



GOVERNMENT OF SIERRA LEONE

YOUTH EMPLOYMENT SUPPORT PROJECT

(A World Bank Funded Program)

Operations Manual

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A. INTRODUCTION

1. The purpose of this Manual is to provide all stakeholders with agreed operational guidelines for implementation of the Emergency **Youth Employment Support Project**. It will be used by all stakeholders in the management of the project. The manual is subject to revision upon the mutual agreement of the Government of Sierra Leone and the World Bank.

A.1 CONTEXT

2. Sierra Leone's economic performance was adversely affected by the global economic downturn in 2008 and 2009. Real growth in 2009 was reduced by as much as 1.5 percentage points as a result of lower exports and remittances. GDP growth is estimated to have declined to 4.0 percent in 2009 (that is, approximately 1.5 percent in per capita terms) whereas the expectation and forecast was for an annual increase of 5.5 percent in real terms. Lower export demand and remittances, and deteriorating terms of trade are believed to have played an important role in the deceleration of economic activity. In contrast, GDP growth averaged 7.0 percent per year over the period 2000-07.

3. Youth (people aged 15-35) account for 34 percent of Sierra Leoneans. The civil war that ended in 2002 disrupted the availability and quality of educational services, exposed many youth to violence from a very young age, and created disincentives for young people to remain in school. As a result, members of this generation have less employable skills, are less prepared for the job market and face a more difficult transition to adulthood than either younger or older groups. The lack of productive employment for youth is not only an economic problem, but also represents a major political and security risk.

4. Youth are one of the groups hardest hit by the economic slowdown, given the need for high levels of growth to absorb the large youth population into productive jobs. Despite the country's robust growth performance after the end of the civil war, unemployment and underemployment in Sierra Leone has remained high, particularly among young people. Using data from the 2004 Census and the 2003 Sierra Leone Integrated Household Survey, Peeters et al. (2009) found that despite a very low official unemployment rate of 4 percent, up to 800,000 people between ages 15 and 25 are unemployed, are employed without remuneration, or are underemployed. It is estimated that the economy will take nearly a decade to create the additional 800,000 jobs, if it grows at an average annual rate of 7 percent.

5. In December 2009, the Government of Sierra Leone established a National Youth Commission (NYC) with the objective of empowering youth to develop their potential. The NYC is charged with the responsibility of implementing, coordinating and monitoring development programs aimed at creating employment opportunities for youth; developing a comprehensive national youth development plan; collaborating with other government agencies and NGOs on youth skills training; addressing drug abuse by youth; disseminating information

on services for the youth; and coordinating the activities of youth groups and youth-serving organizations.¹

6. The activities of the NYC are also to be grounded in the priorities set forth the Government's poverty reduction strategy, called the Agenda for Change (2008-2012). The Agenda for Change outlines a strategy to promote youth employment and empowerment through five programs including (i) Support to Youths in Agriculture, (ii) Support for Viable Youth Enterprise, (iii) Labor Intensive Public Works Schemes, (iv) the Waste Management and Disposal Project, and (v) the Handy Corps Scheme. The existing Youth Secretariat in the Ministry of Education, Youth and Sports (MEYS) is expected eventually to be largely absorbed into the NYC.

7. Government's youth interventions are supported by a coordinated Joint Response on the part of the Government and the key development partners active in youth employment in Sierra Leone: the UN family (UNDP and ILO), GTZ, the World Bank, and the European Union. The Joint Response has a three year duration and is made up of parallel programs and funding from the respective partners.

A.2 PROJECT OBJECTIVES, STRUCTURE, AND EXPECTED OUTCOMES

8. **Objective.** The specific objective of the project is to increase short term employment opportunities and to improve employability of targeted youth.

9. The project seeks to address constraints on the demand and supply side of the labor market namely: (i) to improve technical capacity and promote creation and/or expansion of small youth owned enterprises in economically viable activities; (ii) to improve the skills base of young people to make them more employable; and (iii) to provide a safety net and income supplement for the most vulnerable youth through public works. The project will be scaling up ongoing interventions and testing approaches to increase numbers of beneficiaries and expand geographic coverage. The project will pay particular attention to learning from its experiences through impact evaluations designed around different interventions.

10. **Project Structure.** The Project will finance a package of short term to medium term interventions and build on existing youth employment support programs. It will also provide institutional support to national structures, and finance policy studies and analysis to support effective national coordination of youth employment support initiatives.

- Component 1—Cash for Works (US\$10.0 million)
- Component 2—Skills Development and Employment Support (US\$7.5 million)
- Component 3—Institutional Support, Policy Development, and Impact Evaluation (US\$2.5 million)

11. **Expected Outcomes.** The project will monitor amongst other the following outcome indicators:

¹ While the Commission is established by law, it is not operational as some Board members and all staff have not yet been appointed.

- a. Direct Project Beneficiaries (number), of which female (%)
 - i. Beneficiaries of cash for work program (number of individuals temporarily employed)
 - ii. Beneficiaries of training programs (number)
- b. Beneficiaries who are employed or self-employed in the field of training six months after receiving skills development
- c. Statistically significant difference in terms of employment of beneficiaries compared to control group (yes/no)
- d. Beneficiary completion rate for skills development and employment support interventions (%)

12. Two impact evaluations around the cash for works and skills development and employment support components will be carried out which will allow adjustments to project design and larger scale up in the future. The evaluations will measure project impact on income, employment probability, and food consumption and selected other welfare indicators as well as effectiveness of targeting in particular for the cash for works program.

A.3 INSTITUTIONAL ARRANGEMENTS

13. The project will be administered by the Integrated Project Administration Unit (IPAU) of the Ministry of Finance and Economic Development (MOFED), which will have overall responsibility for the administration, fiduciary oversight, coordination, monitoring, and evaluation of project activities. Since the IPAU's core competencies are in project administration, contract management, and fiduciary management, it will rely upon the Youth Secretariat (YS) and NYC staff for technical expertise in administering and supervising all project activities.

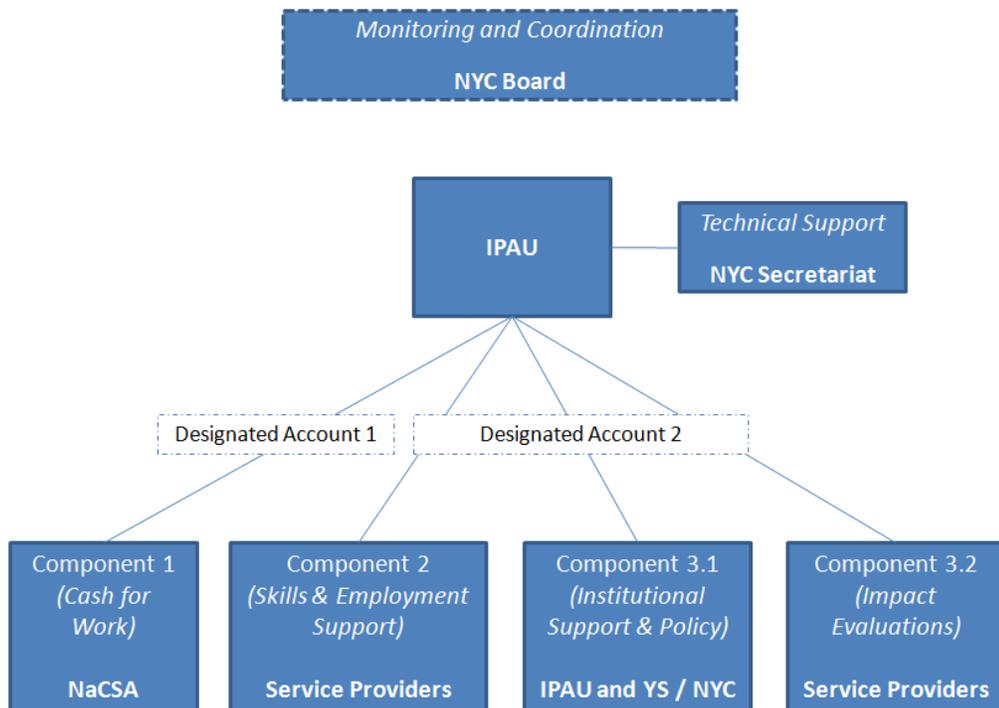
14. The IPAU will not implement project activities itself. Responsibility for the implementation of project components will be as follows, and as pictured in Figure 1.

- **Component 1** will be implemented by NaCSA, working in close collaboration with the Sierra Leone Roads Authority, the Ministry of Agriculture, other technical ministries, the YS/NYC, and the ILO. The communities, through Community Oversight Committees and local councils will be involved in the implementation and monitoring of project activities. In particular, youth councils and youth representatives are expected to be active in the selection of cash for works projects and monitoring of work sites.
- **Component 2** will be implemented by specialized NGOs, technical agencies and private sector (artisans, workshops, small businesses) that are contracted by the IPAU to provide training and employment support services. Youth advocacy groups will take part in the spot monitoring of project activities. Bi-lateral institutions may be identified to provide

training services in specialized areas. Selection of service providers will be the responsibility of a Technical Evaluation Panel chaired by IPAU with representation from the NYC secretariat and other relevant MDAs.

- **Component 3** will be implemented by the YS/NYC with administrative support from the IPAU for subcomponent 3.1 (Institutional Support and Policy Development) and by the NGOs or firms contracted by IPAU for subcomponent 3.2 (Impact Evaluations). Selection of service providers will be the responsibility of a Technical Evaluation Panel chaired by IPAU with representation from the NYC secretariat and other relevant MDAs.

Figure 1: Implementation Arrangements



15. The Board of the NYC will have the responsibility to review the work program for implementation of the project’s components, monitor the progress of the project, and assist in the coordination between the project and other activities benefitting youth. The Board will meet periodically at reasonable intervals and will be responsible for:

- Approving the project’s annual work plans and budgets.
- Conducting periodic reviews of progress achieved under all components of the project.
- Ensuring inter-ministerial and inter-agency coordination and cooperation.

16. Under the terms of the National Youth Commission Act, 2009, the NYC is the legally mandated institution to oversee all youth related activities. However, as of the writing of this manual, the Commission is not yet operational, with the members of its Board having just been

named, the Commissioner and Deputy Commissioner still to be appointed, and technical staff yet to be hired. At the mid-term review of the project, an assessment² will be conducted to determine whether the National Youth Commission has developed the required capacity to administer the project.

B. COMPONENT 1: LABOR INTENSIVE CASH FOR WORKS

B.1 BACKGROUND

17. The Labor Intensive Cash for Works component supports the continuation of the ongoing cash for works (CfW) program with refinements in its design. The CfW program is a labor intensive public works program which provides short term employment to young people in rural, peri-urban, and urban areas through construction and rehabilitation of key economic infrastructure and other priority public works.

18. After piloting CfW under the National Social Action Project (NSAP), the National Commission for Social Action launched the first phase of the CfW program at scale by in 2008 with the support of a US\$4.0 million grant from the World Bank's Global Food Crisis Program (GFRP). Given NSAP's experience working with communities, civil society, and local government, the grant was processed as co-financing to that project, and the project was restructured accordingly. A second phase of CfW was launched in spring 2010 supported by a further US\$4.0 million grant from the GFRP.

B.2 KEY IMPLEMENTATION PARTNERS

19. The component will be implemented by the National Commission for Social Action (NaCSA) in close collaboration with the Sierra Leone Roads Authority, the Ministry of Agriculture, other technical ministries, the YS/NYC, and the ILO. The communities, through Community Oversight Committees (COCs) and local councils will be involved in the implementation and monitoring of project activities: youth councils and youth representatives will be active in selecting cash for works projects and monitoring of work sites.

20. The Social & Economic Opportunities (SOCEP) Directorate of NaCSA will be responsible for overall coordination of the cash for work intervention in collaboration with appropriate units within NaCSA.

21. SOCEP/NACSA will be responsible for the preparation of the scope of works, bill of quantities, site plans and schedule of activities, and participate in the field assessment and the appraisal and approval process in collaboration with MDAs (e.g. SLRA) where applicable; they

² Among the criteria to be covered in the assessment will be: the full staffing of all NYC core management functions; adequate staffing by experienced professionals in financial management, procurement, and contracts management; the performance of the NYC in managing funds and procurement; the monitoring and evaluation capacity of the NYC; the effective functioning and regular convening of the NYC's Board; the mobilization of planned Government funding for the operation of the NYC; and any other relevant factors.

will undertake the technical supervision of the works, and coordinate/provide training and short educational modules to contractors and groups in appropriate labour-intensive techniques, as required.

22. For all Ministries/Departments/Agencies (MDAs) involved in the component, a Memorandum of Understanding (MoU) will be signed between the appropriate MDA and NaCSA, detailing the key areas of responsibilities and fees to be paid for MDA services. Where appropriate, existing MOUs will be used.

23. Community Oversight Committees (COCs) will be responsible for smooth running of works activities in a locality. More specifically, they: (i) would oversee selection of beneficiaries; (ii) would monitor progress with the works; (iii) would monitor timely wage payments; and (vi) intervene and intermeditate in case of a dispute between the contractor and the workers.

24. Individual contractors (Youth Organizations/Groups, Local Artisans) will implement small projects identified and/or confirmed with communities, councils and other partners with close supervision from appropriate government agencies (such as SLRA and MAFS), and SOCEP/NaCSA field staff. Local youth representatives will help monitor project selection and implementation.

B.3 TARGETING AND PROJECT SELECTION

25. The process for targeting of communities, project selection, and selection of contractors and beneficiaries is detailed below and summarized in Table 1.

