on the design and operation of the GRM	Train Focal Persons on grievance redress processes	Social Safeguards Specialist GBV Specialist Community Outreach Specialist	Prior to project implementation
Receive, transfer and register complaints	Focal Persons receives and register complaints into the grievances register	Focal Persons	1 working day after receiving complaint
Screen and refer complaints	Once complaints are received Focal Person will undertake preliminary assessment of the eligibility of complaints and acknowledge receipts of complaints to complainant within 2 workings days. The complaint will also be transferred at this stage to the resolving officer or party or grievance committee that will be set up.	Social Safeguards Specialist of PIU	2 working days after receiving complaints
Assess the complaint	Once transferred to the appropriate resolving officer, the focal person will undertake further assessment to establish the eligibility of the complaint, and hence determine its gravity (classified in terms of high, medium, and low severity)	Environmental and Social Safeguards Specialist GBV Specialist Community Outreach Specialist	Ongoing 2 working days
Formulate an initial response	Once the assessment is completed, the concerned focal person will formulate a response and communicate with the Social Safeguards Specialist, who would then contact the complainant. The communication should state whether the grievance	Social Safeguards Specialist Focal Persons	2 working days

GRM stages	Description of Tasks	Responsibility	Timeline
	has been accepted or rejected, providing reasons for the decision, and indicate next steps.		
Select a resolution approach	Where the complaint is not of fraud or corruption, SEA/SH, working with the Social Safeguards Specialist, the GRM Committee will investigate and resolve complaints and where applicable forward to a specialized body or an appropriate pillar focal person will assign the complaint for mediation at different levels, engage in direct negotiations and dialogue, facilitate negotiations through a third party, conduct further investigation through the review of documents, etc.	Environmental and Social Safeguards Specialist Focal Person GRM Committee	Ongoing 3 working days after receiving complaints
Settle the issues (or further escalate the issues)	The Social Safeguards Specialist will ensure that the Grievance Redress Committee takes appropriate measures to remove the cause of the grievance and initiate a monitoring process to assess any further impacts of project-related work. Once settled, the social safeguards specialist and focal person record the complaint in the system as 'resolved', and inform the complainant of the outcome of the resolution process. Where not addressed, the complainant is informed about the next steps in the grievance redress process including options open to them, and the outcome recorded accordingly.	Environmental and Social Safeguards Specialist Focal Person GRM Committee	Ongoing 5 working days after registering complaint
Monitor and evaluate grievance redress process	The PIU through the Social Safeguards Specialist Focal Persons will monitor the grievance redress process and the implementation of the decisions made. The Social Safeguards Specialist will work with focal persons to ensure that redress is granted to affected persons in a timely and efficient manner. They will also provide regular reports to the Bank, noting the progress of implementation of grievance resolutions, timelines of grievance redress, documentation procedures, etc. The project will capture in the grievance log, e.g., Name of the person submitting the complaint (unless kept confidential), Details of the complaint, Name of person assigned to deal with the complaint, Details of proposed resolution, including person(s) who will be responsible for authorizing and implementing any corrective actions, Details of whether the complainant was satisfied with the resolution, etc.	Environmental and Social Safeguards Specialist Focal Person GRM Committee	Throughout the project cycle
Feedback to complainant and other interested parties	The GRS will be updated once the complaint has been resolved to close the complaint in the GRS. The PIU will contact the complainant, to evaluate if the complainant is satisfied with the resolution before the complaint is closed in the GRM system. If the	PIU	Throughout the project cycle

GRM stages	Description of Tasks	Responsibility	Timeline
	complainant is not satisfied with the outcome of the investigation, a judiciary alternative could apply.		

7.3.4 Key Stakeholders in the GM Process

The GRM will require all project stakeholders to actively participate in the identification, recording and resolution of grievances. Specific roles and responsibilities are outlined in the Table 12 below.

Table 12: Stakeholder Roles and Responsibilities in GRM Processes.

Actor	Role
Ministry of Finance	Provides implementation oversight and ultimate responsibility for the resolution of all grievances
BSL	Provides technical guidance and direction in resolving grievances
GRM Report Centre	General Platform that receive/record/log/document, screen and refers all project related complaint to appropriate channels for investigation and resolution
GRM focal person	Detects or investigate and resolve any complaint pertaining to the project
PIU	Responsible for management of the grievance redress mechanism
Grievance Redress Committee	Receive/record/log/document, re-investigation and resolve all project related complaints
NGO	Appropriate partners/NGOs with capacity to provide the necessary technical backstopping to project implementation process
Traders Association	Mouthpiece of traders in raising grievances for redress

7.3.5 Grievance Mechanisms for Project Workers

Workers hired by the project must have the right to submit grievances regarding workplace concerns without the threat of adverse employment action or prejudice. Complaints may range from dissatisfaction with work hours and rest periods to claims of coercion, intimidation, or abuse. To facilitate the expression of these complaints:

- The employers must work with the workers or their representatives to establish and maintain an effective grievance mechanism through which workers can lodge complaints.
- Workers' grievance and complaints boxes must be put at places where workers can lodge their complaints.
- The employers must inform all workers about the grievance mechanisms put in place.
- The grievance mechanism should serve three key functions. First, it should serve as a focal point of communication across the organization where workers can report and receive advice on their concerns and grievances and from which concerns and grievances are channeled to management. Second, the mechanism should be mandated to identify remedies to be implemented through internal procedures in the form of corrective action, mediation, settlement, or dispute resolution. Third, the mechanism should have the capacity to direct complainants or hand over cases to appropriate external mechanisms, including state-based mechanisms, such as courts.
- The internal grievance mechanism should not in any way prejudice the complainant's ability to seek recourse through external mechanisms.
- The employer must examine all grievances pursuant to its pre-established grievance procedure.

- Any worker filing a grievance must receive notice of the employer’s findings regarding his or her complaint and whether corrective action will be taken.

7.3.6 Grievance Mechanisms for SEA/SH/ GBV Survivors

The GRM for the Financial Inclusion Project will embed in its systems to gather and refer GBV and Sexual Exploitation and Abuse (SEA) and Sexual Harassment (SH) related grievances. The project will have a robust approach to GBV and SEA by providing survivors with different entry points to report, including an NGO service provider with strong capacity to respond to GBV as per the Sierra Leone Referral Protocol. The team will identify partners that can ethically manage a GBV-GRM. The partners will include managers of Government One Stop GBV Centers in regional capitals namely Port Lokko, Kabala, Kailahun, Moyamba, Pujehum and Kingherman Road in Freetown, Rainbo Centres in Freetown, Bo, Kenema, Makeni and Kono as well as various personnel from Family Support Units (FSUs) at attached to various Police Stations nationwide. Non-state actors such as Women Opinion Leaders in communities (Mummy Queens) who can serve as champions and/or focal points for SEA/SH/GBV sensitization and uptake points for cases will also be engaged.

The SEP would be an effective mechanism to set up and monitor community feedback, and especially so that appropriate modalities are in place for SEA/SH. Therefore, the SEP will consider establishing community feedback mechanisms for possible healthcare providers focusing on overall service provision (including adequacy of the response, areas where corrective action would be needed and this would cover SEA/SH. Annex D presents the SEA/SH Prevention and Response Action Plan template

Data Sharing: GBV Service Providers will have their own case management process, which will be used to gather the necessary detailed data to support the complainant and facilitate resolution of the case referred by the GRM operator. GBV Service Providers should enter into an information sharing protocol with the GRM Operator to close the case. This information should not go beyond the resolution of the incident, the date the incident was resolved, and that the case is closed. Service providers are under no obligation to provide case data to anyone without the survivor’s consent. If the survivor consents to case data being shared, the Service Provider can share information when and if doing so is safe, meaning the sharing of data will not put the survivor or Service Provider at risk for experiencing more violence or abuse. For more information on GBV data sharing see: <http://www.gbvims.com/gbvims-tools/isp/>. The GRM will have in place processes to immediately notify both the BSL, Ministry of Finance and the World Bank of any GBV complaints with the consent of the survivor.

7.3.7 Anti-Corruption Commission (ACC) Platform

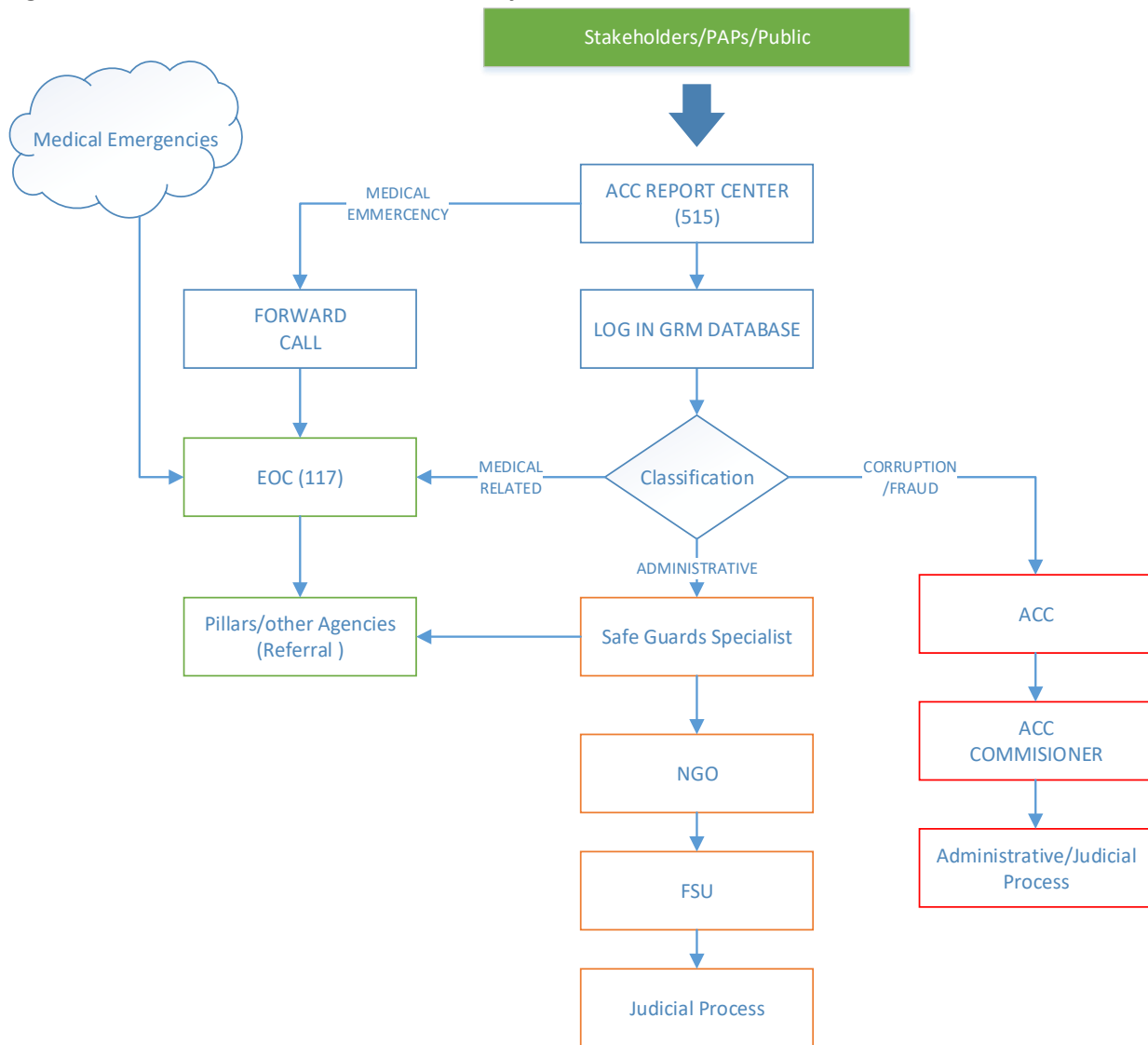
Grievance especially those relating to corruption, fraud and abuse of office may also be filed via the Anti-Corruption Commission Centre (ACC) Report Centre. The Anti-Corruption Commission was created through the Anti-Corruption Act, 2000 as an independent commission to investigate government corruption. The establishing Act was amended in 2008 to provide protection for whistle blowers. The Commissions investigates and provides feedback on matters of perceived corruption bribery and abuse of office. Although the headquarters is in Freetown, the Commission has District Coordinators, who act as focal persons in the various Councils as well as Community Monitors stationed in various communities-who receive and record complaints from aggrieved parties/whistle blowers and submit to their respective District Co-ordinators and receive feedback from same to aggrieved party/parties.

