



Global Environment Facility

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September 11, 2009

Dear Council Member,

The World Bank as the Implementing Agency for the project entitled ***Sierra Leone: Biodiversity Conservation Project***, has submitted the attached proposed project document for CEO endorsement prior to final Agency approval of the project document in accordance with the World Bank procedures.

The Secretariat has reviewed the project document. It is consistent with the project concept approved by the Council in August 2006 and the proposed project remains consistent with the Instrument and GEF policies and procedures. The attached explanation prepared by the World Bank satisfactorily details how Council's comments and those of the STAP have been addressed. I am, therefore, endorsing the project document.

We have today posted the proposed project document on the GEF website at www.TheGEF.org. If you do not have access to the Web, you may request the local field office of UNDP or the World Bank to download the document for you. Alternatively, you may request a copy of the document from the Secretariat. If you make such a request, please confirm for us your current mailing address.

Sincerely,

A handwritten signature in black ink, appearing to read 'Barbut', with a long horizontal line extending to the right.

Attachment: Project Document

cc: Alternates, GEF Agencies, STAP, Trustee



REQUEST FOR CEO ENDORSEMENT/APPROVAL

PROJECT TYPE: Full-sized Project

THE GEF TRUST FUND

Submission Date: July 30, 2009
Resubmission: September 3, 2009

PART I: PROJECT INFORMATION

GEFSEC PROJECT ID: 2948

GEF AGENCY PROJECT ID: P094307

COUNTRY(IES): Sierra Leone

PROJECT TITLE: Biodiversity Conservation Project

GEF AGENCY(IES): World Bank,

OTHER EXECUTING PARTNER(S): Ministry of Agriculture, Forestry and Food Security (MAFFS)

GEF FOCAL AREA(S): Biodiversity

GEF-4 STRATEGIC PROGRAM(S): SP#3

NAME OF PARENT PROGRAM/UMBRELLA PROJECT: N/A

Expected Calendar	
Milestones	Dates
Work Program (for FSPs only)	June 2006
Agency Approval date	October 2009
Implementation Start	December 2009
Mid-term Evaluation (if planned)	June 2012
Project Closing Date	April 30, 2015

A. PROJECT FRAMEWORK

Project Objective (PDO/GEO): Improved management of selected priority conservation sites and enhanced capacity for replication of best practices.

Project Components	Indicate whether Investment, TA, or STA ²	Expected Outcomes	Expected Outputs	GEF Financing ¹		Co-Financing ¹		Total (\$) c=a+ b
				(\$ a)	%	(\$ b)	%	
1. National Framework for Biodiversity Conservation	TA and Inv	Effective policy, legal and institutional framework for biodiversity conservation.	(i) Updated Wildlife Protection Act and associated regulations to include requirements of effective conservation site management drafted and submitted to Cabinet. (ii) Updated Forestry Act and associated regulations in line with best practices and approaches to conservation. (iii) GIS system to support management of selected priority CSs established and operational.	700,000	26.5	1,940,000	73.5	2,640,000
2. Conservation Site Planning and Management	TA and Inv	Participatory management plans for selected priority conservation sites	(i) Participatory management plans for selected priority conservation sites, including three- linked monitoring systems, developed and adopted by	3,900,000	19	16,560,000	81	20,460,000

			<p>Conservation Site Management Committees .</p> <p>(ii) Annual work plans for selected priority conservation sites are approved by Conservation Site Management Committees from PY2 onwards.</p> <p>(iii) Essential park infrastructure as identified in Management Plans (e.g. offices, visitor centre, trails, sign posts) established and operational by EOP.</p> <p>(iv) Chiefdom bye-laws updated to include existing national conservation laws and regulations</p> <p>(v) 30% of households targeted under CAPs received training and/or support for conservation-linked activities</p> <p>(vi) District Development Plans include a chapter on priorities for biodiversity conservation</p>					
3. Project Management, Monitoring and Evaluation	TA& Inv	Effective management and implementation of project	<p>(i) Project budget executed according to schedule</p> <p>(ii) Audits satisfactory</p> <p>(iii) M&E system providing required reports and data in a timely manner</p>	400,000	57	300,000	43	700,000
Total Project Costs				5,000,000		18,800,000		23,800,000

¹ List the \$ by project components. The percentage is the share of GEF and Co-financing respectively of the total amount for the component.