B.3.1 Selection of Communities

26. The program will be implemented throughout the country, but the financing is not sufficient to benefit every community in need. Therefore, a transparent and equitable process is needed to determine which communities will benefit from sub-projects. The process will be guided by the project's focus on targeting the benefits to unskilled youth in poor communities. The selection process of beneficiary communities will have four steps as described below.

- i. Available resources for the cash for work component will be divided among all 14 districts on the basis of the relative size of the population of the poor in each district.
- ii. Using available household survey, census, and administrative data as well as community-based comparative analysis, a composite poverty index consisting of population and relative poverty ranking of wards will be computed. This index is described in detail in Annex B.1.
- iii. Communities located within wards that are ranked in the bottom three quintiles (in order of priority from bottom to top) according to the index will then be eligible for support. These communities will be further sensitized on the CfW

(including the positive list of sub-projects) from which Letters of Interest (LOIs) will emerge.

- iv. LOIs will be sorted out based on the following criteria: i) Consistency with positive list of sub-projects; ii) Suitability of intervention in the locality and iii) Endorsement by a cross-section of the community (Youth Leader, Women's Leader and the Chief). The end result of the screening exercise will be a list of communities that will benefit from a sub-project under the component. The number of communities receiving sub-projects shall be determined by the total resources available divided by the average sub-project size. NaCSA field staff/offices will notify the communities/community leaders upon selection of their community, and inform/prepare them for a Participatory Poverty Assessment (PPA).

27. Each selected community will be entitled to one sub-project during the two year project implementation period. However, a community could benefit from an additional sub-project where it is considered imperative to maximize the impact of the first intervention e.g. rehabilitation of a road to an agriculture sub-project. This option will be restricted to 2.5% of total interventions and will be thoroughly reviewed to establish the absolute necessity of a second intervention (on a case-by-case basis).

28. Communities having benefited from a sub-project in the first two phases of the CfW program will generally be excluded from receiving support. However, where a previous beneficiary community is ranked in the poorest quintiles and this community requires an additional intervention (within the positive list) that will complement an earlier sub-project from phases one or two in order to maximize the impact of the previous intervention, some consideration could be given. This will be done on a case by case bases and limited to 2.5% of total interventions.

B.3.2 Selection of Sub-projects

29. Once communities have been informed of their selection for the program, a menu of works will be communicated to each targeted community via primarily outreach staff of NACSA/SOCEP and local councils. Radio programs, newspapers articles, and leaflet/brochures through NaCSA's Information and Communications Unit in collaboration with Youth Structures at district level will also be used to publicize the works menu. The menu will include works with a labor content of 60 percent or above and which can be classified as: (i) feeder road rehabilitation and maintenance; (ii) agriculture; and (iii) renewable energy and environmental mitigation (including solid waste management). Each targeted community will be invited to put forth labor intensive public works subprojects following the allowable typologies³.

³ The total portfolio of works is expected to be 60 percent road rehabilitation and 40 percent other types of projects. This proportional breakdown was determined in light of the experiences with the ongoing program and to increase the ratio of female beneficiaries through different types of projects. NaCSA staff will encourage selection of works projects which will encourage female participation and build in incentives to make non-road projects more attractive to local councils and communities. On a quarterly basis and in each district, the works portfolios to be approved will be reviewed to determine appropriate ratios of works typologies.

30. NaCSA field staff, MDAs and Local Councils (including Youth Committees Representative) will support/facilitate identification of sub-projects by stakeholders within the community through a PPA Process that will entail scanning of communities to collect information on: Demographic Data; Poverty Analysis; Social Map; Problem Identification; and Formation of Community Oversight Committees (COCs) as described in Annex B.2. Once sub-projects are identified, a Project Application Form (PAF) – (Annex B.3) will be filled and a detailed sub-project budget prepared. The application package endorsed by a male and a female youth representative and the chief will then be sent to a Project Approval Committee at regional level.

31. Packages will include a completed Environmental and Social Screening Form (ESSF), included in this manual as Annex B.4, which has been designed to assist in the evaluation of sub projects that are to receive funding from the project. The form is designed to place information in the hands of reviewers so that mitigation measures, if any, can be identified and/or that requirements for further environmental analysis be determined. The ESSF contains information that will allow reviewers to determine if endangered or threatened species or their habitat, protected areas or forest are likely to be present, and if further investigation is therefore, required. The ESSF will also identify potential social-economic impacts that will require mitigation measures and /or resettlement and compensation.

32. An appraisal and approval committee consisting of local council representatives from the relevant sector, youth representatives, SLRA or other MDAs depending on the type of works, and NaCSA will review sub-project application packages and select the works projects to be funded. The committee will approve sub-projects based on the following broad criteria:

- a. A minimum of 60 percent labor content in sub-project expenditures
- b. A convincing explanation on the socio-economic impact of the activity for the community
- c. A confirmation from the community that the activity will benefit at least 20 percent women for roads projects and 40 percent of women for other interventions
- d. Suitability of particular project types in specific geographical areas.
- e. Arrangements to ensure project sustainability, including maintenance.

33. In addition to the broad criteria indicated above, applications should meet the following technical criteria:

For Roads Projects:

- Length should not exceed five (5) km with focus on spot improvements and critical structures along the road; and
- A maximum of four (4) pipe-culverts or two (2) box-culverts is allowed per road.

For Agriculture Projects:

- All Forestation/Reforestation (tree-planting) projects should include establishment of a nursery and actual planting of trees to create better impact;
- In terms of crop production the following ceilings should not be exceeded: Groundnut & Cassava – 20 acres; Vegetables – 10 acres; Up-land & In-land valley swamps – 10 acres;
- Innovative initiatives such as animal husbandry could be included as an integrated farm management practice; and
- Cost-Benefit analysis to be done to determine profitability and/or sustainability of venture.
- Ownership of the land to be clarified as community owned and not individually owned
- Produce from harvest will be divided into three portions: one portion used for seeds/planting materials for next season; one portion for labour and tools; and one portion for distribution amongst group members.

For Renewable Energy/Environmental Mitigation Projects:

- Since this project typology is quite new/innovative with a potential for varying types of interventions, applications will be reviewed based on broad criteria set and any additional criteria that the approval committee may consider applicable.
- A consultant will be hired to provide specific technical guidelines on this typology

34. Documents to be used in the review include: Project Application Forms (PAF); ESSFs, and Matrix on sub-projects tendered for approval. A Certificate of Approval (COA) will be prepared and comments on individual sub-projects documented as the review progresses (Annex B.5). The COA will be signed in triplicate by members of the approval committee at the end of the meetings in each location. Minutes of the proceedings will also be taken and publicized immediately after the meetings via postings on local council bulletin boards, NACSA offices, and announcements in local newspapers.

35. Upon approval of sub-projects, the respective communities will be informed of approval of their project through the COC. For sub-projects in targeted communities that are not judged to meet these criteria, the committee will provide a written recommendation to the community advising which aspects of the proposal need to be improved or modified, and will provide the community with a reasonable time frame within which to submit a revised proposal. The committee will also take into consideration whether Local councils and appropriate MDA (at the district level) have confirmed work priority status and inclusion into district/MDA sustainability plan.

Table 1: Major Steps in Implementation of Component 1

Stage	Action	Responsible Entity
Selection of Communities	1. Allocation of resources among Districts by population of poor people	NaCSA
	2. Calculation of relative poverty index at ward level	NaCSA
	3. Sensitization of communities in poorest wards and submission of LOIs by interested communities	NaCSA/Communities
	4. Selection and notification of communities	NaCSA/ Local Councils
Project Selection	5. Identification of sub-projects and formation of COCs	NaCSA/ Local Councils/ MDAs/ Communities
	6. Preparation of Project Application Forms (PAFs) and budgets, and Environmental and Social Screening Form (ESSF)	NaCSA/ MDAs/ COCs
	7. Selection of sub-project proposals	Committee with Local Council, NaCSA, MDA, and youth representatives
	8. Issuance of a Certificate of Approval and notification to COCs	NaCSA
Contractor Selection	9. Preparation of short list from pool of known qualified contractors	NaCSA
	10. Selection of contractors in Quarters I and II	NaCSA in collaboration with Local Councils (a representative from the DPC)
	Selection of contractors in Quarters III to VIII	COC with support from NaCSA
Beneficiary Targeting	11. Determination of method for selection—lottery, “first come first served,” or rotation	NaCSA, Local Council, and COC
	12. Notification of potential beneficiaries about project, wage, selection criteria, and reporting time/date	NaCSA, Local Council, and COC
	13. Prospective beneficiaries report to worksite and those who are willing to work for project wage and meet selection criteria (age, proximity to site, one beneficiary per household) are selected based on agreed method from a pool of eligible individuals	COC with support from NaCSA and monitoring by youth advocacy groups
	14. In case of limited demand, beneficiaries will be selected on a first come first serve basis	COC with support from NaCSA and monitoring by youth advocacy groups

B.3.4 Selection of Contractors

36. In quarters I and II, NaCSA in collaboration with Local councils will select contractors out of a database of those which have already participated in the first and second phases of the cash for works program. The contractors will be allocated sub-projects in their locality. These will be trained and allocated a sub-project each for implementation. In subsequent quarters (III – VIII) following the contractor training in the first and second quarters of the program, trained contractors will be allowed to bid for the forthcoming works in their localities/districts. At this stage, the Community Oversight Committees (COC), with support from NaCSA/SOCEP, will oversee the selection of contractors in new intervention areas. The program will invite, through public announcements in local council offices and local radio programs, contractors (skilled private businesses and registered youth groups) to bid for the works. The successful contractors will be selected based on eligibility and qualifications for the works. The detailed eligibility criteria per category of contractor and guidelines for procurement of contractors are contained in Annex B.6.

37. The list of selected contractors in each district will be displayed in NaCSA and Local Council offices. Once selected, the contractors will be notified by NaCSA and will sign a contract with NaCSA following the model of contract agreement used for previous CfW projects. The contract agreement outlines the duties and responsibilities of the two parties involved in the administration of the contract and in the implementation of the sub-project financed by the contract. The contract agreement states the amount of the contract and describes in annex(es) the works(s) to be financed by the contract; it deals with works' implementation, disbursements, accounting, audit, conflict of interest, arrangement for future maintenance, termination of the contract, resolution of disputes, and sanctions for non-compliance (see Annex B.7 for the model contract). Works annexes (one annex for each CfW works project financed by the contract) are attached to the contract agreement. The contract will also stipulate the hiring of minimum 20 percent women for roads and 40% for other interventions as well as adhering to the 60/40 labor/capital ratio. Contractor's staff should not be paid out of project labour cost but included as part of contractor's fees. The cost of each contract will be approximately US\$ 18,000 and not exceeding US\$ 20,000 depending on the nature and scope of works.

38. In the contract agreement, NaCSA commits itself to transfer to the bank account of the contractor, the amount of the contract, in two installments: a first installment or initial advance of 50 percent of the contract and a second installment of 50 percent of the contract. The attachments to the "Request for Payment" forms for the second installment must include a "Status of Implementation Report" by the contractor accounting for at least 75% of the previous disbursement and justifying the expenditures.

39. In a contract agreement, a Contractor commits itself to:

- (i) Carryout the CfW projects with due diligence and efficiency and in accordance with sound technical, financial, managerial and environmental standards and practices, and maintain adequate records;

- (ii) Procure the goods, works and services required for the CfW projects in accordance with the guidelines for the implementation of the CfW project;
- (iii) Use the goods, works and services financed with the grant exclusively for carrying out the CfW project;
- (iv) Allow the procurement and accounting records, and works, goods and services to be inspected and verified by community members, NaCSA representatives/auditors, as well as by development partners representatives, and answer all questions asked by those same representatives and auditors; and
- (v) Submit to NaCSA the following reports on the contract and CfW projects: Status of Implementation Reports, beneficiary rosters, and Completion Reports.

40. The amount of a contract will be based on the estimated cost(s) of the CfW project(s) to be financed by that contract.

B.3.5 Targeting of Beneficiaries

41. The targeting of beneficiaries will aim to ensure that the safety net and income supplement provided by the component is directed to the maximum extent possible towards the most vulnerable youth in selected poor communities. To this end, a self-targeting mechanism will be used to secure participation of the neediest individuals in the program using the wage rate. The daily program wage rate will be set lower than the market wage for unskilled labor.⁴ A range will be adopted by the program to cater for variations between rural and urban areas.

42. In addition to the self-targeting mechanism, a number of eligibility criteria have been established to ensure fairness and the focus on youth:

- i. Beneficiaries must reside in the targeted communities, with priority given to the poorest sections in such communities.
- ii. Beneficiaries must be between the ages of 15 and 35.
- iii. Only one person from each household will be allowed to participate.

43. The program will target at least 30 percent participation by female workers. A minimum of 20 percent women should be hired for roads projects and 40% for other interventions. It is expected that the enforcement of the desired mix of project types will allow sufficient space for participation of women within the project. The contractors/NaCSA, SLRA and local council staff will help identify specific tasks for women on roads projects in order to help to meet the target.

44. In urban work sites, beneficiaries will be selected by lottery from a pool of eligible individuals who are willing to work for the wage rate. In rural areas, COCs will be asked to select from a menu of allowed methods of beneficiary selection – i.e. “first come first serve,”

⁴ A range of Le6,000 (US\$1.5) to Le7,500 (US\$1.9) will continue to be used as the daily wage rate which is thought to be sufficiently below the daily wage rate paid out on road rehabilitation projects and mining sites.

rotation, or lottery. In case of insufficient demand for participation in the program, beneficiaries will be selected on a first come first serve basis.