The Commission also has a digital platform with a report centre that can be reached on a toll free hotline (515) using text messaging, voice and video calls. The platform receives sorts and tracks grievances and provides feedback to aggrieved parties after investigations. The system can also generate status reports of lodged complaints on demand.

Persons with grievances/concerns or evidence of poor service delivery, discriminatory practices, bribery, perceived corruption and abuse of office under the project can also submit their grievance via the Commission’s electronic platform (Report Centre) for the necessary investigations and actions to be taken by the appropriate government agencies, PIU and NGOs. The platform will also provide feedback via its electronic loop or the District Coordinators and Community Monitors.

The pathway for ACC Digital Platform is presented in Fig. 7.1.

Fig. 7.1: The ACC Grievance Redress Pathway



The ACC Report Centre steps on how to access the platform will be pasted at vantage points in the partner FIs, communities, sub project sites and their immediate environs as well as within the corridors, wards, notice boards and other vantage points in the selected facilities. Further publicity and sensitization on how to access and use the platform will be undertaken in the print and electronic media.

7.3.8 World Bank Grievance System

Communities and individuals who believe that they are adversely affected by a World Bank supported project may submit complaints to existing project-level grievance redress mechanisms or the World Bank's GRS³⁰. 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 World Bank's independent Inspection Panel, which determines whether harm occurred, or could occur, as a result of World Bank 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.

7.3.9 GRM Monitoring and Reporting

The BSL PIU as part of its safeguards functions will assess the performance of the GRM and undertake spot checks during supervision visits. The Social Safeguards Specialist will:

- Ensure accurate entry of GRM data into the management information system or other system.
- Produce compiled reports in the format agreed with the World Bank;
- Provide a monthly/quarterly snapshot of GRM results (as set out below) including any suggestions and questions, to the project team and the management.
- Review the status of complaints to track which are not yet resolved and suggest any needed remedial action.

During annual/bi-annual general meetings, the project team shall discuss and review the effectiveness and use of the GRM and gather suggestions on how to improve it.

Quarterly and Annual Progress Reports

Quarterly and annual progress reports submitted to the Bank shall include a GRM section which provide updated information on the following:

- Status of establishment of the GRM (procedures, staffing, training, awareness building, budgeting etc.).
- Quantitative data on the number of complaints received, the number resolved etc.;
- Qualitative data on the type of complaints and answers provided, issues that are unresolved;
- Time taken to resolve complaints;
- Number of grievances resolved at the FI level, number of cases raised to higher levels e.g., Project Level Grievance Redress Mechanisms, Ministry of Finance and Courts;
- Satisfactions with the action taken by GRM on complaints;
- Any particular issues faced with the procedures/staffing or use;
- Factors that may be affecting the use of the GRM; and
- Any corrective measures adopted

³⁰ 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.

7.4 ESMF Disclosure

The final ESMF and other project documents shall be uploaded on the MoHS Website. Hard copies shall be disclosed to relevant stakeholders such as SL-EPA and Councils. The ESMF shall be disclosed internally within the World Bank and uploaded on to the World Bank's Website upon approval by the World Bank.

Before the start of physical works on the project or intervention with safeguards concern, relevant sections of sub project ESMPs shall be communicated to stakeholders and communities. The ESMPs will be uploaded on the BSL and/or Ministry of Finance websites. Hard copies will also be made available to the relevant stakeholders such participating FIs. The ESMP for the sub-projects will be included in the Works Contracts.

8.0 Institutional Arrangement and Responsibilities

8.1 Institutional Arrangement and Responsibilities

A Project Implementing Unit (PIU) within the BSLs FSD Unit will be the implementing agency with support from consultants. A team of specialized financial sector consultant with experience in line of credit operations will assist the PIU to manage the economic emergency line of credit. This team may be housed in the PIU or another government agency with relevant MSME experience. Project implementation monitoring will be mainstreamed into the work program of various BSL departments and units with overall coordination by the Financial Sector Development (FSD) unit. A PIU within FSD will provide project implementation support and lead day-to-day management of the project. The same project coordinator under the on-going financial inclusion project will support FSD. The following technical specialists will be at the PIU:

- SME and Financial Sector Development Specialist;
- Financial Management Specialist;
- Procurement Specialist;
- Environmental and Social Specialist; and
- M&E specialist.

Selected financial institutions and implementing agencies will each designate a project focal point to support project implementation activities. The PIU will work closely with the PFMU and will support coordination between the PFMU and designated project focal points to ensure effective implementation of the Project. Staff of the PIU will be hired by BSL. A project steering committee (PSC), chaired by the governor of the BSL will be established to provide high-level oversight to the project.

The PSC will provide high-level directional oversight to the Project. The PSC will comprise ministers (or their designated representatives) of all relevant ministries and heads of relevant Agencies as well as representatives from the private sector. The Governor of the CBSL and co-chaired by MoF will chair the PSC given that the mandate of project activities broadly falls under these two institutions. The tenure of the PSC will be five years, consistent with the Project implementation period. The PSC will be responsible for the following:

- Provide overall strategic advice and policy guidance for implementation of the Project;
- Review and approve annual work plan, budget, and Procurement Plan;
- Review and discuss bi-annual and annual Project progress reports and make recommendation;
- Assess progress towards achieving the Project's objectives and take corrective actions if necessary; and
- Act as a first-stage grievance committee for all safeguard-related complaints.

Implementation arrangements for Component 1: The overall implementation of activities under this component will be coordinated by the PIU at BSL. Implementation of such activities will be guided by activity plans formulated, appraised, and approved as part of the Annual Work Plan and Budget (AWPB). The PIU and PFMU will facilitate the disbursement of funds. The PIU will monitor implementation and, alongside PFMU, be responsible for fiduciary oversight to ensure that funds are used for the approved activities

For the Economic Emergency Resilience and the MSME lines of credit under Component 2, a team of competitively selected financial sector specialists will use the project operations manual systems to conduct due diligence of interested financial institutions. This team will coordinate progress reports,

projections of disbursements, and monitoring reports based on relevant indicators in the project results framework. The team will launch a communications strategy for interested FIs. The team would also manage the grant facility for agency network establishment and expansion by commercial banks, MFIs and NBFIs to under-served rural areas. Another key actor in the sector is the Sierra Leone Small and Medium Enterprises Development Agency (SMEDA). It was established to coordinate government and other activities to support SMEs in 2016. It maintains relationships with the Bank of Sierra Leone, the Ministry of Finance, Ministry of Trade and Industry and was supported by the International Labor Organization (ILO).

Agencies with assigned environmental and social responsibilities under this ESMF are the Anti-Corruption Commission, Financial Services Association, Consultants (For Technical Assistance), Sub Project Contractors, GBV Service Providers, Associations for Persons with Disability (SLUDI and NCPWA), Ministry of Gender and Children Affair, Telecommunication Companies and NaCCUA.

Table 13, 14 and 15 presents the responsible agencies of activities outlined in the ESMF.

Table 13: Institutional Roles/Responsibilities (ESMF)- Planning and Design Phase.

Key Areas	Mitigation Measures	Responsible Party	Supporting Agency
Establishing an Environmental and Social Management System (ESMS)	<ul style="list-style-type: none"> Drafting, approval and disclosure of BSL/FI Environmental and Social Policy Ensuring the adequate numbers of competent staff are present at BSL and participating FIs set up to handle E&S issues e.g. grievance redress, environmental and social screening, categorization assessment of FI sub projects/activities, inserting E&S clauses into contracts and agreement as well as environmental and social monitoring and reporting 	<ul style="list-style-type: none"> BSL Participating FIs 	<ul style="list-style-type: none"> MoF
Inclusion of relevant BSL and participating FI staff for project related capacity enhancement programmes	<ul style="list-style-type: none"> Preparation and disclosure of eligibility criteria, content and mode of application for packages under the project Formation of Selection Committees and Grievance Redress Committees 	<ul style="list-style-type: none"> BSL 	<ul style="list-style-type: none"> Participating FIs SHUDI NCPWD MGCA
Inclusion of the vulnerable in benefiting from the Economic Emergency Recovery Fund, MSMES Credit lines and others project interventions	<ul style="list-style-type: none"> Preparation and disclosure of eligibility criteria, content and mode of application for packages under the project Formation of Selection Committees and Grievance Redress Committees Advertising and publishing eligibility criteria and other project information to the relevant stakeholders, MSMEs and other potential project beneficiaries Engaging women entrepreneurs, women groups and Disability Associations to discuss and integrate 	<ul style="list-style-type: none"> BSL 	<ul style="list-style-type: none"> Participating FIs Telecoms NaCCUA FSA SHUDI NCPWD MGCA Women Groups