² TA = Technical Assistance; STA = Scientific & Technical Analysis.

B. SOURCES OF CONFIRMED CO-FINANCING FOR THE PROJECT

<i>Name of Co-financier (source)</i>	<i>Classification</i>	<i>Type</i>	<i>Project</i>	<i>%*</i>
GoSL/Beneficiaries	Nat'l Gov't	(select)	1,000,000	5.7
IDA	Impl. Agency	(select)	2,000,000	10.6
RSBP	NGO	(select)	6,700,000	35.6

EU	Bilat. Agency	(select)	1,340,000	7.1
Bird Life Africa/EU	Others (specify)	(select)	4,160,000	22
CI/BI	Bilat. Agency	(select)	3,600,000	19
Total Co-financing			18,800,000	100%

* Percentage of each co-financier's contribution at CEO endorsement to total co-financing.

C. FINANCING PLAN SUMMARY FOR THE PROJECT (\$)

	<i>Project Preparation a</i>	<i>Project b</i>	<i>Total c = a + b</i>	<i>Agency Fee</i>	<i>For comparison: GEF and Co-financing at WPE (GEF-3 project)</i>
GEF financing	350,000	5,000,000	5,350,000	500,000	5,000,000
Co-financing	40,000	18,800,000	18,840,000		11,600,000
Total	390,000	23,800,000	24,190,000	500,000	16,600,000

D. GEF RESOURCES REQUESTED BY AGENCY(IES), FOCAL AREA(S) AND COUNTRY(IES)¹ - N/A

<i>GEF Agency</i>	<i>Focal Area</i>	<i>Country Name/ Global</i>	<i>(in \$)</i>		
			<i>Project (a)</i>	<i>Agency Fee (b)*</i>	<i>Total c=a+b</i>
(select)	(select)				
(select)	(select)				
Total GEF Resources			0	0	0

¹ No need to provide information for this table if it is a single focal area, single country and single GEF Agency project.

* Relates to the project and any previous project preparation funding that have been provided and for which no Agency fee has been requested from Trustee.

E. CONSULTANTS WORKING FOR TECHNICAL ASSISTANCE COMPONENTS:

<i>Component</i>	<i>Estimated person months (GEF only)</i>	<i>GEF amount(\$)</i>	<i>Co-financing (\$)</i>	<i>Project total (\$)</i>
<i>Local consultants*</i>	250*	1,540,000	100,000	1,550,000
<i>International consultants*</i>	14	224,000	50,000	274,000
Total	285	1,764,000	150,000	1,824,000

* Some of the consultancies are lumpsum amounts and hence can only reflected as estimated months herein. See Annex C

F. PROJECT MANAGEMENT BUDGET/COST

<i>Cost Items</i>	<i>Total Estimated person months using GEF resources</i>	<i>GEF amount (\$)</i>	<i>Co-financing (\$)</i>	<i>Project total (\$)</i>
<i>Local consultants*</i>	0	0	108,000	108,000
<i>International consultants*</i>	20	240,000	80,000	320,000
<i>Office facilities, equipment, vehicles and communications</i>		75,000	102,000	177,000
<i>Travel*</i>				
Total		315,000	290,000	605,000

* Details provided in Annex C

G. DOES THE PROJECT INCLUDE A “NON-GRANT” INSTRUMENT? yes no

(If non-grant instruments are used, provide in Annex E an indicative calendar of expected reflows to your agency and to the GEF Trust Fund).

H. DESCRIBE THE BUDGETED M & E PLAN:

Please refer to Section C. 3 and Annex 3 in the project document.