45. For each sub-project, the date, time, and location of beneficiary enrollment will be widely publicized through local radio, and on the public announcement board of the NACSA and local council offices with sufficient advance notice. The public announcements will provide information on the wage rate, approximate number of people to be hired per site, and the method of selection.

46. The COCs will oversee the process of beneficiary selection with support from NaCSA district offices and administer the lottery when and where necessary. Youth advocacy groups and youth representatives will act as observers to the beneficiary subscription process to ensure that the beneficiary eligibility criteria are adhered to and that the lottery is carried out fairly and transparently per project guidelines.

B.4 TRAINING

47. Two types of training will be provided: (i) contractor training on labor intensive public works (roads, agriculture, and environmental mitigation); and (ii) mentorship on money management and entrepreneurship. \$900 per sub-project has been set aside to cover the costs of the trainings.

B.4.1 Contractor training

48. *Contractor training* will be provided to Local Artisans' and 'Youth Groups' interested and capable of participating in the implementation of 'Feeder Roads Rehabilitation/Maintenance,' "Agriculture,' and 'Renewable Energy/Environmental Mitigation' type works as contractors across all 14 districts in the country. These will be selected from amongst those which have already participated in the program and performed well. A database of contractors exists in each of the districts. Two (2) sets of 34 contractors each (totaling 68) will be trained in the first two quarters of program implementation. An average of five (5) contractors will be trained per district.

49. Contractors will be selected for training based on the following criteria:

- Satisfactory Performance in earlier CfW sub-projects;
- Pre-qualification with NaCSA (availability in district data-base of contractors)

50. Training modules will be developed with ILO technical support on the three thematic labor intensive works areas: road rehabilitation and maintenance, agriculture, and renewable energy. In addition to training in technical aspects related to roads, agriculture, and environmental mitigation, the contractor training will also include modules on basic financial literacy and business development and management.

51. For contractors specializing in roads, contractor training will be provided by Local Consultants (e.g. retired SLRA staff) who have been previously trained by ILO on labor

intensive public works and who will receive a “training of trainers” course. An international expert will also train NaCSA and SLRA staff to be able to supervise and monitor the works.

52. Agriculture and environmental mitigation training will be provided by a Local Consultant(s).

B.4.2 Mentorship/entrepreneurship support package

53. *The mentorship/entrepreneurship support package* will target about 70 percent of all beneficiaries working on the projects and will include two elements: (i) orientation on the works; and (ii) guidance on saving and investing in a business. The package will aim to improve the economic literacy of the beneficiaries to assist them to create or improve their income generating activities. It will draw upon the knowledge base of the beneficiaries and accommodate their levels of numeracy and literacy and formal thinking skills.

54. The mentorship package will be built into the 50-75 days of work cycle of each sub-project. It is expected to be a total of up to 10 days with equivalent of 2-3 days of orientation in the beginning of the works, 2-3 days in the middle and 2-3 days at the end of the works. The sessions will be delivered during the implementation period of the works and as part of the work day to be adjusted according to the locality and needs of the beneficiaries. Beneficiaries will continue to receive the daily wage for the period. The sessions will be delivered in an interactive manner as thematic discussions utilizing real life situations. For sub-projects where the beneficiaries are selected using the lottery or ‘first-come-first-serve’ methods, mentoring will be provided as described above. However, for communities where rotation of beneficiaries is done, rotation should be organized such that each group is engaged in one time-period (stretch) so that the period of engagement is sufficient enough to allow for adequate mentoring. Alternatively and where applicable, mentoring can be provided at community level in order to capture all rotational groups in one (three meeting) session.

55. Delivery of the training will be contracted out to Consultancy Firm(s)/NGO(s). A detailed set of Terms of Reference (TORs) will highlight the requirements of the mentorship and entrepreneurship support package. Selection of the service providers will be done on a competitive basis.

56. Delivery of the package by the selected service provider in each district will be supervised by NaCSA district office staff which will also ensure strong coordination and communication between the service provider and contractors. The service providers for training will be responsible for providing monthly status reports to NaCSA on their implementation progress.

B.5 IMPLEMENTATION OF SUB-PROJECTS

57. Overall program monitoring and supervision will be the responsibility of NaCSA. Monthly reports will be collected from work sites via NACSA district and regional staff and will be compiled as quarterly reports to be submitted to the IPAU. The Community Oversight Committees (COCs) will be responsible for smooth running of works activities in a locality.

More specifically, they: (i) would oversee selection of beneficiaries; (ii) would monitor progress with the works; (iii) would monitor timely wage payments; and (vi) intervene and intermedate in case of a dispute between the contractor and the workers.

58. NaCSA and the appropriate MDA will sign an MOU for provision of technical support for CfW projects. The MDA will be expected to support NaCSA and contractors with technical supervision of the works, including preparation of valuation certificates.

59. Contractors will retain workers for maximum 50-75 workdays within a maximum project duration of three months (depending on the nature and scope of works).

60. Contractors are to submit to NaCSA satisfactory works progress report on a monthly basis and a completion report at most two (2) weeks after notification of completion of works. Both reports should cover physical achievements, finances, and procurement.

61. Local Councils, youth representatives and Civil Society will conduct independent and/or joint monitoring of sub-projects. Monitoring reports from such visits should be shared with NaCSA and explanations/clarifications sought on issues raised. Specifically, the youth representative should cross-check and endorses time-sheets (Annex B.8) on a weekly basis.

62. A hot-line will be established to enable members of the community and the general public report any incidents or complaints to NaCSA. NaCSA will take appropriate action to address such complaints as they are reported. Serious complaints (especially cases of financial malpractices) will be documented and reported to the appropriate authorities.

C. COMPONENT 2: SKILLS DEVELOPMENT AND EMPLOYMENT SUPPORT

C.1 BACKGROUND

63. This component will test approaches to support young individuals and youth groups who either have established businesses or are interested in pursuing business/employment opportunities through a package of technical assistance which will consist of technical training through apprenticeship schemes in the formal and informal sector, business development support and coaching, and other life skills. To this end, this component will support three (3) innovative approaches targeting specific segments of the population: (i) an intervention targeting urban youth with low levels of education; (ii) an intervention targeting urban youth with higher levels of education; and (iii) an intervention targeting rural youth. The interventions will be implemented by specialized NGOs, technical agencies and/or the private sector. Service providers will be selected based on their ability to scale up their existing programs or to introduce innovative training approaches based on proposals which reflect the Government's development priorities.

C.2 KEY IMPLEMENTATION PARTNERS

64. The component will be implemented by specialized NGOs, technical agencies and private sector (artisans, workshops, small businesses) contracted by the IPAU to provide training and employment support services. Youth advocacy groups will take part in monitoring project activities. Bi-lateral institutions may be identified to provide training services in specialized areas.

C.3 ELIGIBLE ACTIVITIES AND DESIRED OUTCOMES

65. Activities to be supported under this component will be selected based on a competitive process from among all qualified proposals received. The criteria on which the selection decision will be made are described below and will be detailed in the Request for Proposals.

66. *Desired outcomes of interventions.* Interventions will be selected on the basis of their potential to help the Project achieve its expected outcomes. Specifically, interventions will be judged based on their potential to ensure that: (i) at least 60% of beneficiaries will be employed or self-employed in the field of training six months after receiving support; (ii) there will be a statistically significant difference in terms of employment of beneficiaries compared to a control group; and (iii) the completion rate for beneficiaries in selected interventions will be at least 85%. Other important results expected from the selected interventions are detailed in Annex A.1.

67. *Scale and duration of activities.* Each proposal should serve a minimum of 2,500 and a maximum of 5,000 beneficiaries over 24 months. The training and employment support package will be provided in two rounds. The duration of each round is at most 12 months. The contract for the second round will be conditional on meeting the contract requirements which will include performance indicators specified in the Terms of Reference. This incentive is intended provide a clear signal to service providers of the importance of: i) providing training and employment support in areas for which labor demand exists; ii) making substantial efforts to facilitate the placement of graduates in employment; and iii) providing mentoring in complementary areas to beneficiaries to ensure their success. In order to allow the integration of lessons learned during the first round of training and employment support, this round will serve 40 percent of total number of beneficiaries, with the remaining 60 percent receiving training in the second round.

68. *Beneficiary profile.* The component will target young men and women ages 15-35, who are not currently in school. The three interventions will each target specific segments of the youth population, as follows: 1) Urban youth with low levels of education (none or some primary); 2) Urban youth with higher levels of education (completed primary to some secondary); and 3) Rural youth (all levels of education). Beneficiaries will be recruited by each service provider based on age, geographic location and educational criteria above mentioned, plus any other specific criteria required to fit the needs and characteristic of the proposed approach. Since there is expected high demand for training, the proposals should be explicit in the mechanisms used to attract people.

69. Applicants proposing interventions that would allow a female participation of at least 30 percent will be favored.

70. To ensure a sufficient pool of potential beneficiaries, the proposals should ensure to have a number of eligible beneficiaries at least 75 percent over the number of served beneficiaries included in the proposal. The final selection of beneficiaries should be done randomly. In this way, the possibility of assignment based on first-come first-serve basis which might create an unfair distribution of benefits will be ruled out.

71. *Areas of training.* The request for proposals issued to service providers will not specify ex ante the occupations in which training should be provided, although given the structure of the Sierra Leonean economy it is expected that most proposals will provide training and employment support in the area of agri-business and will have a strong focus on entrepreneurship. The decision of economic activities for training should be determined and justified by the service providers' detailed market analysis, should address specific labor market failures in economic activities that present opportunities for growth and that have sufficient dynamism to absorb low-skilled labor and that are of interest of the target population. All the proposals should take into account inputs from the private sector, expectations and interests of the target group, and national policies in the selection and design of the intervention package.

72. *Training approaches.* Depending on the target group, training and employment support packages will include a combination of the following elements: technical, entrepreneurship and business development, life skills. Training in entrepreneurship and business development may include bookkeeping, financial literacy, and banking, while training in life skills may comprise topics such as teamwork, problem solving, interpersonal communication, self-management, good work ethics, etc. Technical training is expected to be provided on the job and using an apprenticeship model. The specific content of each of these areas of training, as well as other areas (i.e. numeracy and literacy) should be designed to address the specific barriers for employment faced by each of the three segments of youth being targeted, as well as the specific economic activities in which they will be trained.

73. Depending on the training mechanism and the population targeted, a small stipend to facilitate access to the program will be considered in the package of intervention. The amount of the stipend will be fixed lower than the wage that beneficiaries would expect to earn if they would stay working instead of attending the training. In this way, stipends will not create incentives for people without the interest of pursuing a livelihood in the area of training to join the program, while still being enough to allow beneficiaries to attend the training.

74. *Training delivery.* Based on the lessons learned through previous youth employment interventions in the country, training should be preferably provided by small businesses/artisans, trained trainers and mentors. Specific training providers will be chosen by the successful candidate ("service provider"), based on past experience of pilot programs, and on mapping and interest of private and public sector firms and local or national agencies, in sectors which can demonstrate both market potential, and demand from beneficiaries. Technical skills training should rely on non-formal skills training through apprenticeship with master artisans, workshops and small businesses interested to participate in the program and private trainers in more

specialized areas. The “service provider” should have capacity to monitor the quality of the training and continuity of the training through monitoring visits and periodic follow-up discussions with the beneficiaries/trainees. Administrative costs for selected interventions are expected to be reasonable and commensurate with the actual costs incurred in implementation.

75. *Monitoring and Evaluation.* Proposals should include the design of a monitoring and reporting plan that would allow the IPAU to assess the performance of the proponent quarterly. Monitoring and reporting activities are the responsibility of the applicant and the associated costs for these activities should be included in proposal’s cost structure as an administrative expense. Since the purpose of this component of the project is to learn about skills development to enhance youth employability, an impact evaluation will be carried out to assess the effects of this type of interventions on the employability and livelihoods of the beneficiaries.

76. IPAU and YS/NYC will monitor implementation progress of programs carried out by contracted service providers, and will collect and validate results data generated by service providers. Each implementing partner will be responsible for providing monthly progress reports to the IPAU and YS/NYC.

C.4 PROCESS FOR SELECTION OF IMPLEMENTING PARTNERS

77. This component will contract service provider(s) on a competitive basis using quality and cost-based selection (QCBS) based on the criteria described in Section 3.3 which will be formulated into Terms of Reference. While only one “lead” service provider will be selected to implement the three interventions targeting different beneficiary groups, the prospective service providers are encouraged to partner with other agencies/institutions to assist in the implementation of the proposed interventions.

78. The procurement process will follow the guidelines agreed under the Financing Agreement signed between Ministry of Finance and Economic Development and the World Bank, and the procedures set forth in the World Bank Project Appraisal Document (PAD). The process will follow the following steps:

- 1) Preparation of three TORs covering each target group and invitation(s) for Expressions of Interest (EOI) by IPAU in coordination with the YS/NYC, subject to the non-objection of IDA;
- 2) Receipt of Letters of Interest (LOI) from prospective service providers;
- 3) Formation of an Evaluation Panel composed of technical level staff from IPAU, the National Youth Commission secretariat, and other relevant Ministries, Departments, and Agencies (MDAs), subject to the non-objection of IDA;
- 4) Preparation of a shortlist with a maximum of six service providers in each of the three intervention areas, subject to the non-objection of IDA. Prospective service providers may appear on more than one shortlist;

- 5) Issuance of a Request for Proposals to prospective service providers on each of the three short lists, subject to non-objection of IDA;
- 6) Submission of technical and financial proposals to IPAU by prospective service providers;
- 7) Depending on the technical qualifications of the Evaluation Panel under (iii) above, the same panel or new panel(s) will be designated to evaluate the technical proposals, subject to non-objection of IDA;
- 8) The panel(s) evaluate the technical proposals based on the criteria in the ToRs and submit the evaluation to IDA for non-objection;
- 9) All proposals with scores greater than 75 on the technical evaluation will qualify to move on to the financial evaluation. IPAU will open the financial proposals and calculate the combined scores for the remaining proposals, based on a weighting of 80% for the technical aspect and 20% for the financial aspect. IPAU will submit a combined technical/financial evaluation report to IDA for non-objection together with a draft contract.
- 10) IPAU will award one year contracts, renewable for a second year upon achievement of performance targets, to the winning bidder(s). The contracts will specify the obligations of IPAU and the service providers vis-a-vis each other. They will include clauses on terms of extension related to performance, contract deliverables, termination and dispute resolution.