Key Areas	Mitigation Measures	Responsible Party	Supporting Agency
	<p>targeted support systems for vulnerable groups to access Credit and other benefits under the Project</p> <ul style="list-style-type: none"> Ensuring quotas and other support systems for women entrepreneurs/female owned MSMEs and persons with disability and other vulnerable groups are in-built into the project design, especially, credit lines and Economic Emergency Recovery Fund 		
Procurement	<ul style="list-style-type: none"> Presence of Procurement Specialist at PIU Ensure that World Bank and NPPA regulation are followed for all procurements *Approvals 	<ul style="list-style-type: none"> BSL (PIU Procurement Specialist) 	<ul style="list-style-type: none"> NPPA Ministry of Finance World Bank
Selection of unsuitable project activities and structures for minor rehabilitation and civil works	<ul style="list-style-type: none"> Selection of structures for proposed project interventions Environmental and Social Screening of Sub Projects/ project activities Exclusion of structures whose rehabilitation will generate adverse risks/impacts with physical footprints beyond the existing structure from the project 	<ul style="list-style-type: none"> BSL (Environmental and Social Specialist) 	<ul style="list-style-type: none"> Participating FIs (Environmental and Social Officers)
Data storage and Security	<ul style="list-style-type: none"> Ensure that a graduated security access and clearance system is in place in BSL and each participating FI offices and data storage site Sensitization and creation of awareness on Data Protection and Security laws and regulations Ensure that all data centers are properly secured Sign non-disclosure agreements and Codes of Conduct Undertake staff capacity building on data protection and security 	<ul style="list-style-type: none"> BSL 	<ul style="list-style-type: none"> Telecoms Mobile operators Agents Participating FIs

* Responsible for environmental and social approvals e.g. No objections (World Bank) and environmental and import license (SL-EPA)

Table 14: Institutional Role/Responsibilities-Construction Phase

Key Areas	Actions	Responsible Party (Lead Agency)	Supporting Agencies
Environmental risks and impacts associated with resource efficiency and Pollution Prevention	<ul style="list-style-type: none"> Implement all relevant Environmental and Social Clauses together with mitigation measures in the ESMF and ESMPs by themselves and their Sub Contractors 	Sub Project Contractors	<ul style="list-style-type: none"> BSL (PIU Environmental and Social Specialist) Participating FIs (Environmental Social Officers)

Key Areas	Actions	Responsible Party (Lead Agency)	Supporting Agencies
			<ul style="list-style-type: none"> Project Beneficiaries
OHS issues	<ul style="list-style-type: none"> Prepare and disclose detailed work programmes for rehabilitation/upgrading and installation works based on relevant World Bank EHSG, relevant WHO and World Bank COVID-19 guidelines and other guidelines Ensure that sensitization and OHS Training programmes for employees of Sub Project Contractors and Sub-Contractors are organized Ensure that WHO and Work Bank guidelines as well as OHS measures in the ESMF and ESMPs are implemented for all Works 	Sub Project Contractors	<ul style="list-style-type: none"> BSL (PIU Environmental and Social Specialist) Participating FIs MSMEs
Labor Issues/Risks	<ul style="list-style-type: none"> Implement measures outlined in the approved LMP, ESMPs and Environmental and Social Clauses Ensure access to GRM by all workers 	Sub Project Contractors	<ul style="list-style-type: none"> Participating FIS (Environmental Social Officers) MSMEs
Gender Based Violence within the Work Environment	<ul style="list-style-type: none"> Ensure workers understand and sign Codes of Conduct Implement Environmental and Social Clauses and mitigation measures in GBV action Plan, ESMF and ESMPs in relation to GBV/SEA/SH Ensure their workers are available for all GBV/SEA/SH training sessions Ensure grievance redress uptake points and focal persons are in place 	Sub Project Contractors	<ul style="list-style-type: none"> BSL (PIU Environmental and Social Specialist) Participating FIS (Environmental Social Officers) Project Beneficiaries
Accidents	<ul style="list-style-type: none"> Implement all relevant Environmental and Social Clauses together with mitigation measures in the ESMF and ESMPs by themselves and their Sub Contractors *Establish grievance uptake points with focal persons and Grievance Committees in communities where sub-projects will be undertaken 	<ul style="list-style-type: none"> Project Contractors *BSL (PIU Environmental and Social Specialist) 	<ul style="list-style-type: none"> CSOs Traditional Authorities Local Councils Participating FIS
Upsurge in infectious and non-infectious diseases in the vicinity of sub -projects	<ul style="list-style-type: none"> Implement all relevant Environmental and Social Clauses together with mitigation measures in the ESMF and ESMPs by themselves and their Sub Contractors 	<ul style="list-style-type: none"> Sub Project Contractors 	<ul style="list-style-type: none"> BSL (PIU Environmental and Social Specialist) Participating FIS (Environmental Social Officers)
Degradation of natural resources	<ul style="list-style-type: none"> Implement all relevant Environmental and Social Clauses together with mitigation measures in the 	<ul style="list-style-type: none"> Sub Project Contractors 	<ul style="list-style-type: none"> BSL (PIU Environmental

Key Areas	Actions	Responsible Party (Lead Agency)	Supporting Agencies
	ESMF and ESMPs by themselves and their Sub Contractors		and Social Specialist) <ul style="list-style-type: none"> Participating FIS (Environmental Social Officers)
Project Impact on Cultural Heritage	<ul style="list-style-type: none"> Implementing Chance Find Procedures in the event of a Chance Find 	Sub Project Contractors	<ul style="list-style-type: none"> BSL (PIU Environmental and Social Specialist) Participating FIS (Environmental Social Officers)
Progress Reporting for BSL	<ul style="list-style-type: none"> Preparing Monthly Progress Report on minor rehabilitation and civils works and installations with an Environmental and Social Section 	Participating FI (Environmental Social Officers)	<ul style="list-style-type: none"> BSL (PIU Environmental and Social Specialist) Participating FIS (Environmental Social Officers)
Environmental and Social Monitoring and Reporting (including reporting to the World Bank)	<ul style="list-style-type: none"> Monitoring and reporting on the Environmental, Social, Health and Safety performance of Contractors involved in installations, minor rehabilitation and civils works and installation (including incident and accident notification and GBV/SEA/SH cases) 	BSL (PIU Environmental and Social Specialist)	<ul style="list-style-type: none"> Participating FIS (Environmental Social Officers)

*To be established by BSL

Table 15: Institutional Roles/Responsibilities- Operational Phase

Key Areas	Actions	Responsible Party (Lead Agency)	Supporting Agencies
Maintaining an Environmental and Social Management System (ESMS)	<ul style="list-style-type: none"> Ensure adequate budgets allocated in Annual Work Plans for E&S activities throughout the project lifespan *Insertion of environmental and social Clauses into contracts and agreements 	BSL	<ul style="list-style-type: none"> MOF *PIU Environmental and Social Specialist *PIU Procurement Specialist
Generation of waste for sub projects and project activities	<ul style="list-style-type: none"> Implement waste management plans in sub project ESMPs 	Project Beneficiaries Participating FIS	<ul style="list-style-type: none"> EHO of Councils
Labour relations	<ul style="list-style-type: none"> Implementing labor-related mitigation measures in the ESMF relevant to ESS2 e.g., signing contracts with all project workers Roll out and disclose a tiered participatory, time-bound grievance mechanism accessible to all 	BSL	<ul style="list-style-type: none"> Participating FIS NaCCUA FSA SHUDI

Key Areas	Actions	Responsible Party (Lead Agency)	Supporting Agencies
	project workers including employees of beneficiary MSMEs		<ul style="list-style-type: none"> NCPWD
Gender Based Violence, Sexual Exploitation and Abuse, and Sexual Harassment	<ul style="list-style-type: none"> GBV/SEA/SH screening and risk mapping Rolling out and disclosing a transparent, participatory and accessible grievance system with clearly structured and well-advertised uptake points for reporting cases of SEA/SH based on principles of confidentiality, dignity and self-determination of survivors. Report on the status of GVB/SEA/SH cases to the World Bank 	BSL (PIU Environmental and Social Specialist)	<ul style="list-style-type: none"> Participating FIs MGCA SHUDI NCPWD FSU GBV Service Providers Managers of Government One Stop Centers
Emergency Response (e.g. fire, floods, pest and diseases)	<ul style="list-style-type: none"> Vetting and approval of Fire plans and drawings Implementing proposals in the approved fire plans and drawings, including emergency response and training Implement mitigation measures in sub project ESMPs Property insurance 	Project Beneficiaries (FIs and MSMEs)	<ul style="list-style-type: none"> SL-Fire Force Council Engineers MAFS Insurance Companies
Corruption, Fraud and Abuse of Office	<ul style="list-style-type: none"> *Ensure that all procurements conform to the World Bank 'Procurement Regulations for Investment Project Financing Borrowers' (dated November 2020), the 'Guidelines on Preventing and Combating Fraud and Corruption in Projects Financed by IBRD Loans and IDA Credits and Grants' (dated July 1, 2016) and beneficiary disclosure requirements, as well as other provisions stipulated in the project Legal Agreements and the Sierra Leone 'National Public Procurement Act of 2016' Ensure that complaints of fraud, diversion of goods/funds, and other fraudulent activities and procurement breaches, as well as other infractions related to abuse of office and corruption, are captured, investigated, and reported 	BSL (*Procurement Specialist)	<ul style="list-style-type: none"> ACC Media
Environmental and Social Monitoring and Reporting	<ul style="list-style-type: none"> Preparing and submission of periodic (quarterly) and other environmental and social monitoring reports, including reporting on GM and GBV SEA/SH, to the World Bank Accident/Incident reporting and notification 	BSL (Environmental and Social Specialist)	<ul style="list-style-type: none"> Participating FIs

Key Areas	Actions	Responsible Party (Lead Agency)	Supporting Agencies
Training and Sensitization	<ul style="list-style-type: none"> Sensitize project workers and beneficiaries on labour relations topics such as non-discrimination and GBV/SEA/SH, Grievance Systems, ESMF proposals etc. Training of BSL, FIs employees on World Bank ESSs 	BSL (PIU Environmental and Social Specialist)	<ul style="list-style-type: none"> Third Party Environmental and Social Specialist Consultant

* To be undertaken by PIU Environmental and Social Specialist

8.2 Capacity Assessment and Building

There was no preparation and implementation of environmental and social risk management instruments under the first phase of the project, therefore no safeguards training and activities to enhance capacity in environmental and social safeguards were implemented. Project workers and stakeholders are mostly financial industry players and the business people with little or no practical experience and knowledge of the World Bank ESF, its accompanying ESSs as well as environmental and social risk assessment and management. In fact, the concept of environmental and social assessment will be new to a number of project stakeholders.

The Project will design and implement elaborate capacity enhancement programmes for relevant staff of BSL and participating FIs to build their capacity in order to better deliver their mandate (financial inclusion) under various components of the project, therefore, capacity enhancement under the ESMF is limited to E&S concerns as presented in Table 16.