79. The IPAU may also contract specialized agencies to provide specialized training and act as trainers of trainers to selected implementing partners.

D. COMPONENT 3: INSTITUTIONAL SUPPORT, POLICY DEVELOPMENT, AND IMPACT EVALUATION

D.1 BACKGROUND

80. This component seeks to provide support to strengthen the Government's institutional capacity to develop, coordinate, supervise, monitor, and evaluate youth programs. This support will aim to (i) ensure effective supervision, monitoring and evaluation of the youth interventions supported in this Project; and (ii) to provide more generalized support to help the nascent NYC to fulfill its institutional mandate. In particular, the Project will aim to assist the Commission's capacity to fulfill its role with respect to the:

- 1) coordination of programs managed by public and private implementers in the area of youth employment support to ensure synergies and prevent overlap,

- 2) provision of policy guidance to ministries, agencies, Local Councils, and other institutions active in the sector, and
- 3) coordination of the dialogue between branches of government and donors, and active mobilization of resources from the private sector, foundations, and multilateral institutions.

D.2 KEY IMPLEMENTATION PARTNERS

81. The Component will be implemented by the YS/NYC with administrative support from the IPAU for the subcomponent on Institutional Support and Policy Development and by the NGOs or firms contracted by IPAU for the subcomponent on Impact Evaluations.

D.3 SUB-COMPONENT 3.1: INSTITUTIONAL SUPPORT AND POLICY DEVELOPMENT

D.3.1 Institutional Support

82. *Purpose and Types of Activities to be Supported.* The Project will provide financial and technical support to help the National Youth Commission (NYC) to fulfill its mandated role. This can include building capacity in the Youth Secretariat that will be absorbed into the NYC once operational.

83. The Project will also enable key ministries and agencies (including finance, labor and employment, agriculture, trade and commerce and education, youth and sports) to provide technical inputs into project implementation and overall implementation of the GoSL youth agenda. It will ensure that the youth councils and/or youth representatives in the local councils are enabled to actively participate in the implementation and monitoring of Project initiatives. In addition, it will ensure that through learning events and discussion forums, District Youth Committees (which include local youth groups and advocacy organizations) are informed about the program and are invited periodically to provide feedback in program implementation.

84. *Procedure for Selection of Activities to be Supported.* Capacity development and/or implementation support activities/expenses included in annual work plan will be eligible to be supported under this sub-component. The YS/NYC will develop a list of activities to be supported and ensure that they are included in the project annual work plan. The annual work plan will be discussed with and endorsed by the Technical Steering Committee and will have the non-objection of IDA.

D.3.2 Policy Development

85. *Purpose and Types of Activities to be Supported.* The sub-component on Policy Development will assist the GoSL to develop policy responses in various issue areas through further analytical work on labor markets, skills certification and other, monitoring and evaluation of existing programs and setting up of systems to assist in the identification and follow-up of beneficiaries. The component will also finance knowledge management and learning events to promote the interests of youth.

86. *Procedure for Selection of Activities to be Supported.* The YS/NYC will have responsibility for issuing calls for proposals for analytical work, knowledge sharing or learning events to key ministries and agencies involved in the youth sector. Each proposal will have an advertised ceiling. The YS/NYC will assess the quality of the proposals and approve for funding, with the non-objection of IDA. IPAU will handle all transfers of funds and fiduciary oversight related to these proposals.

87. *Dissemination of findings and organization of learning events.* The Youth Secretariat or NYC will be responsible for the organization of learning events to share the results and lessons learned from the skills development and employment support interventions and the cash for works program. At least two events per year will be organized to facilitate knowledge sharing and improvements to ongoing programs where needed.

D.4 SUB-COMPONENT 3.2: IMPACT EVALUATION

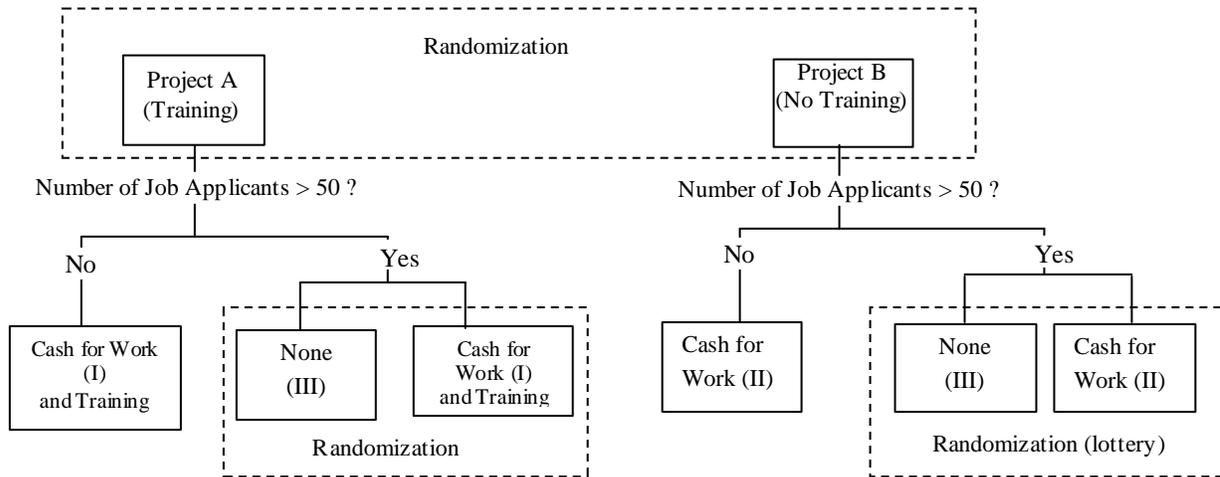
88. Two impact evaluations will be carried out around the cash for works and skills development and employment support components. The evaluations will measure program impact on income, employment, food consumption and selected other welfare indicators. Impact evaluations will be contracted out by the IPAU to specialized service providers.

D.4.1 Impact Evaluation of Labor Intensive Cash for Works Component

89. The main purpose of the evaluation of the cash for works program is to analyze whether or not the short term training added to a public works program makes a difference in terms of the employability and livelihood of beneficiaries. The knowledge acquired from this type of program will help the design of future public works programs.

90. The evaluation of the Cash for Works Program includes the randomization of training at the level of the project (Figure 2). In this Figure all the beneficiaries of Project A receive training; whereas the people employed by Project B will not receive training. As part of the evaluation the Project will collect baseline data of beneficiaries of Projects A and B as well as data of a follow up six months after leaving the Program. Additionally, the use of lotteries to assign benefits if the number of job applicants is greater than the number of jobs available per project creates a third group of individuals who did not receive any type of treatment. In summary, the design includes three groups: cash for works and training (group I), only cash for works (group II) and no cash for works and no training (group III).

Figure 2: Cash for Works Program



D.4.2 Impact Evaluation of Skills Development and Employment Support Component

91. The evaluation of this component of the project seeks to have a better understanding of the effects of entrepreneurship/business development programs on the well-being of beneficiaries measured by income, consumption and other welfare indicators.

92. The type of interventions included as part of this component will be selected through a competitive process (i.e. “Request for Proposals”) based on defined Terms of Reference. The impact evaluation design will be based on the randomization of treatment. In order to allow for the randomization of beneficiaries, the implementing partners should ensure to have a number of eligible participants at least 75 percent over the number of served beneficiaries included in the proposal. For example, if a training provider will train 1,000 youth per cycle (2,000 over two cycles), the provider should ensure to have a number of eligible youth greater than or equal to 1,750 people per cycle. If the provider uses interview or an exam as mechanisms to screen beneficiaries, the number of eligible beneficiaries is different from the number of applicants; otherwise, the number of eligible individuals and the number of applicants are the same. In order to select the beneficiaries a lottery should be carried out among the 1,750 people for each training cycle. In this example, the number of people in the treatment group is equal to 1,000 and the control group is composed by 750 people.

93. The evaluation will collect baseline data and a follow up after 6 months the program finishes. In order to make sure that people in the control group will be willing to participate in the follow up, the evaluation team will provide monetary incentives.

D.4.3 Selection of Service Providers for Impact Evaluations

94. The process will follow the following steps:

- (i) Preparation of TORs for each of the two impact evaluations and invitation(s) for Expressions of Interest (EOI) by IPAU in coordination with the YS/NYC, subject to the non-objection of IDA;
- (ii) Receipt of Letters of Interest (LOI) from prospective service providers;
- (iii) Formation of an Evaluation Panel composed of technical level staff from IPAU, the National Youth Commission secretariat, and other relevant Ministries, Departments, and Agencies (MDAs), subject to the non-objection of IDA;
- (iv) Preparation of a shortlist with a maximum of six service providers for each of the two impact evaluations, subject to the non-objection of IDA. Prospective service providers may appear on more than one shortlist;
- (v) Issuance of a Request for Proposals to prospective service providers on each of the two short lists, subject to non-objection of IDA;
- (vi) Submission of technical and financial proposals to IPAU by prospective service providers;
- (vii) Depending on the technical qualifications of the Evaluation Panel under (iii) above, the same panel or new panel(s) will be designated to evaluate the technical proposals, subject to non-objection of IDA;
- (viii) The panel(s) evaluate the technical proposals based on the criteria in the ToRs and submit the evaluation to IDA for non-objection;
- (ix) All proposals with scores greater than 75 on the technical evaluation will qualify to move on to the financial evaluation. IPAU will open the financial proposals and calculate the combined scores for the remaining proposals, based on a weighting of 80% for the technical aspect and 20% for the financial aspect. IPAU will submit a combined technical/financial evaluation report to IDA for non-objection together with a draft contract.
- (x) IPAU will award contracts to the winning bidder(s). The contracts will specify the obligations of IPAU and the service providers vis-a-vis each other. They will include clauses on terms of extension related to performance, contract deliverables, termination and dispute resolution.

E. FINANCIAL MANAGEMENT

E.1 OVERALL PROGRAM FINANCIAL MANAGEMENT

95. Responsibility for the overall financial management of the YESP will rest with IPAU. The IPAU will be the contact point for the IDA and will organize overall Program financial management, including arrangements for audits. NaCSA will handle day to day financial management of Component 1, reporting regularly to IPAU. An external auditor, acceptable to the Bank, will be engaged by IPAU for the entire project under TOR acceptable to the Bank.

E.1.1 Planning and Budgeting

96. Preparation of Annual Work Plans and Budgets (AWPB) will be coordinated by IPAU with the participation of NaCSA and YS/NYC and will require a non-objection from IDA based on the project's policy guidelines. The AWPBs will be prepared on a participatory basis, and will be approved before the start of each new financial year. The financial aspects of the AWPBs will be monitored during Project implementation using unaudited Interim Financial Monitoring Reports (IFRs). An effective Budgeting Committee will also be set up to coordinate the four components budgetary activities.

E.1.2 Disbursements

97. Two Designated Bank Accounts denominated in US dollars will be opened for the Program. Payments for relevant Project expenditures will be paid from these accounts. The first, managed by NaCSA, will be used for activities under component 1 of the project; the second, managed by IPAU, will be used for activities under components 2 and 3 of the project. Initial Designated Account ceilings will be based on four-month cash-flow forecasts and an approved work plan and budget.

98. IDA will process withdrawal applications and deposit an advance in the Project's Designated (Special) Accounts. Subsequent withdrawal applications will be made at regular intervals, following approval of progress and accountability reports, work plans, and budgets. Funds from the Designated Accounts can be used to pay Project expenditures if denominated in foreign currency, or by direct payment, where applicable. Local currency transactions will be debited to the designated accounts using the prevailing exchange rate at the date of each transaction.

99. Both the NaCSA & the MOFED IPAU financial management and accounting systems will facilitate SOE-based disbursement. Other methods of disbursement include the use of direct payments to suppliers and special commitments. If ineligible expenditures are made from the Designated Account, the Borrower is obligated to refund the same.

100. If a Designated Account remains inactive for more than six months, the Borrower may be requested to refund to IDA the amounts advanced to the Designated Account. IDA has the right, reflected in the Financing Agreement, to suspend disbursement of funds if reporting requirements are not met.

E.1.3 Financial Reporting

101. The two implementing entities will maintain books of accounts similar to those for other IDA-funded projects. Books of accounts specifically for this Project will be set up and will include a cash book, ledgers, journal vouchers, a fixed asset register, and a contracts register. A chart of accounts will be drawn up for the Project, in which the account codes will match the classification of expenditures and sources and application of funds indicated in the Financing Agreement. The chart of accounts will be developed in a way that will allow Project costs to be directly related to specific Project activities and outputs. The books of account will be maintained on the computerized accounting system on the two parallel platforms (Sun accounting software of NaCSA & that of the MOFED IPAU), in order to ensure accurate processing and reporting the use of funds in a transparent, timely manner as well as safeguarding of the projects assets.

102. The MOFED IPAU will be responsible for the overall coordination of preparation & submission of the consolidated, quarterly Interim Financial Report (IFR) and annual Audited Financial Report to IDA within 45 days after the end of each quarter to monitor the use of Project funds.

103. Formats for these reports are included as **Annex E.1** to this manual. The information in these reports will be clearly linked with the chart of accounts for the Project. The following quarterly IFRs and annual Financial Report will be produced by the Project:

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

104. The financial statements should be prepared in accordance with International Public Sector Accounting Standards (which inter alia includes the application of the cash basis of recognition of transactions). The IDA Financing Agreement will require the submission of audited financial statements to the Bank within six months after the end of the financial year. These Financial Statements will comprise:

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

with the intended purposes as specified in the relevant World Bank legal agreement.

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

E.2 SPECIFIC FINANCIAL MANAGEMENT PROCEDURES FOR COMPONENT 1

E.2.1 Banking

106. **Opening the Bank Account.** Once a community sub-project is approved, the District Coordinator will prepare and send an introduction letter to the bank of the Contractor's choice in cases where banks exist in the District and the Contractor does not maintain a bank account already. The letter will notify the bank that the Community's project has been approved for NaCSA funding and request the bank's assistance in establishing a current bank account for the sub-project. The Contractor Partner (IP) will then open the bank account for the sub-project and advise the District Office accordingly. Once the account is opened, the DC should ensure that the first tranche is paid after the signing of the contract of works. However, the bank should be made aware that disbursement to this account would only commence after the official launching of the sub-project upon advice from the district office.

107. **Preparing Community Sub-Project Financing Agreement.** As soon as the basic prerequisites have been met by the Community for launching the sub Project, the District Coordinator will draw up the NaCSA-Community Contract for Works document and send it to the Contractor for signing and then later by the DC on behalf of the Commissioner. The Contract will be in three copies, and it represents the contract between NaCSA and the Community.

108. The Financing agreement specifies the following:

- NaCSA's contribution to the sub-project;
- Agreement of the Contractor to represent the community.
- The community's agreement to carry out the sub-project in accordance with NaCSA's procurement, financing and management requirements.
- The total value of the sub-project and disbursement schedule;
- NaCSA's right to inspect individually or jointly with other agencies, sub-project sites, work, quality of materials as well as relevant documents pertaining to the sub-project;
- NaCSA's right to terminate or suspend sub-project implementation as a result of mismanagement or poor compliance;
- Time frame for the commencement and completion of the sub-project which should not exceed 2 consecutive months;
- The obligation of Contractors to report regularly on the progress of sub-project implementation to NaCSA;
- A penalty clause;
- Approved Sub-project budget

109. **Sub-Contract Agreement.** The Contractor/IP may enter into sub-contract agreements with suppliers for goods and services.

110. **Launching of Sub-project.** The contractor in consultation with the District office, will draw up a programme for the launching ceremony. The District Coordinator will facilitate the representation of the resident line ministries and the District Council. The programme will include the objectives of the launching, the issue(s) to be reviewed with the entire community and a review of the Financing Agreement/Contract, indicating obligations of the Community and NaCSA. This is to ensure that the Community is fully aware and thoroughly informed of project implementation requirements and of the Contractor's accountability to them.

111. At the completion of all formalities, the Contractor and District Coordinator will sign all three copies of the Agreement and it will be witnessed by the Contractor's associate and the Councilor, representing the ward in which the community belongs. Once the Contract is signed, the DC or his/her representative will present a symbolic cheque for the first payment. One copy of the contract will be kept at the Community, one at the District office, and one in the Finance Directorate's file at Headquarters (HQ).

E.2.2 Disbursement

112. **Disbursement from Headquarters to Regional Offices/District Offices.** District offices already maintain imprest accounts for operations, with the District Coordinators as "A" signatories and Engineers/COs acting as "B" signatories. The Finance Directorate at HQ will continue to replenish these accounts so that facilitation of sub-project activities are on course. Subsequent replenishments will be made upon request from individual district offices supported by a full 70% retirement report of the disbursement of the preceding advance.

113. **Disbursing to Communities—Responsibility for Disbursement.** Disbursement to communities will be done directly by HQ based on approved sub-project requests and disbursement schedules. All sub-project disbursements will be made through the Contractor's bank account in two parts. The first disbursement of 50% will be provided immediately after the project has been launched and signing of the FA/COW. This should enable them purchase and transport large quantities of materials in order to speed-up implementation and avoid seasonal constraints such as heavy rains. The balance 50% will be disbursed after taking into consideration, the physical state of accomplishment as verified by the District Officer. All requests for disbursement will be raised by the Contractor. The Contractor must submit the first request or invoice for the 50% of the contract price after signing of the Contract and the request for the balance 50% must be supported by adequate reports accounting for at least 70% of the previous disbursement. Such requests will be endorsed by the District Coordinator and forwarded to the Regional Coordinator together with a Trek Visit Report on the status of project implementation prepared by the District Office.

114. **Disbursing to Communities—Reports and Expenditure Justification.** The Contractor must attach a financial report & progress report (technical report) to the Request for replenishment Form provided. Following receipt of the Reports, the Finance Officer at HQ will examine the report on the basis of the following:

- 1) **Completeness.** The Reporting form should be filled completely, signed by the Contractor, endorsed by the District Coordinator, reviewed by the Engineer and approved by the RC. The Contractor does not have to submit original receipts for individual financial transactions with the reports but they are required to keep all original receipts at the community level for verification by the district officials, donors and auditors. Only copies of the source document must be submitted with the report. The following checks will be carried out on the report submitted:
 - The report should be dated;
 - The amount of funds received, payments made and remaining fund balance (not spent) must be indicated in the report;
 - The arithmetical accuracy of the financial report must be ascertained
Total expenditures recorded in the financial report for each budget line must agree with the supporting documentation attached.
 - Expenditures reported in the financial report must reflect the accomplishment level indicated in the technical report.
- 2) **Internal Financial Consistency.** The statement of expenditures on the report form should tally with the documentation of expenditures attached as supporting documents.
- 3) **Procurement Justification.** NaCSA standard prices for the location and time of purchase should have been followed. Expenses for transport and administration often do not have standard prices, but these should be reviewed and must be reasonable when compared to the budgeted amount.
- 4) **Consistency with the Sub-Project.** Reported expenditures and purchases should be reasonably consistent with the sub-project components and bills of quantity. The materials, labour and other expenditures should be within the plans for the sub-project when compared to the bills of quantities and prior sub-project progress reports. The cumulative level of expenditures should be at least roughly consistent with the reported physical progress of the project.
- 5) **Consistency with Other Reports.** If there are other reports, such as supervision trek reports in the project file, these should be consulted to see if there are inconsistencies or problems with the project which would influence justification for disbursement of the next tranche.

115. If the District Officer finds no significant problems or discrepancies in the examination of the progress report, he/she signs the report which is countersigned by the Regional Coordinator and places it in the project file (with a copy and the original supporting documents sent to the Finance Directorate). If significant discrepancies or problems are found, a separate form is prepared, detailing these discrepancies and the file is referred to the Regional Coordinator for action or for referral to the District Coordinator. The SOCEP director should be informed of such significant discrepancy by the Regional Coordinator in writing. It is the responsibility of the Finance Officer to determine if the community has used 70 percent of its previous disbursement and so is eligible for the next (second) disbursement. If 70% of the previous disbursement has been expended based on the report, and no problems are found on justification, the report is submit to HQ Finance unit for Disbursement.

E.2.3 Accounting Records and Record Keeping.

116. **Record Keeping.** The Contractor will keep records of all expenditures involved in the implementation of the sub-project following the approved budget lines. Expenditure will be entered in a chronological order in a record book and invoices and other evidence of expenditure will be filed and maintained for a period of six years after completion of the sub-project.

117. **Accounting Records.** The contractor will allow NaCSA representatives or its auditors as well as World Bank IDA representative to verify these records and answer questions ask by such representative on records.

E.2.4 Financial Management Systems and Procedures at Community Level

118. The Procedures at community level are to be as simple as possible and it is important to maintain some basic records following acceptable standards. In the event that all of the preferred contractors are illiterate, the Contractor will be required to co-opt someone literate to help maintain financial records. The Contractor must present detailed financial reports to the community at monthly meetings and people are free to inspect the reports and express their views or concerns. These concerns must not be suppressed by the Contractor. The Contractor should also post the report on a community notice board close to the project site for all to see. Minutes of these meetings must be prepared, signed and maintained.

119. **Contractor's Financial Documentation.** Contractors are expected to maintain the following documentation:

- Keep cheques stubs, returned cheques and bank statements;
- Maintain a sub-project cashbook to account for all expenditure of not more than five hundred thousand Leones;
- Maintain a stock register to record materials kept for more than one or two days before use;

120. **Financial Accounting.**

- **Cash Book.** The Contractor should maintain a cashbook for entering all moneys received and payments made either by cash or by cheque. Every cheque must be entered as an item by cheque number (numerical sequence). The expenditure items to be used in all projects are materials, materials transport, labour, project administration, tools and others.
- **Petty Cash Book.** The Contractor must maintain a petty cashbook in which all expenditures paid in cash are entered. The petty cashbook should also be used for recording small cash payments made to individuals on project business.
- Contractors are encouraged to make use of cheques in as much expenditure as possible. In cases where cheques cannot be accepted, the Contractor should only withdraw cash restricted to the amount that is required.

- **Bank Statements.** The Contractor should from time to time request the bank to issue bank statements to enable them examine transactions and compare with the cash book entries to ensure the accuracy and completeness of the records.
- **Bank Location.** It is recommended that where possible, the project bank be in the same locality as where most purchases will be made to avoid the dangers of carrying large amounts of cash over long distances or keeping them overnight.
- **Receipts, Vouchers, etc.** Any person making cash contributions from the community for the project should be issued cash receipt by the Contractor and a copy retained.
- **Others.** Any other evidence of how purchases were made or expenses incurred, such as LPOs, etc. should be kept as part of the records.

121. **Financial Monitoring.** Community sub-projects must be audited periodically by NaCSA and external auditors.

122. **NaCSA Monitoring.** Apart from monitoring undertaken by the programme division and monitoring and evaluation unit, financial monitoring must be undertaken given the fiduciary risks involved in the disbursement of funds into various communities throughout the country. Financial and technical monitoring must be linked in order to allow NaCSA to compare community expenditures against the level of accomplishment. The internal control officer will take the leadership in this but will work closely with the district office. The internal auditor will conduct regular internal audits of community accounts and report to management.

123. **External Audit.** A competent independent auditing firm will be contracted to audit the programme and will comment on community financial management systems in its report to management

F. PROCUREMENT

124. The National Public Procurement Authority and the IPAU retain monitoring responsibilities for all procurement undertaken within the Program. Procurement functions associated with Component 1 will be carried out by NaCSA, under the overall supervision of IPAU. Procurement associated with Components 2 and 3 will be the responsibility of IPAU. The Procurement Officers of the implementing agencies will be responsible for ensuring that agreed-upon procedures are followed and requisite reports are submitted on time.

125. Procurement for the YESP will be carried out in accordance with the World Bank's "Guidelines: Procurement under IBRD Loans and IDA Credits", revised in October 2006; "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" revised in October 2006; and the provisions stipulated in the Legal Agreement. National Public Procurement Act 2004 (NPPA-04), enhanced with new Regulations and Manuals, is generally compatible with World Bank procedures and is to be used to manage YESP procurement. For each type of contract to be financed by the YESP, and specified below, the different procurement methods (consultant selection methods, the need for pre-qualification, estimated costs, prior

review requirements and the timeframe) must be agreed upon between the GoSL and the World Bank in the annual Procurement Plan. The Procurement Plan will be updated at least annually or as required to reflect the actual project implementation needs and improvements in institutional capacity.

126. **Procurement of Works.** Works to be procured will include public works programs which will provide short term employment to young people through rehabilitation and/or improvement of key economic infrastructure and/or other priority public works. The works will be chosen from amongst three areas: road rehabilitation and maintenance; agriculture; and renewable energy/environmental management. The procurement will be done using simplified bidding documents or standard Request for quotations agreed with or satisfactory to the Bank.

127. To facilitate project implementation and quick delivery of results, no objections will be given by the Bank, where appropriate, to the application of the following: Using rapid procurement methods (direct contracting *or* simple shopping) for engaging the services of qualified Agencies or civil works contractors already mobilized and working in the project areas; Using lists of pre-qualified contractors with good track record to whom periodic invitations are issued; extending contracts issued under existing projects for similar activities by increasing their corresponding contract amounts; where alternative arrangements are not available, using Force Account for delivery of works services directly related to the project objective; Using Community Participation in Procurement approach acceptable to the Bank; and using NCB, accelerated bid times not below 21 days, and streamlined procedures and applying Bank provisions on the use of bid-securing declarations and the elimination or waiving of bid bond or, bid securities for small contracts.

128. **Procurement of Goods.** Goods procured under the project would include vehicles, motorcycles, computers and peripherals, items of office furniture and equipment and stationery.

129. To facilitate project implementation and quick delivery of results, no objections will be given by the Bank, where appropriate, to the application of the following: Using rapid procurement methods (direct contracting or simple shopping) for engaging the services of qualified Agencies/ suppliers of goods; Using NCB, accelerated bid times not below 21 days and streamlined procedures and applying Bank provisions on the use of bid securing declarations and the elimination or waiving of bid bond or bid securities for small contracts. Alternatively, goods may also be procured from UN Agencies (e.g., UNOPS – United Nations Office for Project Services) provided that such a contract does not exceed US\$200,000 for each type of goods.