Table 16: Capacity Needs for ESMF Implementation

Type of Training	Participants	Time frame	Responsible Actor	Est. Cost in USD
World Bank ESF	<ul style="list-style-type: none"> All Staff BSL All Staff of Participating FIs Relevant Stakeholders Selected MoF staff Telecoms NaCCUA FSA SHUDI NCPWD MGCA SMEDA 	3 months after project effectiveness	BSL	20,000.00
Stakeholder mapping and engagement	<ul style="list-style-type: none"> Relevant staff of BSL and Participating FIs Telecoms NaCCUA FSA SHUDI 	3 Months After Project Effectiveness	BSL	20,000.00

Type of Training	Participants	Time frame	Responsible Actor	Est. Cost in USD
	<ul style="list-style-type: none"> • NCPWD • MGCA • ACC 			
Specific aspects of environmental and social assessment e.g. environmental and social Screening	<ul style="list-style-type: none"> • FI Environmental and Social Officers • Relevant BSL staff 	During Project Implementation prior to the rolling out of the Economic Emergency Recovery Fund and MSMEs credit support	BSL	15,000.00
Community health and safety (including Emergency Response)	<ul style="list-style-type: none"> • BSL Staff • Environmental and Social Officers of Participating FIs • Beneficiary MSMEs • Sub project Contractors 	Prior to Disbursement of the Economic Emergency Recovery Fund	BSL	15,000.00
Grievance Mechanisms	<ul style="list-style-type: none"> • BSL Staff • Staff of Participating Environmental and Social Officers of Participating FIs • Beneficiary MSMEs • SMEDA • NaCCUA • FSA • SHUDI • NCPWD • MGCA • Local Councils (Elector Councilolrs) • Traditioanl Authorities • Sub project Contractors 	3 Months After Project Effectiveness	BSL	20,000.00
GBV/SEA/SH	<ul style="list-style-type: none"> • BSL Staff • Staff of Participating Environmental and Social Officers of Participating FIs • Beneficiary MSMEs 	Throughout the Project Starting from 3 months After Effectiveness	BSL	20,000.00

Type of Training	Participants	Time frame	Responsible Actor	Est. Cost in USD
	<ul style="list-style-type: none"> • SMEDA • NaCCUA • FSA • SHUDI • NCPWD • MGCA • FSU • Managers at Government One Stop Center and Rainbo Centers • Local Councils (Elector Councilolrs) • Traditioanl Authorities • Sub Project Contractors 			
Total	-	-	-	110,000.00

8.3 ESMF Budget

It is estimated that a total amount of Three Hundred and Fifty Five Thousand United States Dollars (USD 355,000.00) will be required to implement activities identified in the Environmental and Social Management Framework. The details are summarised in Table 17.

Table 17: Estimated Budget for ESMF Implementation.

No.	Activities	Cost USD
1	Cost for Training Programmes in Table 8.1	110,000.00
2	Preparation and Approval of Sub Project Environmental and Social Safeguards Instruments e.g., ESMPs ESIA etc.	80,000.00
3.	Disclosure of ESMPs and other safeguards documents	5,000.00
4	Setting up of GM Beneficiary FI and Project Level	20,000.00
5.	*Environmental and Social Monitoring during the Implementation of ESMF and other safeguards instruments e.g., ESMPs	50,000.00
6.	Establishment of ESMS	40,000.00
7.	Preparation of Project Completion Report and E&S Audit by Third Party Specialists	50,000.00
8.	Total	355,000.00

*Excludes the salary of the Environmental and Social/Gender Specialists at the PIU, which is part of Component 3-Project Management, Monitoring and Evaluation

Annexes

Annex A: Screening Form for Potential Environmental & Social Safeguards Issues

This form is to be used by the Implementing Agency to screen potential environmental and social risk levels of a proposed subproject, determine the relevance of Bank environmental and social standards (ESS), propose its E&S risk levels, and the instrument to be prepared for the sub project.

Subproject Name	
Subproject Location	
Subproject Proponent	
Estimated Investment	
Start/Completion Date	

1. Description of Subproject (including Nature and Duration of Sub-Project)

2. Subproject Activities

3. Sub Project Work force (including Type and Number)

4. Machinery and Equipment that will be used for the Subproject (Including Type and Estimated Number)

5. Location of Subproject (Add GPS Co-ordinates)

6. Land take:

----- Acres / m² /hectare (select unit)

Land Use of the Area for the Sub-Project

<i>Agriculture</i>	<input type="checkbox"/>	<i>Residential</i>	<input type="checkbox"/>	<i>Civic</i>	<input type="checkbox"/>
<i>Existing road</i>	<input type="checkbox"/>	<i>Reservation</i>	<input type="checkbox"/>	<i>Park/Recreation</i>	<input type="checkbox"/>
<i>Industrial</i>	<input type="checkbox"/>	<i>Other (specify)</i>	<input type="checkbox"/>		

Comments:

7. Site Description

8. Land Cover and Topography

i. Land cover of the site consists of (completely or partly or noticeable) of:

<i>Vegetation</i>	<input type="checkbox"/>	<i>Sparse vegetation</i>	<input type="checkbox"/>	<i>Physical structure(s)</i>	<input type="checkbox"/>
<i>Floodplain</i>	<input type="checkbox"/>	<i>Agriculture (animals)</i>	<input type="checkbox"/>	<i>Cultural resource</i>	<input type="checkbox"/>
<i>Water</i>	<input type="checkbox"/>	<i>Agriculture (crops)</i>	<input type="checkbox"/>	<i>Other specify</i>	<input type="checkbox"/>

ii. Elevation and topography of the area for the Sub-Project:

Flat Valley Slope Undulating
Hill Mountain Depression

iii. Elevation and topography of the adjoining areas (within 200 meters radius of the site)

Flat Valley Slope Undulating
Hill Mountain Depression

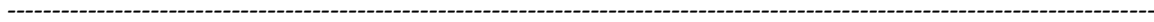
9. Infrastructure

i. The Sub-Project would be developed in/on:

Undeveloped site Partly developed site Existing route
Other (specify)

ii. The Sub-Project would involve excavation Yes No

Estimated number and depth of the excavations, etc.



iii. Any of the following located on-site within 50 meters from the edge of the proposed site?

Water supply source Yes No
Pipeline Yes No
Power supply source (Transformer) Yes No
Electricity lines Yes No
Drainage Yes No
Other (specify)

9. Sources of Energy

10. Inventory of Existing Infrastructure at the Facility or Site

11. Environmental and Social Impacts and Risks

12. Positive Impacts and Risks

Negative Impacts and Risks

13. Air Quality

Would the proposed Sub-Project:

- i. *Emit during construction (Tick as Appropriate)*
 Dust Smoke VOCs
- ii. *Expose workers or the public to substantial emissions?* Yes No
- iii. *Result in cumulatively increased emissions in the area?* Yes No
- iv. *Create objectionable odor affecting people?* Yes No

Comments:

14. Biological Resources

- i. *Would the proposed Sub-Project?*
- ii. *Have adverse effect on any reserved/protected area?* Yes No
- iii. *Have adverse effect on wetland areas through removal, filling, hydrological interruption or other means?* Yes No
- iv. *Interfere substantially with the movement of any wildlife species or organisms?*
 - a. Yes No
- v. *Be located within 100 m from an Environmentally Sensitive Area (natural habitat watershed, etc.)?* Yes No

Comments

15. Cultural Resources

a. *Would the proposed Sub-Project:*

- i. *Disturb any burial grounds or cemeteries?* Yes No
- ii. *Cause significant adverse effect on any archaeological or historic site?* Yes No

b. *Alter the existing visual character of the area and surroundings, including trees and rocks outcrops?* Yes No

c. *Comments:*

Water Quality and Hydrology

16. *Distance from the nearest water body or drainage channel (minimum distance measured from the edge of the proposed site to the bank of the water body or drain).*

- a. *More than 100 meters* *100 meters* *Less than 100 meters*

17. *Will the sub project involve the use of water?*

- a. *Yes* *No*

18. *Indicate Source of water for the project*

19. *Generate and discharge the following during construction:*

- | | | | |
|--|--------------------------|---------------------------------------|--------------------------|
| <i>Liquid waste</i> | <input type="checkbox"/> | <i>Liquid with oily substance</i> | <input type="checkbox"/> |
| <i>Liquid with human or animal waste</i> | <input type="checkbox"/> | <i>Liquid with chemical substance</i> | <input type="checkbox"/> |
| <i>Liquid with pH outside 6-9 range</i> | <input type="checkbox"/> | <i>Liquid with odor/smell</i> | <input type="checkbox"/> |

20. *Lead to changes in the drainage pattern of the area, resulting in erosion or siltation?*

- i. *Yes* *No*

21. *Lead to increase in surface run-off, which could result in flooding on or off-site?*

- Yes* *No*

22. Increase run-off, which could exceed the capacity of the existing storm water drainage?

Yes No

Comments

Noise Nuisance

23. Would the proposed Undertaking:

24. Generate noise more than established permissible noise level?

a. Yes No

25. Expose persons to excessive vibration and noise?

Yes No

26. Comments

Waste Generation

27. Sub Project waste generation

- | | | | | |
|---|-----|--------------------------|----|--------------------------|
| i. Will the Sub Project generate construction waste? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| ii. Will the Sub Project generate infectious waste? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| iii. Will the Sub Project generate radioactive waste? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| iv. Will the Sub Project generate pathological waste? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| Will the Sub Project generate general waste? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| Will the Sub Project generate chemical waste? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| Will the Sub Project generate genotoxic waste? | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |

Comments

28. Other Environmental and Social Impacts and Risks (including GBV/SEA/SH, labor concerns, security risks etc.)

29. Management of Environmental and Social Impacts and Risks

30. Summary

Questions	Answer		ESS relevance	Due diligence / Actions (Underline Appropriate instrument(s) to be prepared)
	yes	no		
Does the subproject involve civil works including new construction, expansion, upgrading or rehabilitation of healthcare facilities and/or associated waste management facilities?			ESS1	ESIA/ESMP, SEP

Does the subproject involve land acquisition and/or restrictions on land use?			ESS5	If yes, activity should not proceed and will need to be redesigned to avoid impacts as this activity would not be eligible to receive WB financing
Does the subproject involve acquisition of land or assets?			ESS5	If yes, activity should not proceed and will need to be redesigned to avoid impacts as this activity would not be eligible to receive WB financing
Is there sound regulatory framework, institutional capacity in place for waste management?			ESS1	ESIA/ESMP, SEP
Does the subproject involve recruitment of workforce including direct, contracted, primary supply, and/or community workers?			ESS2	LMP, SEP
Does the sub project involve transportation and/or deployment in a potential area with a security concern?			ESS4	SRA, SMP, RSM
Is the subproject located within or in the vicinity of any ecologically sensitive areas (e.g. natural, critical and modified habitats)?			ESS6	If yes, activity should not proceed and will need to be redesigned to avoid impacts as this activity would not be eligible to receive WB financing
Are there any vulnerable groups present in the subproject area and are likely to be affected by the proposed subproject negatively or positively?			ESS1	Implement SEP measures for vulnerable peoples
Is the subproject located within or in the vicinity of any known cultural heritage sites?			ESS8	If yes, activity should not proceed and will need to be redesigned to avoid impacts
Does the project area present considerable Gender-Based Violence (GBV) and Sexual Exploitation and Abuse (SEA) risk?			ESS1	ESIA/ESMP, SEP

Is there any territorial dispute between two or more countries in the subproject and its ancillary aspects and related activities?			<i>OP7.60 Projects in Disputed Areas</i>	If yes, activity should not proceed and will need to be redesigned to avoid impacts
Will the sub project and its ancillary aspects and related activities involve the use or potential pollution of, or be located in international waterways ³¹ ?			<i>OP7.50 Projects on International Waterways</i>	If yes, activity should not proceed and will need to be redesigned to avoid impacts)

Conclusions:

1. Proposed Environmental and Social Risk Ratings (High, Substantial, Moderate or Low). Provide Justifications.

Exclusion List

- i. Activities that may cause long term, permanent and/or irreversible adverse impacts to natural systems (e.g., loss of natural, modified and critical habitats);
- ii. Activities that have a high probability of causing serious adverse effects on human health and safety (such as give rise to SEA/SH) and/or the environment (e.g. emit significant quantities of greenhouse gases);
- iii. Activities that may have significant adverse social impacts and may give rise to social conflict;
- iv. Activities that may adversely affect the rights and well-being of vulnerable or disadvantaged groups;
- v. Activities that may involve economic and/or physical displacement
- vi. Activities that are located within cultural heritage sites or may involve adverse impacts on cultural heritage assets;
- vii. Activities categorized as substantial and high environmental and social risk;
- viii. Importation and introduction of invasive/alien plant and animal species;

³¹International waterways include any river, canal, lake or similar body of water that forms a boundary between, or any river or surface water that flows through two or more states.

- ix. Production or activities involving forced labour³² or child labour³³
- x. Production or trade in any product or activity deemed illegal under Sierra Leonean laws or regulations or international conventions and agreements.
- xi. Production or trade in³⁴
 - a. weapons and munitions
 - b. hard liquor
- xii. Gambling, casinos and equivalent enterprises³⁵
- xiii. Any business relating to pornography or prostitution.
- xiv. Trade in wildlife or wildlife products regulated under CITES³⁶
- xv. Production or use of or trade in hazardous materials³⁷ such as radioactive materials, unbounded asbestos fibers and products containing PCBs³⁸
- xvi. Cross-border trade in waste and waste products unless compliant to the Basel Convention and the underlying regulations.
- xvii. Drift net fishing in the marine environment using nets in excess of 2.5 km in length; and
- xviii. Production, use of or trade in pharmaceuticals, pesticides/herbicides, chemicals, ozone depleting substances³⁹ and other hazardous substances subject to international phase outs or bans.

³² Forced labor means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions.

³³ Employees may only be taken if they are at least 18 years old, as defined in the Tanzania Labor Law

³⁴ This applies when these activities are a substantial part of a project sponsor's primary operations

³⁵ This applies when these activities are a substantial part of a project sponsor's primary operations

³⁶CITES: Convention on International Trade in Endangered Species or Wild Fauna and Flora

³⁷ This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any other equipment where EFP considers the radioactive source to be trivial and/or adequately shielded.

³⁸ Polychlorinated biphenyls, a group of highly toxic chemicals. PCBs are likely to be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950-1985

³⁹ Ozone Depleting Substances: Chemical compounds, which react with and delete stratospheric ozone, resulting in "holes in the ozone layer". The Montreal Protocol lists ODs and their target reduction and phase out dates.

Some Attributes of Ineligible Subprojects
GENERAL CHARACTERISTICS
Concerning significant conversion or degradation of critical natural habitats. Including, but not limited to, any activity within wildlife and forest reserves, national parks, conservation forests and sanctuaries.
Damages cultural property , including but not limited to, any activities that affect the properties inscribed in the World Heritage List and: <ul style="list-style-type: none"> • Other archaeological and historical sites; and • Religious monuments, structures and cemeteries.
Requiring pesticides that fall in WHO classes IA, IB, or II.
Affecting waters of riparian neighbors.
Irrigation New irrigation and drainage schemes.
Dams Construction of any dams.
Power New power generating capacity of more than 10 MW.
Oil and Gas New exploration, production or distribution. Rehabilitation of production or distribution systems.
Income Generating Activities Activities involving the use of wood for fuel or as raw material from natural habitats. Activities involving the use of hazardous substances.

Annex B: Environmental and Social Management Plan (ESMP) Template

Introduction

The Borrower will need to develop an Environmental and Social Management Plan (ESMP), setting out how the environmental and social risks and impacts will be managed through the project lifecycle. This ESMP template includes several matrices identifying key risks and setting out suggested E&S mitigation measures. The Borrower can use the matrices to assist in identifying risks and possible mitigations.

The ESMP should also include other key elements relevant to delivery of the project, such as institutional arrangements, plans for capacity building and training plan, and background information. The Borrower may incorporate relevant sections of the ESMF into the ESMP, with necessary updates.

The matrices illustrate the importance of considering lifecycle management of E&S risks, including during the different phases of the project identified in the ESMF: planning and design, construction, operations and decommissioning. The Borrower should review and add to them during the environmental and social assessment of a sub project.

The WBG EHS Guidelines, WHO technical guidance documents and other GIIPs set out in detail many mitigation measures and good practices and can be used by the Borrower to develop the ESMP. Proper stakeholder engagement should be conducted in determining the mitigation measures, including close involvement of medical and healthcare waste management professionals.

The ESMP should identify other specific E&S management tools/instruments, such as the Stakeholder Engagement Plan (SEP), labor management procedures (LMP), and/or Medical Waste Management Plan.

Table 1 - Environmental and Social Risks and Mitigation Measures during Planning & Designing Stage

Key Activities	Potential E&S Risks and Impacts	Proposed Mitigation Measures	Responsibilities	Timeline	Budget
Facility design – general	<ul style="list-style-type: none"> - Structural safety risk - Functional layout and engineering controls 	<ul style="list-style-type: none"> - The design of the structures (new constructions) will be guided by the, World Bank EHS&G and national building codes - Design and supervision of works and installation will be undertaken by certified professional engineers, planners and architects - Architectural and engineering designs, including Bills of Quantities of proposed new constructions will be vetted and approved by the appropriate planning authorities in the respective countries - Ensure that a competent Authority undertakes the final inspection and certify all buildings and installations prior to handing over to the PFI and SMSEs - The design and construction of buildings will meet the requirements of national building codes with energy saving building materials and furnishings e.g. sensor lights 	PIU Environmental and Social Specialists)	To be determined	To be determined
Facility design considerations for differentiated treatment for groups of higher sensitivity or vulnerable (the elderly, those with preexisting conditions, or the very young) and those with disabilities	Some groups may have difficulty accessing health facilities	<ul style="list-style-type: none"> - Designated smoking areas will be provided within the new buildings - Disability and baby friendly washrooms will be provided in the new buildings - Ramps and where possible lifts will be provided in the new buildings 	PIU Environmental and Social Specialists)	To be determined	To be determined
Design requirements of new Constructions	Lack of basic facilities will reduce the functionality of the buildings	<ul style="list-style-type: none"> - The new buildings will have adequate water and toilet facilities - The new buildings will have adequate parking lots, disability parking spaces, canteens, sick bays, emergency exits, etc. - Designs will keep in mind the risk of SEA/SH, especially when designing toilet facilities. - Design of the offices/school buildings will consider security features such as coded locking systems - Building will be designed to meet universal access and life & fire safety requirements/standards, the International Finance Corporation’s (IFC) Excellence in Design for Greater Efficiencies (EDGE) standards as well as national building codes of the respective countries. - Civil works will be designed and supervised professional and competent engineers and architects (Consultant firms) competitively selected 	PIU Environmental and Social Specialists)	To be determined	To be determined

Table 2- Environmental and Social Risks and Mitigation Measures during Construction Stage

Activities	Potential E&S Risks and Impacts	Proposed Mitigation Measures	Responsibilities	Timeline	Budget
General construction activities: clearing and site preparation	Loss of vegetation and isolated trees	<ul style="list-style-type: none"> - Only areas required for construction work will be cleared - Vegetation will be established immediately after the construction activity is completed - Trees that will be impacted will be replanted fourfold and nurtured for six months 	Project Contractor	To be determined	To be determined
General construction activities: resource efficiency	Excessive use of raw materials, water and energy use	<ul style="list-style-type: none"> - Sand and aggregates will be procured from third parties suppliers certified by Environmental Protection Agency/Ministry of Environment and Local Government Authorities - No sand/borrow pits will be established the Project - Construction equipment will be switched off when not in use - Construction equipment will be serviced in line with the manufacturers specification - Leaks on water storage tanks and containers will prompts fixed - Cleaning of simple tools on site will be undertake in a container (tank) rather than under running water - Cleaning of construction equipment will be undertaken only when necessary 	Project Contractor	To be determined	To be determined
General construction activities – general pollution management	Construction solid waste and construction wastewater generation	<ul style="list-style-type: none"> - Two (2) mobile toilets one (1) for every 15 male and one (1) for every 15 female and three (3) colored refuse bins will be provided on site; - Mobile toilets will be dislodged after close of work every day - Refuse will be collected by a private refuse collection company once a day and disposed-off at an approved landfill site - Off-cuts from pipes, cables and electrical fittings as well as broken tiles will be re-used by the Contractor for other civil works elsewhere; - Wood residue, cement blocks and other waste will be used as fill materials; - Waste that cannot be reused will be transported to the approved landfill site 	Project Contractor	To be determined	To be determined
General construction activities – general pollution management	Air emission from construction equipment Noise Vibration Dust	<ul style="list-style-type: none"> - Noisiest types of work will concentrated into a short period as much as possible, and during least disruptive times of the day (between 6.00 am-8.00am, after 5.00pm and weekends) so as not to disrupt work - Concrete mixers will be fitted with mufflers to minimize noise - Equipment and vehicles will be turned off when not in use - Equipment and vehicles will serviced in line manufacturers specifications 	Project Contractor	To be determined	To be determined