130. **Selection of Consultants and Service Providers.** Consultancy services to be provided will take the form of Packages of interventions which will be selected through a competitive process (i.e. “Request for Proposals”) based on defined Terms of References (TORs) and implementation guidelines. Drawing on lessons learned from previous youth employment interventions in the country, training should preferably be provided by established entrepreneurs, trained trainers and mentors. Training providers will be chosen by the selected project implementing agencies, based on past experience of pilot programs, and on mapping and interest of private and public sector firms and local or national agencies, in sectors which can demonstrate both market potential, and demand from beneficiaries. The selection process will

also include the hiring of individual consultants to provide TA and training, NGOs to manage the implementation processes on the ground, and firms to provide necessary inputs.

131. The project has been classified as a rapid response program where, in conjunction OP 8.00, Accelerated and Streamlined Procedures may apply to improve the flexibility, speed, and effectiveness of the Bank’s emergency response. The use of a “pool of experts” or a list of ‘pre-selected’ consulting firms/service providers and/or individuals may be an appropriate method for supporting project implementation. Firms and NGOs already working in the area and which have a proven track record in similar assignments could be selected through Consultants’ Qualification Selection (CQS) method. No-Objection will also be given for sole-sourcing (single-sourcing) of consulting firms/service providers, where this presents a clear advantage over competition.

132. Short lists of consultants for services estimated to cost less than US\$100,000 equivalent per contract may be composed entirely of national consultants in accordance with the provisions of paragraph 2.7 of the World Bank Consultant Guidelines. Consultancy services estimated to cost above US\$100,000 per contract for firms, and single source selection of consultants (firms, UN agencies and individuals) will be subject to prior review by the Bank.

Table 3: Thresholds for Procurement Methods and Prior Review

No	Expenditure Category	Contract Value Threshold (US\$) subject to periodic revision	Procurement Method	Contracts Subject to Prior Review (US\$)
1	Goods and Services (other than Consulting Services)	C ≥ 500,000	ICB	All Contracts
		50,000 = < C < 500,000	NCB	Specified contracts as would be indicated in the PPs
		C = < 200,000	UN Agencies (UNOPS)	
		C < 50,000	Shopping	None
		All values	Direct Contracting	All Contracts
2	Consulting Services	C ≥ 200,000 firms	QCBS	All Contracts
		100,000 = < C < 200,000 firms	QCBS, FBS, CQS	All Contracts

		C<100,000	CQS, FBS, LCS (for Audit)	Only TORs
		C>=50,000 individuals	IC	All contracts
		C < 50,000 individuals	IC	TOR
		All Values	Single Source Selection	All Contracts
3	Training, Workshops, Study Tours	All Values	To be based on Annual Work Plan & Budgets	

133. **Exceptions to National Competitive Bidding Procedures.** The following provisions shall apply to procurement under National Competitive Bidding procedures: (a) foreign bidders shall be allowed to participate in National Competitive Bidding procedures; (b) bidders shall be given at least 28 days to submit performance securities; (c) no domestic preference shall be given for domestic bidders and for domestically manufactured goods; and (d) in accordance with paragraph 1.14(e) of the Procurement Guidelines, each bidding document and contract financed out of the proceeds of the Financing shall provide that: (i) the bidders, suppliers, contractors and subcontractors shall permit the Association, at its request, to inspect their accounts and records relating to the bid submission and performance of the contract, and to have said accounts and records audited by auditors appointed by the Association; and (ii) the deliberate and material violation by the bidder, supplier, contractor or subcontractor of such provision may amount to an obstructive practice as defined in paragraph 1.14(a)(v) of the Procurement Guidelines.

134. **Training and Workshops.** Training will be carried out on the basis of approved programs on a yearly basis. The programs will identify the general framework of training and similar activities for the year, including the nature and objectives of training and workshops as they relate to the project objectives.

135. **Incremental Operation Costs.** The project will finance incremental recurrent expenditures incurred by the implementation agencies, including office supplies, fuel and maintenance of vehicles, maintenance of equipment, field allowances, DSAs, telephone and other communications charges but excluding salaries of officials of the Borrower's civil service (unless expressly agreed upon with the Bank, based on the Country Financing Parameters). They will be procured using the implementing agency's administrative procedures reviewed and found acceptable to the Association.

G. ENVIRONMENTAL AND SOCIAL SAFEGUARDS

136. The activities to be supported under this project could have environmental and/or social impacts, but the nature of these impacts is expected to be such that harmful effects can be mitigated or avoided altogether. Since the project triggered four World Bank safeguards policies (i.e. those on Involuntary Resettlement, OP/BP 4.12, OP/BP 4.09 Pest Management, OP/BP 4.01, Environmental Assessment and OP/BP 4.04 Natural Habitats), the Government of Sierra Leone has prepared and disclosed an Environmental and Social Management Framework (ESMF), a Resettlement Policy Framework (RPF), and a Pest Management Plan (PMP).

137. The ESMF addresses the national legal, policy, and administrative framework and the World Bank's requirements on safeguards and description of environmental and social baseline conditions. The ESMF discusses the potential social and environmental impact and the screening processes for identifying these impacts. It outlines mitigation and safeguard measures and principles, implementation and management arrangements under Component 1 (Cash for Works) and Component 2 to ensure an aversion or minimization of impacts before, during and after sub-project implementation.

138. In the event that involuntary resettlement, land acquisition, or restriction of access to land would be unavoidable in the implementation of the project, the RPF establishes the resettlement and compensation principles, organizational arrangements and design criteria to be applied to meet the needs of the people who may be affected by the project. It sets out the legal and administrative framework which includes the system of land ownership and tenure system and the socio-economic characteristics of beneficiary districts. It also details the consultation processes, the eligibility criteria and the methodology for valuation of assets and a clear entitlement policy and compensation payment processes. The RPF has sections on organizational arrangements for implementation and monitoring and a template for the design of a resettlement action plan. The project will prepare a resettlement action plan or an abbreviated resettlement action plan if it becomes necessary during implementation. The RPF also outlines measures for building the capacity of officials required for implementing the RPF.

139. Under component 2 the project will invest in agricultural production for youth and will specifically focus on training, as well as the provision of agricultural inputs such as tools, seeds, etc. Other inputs, such as pesticides, may be financed and for that purpose, a pest management plan has been developed and disclosed. The aim of the PMP is to mitigate any adverse effect from the pesticide use including ensuring the proper handling, use and disposal of pesticides.

Capacity Building

140. Implementers of project activities should provide, under the terms of his contract, sufficient training to their personnel to ensure that they are all aware of the general conditions and safeguard issues in the ESMF and RPF. The implementer is responsible for having sufficient capacity in terms of the number of staff trained in natural habitat protection, forestry/agro-forestry and environment.

141. Implementers should understand the implications of the RPF and avoid situations that could have any impacts on land issues, restriction of access and impacts on livelihoods. When confronted with such cases, a contractor should draw attention of NaCSA and/or

IPAU to the issue and consult for a resolution on the matter. They will have general knowledge on environmental assessment and management and will be able to undertake regular self-monitoring and evaluation of the project. The contractors would however need to be trained on how to implement the screening checklist, on how to fulfill mitigation commitments and permit conditions, reporting requirements, and compliance checklists. In addition, training would be necessary for the project implementation agencies and partners (YES, NaCSA, SLRA, Ministry of Agriculture and NGOs) to enable them to implement the screening checklist and to do the requisite monitoring and reporting. The cost of this training, securing of environmental permits, mitigation, and monitoring has been included in the overall project costs and is fully spelt out in the ESMF.

GENERAL ANNEXES

ANNEX A.1: RESULTS FRAMEWORK AND MONITORING

PDO	Project Outcome Indicators	Use of Project Outcome Information
<p>Increased access to short term employment opportunities and improved employability of targeted youth</p>	<ol style="list-style-type: none"> 1. Direct Project Beneficiaries (number), of which female (%) <ul style="list-style-type: none"> - <i>Beneficiaries of cash for work programs (number of individuals temporarily employed)</i> - <i>Beneficiaries of training programs (number)</i> 2. Beneficiaries who are employed or self-employed in the field of training six months after receiving skills development and employment support (%) 3. Statistically significant difference in terms of employment of beneficiaries compared to control group (yes/no) 4. Beneficiary completion rate for skills development and employment support interventions (%) 	<p>To assess performance of cash for work component in aiding target population</p> <p>To assess performance of targeted programs under component 2</p>
Intermediate Outcomes	Intermediate Outcome Indicators	Use of Intermediate Outcome Monitoring
<p>Component 1: Labor Intensive Cash for Works</p> <p>Effective implementation and targeting of Cash for Works program</p>	<ol style="list-style-type: none"> 5. Community-based subprojects implemented (number) (disaggregated by district and type of subproject) 6. Completed sub-projects that conform to ministry standards, designs and norms (%) 7. Communities that have community oversight committees in place (%) 8. Roads rehabilitated, rural (km) 9. Person days provided in labor-intensive public works (number) (disaggregated by categories men/women, district and type of subproject) 	<p>To verify that intended quantity of subprojects has been carried out</p> <p>To assess technical quality of sub-projects</p> <p>To assess participatory nature of the sub projects</p> <p>To measure program outputs</p> <p>To measure short employment</p>

	<p>10. Community-based subprojects having lotteries (number) (disaggregated by district and type of subproject)</p> <p>11. Beneficiaries receiving mentorship support (disaggregated by categories man/woman and district) (number)</p> <p>12. Subprojects benefiting poorest 20 percent communities according to poverty ranking (disaggregated by district) (%)</p> <p>13. Total cost allocated to wages (%)</p>	<p>To assess demand for the program and type of subprojects</p> <p>To verify that intended quantity of training has been carried out</p> <p>To assess targeting among poorest communities</p>
<p>Component 2: Skill Development and Employment Support</p> <p>Increased access to skills training programs</p>	<p>14. People enrolled in vocational skills/apprenticeships training (disaggregated by categories man/woman and district) (number)</p> <p>15. People enrolled in training on the establishment and management of private sector enterprises (disaggregated by categories man/woman and district) (number)</p> <p>16. Beneficiaries who respond that the training program has had a positive impact on their lives (%)</p> <p>17. Employers reporting satisfaction with the skill levels of trained beneficiaries (%)</p> <p>18. Service providers meeting performance indicators specified in contracts (%)</p>	<p>To verify that intended quantity of training has been carried out</p> <p>To verify that intended quantity of training has been carried out</p> <p>To verify quality of training</p> <p>To verify quality and applicability of training</p> <p>To verify that intended quality of service has been delivered</p>
<p>Component 3: Institutional Support and Policy Development</p> <p>Improved understanding of impacts related to both skills training and cash for work program</p>	<p>19. Dissemination of impact evaluations under Components 1 and 2 (yes/no)</p>	<p>To verify dissemination of information on performance and lessons learned</p>

Arrangements for Results Monitoring

Project Outcome Indicators	Baseline	Targets	Data Collection and Reporting		
			Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
1. Direct Project Beneficiaries (number) ⁵ <i>Beneficiaries of cash for work programs (number of individuals temporarily employed)</i> <i>- Of which female</i> <i>Beneficiaries of CfW training programs (number)</i>	32,085 6,738 0	55,585 13,788 15,900	Annual	Project Administrative data	NYC/NaCSA
2. Beneficiaries who are employed or self-employed in the field of training six months after receiving skills development and employment support (%) ⁶	N/A	60	Once during implementation	Baseline and Follow-up Survey	NYC/Consultant
3. Statistically significant difference in terms of employment of beneficiaries compared to control group (yes/no) ⁵	N/A	Yes	Once during implementation	Baseline and Follow-up Survey	NYC/Consultant
4. Beneficiary completion rate for skills development and employment support interventions (%) ⁵	N/A	85	Once during implementation	Baseline and Follow-up Survey	NYC/Consultant
Intermediate Outcome Indicators					
Component 1: Labor Intensive Cash for Works					
5. Community-based subprojects implemented (number) (disaggregated by district and type of project)	713	470	Quarterly	Project administrative data	NaCSA
6. Completed sub-projects that conform to ministry standards, designs and norms (%)	N/A	100	Quarterly	Project administrative data	NaCSA

⁵ Applies to Component 1

⁶ Applies to Component 2

7. Communities that have community oversight committees in place (%)	N/A	100	Quarterly	Project administrative data	NaCSA
8. Roads rehabilitated, rural (km)	900	1,278.25	Quarterly	Project administrative data	NaCSA
9. Person days provided in labor-intensive public works (number) (disaggregated by categories men/women, district and type of subproject)	N/A	3,335,100	Quarterly	Project administrative data	NaCSA
10. Community-based subprojects having lotteries (number) (disaggregated by district and type of subproject)	0	353	Quarterly	Project administrative data	NaCSA
11. Beneficiaries receiving mentorship support (disaggregated by categories man/woman and district) (number)	0	15,900	Quarterly	Project administrative data	NaCSA
12. Number of subprojects benefiting poorest 20% communities according to poverty ranking (disaggregated by district)	0	329	Quarterly	Project administrative data	NaCSA
13. Total cost allocated to wages (%)	N/A	60	Quarterly	Project administrative data	NaCSA
Component 2: Skill Development and Employment Support					
14. People enrolled in vocational skills/apprenticeships training (disaggregated by categories man/woman and district) (number) ⁷	1,747	6,000	Annual	Project administrative data	Service providers
15. People enrolled in training on the establishment and management of private sector enterprises (disaggregated by categories man/woman and district) (number)	2,891	3,600	Quarterly	Project administrative data	Service providers s
16. Beneficiaries who respond that the training program has had a positive impact on their lives (%)	N/A	80	Quarterly	Project administrative data	Service providers

⁷ Baseline is calculated based on the results of the Youth Employment Scheme pilot programs.

17. Employers reporting satisfaction with the skill levels of trained beneficiaries (%)	N/A	85	Once during implementation	Impact Evaluation Survey	YS/ NYC/ Consultant
18. Service providers meeting performance indicators specified in contracts (%)	N/A	85	Annual	Project administrative data	YS/ NYC
Component 3: Institutional Support and Policy Development					
19. Dissemination of impact evaluations under Components 1 and 2 (yes/no)	N/A	Yes	Once during implementation	Impact Evaluation Surveys	YS/ NYC/ NA CSA

ANNEXES: COMPONENT 1

ANNEX B.1: METHODOLOGY FOR TARGETING/RELATIVE POVERTY RANKING

1.0 Background

NaCSA's targeting strategy is seen in the context of its overall mandate of reducing the risk of renewed conflict through addressing some of the causes of the war such as marginalization of geographical areas and inequality in the allocation of resources. Therefore, the establishment and consolidation of a sound mechanism for allocating resources is critical to the achievement of NaCSA's mandate and programme objectives.

For the purpose of achieving decentralized targeting beyond the district level, 'Services and Opportunities Mapping (SOM) is considered a viable option due to the participatory nature of the approach and the strategic focus on the availability of services. This provides the opportunity to establish relative vulnerability across chiefdoms and wards i.e. compare geographical niches and allocate number of projects accordingly.

The targeting strategy adopted is based on principle of reaching the poorest communities and the poorest people within these communities.

The SOM was first undertaken in 2003/2004 as a basis for allocating NSAP funds for the year 2004. The results, experiences and lessons learnt over this period in addition to the tempo of acceleration with the decentralization agenda necessitated a review of the framework and processing of the SOM. A variant of this was employed in 2005 and 2009 for the last batch of the NSAP and the second phase of CfW respectively.

2.0 The Process

The allocation process will be rolled-out in four (4) stages:

Stage 1: District Allocation

At the first stage, project funds are allocated to all 14 districts based on the population of poor people in these districts.

Stage 2: Intra-District Targeting

The funds allocated to individual districts will be further distributed/re-allocated to wards within each of these districts. A Relative Poverty Index will be calculated based on the general principle of reaching the poorest people using the following variables:

- Population of poor people within wards
- Food Availability within wards (major food production figures)
- Accessibility to Food (Road & Distribution networks)
- Affordability of Food (Income of people)

Procedure for Calculating Relative Poverty Index

1. Prepare a matrix of localities and variables to be considered in the mapping e.g. Chieftdom or Ward Vs Population; Food Availability; Accessibility to food; Food Affordability.

2. Record the (estimated) totals of each variable for each locality as follows:

A) Poverty Rating: Do Pair-wise ranking of localities by comparing one chieftdom for instance against all other chieftdoms within the district. The chieftdom with the highest frequency score is the poorest and given the highest ranking (e.g. 14 out of 14 chieftdoms)

B) Food Availability: i) Record no of Agric. Extn. Workers and rank – the location with the highest no. of extn. workers getting the lowest rank; ii) Record no. of key agricultural activities (crops grown/livestock/fishing) and rank as in i); and iii) Record volume of staple/key crop produced (data available with District Agric. Officer and rank as in i).

C) Accessibility to Food: i) Rate linkage of chieftdom/ward HQ town with food production areas within chieftdom/ward on a 1-10 scale and rank locations as in 2(B) above; ii) Rate linkage of chieftdom/ward HQ town with market centres outside of chieftdom/ward or district on a 1-10 scale and rank as in i) above.

D) Affordability of Food: i) record Market Price of crop/animal produced (Le. Per kg/ton) and rank as in A) above; and ii) Do pair-wise ranking of key economic activity besides agriculture within specified locations. The chieftdom/ward with the highest scores is considered better-off and therefore given the lowest ranking.

Note: For indicators A and D_(i) the relationship between score and rank is direct i.e. the higher the score the higher the rank. For indicators B, C and D_(ii) the relationship is inverse i.e. the higher the score, the lower the rank.

3. Find the average rank of all the variables for each locality.
4. Organise the localities in descending order of the various ranks. i.e. list the localities in order of their ranks.
5. Group the ranks by category. i.e. ranks that are the same or very close constitute the same category or group.
6. Find the average rank of all localities within each category or group.
7. Divide the average rank of each category or group by the total of all the average ranks (i.e. the total of 4 above) and express as a percentage by multiplying by 100.
8. Multiply the % derived from 7 by the total allocation for the district/chieftdom to calculate the proportion of resources to be allocated to various geographical niches (chieftdom/ward).

The poorest wards will be identified and communities within these wards sensitized to put forward Letters of Interest based on the positive list of sub-projects for the CfW.

The exercises will bring together key players at local-level (District & Ward Councils, Line Ministry Representatives, Local Authorities – Chiefs and Elders and a cross-section of the community (women & youths inclusive) to map-out the poorest wards based on the variables outlined above. This exercise will be conducted at district/chiefdom-level to obtain ward-level information.

In all of these exercises, the participation of local councils is principal for the purpose of building councils capacity to undertake the SOM and subsequently input into their development plans as well as ensuring ownership.

Stage 3: Community Selection

Since each ward is made-up of several communities for which the number of projects may be insufficient, it is expedient to determine, in a fair and judicious manner, which community (ies) benefit. In order to ensure this, a Community Selection Committee will be set-up comprising of the Development Planning Committee of Local Councils (including Line Ministry representatives at district level) and NaCSA

In its choice of communities, the committee will use criteria, which include sectoral policies, technical issues and specifications, councils' development priorities and their general knowledge of the wards within the district.

Stage 4: Identification of Sub-projects

NaCSA field staff, MDAs and Local Councils (including Youth Committees Representative) will support/facilitate identification of sub-projects by stakeholders within the community through a PPA Process that will entail scanning of communities to collect information on: Demographic Data; Poverty Analysis; Social Map; Problem Identification; and Formation of Community Oversight Committee (COC). Once sub-projects are identified, a Project Application Form (PAF) will be filled and a detailed sub-project budget prepared. The application package endorsed by a male and a female youth representative and the chief will then be sent to a Project Approval Committee at regional level. The format for data on PPA is given in Annex B.2.

ANNEX B.2: PARTICIPATORY POVERTY ASSESSMENT BASELINE REPORT

CASH FOR WORK

Participatory Poverty Assessment Baseline Report

(NaCSA Field-staff should provide this information immediately after the conduct of the PPA. It should be submitted with the PPA Report, Community Scanning Report and Project Application Forms to the Regional Office)

1. Identification

District		Chiefdom		Section/ Ward	
Community/ Village		Date Completed		Completed by:	1.
					2.
Name of Facilitating Agency					

2. Basic Demographic Data

How many people live in this community?

Men	Women	Children	Disabled	Youth	Total

3. Poverty Profile

1. How many categories of poverty were recognized by the community		2. Lists the categories of poverty recognized by the community and the no of HH in each category identified.	Categories	No. of HH
3. What are the things that cause poverty in this community				

4. Social Map

Indicate the number of community infrastructure available in this community

1. No. of houses		2. No. of female headed households	
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3. No. of community halls/centers		4. No. of health units	
5. No. of primary schools		6. No. of markets	
7. No. of drying floors & Stores		8. No. of toilets	
9. No. of water wells			

5. Services and Opportunities Map

5.1 What facilities/services are available in this community? Please tick where applicable

Education	Primary	Health	TBA	Water	Open wells	Market	Regular
	Secondary		MCHP		Protected bore holes		Periodic
	Vocational		CHP		Hand pump wells		
	Tertiary/ College		CHC		Spring - box		
					Piped water		

5.2 If any of the facilities in 5.1 above is not available in the community, please indicate where the nearest facility is found

Facility	Location	Distance from this community

6. Problem Identification through Preference Scoring

1. How many analyzed needs were arrived at as a result of the PPA.		2. List in order of priority the analyzed needs of this community	

3. So far, how many external responses has the community received to address these analyzed needs?	4. Please give details
--	------------------------

7. Baseline Information on agreed transformation

7.1 Based on NACSA’s NSAP positive list of sub-projects, what transformation has the community agreed on for collective action? Please tick where appropriate

Education		Health		Water		Market		Agriculture		Others	
Pri.		TBA		Open wells		Regular		Grain Stores		Community roads	
Sec.		MCH P		Protected Wells		Periodic		Drying Floors			
		CHP		Spring - box				Agro-processing equipment			
		CHC		Piped water							

7.2 Has the agreed transformation been existing before? Yes_____ No_____

1. If yes, list components of existing service.	2. If no, indicate components of proposed service	3. Is there an established O&M structure or plan by the community?	Yes	4. If yes, what has the community done in maintaining existing structures			
			No				
5. If no, what O&M coping mechanisms does the community have to maintain this facility		6. Average time taken on foot to the nearest similar service.		7. Is the PMC constituted?	Yes		
			No				
8. If yes, how was the PMC constituted?		9. What is the composition of the PMC	Total		10. State the no. of current beneficiaries of the proposed transformation	Total	
			Women			Women	
			Disabled			Disabled	
			Youth			Youth	

ANNEX B.3: PROJECT APPLICATION FORM (PAF)

CASH for WORK (CfW)

PROJECT APPLICATION FORM (PAF)
(to be filled in Duplicate)

For Use by District Office Staff

Project Code:

.....District

This form should be filled out only after discussing the problem, project concept, solution and implementation strategy with the various interest groups within the locality.

1. Project Name:
(e.g., "Rehabilitation of Magbema Community Road")

2. Name of applying Body (CBO/Youth Organization/Community Association)
.....

3. Location of Applying Body:
.....
(insert name of town/ village/section)

4. Contact person:
(insert name of Representative)

5. Names and Population of Beneficiary Communities. *Indicate in the space below the population for each of the communities involved in the project.*

Name of Village/Section(s) in the project area

Population

i.
.....

ii.
.....

iii.

.....

iv
.....

v.
.....

vi
.....

vii
.....

6. Problem analysis

i) State the exact problem(s) which the project will solve

.....
(e.g. poor road network linking sections of the community)
.....
.....

ii) What caused the problem?

.....
.....

iii) Previous Efforts. State what the community has done to solve this problem:

.....
.....
.....

7. Category of Direct Beneficiaries:

- i. number of adult women:
- ii. number of adult men:
- iii. number female youths⁸/girls:
- iv. number of male youths/boys:

8. Project Description

i) List the parts or components of the project and nature of work to be undertaken

<u>Component</u>	<u>Quantity/Number</u>	<u>Status</u>
<i>e.g. Km of Road</i>	-----	-----
<i>Employees/Labourers</i>	-----	-----

ii) The project will last from: to:

9. Expected Benefits

a) What will you produce as a result of implementing this project (Output)

	Indicators	Unit of Measure	Baseline	Target
1				
2				
3				
4				

b) How will what you produce affect your lives in the community (Impact)

	Indicators	Unit of Measure	Baseline	Target
1				
2				
3				
4				

⁸ According to the National Youth Policy, it is a bracket of 15 – 35 years.

10. Community participation.

// How did the community choose this project as a priority?

11. Maintenance.

i) What has the community agreed to do to maintain the facility to be created by this project?

Annex III: Monitoring & Evaluation (M&E) Plan

	Objects of Monitoring	Frequency	Method of Data Collection	Responsible Parties
1.	Beneficiaries/Labourers : <ul style="list-style-type: none"> • Total by location • Type (Men/Women/Youth) 			
2.	Funding: <ul style="list-style-type: none"> • Total Budget • Payment of Wages • Procurement of Materials • 			
3.	Schedule of Activities: <ul style="list-style-type: none"> • Physical accomplishment of components (Output Indicators) • Duration of Activities and S-P 			
4.	Record keeping: including Time-sheet and minutes of any meetings held			
5.	Effects of S-P on: <ul style="list-style-type: none"> • Women • Neighbours • The Environment • Displacement 			
6.	Maintenance/Sustainability Plan			
7.	Outcome Indicators			
8.	S-P Visitors' Register			

ANNEX B.4: ENVIRONMENTAL AND SOCIAL SCREENING FORM

Name of Sub project:

Name of sub-project sponsor:

Name of the District:

Name of the Region:

Name, department, job title, and contact details for the person who is responsible for filling out this form.

Name:

Department and Title:

Name of District Body:

Telephone number:

Fax number:

E-mail address:

Date:

Signature:

1. Sub Project Description:

Please provide information on type (irrigation or not) and scale of the sub project, sub project area, area of plants and building, amount of waste solid, liquid and air generation), location and lengths of channel networks, buried and or surface located pipes, etc) including construction work areas and access roads. Complete on a separate sheet of paper if necessary).

2. The Natural Environment:

(a) Describe the vegetation/trees in adjacent to the sub project area.

(b) Estimate and indicate where vegetation/ trees might need to be cleared

(c) Are there any environmentally sensitive areas or threatened species (specify below) that could be adversely effected by the sub project? Yes-----

NO-----

(i) Natural Forest Yes-----No-----

(ii) Natural Parks Yes-----No-----

(iii) Rivers Yes-----No-----

(iv) Lakes Yes-----No-----

(v) Wetlands (Swamps, polder areas, seasonally inundated areas) Yes-----

No -----

(vi) Habitats of endangered species for which protection is required under Sierra Leone laws and/or international agreements. Yes-----No-----

(vii) Other (describe). Yes-----No-----

3. River Ecology:

Is there a possibility that, due to installation of structures, such as weirs and other irrigation structures, the river ecology will be adversely affected?