		<ul style="list-style-type: none"> - Debagging of cement will be done in an enclosed area by workers wearing appropriate Personal Protective Equipment (PPE) such as overalls, nose masks, hand gloves and earplugs. - Haulage and delivery trucks as well as equipment on haulage routes will be made to drive at a speed less than 20km/h - Trucks carrying sand and fine particles will be covered with tarpaulin - The construction site will be doused three (3) times a day to suppress dust 			
General construction activities – hazardous waste management	Spillage and/or exposure to fuel, oils, lubricant and paints	<ul style="list-style-type: none"> - Empty paint and solvent containers will be collected and kept in a well-ventilated storeroom with a paved floor and returned to suppliers to be re-used; - Workers involved in painting will be made to use the appropriate PPEs e.g. gloves, nose mask and overall and boots - Lead based paints will not be used under the project - All hazardous substances and materials will be stored in appropriate locations with impervious surfaces and adequate secondary containment; - Oil, fuel and other lubricants storage areas will be at least 500 meters away from water bodies; - Oil traps will be installed on drains from storage areas and work zones; - Construction workers will be provided with adequate training on the use, storage and handling of hazardous substances; - Drip pans will be placed under equipment and vehicles during servicing and routine maintenance to collect waste oils/fuel and lubricant for re-use or sell to other entities, e.g. mechanics - The Contractor’s workshop and fuel dump will be paved - Portable spill containment and clean-up equipment will be provided at appropriate locations on site and training in the use of the equipment; - Material Safety Data Sheets (MSDS) for each hazardous material in stock will be kept within the storage area where substances are stored and at the site office - Daily inspection of oil/fuel and lubricant storage areas and construction equipment will be undertaken 	Project Contractor	To be determined	To be determined

		<ul style="list-style-type: none"> - Where there is evidence of spillage and leakage, contain and clean up spill, assess the activities carried out on site and review the operational procedures in place. Modify these where appropriate. 			
General construction activities – Labor issues	Contracts subverting labor laws practicing force and/or child labor	<ul style="list-style-type: none"> - All site workers (including employees of sub-contractors) will be given contracts specifying the type of work they are to undertake and their remuneration package as well as their conditions of service in line with in-country labor laws e.g working hours, break time, public holidays, overtime etc. - Contractual clauses (see Annex F) against SEA/SH as well as child and forced labor and discrimination by sex, ethnicity, as well as prohibiting forced and child labor etc. will be inserted in the Contractor’s Contract document - Any incidence of child and forced labor will be reported to the responsible Government Authority /Agency representative on the Grievance Redress Committee and/or Supervising Engineer (Project Consultant) - Site Workers (including employees of sub-contractors) will have access to an a accessible participatory work-based grievance system with a focal point for receiving and documenting grievances and providing feedback (see Annex H for a Sample Grievance Registration Form) - A Grievance Committee made up of the representatives of the Contractor (Management Level Personnel) Project Consultant and representative of the BSL (PIU Social Specialist) will be constituted to investigate and resolve worker grievances - Workers will be formally notified of their right to form or join existing labor unions in their country in line with their country’s labor law - Contractors will hire contract workers through a systematic process managed by an HR office and avoid hiring “at the gate” to discourage spontaneous influx of job seekers including migrant labor and the incidence of child and forced labor 	Project Contractor	To be determined	To be determined
General construction activities – Occupational Health and Safety (OHS)	Accidents, injuries and mortality involving site workers working on new construction,	<ul style="list-style-type: none"> - Site workers will undergo medical screening before they are employed on site - The Contractor will provide a canteen (designated area for eating) on site for site workers and food vendors - Site workers will be provided with PPEs (e.g. hard hats, safety boots, earplugs, reflectors, etc.) - The use of PPEs will be enforced at the site - Clear sanctions and rewards for non-compliance and compliance respectively will be provided in the Code of Conduct to be signed by workers - Potable water will be provided for site workers at all times - Daily toolbox meetings will be organized for site workers to sensitize site workers on OHS issues 	Project Contractor	To be determined	To be determined

		<ul style="list-style-type: none"> - A Site Supervisor will be employed to ensure compliance with occupational health and safety protocols on site, e.g. wearing of PPEs, facilitate tool box meetings and ensure good housekeeping, among other roles - Prohibitive, warning and directional signs will be pasted at vantage points on site - The Contractor will be made to provide at least 3 fire extinguishers on site - Contact numbers of the nearest fire station and health facility will be pasted at vantage points on site - Training of site workers in OHS, fire prevention and combating (including fire drills) as well as hygiene will be undertaken once during the construction phase - The Contractor will notify the Supervising Engineer, PIU and the relevant authorities including Police, Local Councils of any accident/incident within 12 hours of its occurrence. 			
General construction activities – traffic and road safety	Accidents involving construction equipment	<ul style="list-style-type: none"> - Ensure that delivery trucks and construction vehicles drive below the 20km/hr. speed limit - Trucks transporting friable materials (e.g. sand) will be covered with tarpaulin - The truck conveying the roofing sheets, purlins to the construction zone will carry appropriate warning signals such as red flags and rotating amber lights - All construction vehicles will be embossed with identification numbers at the rear, front and sides for easy identification - The Contractor will be responsible for cleaning up spillage on any road as well as fixing any damage to property, road and/or utilities within the road space to the satisfaction of regulators and the Supervising Engineer within 24 hours of occurrence - The Contractors will notify the Supervising Engineer and the relevant authorities including PIU, Police and Local Government Authority in the area of operation of any road accident within 12 hours of its occurrence 	Project Contractor	To be determined	To be determined
General construction activities – community health and safety (infectious diseases)	Incidence of water and sanitary related diseases such as malaria and cholera as well as community spread of infections	<ul style="list-style-type: none"> - All employees of Project Consultants, Contractors, and Sub-Contractors will be made to undergo sensitization on infection prevention - The Contractor will be required to provide clean running water, soap and tissue paper for use by the workers on the site daily. - An Environmental, Social, Health, and Safety Officer will be employed by the Contractor to ensure good housekeeping on site e.g. draining out pools of stagnant water on site after work every day 	Project Contractor	To be determined	To be determined
General construction activities- installations	Disruption in utility services	<ul style="list-style-type: none"> - Organizations in the project zone will be given at least a week’s notice ahead of any planned power outage/cut in water supply occasioned on account of the project (new construction or renovation) - The notice will be repeated 24 hours ahead of the planned outage or shut down 	Project Contractor	To be determined	To be determined

General construction activities- Community Health and Safety (GBV/SEA/SH)	SEA/SH risks such as rape and abuse	- The SEA/SH Prevention and Response Action Plan will be implemented (see Annex G for details)	Project Contractor	To be determined	To be determined
General construction activities – cultural heritage	Discovery of damage to cultural heritage	<ul style="list-style-type: none"> - The Chance Find Procedure outlined below will be implemented: - Stop working in the zone immediately following the discovery of a material of cultural, archeological, historical, paleontological or other cultural significance; - Report ‘the Find’ to the Project Consultant; - The Project Consultant shall verify the item or resource and notify the relevant Authorities e.g. EPA and other relevant stakeholders about “the Find”; - The Contractor shall cordon off the area and provide security to prevent unauthorized entry - Prevent and penalize any unauthorized person found within the inner perimeter of the restricted zone obtaining the cultural heritage resource; and - The Contractor shall re-start work in the area only upon approval by EPA and/or the appropriate State Agency 	Project Contractor	To be determined	To be determined

Table 3- Environmental and Social Risks and Mitigation Measures during Operational Stage

Activities	Potential E&S Risks and Impacts	Proposed Mitigation Measures	Responsibilities	Timeline	Budget
General Facility operation – OHS issues	- Electrical and fire hazards	<ul style="list-style-type: none"> - Provide hose reels on the premises - Install smoke detectors, sprinklers and fire extinguishers as will be indicated in the fire drawings and report approved by National Fire Force as part of obtaining a fire permit for the project - Paste the contact numbers of the nearest fire station and Health Facility at vantage points on the premise - Designated emergency exits and assembly points will be provided and well labeled in all new constructions. - Workers (and students) at the offices/schools will be provided with basic training in fire prevention and fighting by personnel of the Fire Force in the respective countries at least once a year 	Beneficiary	To be determined	To be determined
General Facility operations –	- Generation of hazardous and non-	<ul style="list-style-type: none"> - Septic tanks will be provided in each of the facilities - Refuse bins will be provided for refuse collection - Refuse will be lifted daily by a private entity and disposed of at an approved landfill site daily 	Beneficiary	To be determined	To be determined

Waste Generation	hazardous waste causing exposure to MSMEs workers and nearby residents				
General Facility operations-Labor issue	- PFI/MSMDEs workers	<ul style="list-style-type: none"> - SMSEs and PFIs will hire contract workers through a systematic process managed by the Human Resource Directorate and avoid hiring “at the gate” to discourage spontaneous influx of job seekers. - A Code of Conduct will be prepared and signed by employees of PFIs, contract workers and entities they contract prohibiting child and force labor, discrimination by sex, ethnicity, religion etc. and inform them about sanctions for these practices - All contracted workers recruited by the BSL/PFIs/MSMEs will be provided with contracts - Employees of SMSEs and PFIs and contracted workers such as enumerators and data entry clerks will be sensitized on the Code of Conduct and their respective Civil Service Codes - Workers will be made to sign non-disclosure agreements 	Beneficiary	To be determined	To be determined
Facility Cleaning		<ul style="list-style-type: none"> - Adequate cleaning staff proportionate to the size of the facilities will be recruited to clean the office/school block - Cleaning staff will be provided with adequate cleaning equipment, materials, and disinfectants for cleaning the offices/buildings - Review general cleaning systems, training cleaning staff on appropriate cleaning procedures will be undertaken every quarter. - Cleaners will be provided with appropriate PPEs: gowns or aprons, gloves, masks, or closed work shoes. - Cleaners will be oriented in proper hygiene (including handwashing) prior to and after conducting cleaning activities; how to safely use PPEs (where required); in waste control (including for used PPE and cleaning materials). 	Beneficiary	To be determined	To be determined
Stakeholder engagement – considerations for simple, accurate, accessible and culturally appropriate	Lack of work-based Grievance Systems	<ul style="list-style-type: none"> - A participatory tiered work-based grievance redress system with multiple uptake points will be established in the BSL, SMSEs and PFIs offices with the Social specialist and Human Resource Director of the BSL, SMSEs and PFIs as the focal point to received grievance and provide feedback to complaints - The Grievance Mechanisms will be time-bound and the right of the grieved party right to anonymity/confidentiality will be respected at all times 	Beneficiary	To be determined	To be determined

means of responding to grievances		<ul style="list-style-type: none"> - A participatory time-bound Grievance Redress Committee will be established in each PFIs to investigate and resolve grievances involving workers. It will be made up of the Human Resource Director, the PIU Social Specialist and one representative of the Labor Union, and the aggrieved party - If the Grievance Committee fails to resolve the issue within a specified time-period, it will be escalated to the Managing Director of PFI. - Workers can also seek redress in court 			
Facility Operation-GBV /SEA/SH	Incidence of SEA/SH among project workers and contracted workers	<ul style="list-style-type: none"> - The SEA/SH Prevention and Response Action Plan will be implemented (see Annex G for details) 	Beneficiary	To be determined	To be determined