Attention should be paid to water quality and quantity, the nature, productivity and use of aquatic habitats and variations of these over time.

YES-----NO-----

4. Protected Areas:

Does the sub project area (or components of the sub project) occur within /adjacent to any protected areas designated by government (national park, nature reserve, world heritage site etc)

Yes-----No-----

If the sub project is outside of , but close to, any protected area, is it likely to adversely affect the ecology within the protected area areas (e.g. interference with the mitigation routes if mammals or birds) .

Yes-----No-----

5. Geology and Soils

Based upon visual inspection or available literature, are there areas of possible geologic or soil instability (erosion prone, landslide prone, subsidence prone) ?

Yes-----No-----

Based upon visual inspection or available literature, are there areas that have risks of large scale increase in soil leaching and/or erosion ?

Yes-----No-----

6. Landscape/aesthetics

Is there a possibility that the sub project will adversely affect the aesthetic attractiveness of the local landscape?

Yes-----No-----

7. Invasive plant species along feeder road routes:

Is the sub project likely to result in the spread of invasive plant species (along feeder roads) ?

Yes-----No-----

8. Historical, archaeological or cultural heritage site

Based on available sources, consultation with local authorities, local knowledge and/or observations, could the sub project alter any historical, archaeological or cultural heritage site (including cemeteries, memorials and graves) or require excavation near same ?

Yes-----No-----

9. Resettlement and/or Land Acquisition:

Will involuntary resettlement, land acquisition, or loss of access to land as defined by World Bank OP 4.12 caused by sub project implementation?

Yes-----No-----

10. Loss of Crops, Fruit Trees and Household Infrastructure

Will the sub project result in the permanent or temporary loss of crops , fruit trees and household infrastructure (such as granaries, outside toilets and kitchens, etc.)?

Yes-----No-----

11. Noise Pollution during Construction and Operations

Will the operating noise level exceed the allowable decibel level for the Region?

Yes-----No-----

12. Will the project have adverse impacts on Natural Habitats that will not have acceptable mitigation measures according to OP 4.04 Natural Habitats?

Yes-----No-----

13. Solid and Liquid Waste:

Will the sub project generate solid or liquid waste?

Yes----- No-----

If “yes” does the sub project include a plan for their adequate collection and disposal?

Yes-----No-----

14. Public Consultation Process:

Briefly describe the sub project consultation process in terms of when consultations took place, where they took place, who participated and how the criteria used to select participants in this process, what were the contributions from the participants, was it recorded and were contributions from participants included in decision making. Use separate sheet if necessary and attached a consultation report.

15. Vulnerable Groups: Were members of associations from the following vulnerable groups consulted?

Women: Yes -----No-----

Youth Groups Yes-----No-----

Other Groups (e.g. orphans, ex-combatants, widows, widowers, elderly)

Yes-----No-----

If answer is Yes, provide names of groups consulted.

16. Will these groups (in 15 above) have access to and benefit from this sub project?

Yes-----No-----

If the answer is Yes, specify which groups and describe how they will benefit.

We, the under-mentioned members of the Projects Approval Committee, hereby authenticate the above recommendations:

1	Name:	Institution: NaCSA - Chairman
	Signature:	Date:
2	Name:	Institution: Mayor, City – Co-Chair
	Signature:	Date:
3	Name:	Institution: SLRA
	Signature:	Date:
4	Name:	Institution: Ministry of Health & Sanitation
	Signature:	Date:
5	Name:	Institution: Ministry of Agric. & Food Security
	Signature:	Date:
6	Name:	Institution: SLEPA
	Signature:	Date:
7	Name:	Institution: Decentralization Secretariat
	Signature:	Date:
8	Name:	Institution: NaCSA Regional Coordinator
	Signature:	Date:

ANNEX B.6: GUIDELINES FOR PROCUREMENT

1.0 Eligible Partners/Contractor

- ⇒ Youth Groups/CBOs
- ⇒ Local Artisans/Small Firms

Hence for the purpose of the CfW, a "contractor" is defined as a youth group/CBO or local artisan/Small Firm.

2.0 Eligibility Criteria

2.1 *Youth Groups/CBOs*

- Must be resident within district of proposed project
- Available in NaCSA District data-base
- Must have been constituted specifically for promoting the interest of the group/organization rather than individual interests.
- Must have a bank account for the project

2.2 *Local Artisans/Small Firm*

- Must be resident within district of proposed project
- Available in NaCSA District data-base
- Must have been in operation for at least a year.
- Must have a bank account for the project
- Copy of valid business registration certificate
- Copy of valid NRA Tax Clearance
- Copy of valid NASSIT Clearance
- Valid MOW Certificate/SLRA Registration Certificate

3.0 Categorization of Works

3.1 *Works with 'technical' civil-works component (e.g. culvert, stone-pitching, concrete drains)*

- For these works, the service of a small-firm or local artisan is desirable.

3.2 *Works without 'technical' civil-works component*

- For these, youth groups/CBO are desirable

- However, where no formidable youth group/CBO/ is present, local artisans/small-firms are eligible.

**For all categories of works, SLRA/Respective Line Ministry will provide technical supervision for a minimal facilitation fee.*

4.0 Procurement of Works

4.1 *Procedures*

- Selection of at least three “contractors” from the district data-base to express interest.
- Evaluation of “contractors” based on eligibility criteria and profile (including negotiations with contractors where applicable).
- Award of contract based on committees recommendation.

4.2 *Committee*

- ⇒ COC - Chairman
 - ⇒ NaCSA - Facilitator
 - ⇒ Youth Advisory Group
- Expressions of Interest and evaluation of submissions should be done at district-level.
 - All districts should establish a data-base of contractors categorized into three: Small-firms; Youth-Groups; and Local Artisans. Where a data-base exists, these should be updated on a quarterly basis. Quarterly updates also apply to new data-bases.
 - All “contractors” must be encouraged to register with Councils either before or on award of contract. Contractors should also be made to recognize the role of councils in monitoring sub-projects and respect necessary protocols.

ANNEX B.7: CONTRACT FOR WORKS

Contract No:

This Agreement is made on..... Day of 2....., between the National Commission for Social Action (NaCSA) represented by the Commissioner or his Designee on the one hand

and

Messrs:
.....

Represented by Dr/Mr/Mrs/Miss:.....
[Name of **Contractor (Artisan/Organization/Group Representative)**]

hereinafter called “the contractor”, on the other hand

WHEREAS

The contractor intends to implement the [insert name of the sub-project]
....., hereafter called the “sub-project”, described in the Project Application Form attached to this agreement, and NaCSA has approved the request from the Beneficiary to finance the sub-project under the Cash for Work component of the National Social Action Project (NSAP).

The following has been agreed between both parties

1. **Object of the Contract**

1.1 NaCSA agrees to make available to the Contractor, on a grant basis, the amount of (in words)
..... (Le.....)

to finance fully the sub-project under the terms and conditions explained below.

1.2 NaCSA will make the funds available in accordance with the attached guidelines for the utilization of funds under the Cash for Work component

of the National Social Action Project for expenditures in respect of the reasonable cost of goods and services required for carrying out the sub-project.

2. **Obligations of the Contractor**

2.1 **Implementation of the Sub-Project**

The Contractor will:

- a) Undertake and implement the sub-project in accordance with the implementation plan and budget as described in the attached sub-project application, and with due diligence and efficiency and in accordance with sound technical, financial, managerial, and environmental standards, policies and procedures acceptable to NaCSA.
- b) Procure the goods, works and services required for the sub-project in accordance with the attached Schedule 3 (Procurement and Consultants' Services) of the Development Credit Agreement, dated, between the Republic of Sierra Leone and IDA, for the National Social Action Project;
- c) Use the goods and services to be financed out of the proceeds of the CfW exclusively for carrying out the sub-project; and
- d) Provide NaCSA all information that it may reasonably request on the implementation of the sub-project (*including submission of Tranche Report and Replenishment Request immediately after 70% of the previous tranche disbursement has been utilized*).

2.2 **Bank Account**

For the purpose of the sub-project financed by CfW, the Contractor has provided the following Bank Account details:

- Name of Account:
- Account Number:
- Name of Bank:
- Address of Bank:
.....

2.2.1 That bank account shall be credited with all disbursements by CfW. All withdrawals from this account shall be used exclusively to pay the expenditures for the implementation of the sub-project.

2.3 Accounting Records

The contractor will keep records of all expenditures involved in the implementation of the sub-project, following the same budget lines as the ones in the attached sub-project format.

2.4 Audit

The contractor will allow the above accounting records and supplies to be verified by NaCSA representatives or its auditors and will answer all questions asked by those same representatives and auditors.

2.5 Reports

The contractor will submit to NaCSA the following reports:

- **Status of Works Report:** up to a page report prior to each disbursement providing information on the status of works
-
- **Completion Report:** At most two weeks after the completion of the sub-project, a final report describing the activities carried out, the actual costs, the problems encountered and the solutions adopted, and the results of the sub-project including lessons learnt.

3. Obligations of NaCSA

3.1 Payments

3.1.1 The overall amount of the contract will be transferred to the bank account of the contractor in two instalments (50%; 50%) as follows:

- the first instalment shall be paid within four (4) working days upon signing of the Agreement.
- subsequent instalment shall be paid upon request for payment endorsed by NaCSA and will be within four (4) working days of the receipt of request.

The attachments to the “Request for Payment” forms for subsequent instalments shall include (a) a financial report by the contractor accounting for at least 70% of the previous disbursement, following the same budget lines as the ones in the attached sub-project format; and (b) a progress report (clause 2.6) justifying the expenditures.

3.1.2 NaCSA will review the above-mentioned reports to verify that expenditures were made according to the budget lines in the attached sub-project format; and that the quality of the activities carried out justify the expenditures.

3.1.3 In the event of irregularities in the accounts or of a misuse of funds by the contractor, NaCSA reserves the right to withhold the payment of any further instalment. Within a week after the said irregularity is detected, the internal control unit of NaCSA’s Finance Directorate will carry out an investigation and propose next steps.

3.2 Inspection

3.2.1 In order to safeguard funds disbursed to the contractor and to ensure that the Contractor adheres to the procurement plan and implementation schedule, NaCSA’s field-staff will rigorously monitor daily-wage sheets and delivery of materials.

3.2.2 NaCSA or its authorised representatives will, from time to time, inspect all goods and sites included in the contractor’s sub project.

4. Implementation Period and Termination

4.1 Effectiveness of the Agreement

This Agreement will become effective on the day of signing.

4.2 Expiration of the Contract

The sub-project is expected to be complete and the Agreement is expected to expire within months depending on the type of sub-project following the date of signing (which is also the date of effectiveness) of this Contract, unless the Contract is extended by written mutual consent.

4.3 Termination by the Contractor

The contractor may terminate this Agreement at any time during the execution of the sub project. In such case, the contractor will reimburse NaCSA all funds disbursed from CfW which they have not yet spent.

4.4 Termination by NaCSA

NaCSA may terminate the Agreement for the following reasons:

- When the contractor does not fulfil its obligations under this Agreement;
- When the funds of the Agreement are misused or used for other purposes than the objectives agreed for the sub-project and described in the attached sub-project format;
- When the sub-project or part of it is delayed in such a way that the amount becomes insufficient to fully realise the sub project and/or that the contractor is considered unable to implement it;
- When the contractor ceases operation, or undergoes a change in management that causes considerable reduction in its implementation capacity;
- After negotiations between the parties, for other reasons, which severely undermine the projected benefits of this Agreement.

4.5 Termination Procedures

The party terminating the Agreement has to notify in writing the other party of the reasons for termination, which is effective immediately upon receipt of the notification by the other party. Termination proceedings may be cancelled by mutual consent, and may include a modification in the obligations of both parties. Upon termination, the contractor must immediately reimburse all unspent funds disbursed from the CfW.

5. Resolution of Disputes

Any dispute arising out of this Agreement, which cannot be amicably settled between the parties, shall be referred to an appropriate authority to be agreed by both parties.

6. Sanctions for Non-Compliance

The contractor clearly understands and acknowledges that failure on its part to comply with the provisions of this Agreement (including any use of funds for purposes other than carrying out the sub project) will make it ineligible for any further financing from NaCSA.

7. Notices

Any notice, request or consent under this Agreement shall be in writing at the following addresses:

For _____ the _____ Contractor:

For NaCSA.

14-16 Charlotte Street, Freetown **OR** the respective Regional Offices.

IN WITNESS whereof the said parties hereto have executed this deed the day and year first above written.

For and on behalf of the Contractor:	For and on behalf of the NaCSA
Name:	Name:
Position:	Position:
Signature:	Signature:
Witness:	Witness:
Name:	Name:
Address:	Address:
Signature:	Signature:

Attachments:

1. Sub Project Application

ANNEX B.8: CFW TIME SHEET/DAILY ATTENDANCE REGISTER

PROJECT TITLE:.....

PROJECT LOCATION:.....

CONTRACT NO:.....

.....

TIME SHEET NO:.....

WEEK:.....

NO	NAME	*CATE -GORY	SEX	DATE						TOTAL DAYS WORKED	RATE PER DAY (LE)	AMOUNT(LE)	SIGNATURE/THUM B PRINT
				MO N	TUE	WE D	TH U	FR I	SA T				
1													
2													
3													
4													
5													
6													
7													
8													

S - Supervisor/Gang Leader; L - Labourer

Compiled By:.....
Contractor/Time Keeper

Verified by:
Youth Committee Rep.

Reviewed by:
NaCSA District Coordinator