Annex C: Sample Environmental and Social Clauses

To ensure the proposed mitigation measures the Environmental and Social Framework (ESF) instruments are implemented by the Project Contractors as well as other responsible parties, the following Contractual Clauses are to be inserted in the Works Contract for the Contractor executing the works:

General

1. In addition to these General Conditions, the Contractor shall prepare a C-ESMP which will be approved the BSL PIU and comply with the mitigation measures in any site specific Environmental and Social Management Plan (ESMP) for the works for which he/she is responsible. The Contractor shall inform him/herself about such an ESMP and prepare his/her work method and plan to incorporate relevant provisions of that ESMP. If the Contractor fails to implement the approved ESMP after written instruction by the Supervising Consultant to fulfil his/her obligation within the requested time, Bank of Sierra Leone reserves the right to arrange through the Supervising Consultant for the execution of the missing action by a third party on account of the Contractor.
2. Notwithstanding the Contractor's obligation under the above clause, the Contractor shall implement all measures necessary to avoid undesirable adverse environmental and social impacts wherever possible, restore work sites to acceptable standards, and abide by any environmental and social performance requirement specified in an EMSP. In general, these measures shall include but not be limited to:
 - *Minimize the effect of dust on the surrounding environment resulting from clearing and earthworks, vibrating equipment, temporary access roads, etc. to ensure safety, health and the protection of workers and communities living in the vicinity dust producing activities.*
 - *Ensure that noise levels emanating from machinery, vehicles, and noisy construction activities (e.g. excavation) are kept at a minimum for the safety, health, and protection of workers within the vicinity and nearby communities.*
 - *Prevent oils, lubricants and wastewater used or produced during the execution of works from entering rivers, streams, and other natural water bodies/reservoirs, and ensures that stagnant water in uncovered trenches is treated in the best way to avoid creating possible breeding grounds for mosquitoes and organisms that can cause diseases.*
 - *Upon discovery of ancient heritage, relics or anything that might or believed to be of archaeological or historical importance during the execution and demolishing,' immediately report such findings to the Site Engineer so that the appropriate authorities may be expeditiously contacted for fulfilment of the measures aimed at protecting such historical or archaeological resources.*
 - *Implement soil erosion control measures in order to avoid surface run off and prevents siltation of waterbodies etc.*
 - *Ensure that garbage, sanitation and drinking water facilities are provided for construction workers.*
 - *Ensure that, in as much as possible, local materials are used to avoid importation of foreign material and long-distance transportation.*
 - *Ensure public safety and meet traffic safety requirements for the operation of work to avoid accidents.*
3. The Contractor shall indicate the period within which he/she shall maintain status on site after completion of civil works to ensure that significant adverse impacts arising from such works have been appropriately addressed.

4. The Contractor shall adhere to the proposed activity implementation schedule and the monitoring plan/strategy to ensure effective feedback of monitoring information to project management so that impact mitigation/management measures can be implemented properly, and if necessary, adapt to changing and unforeseen conditions.
5. Besides the regular inspection of the sites by the Supervising Consultant for adherence to the contract conditions and specifications, the BSL/PFIs will appoint an officer to oversee the compliance with these environmental, social, health and safety conditions and any proposed mitigation measures. Relevant state authorities such as Local Government Authorities, Ministry of Environment and/or Environmental Protection Agencies in the participating countries and countries within which the Regional bodies are located may carry out similar inspection duties. In all cases, as directed by the Supervising Consultant, the Contractor shall comply with directives from such inspectors to implement measures required to ensure the adequacy of rehabilitation/mitigation measures carried out on the biophysical and social environment resulting from implementation of any works.
6. The Contractor shall appoint an environmental, social, health and safety officer to ensure internal compliance with environmental, social, health safety provisions in the ESMP and relevant national laws

Water Resources and Waste Management

7. All vessels (drums, containers, bags, etc.) containing oil/fuel/construction materials and other hazardous chemicals shall be bonded in order to contain spillage. All waste containers, litter and any other waste generated during construction shall be collected and disposed off at designated disposal sites in line with waste management regulations of the Local Government Area where the project is located.
8. Water from washing equipment shall not be discharged into roadside drains and water bodies
9. Used oil from maintenance works shall be collected and disposed-off appropriately at designated sites, be reused by the Contractor for other activities or sold for re-use locally.
10. Site spoils and temporary stockpiles shall be located away from the drainage system and surface run off shall be directed away from stockpiles to prevent erosion.
11. The Contractor shall at all cost and time avoid conflict with water use of local communities.
12. Abstraction of water from wetlands shall be avoided.
13. No construction water containing spoils or site effluent, especially cement and oil, shall be allowed to flow into natural water drainage courses.

Traffic Management

13. Materials shall be delivered on site over the weekend or before 6-00am or after 7.00pm.

Disposal of Unusable Elements

14. Unusable materials and construction elements such as electro-mechanical equipment, pipes, cables, accessories and demolished structures will be disposed of in a manner approved by the Supervising Consultant in line with in-country laws.
15. The Contractor shall agree with the Supervising Consultant which elements which will be recycled or reused, and/or those that will be disposed off at approved landfill sites.
16. Unsuitable and demolished elements shall be dismantled to sizes that fit on ordinary trucks for transportation to approved disposal sites.
17. Left over materials will be collected and used for other purposes.

Health and Safety

18. In advance of the construction work, the Contractor shall mount an awareness and hygiene campaign.
19. Workers and local residents within the project vicinity shall be sensitized on health and safety risks associated with the works including transmission of COVID-19 and HIV/AIDS, fire outbreaks and incidence of GBV/SEA/SH as well as Occupational Health and Safety
20. The Contractor shall make available all his/her employees for all OHS and Emergency Preparedness Training/Demonstration Programs organized under the Project.
21. Adequate warning, directional and prohibitory signs etc. shall be provided at appropriate locations on site.
22. Construction vehicles shall not exceed maximum speed limit of 20km per hour.

Gender Based Violence, HIV/AIDs and STI Awareness

23. The Contractor shall clearly state in his contracts with employees and third-party suppliers that he/she does not condone physical abuse, rape, defilement, illicit sexual behaviors and other gender-based violence together with sanctions for breaching these provisions.
24. The Contractor shall report any incidence of rape, defilement, Sexual Abuse and Exploitation (SEA) Sexual Harassment (SH) or other forms of Gender Based Violence and illicit sexual affairs to the nearest police station, One Stop GBV Center, Supervising Consultant and Social/Gender Specialists at the BSL PIU within 12 hours of receiving such as a report.
25. Survivor confidentiality shall be maintained, and all identifiers of the survivor will be excluded from any information or reports provided. Survivor shall immediately be referred to service
26. The Contractor shall support investigations of the perpetrator and the implementation of the accountability framework to determine the right punitive measures by the state.
27. The Contractor shall make available all his/her employees for all HIV/AIDS and Gender Based Violence Sensitization Programs organized under the Project.
28. A Code of Conduct, with a section dedicated for Sexual Exploitation and Abuse, Sexual Harassment and other forms of Gender Based Violence, will be prepared by Project Contractors for their employees and Sub-Contractors
29. The Contractor shall have the Code of Conduct explained to his/her workers in a language they understand; thereafter they will sign the Code of Conduct. The Code of Conduct will include all punitive measures for any violations in relation to Sexual Exploitation and Abuse, Sexual Harassment and other forms of Gender Based Violence.
30. All employees and Sub-Contractors of the Project Contractor shall sign the Code of Conduct

Contractor's Environment and Social Management Plan

31. Within 4 weeks of signing the Contract, the Contractor shall prepare an ESMP to ensure the adequate management of the health, safety, environmental and social aspects of the works, including implementation of the requirements of the General Conditions and any specific requirements of the ESMP prepared for the works. The Contractor's ESMP will serve two main purposes:
 - *For the Contractor: for internal purposes, to ensure that all measures are in place for adequate environmental, social, health and safety management, and as an operational manual for his employees.*
 - *For the BSL PIU, supported where necessary by the Supervising Consultant, to ensure that the Contractor is fully prepared for the adequate management of the environmental, social, health and safety aspects of the project, and as a basis for monitoring of the Contractor's environmental, social, health and safety performance.*

32. The Contractor's ESMP shall provide at least:
- *A description of procedures and methods for complying with these general environmental and social management conditions, and any specific conditions specified in the sub-project site specific ESMP;*
 - *A description of specific mitigation measures that will be implemented in order to minimize adverse impacts;*
 - *A description of all planned monitoring activities and the reporting thereof; and*
 - *The internal organizational, management and reporting mechanisms put in place for such.*
33. Environmental and Social Risk Management Specialists at the BSL PIU shall review and approve the Contractor's ESMP before commencement of the works

Environmental and Social Reporting

34. The Contractor shall prepare biweekly progress reports to the Supervising Consultant on compliance with these general conditions, the project ESMP, and his own ESMP. The format for a typical Contractor Environmental, Social Health and Safety Report is provided below as follows:
- *management actions/measures taken, including approvals sought from local or national authorities;*
 - *Problems encountered in relation to Environmental, Social Health and Safety*
 - *Report aspects (incidents, including delays, cost consequences, etc. as a result thereof)*
 - *Changes of assumptions, conditions, measures, designs, and actual works in relation to HSE aspects; and*
 - *Observations, concerns raised and/or decisions taken with regard to management of environmental and social risks/impacts during site meetings*
35. Reporting of significant incidents/accidents must be done within 24 hours. Such incident reporting shall be done individually.
36. The Contractor shall keep his own records on health, safety and welfare of persons, and damage to property. The biweekly reports shall include such records, as well as copies of incident reports, as appendixes.
37. Details on the environmental and social performance will be reported to the Client through monthly progress reports prepared by the Project Contract and Supervising Consultant.

Labor Relations

38. The Contractor and his/her sub-contractors shall not employ minors (18 years or below) as part of his casual or permanent employees
39. The Contractor and his/her sub-contractors shall not engage in forced labor any of kind including forcing employees to work on statutory holidays
40. The Contractor shall not procure goods or services from third party suppliers that that engage child or forced labor
41. The Contractor in his/her recruitment shall not discriminate by gender, religion and ethnicity, etc.
42. The Contractor shall familiarize himself/herself with the labor and social protection laws of the participation team and work within these laws.
43. All workers shall be given contracts specifying their tasks, responsibilities and Conditions of Service in line with labor laws of Sierra Leone and in accordance with ESS2 :Labor Conditions of the World Bank's Environmental and Social Framework
44. The Contractor shall set up a fair, participatory time-bound and transparent work-based grievance system headed by a management member, which protects aggrieved employees against discrimination and persecution.

45. The Contractor shall prepare a Code of Conduct to be signed by all employees, after it has been explained to them in a language they understand, to guide employees inter and intrapersonal relationships.
46. The Code of Conduct shall specify sanctions for assault, abuse, rape defilement and other gender-based violence as well as rewards and sanction for working with/out PPEs among others.

Community Relations

47. The Contractor shall inform organizations and households in the project zone of any impending power cuts or water supply disruptions at least a week ahead of the power outage/cut in water supply. The notice shall be repeated 24 hours ahead of the planned outage or shut down.

Cost of Compliance

48. It is expected that compliance with these conditions is already part of standard good workmanship and state of art as generally required under this Contract. The item "Compliance with Environmental Management Conditions" in the Bill of Quantities covers these costs. No other payments will be made to the Contractor for compliance with any request to avoid and/or mitigate an avoidable environmental and social impact.

Sanction

In application of the contractual agreements, the lack of respect of the environmental and social clauses, duly observed by the Contractor, could be a justification for termination of the contract

Annex D: SEA/SH Prevention and Response Action Plan

NOTE: this is an EXAMPLE and a DRAFT version that will be revised and finalized once the GBV Consultant of the project has been recruited

	Activity to Address SEA/SH risk	Steps to be taken	Timeline	Responsible	Monitoring (Who will monitor)	Output indicators	Estimated Budgets
1	Sensitize Project Actors on the importance of addressing SEA/SH on the project, and the mechanisms that will be implemented						
a)	Training on SEA and SH to include: a. Accountability and response framework. b. Responsibilities and reporting. c. Grievance mechanism and referral pathways. d. Confidentiality and whistle blower protection clauses.	<ul style="list-style-type: none"> Develop SEA/SH training PowerPoint and Briefing Notes for project grantees and workers. Schedule separate training sessions for various project grantees and workers. Train project actors with the aid PowerPoint training materials prepared. 	Within first 3 months of project	E&S Specialists (GBV Consultant leading)	PIU Coordinator. ES Risk Management Team	<ol style="list-style-type: none"> Training content to aid sensitization of project actors available. Project workers have clarity on SEA/SH prohibitions on the project and are empowered to contribute to mitigation and reporting of cases. 	
b)	Continuous learning through annual refresher training.	<ul style="list-style-type: none"> Adapt existing training material to facilitate refresher training. Organize and conduct annual refresher training for all project workers to enhance capacity for continuing SEA-SH mitigation, prevention, and response. 	Annually	E&S Specialists (GBV Consultant leading)	PIU Coordinator. E&S team	<ol style="list-style-type: none"> Project workers have clarity on SEA/SH prohibitions on the project and are empowered to contribute to mitigation and reporting of cases. 	
2	Assess SEA/SH risks in project sites and map out GBV prevention and response service providers able to provide care to SEA/SH survivors						
a)	- Assess SEA/SH risk to inform risk mitigation strategies.	<ul style="list-style-type: none"> Integrate task related to SEA/SH risk assessment and GBV service providers mapping and capacity 	Within first 3 months of project	GBV Consultant	PIU Coordinator E&S team	<ol style="list-style-type: none"> SEA/SH risks assessed and 	

	- Map out and review capacity and quality of GBV service providers in the project area able to provide care and support SEA and SH survivors	<ul style="list-style-type: none"> evaluation into Environmental and Social Assessment or other relevant studies that will be done by the project Review the mapping and capacity review tools prepared by consultant that will conduct the task Ensure that the report on GBV service mapping gives clear recommendation on the best service providers to be included in the response protocol of the project GM. 		and E&S team, Consultants hired for the evaluation		5. analyzed within the studies GBV Service mapping and capacity review conducted	
3. Ensure project GM is sensitive to SEA/SH complaints							
a)	Develop specific SEA/SH procedures within the project GM	<ul style="list-style-type: none"> Review GM to ensure that its description includes confidential channels for reporting SEA/SH cases, its survival centered, and has referral pathways linked with GBV service providers. Develop response protocols for each project implementation region using recommendation on GBV services mapped and evaluated (at minimum referral to medical, psychosocial and legal aid services should be available). Review complaint intake forms/logbooks for SEA/SH complaints and develop ethical data sharing and storing protocols. Ensure that Grievance Resolution Committee comprises of persons with experience in working on GBV 	Within 4 months after effectiveness of the project	GBV Consultant and E&S team	PIU Coordinator E&S team	Confidential and survival centered GM established.	

		<p>and train them on the SEA/SH complaint management.</p> <ul style="list-style-type: none"> • Consult with community women in project host communities to designate persons that are accessible, safe, and trustworthy to become the entry points for SEA/SH complaints. • Train the selected entry points on how to receive, refer and escalate SEA/SH cases to the Grievance Resolution Committee. • Regularly consult women in project communities to enquire about the safety and accessibility of the GM procedures. 					
4. Strengthen Institutional capacity for SEA and SH risk mitigation and response							
	<p>Support capacity of local systems to respond to GBV and SEA/SH (e.g. local NGOs/CBOs, health, legal/police, psychosocial services, etc.)</p> <p>i) Strengthen the reporting mechanisms & procedures of local systems</p> <p>ii) Strengthen a survivor centered referral and response.</p> <p>iii) Strengthen coordination for</p>	<ul style="list-style-type: none"> • Organize discussions and agreements with identified GBV service providers to formally outline process for referrals, tackling and feedback between the project and service providers on cases and how to handle data and to enhance ownership of the process of handling SEA/SH cases. • Discuss and agree on financial and/or technical support arrangements with each service provider. • Embark on periodic visits and engagement with service providers to review effectiveness and efficiency of reporting 	<p>After response protocol had been developed and annually thereafter</p>	<p>GBV Consultant and E&S team</p>	<p>PIU Coordinator and E&S team</p>	<p>Service providers are empowered to respond to SEA/SH related cases from the project.</p> <p># of services supported</p> <p># of actions/events organized</p>	

	better services with local/national GBV service providers	<ul style="list-style-type: none"> system, and interaction and resolution of cases. Organize annual stakeholders' forum to share information, receive and incorporate feedback for improvement. Coordinate with stakeholders on common communication or advocacy actions/ events/ policies/ protocols to prevent and respond to GBV, SEA/SH risks 					
5. Ensure integration of SEA/SH requirements in procurement processes and contracts							
	Incorporate SEA/SH requirements and expectations in all procurement documents for sub-contractors' and consultants' contracts	<ul style="list-style-type: none"> Review the project Code of Conducts to ensure SEA/SH has been addressed and sanctions have been listed Review and ensure the adoption of specific SEA/SH measures in policies and procedures for all Project sub-contractors and consultants including signing of CoC. Organize trainings on SEA/SH and content of CoC for all project personnel and direct workers Ensure sub-contractors and consultant provide trainings to SEA/SH and content of CoC to all personnel and workers 	Throughout the project implementation. (Initial training before signing and refresher training at regular bases, at least every 6 months)	Procurement and E&S specialists Contracts and Administrative Managers	PIU Coordinator E&S team	Sub-contractors and Consultants have the required guidance to meet SEA/SH requirements on the project. % of staff who signed the code of conduct # of staff trained	
6. Inform project stakeholders about SEA/SH risks and mitigation procedures							
a)	Awareness raising to inform project stakeholders including project host communities on	<ul style="list-style-type: none"> Integrate SEA/SH awareness rising on related risks and mitigation procedures into stakeholder consultations and engagements. 	Throughout the project implementation.	GBV Consultant	PIU Coordinator E&S team	# of awareness raising sessions/campaigns organized	

	SEA/SH risks and mitigation strategies	<ul style="list-style-type: none"> • Conduct awareness raising outreach campaigns to publicize SEA/SH reporting channels and response procedures in project host communities and with separate meeting with women and girls. • Design relevant communication and information materials including posters and sticker on zero tolerance of SEA/SH to support sensitization exercise.^[1] 				# of people reached (disaggregated by sex) Communication and information materials produced	
b.	Hold consultations with stakeholders to obtain inputs on potential SEA/SH risks related to project activities, and feedback on the mitigation measures planned.	<ul style="list-style-type: none"> • Hold separate consultations with men and women during site specific screening of E&S risks in project implementation communities. • Engage experienced female community facilitators to hold separate meetings with women and girls to explore potential E&S risks envisaged on project activities^[2] and discuss effectiveness of the prevention and response measures planned and implemented by the project • Consider all additional SEA/SH risks raised and proposed mitigation measures to revise and amend the environmental and social management plan (ESMP). 	Prior to implementation of site-specific activities and throughout the project life	GBV Consultant E&S team	PIU Coordinator E&S team	# of consultations held # of separate consultations with women held # of people participating in consultations (disaggregated by sex)	
7.	Separate toilet facilities for men and women and SEA/SH-free signage for construction/rehabilitation sites						
a)	Provide separate toilet facilities for men and women in	1. Screen and establish the existence of gender friendly sanitation facilities at all venues	Throughout the project	GBV Consultant	PIU Coordinator E&S Specialists	Safe and separate toilet facilities for women and men at all	

	all project rehabilitation/work sites.	<p>and sites identified for project activities with project workers and stakeholders</p> <p>2. Provide mobile toilet facilities for community level venues and demonstration sites where separate toilet facilities for both men and women cannot be found.</p>	implementat ion			project venues and sites.	
8. Coordination, Monitoring, and Management							
	Institute reporting, accountability, and feedback mechanism	<ul style="list-style-type: none"> • Develop monitoring indicators on the functioning of SEA/SH prevention and response system. • Institute biannual reports and feedback between grantees and the PIU and the World Bank • Include discussions on SEA/SH compliance into Project Team meeting agenda. • Undertake regular progress monitoring of SEA/SH prevention and response activities on project sites and provide feedback to improve performance. 	Throughout the project implementat ion	GBV Consultant E&S team	PIU Coordinator	Enhanced supervision and implementation of SEA/SH requirements and procedures	

^[1] Communication materials will not include images showing violent acts or portraying women in humiliating positions.

^[2] No questions about individual experience of violence will be asked.

Annex E: Grievance Registry (for non-SEA/SH complaints)

Case no.	Date Claim Received	Name of Person Receiving Complaint	Where/how the complaint was received	Name & contact details of complainant (if known)	Type of Claim Add content of the claim (include all grievances, suggestions, inquiries) *please note if the complaint was related to the project. If not, note it here and refer complainant to PIU for further processing	Was Receipt of Complaint Acknowledged to the Complainant? (Y/N – if yes, include date, method of communication & by whom)	Expected Decision Date	Decision Outcome (include names of participants and date of decision)	Was Decision communicated to complainant? Y/N If yes, state when, by whom and via what method of communication	Was the complainant satisfied with the decision? Y/N State the decision. If no, explain why and if known, will pursue appeals procedure	Any follow up action (and by whom, by what date)?