The project’s Results Framework with its objectives, outcomes and indicators provides the basis for the M&E System. The GEF Tracking Tool for Biodiversity will be used to measure the achievement of the Project Objective. M&E will be undertaken at the national, district and conservation site levels and will be the overall responsibility of the PMT in collaboration with Policy Evaluation, Monitoring and Statistics Division of MAFFS. A number of different agencies will be involved including the relevant line ministries and departments, Development Partners, NGOs and CBOs, and communities associated with each site. At the national level, the M & E system related to conservation sites will provide data as and when required for the GPRS II annual progress report and be connected and aligned with the requirements of data and data storage in the databases established by MAFFS and MLCPE. The project will support the existing M&E unit in the Policy Evaluation, Monitoring and Statistics Division of MAFFS and build capacities to coordinate and facilitate data collection and entry, analyze and disseminate information, inform and signal policy makers and provide feedback on policy issues to national and project level stakeholders. FD will ensure that consolidated M&E reports are submitted to the World Bank at regular intervals.

Overall the M&E System will be designed to: (i) provide timely information on progress of project implementation, focussing on views of and feedbacks from local communities, inputs (resources), activities and outputs (results), and potential problem areas for effective project steering; (ii) assess the effectiveness of project management and the project’s delivery mechanisms and procedures; (iii) measure the achievement of project outcomes (effects) and development objectives (impact); and (iv) monitor changes and trends in biodiversity and the integrity and viability of PA systems.

The estimated budget for M&E activities is US\$ 95,000. (GEF: US\$ 85,000, GoSL: US\$ 10,000)

PART II: PROJECT JUSTIFICATION:

A. STATE THE ISSUE, HOW THE PROJECT SEEKS TO ADDRESS IT, AND THE EXPECTED GLOBAL ENVIRONMENTAL BENEFITS TO BE DELIVERED:

Sierra Leone is located in the Upper Guinean Forest Ecosystem and hosts abundant richness of biodiversity, and biological uniqueness in terms of endemism and number of rare small and large mammals. The country includes five main ecosystem types including: lowland rainforests, montane forests, savanna woodlands, freshwater and wetlands, and coastal and marine, with savanna vegetation covering about 35% of the total land area. Sierra Leone’s position at the westernmost extent of the Upper Guinea Forest Ecosystem Continuum provides for significant diversity and endemism. Indigenous fauna includes 15 species of primate, 18 species of antelopes and duikers, and over 500 bird species. More than 4,800 km² of SL is wetlands, including freshwater swamp, riparian forests and mangroves, which are host to more than 200,000 migrant visitors annually.

The current status and potential of biodiversity is diminishing rapidly and the capacities of ecological systems to function properly are being reduced. Surveys of the distribution and composition of forest fragments indicate that approximately 70% of the country was formerly covered by forest, whereas currently less than 5% of intact original forests remain. In some areas deforestation followed in the wake of industrial-scale commercial logging during the colonial period. At that time, subsistence farmers moved directly into logged areas and burned remaining vegetation to clear the land for agricultural, and the forest was never allowed to regenerate. However, the decline of Sierra Leone's forests continues largely as a result of unsustainable slash-and-burn agriculture involving short fallow periods, as well as unsustainable mining practices.

Despite an existing network of 48 forest reserves and conservation areas, representing about 4% of the land area (c. 180,250 ha), population growth (at 2.3%) and unsustainable resource use is continuing to exert extreme pressure on the environment leading to over harvesting of timber, expansion of grazing and slash-and-burn agriculture, with continuing deforestation, forest degradation and soil erosion. The most extensive area of primary forest remaining in Sierra Leone is the Gola Forest Reserves in the southeast of the country, close to the border with Liberia, where mining and timber harvesting have been contained by the establishment of forest reserve status, and donor support for conservation management. The Western Area Peninsula Forest Reserve includes another significant prevailing fragment of rainforest, which is located precariously close to the densely populated capital city of Freetown and is under increasingly severe threat due to uncontrolled urban expansion. Deforestation continues unabated at approximately 2 % of cover per annum due to prevailing anthropogenic pressures, emphasizing the need for urgent action to conserve the remaining intact forest areas and develop community based approaches to sustainable management.

Government's capacity to effectively manage its biodiversity assets is severely stretched. Multiple donors and aid agencies are active in the sector, and all projects emphasize the importance of developing the capacity. The proposed project builds on existing Government and donor initiatives with emphasis on building the capacity of governmental institutions and personnel to carry out their mandates effectively through engaging local communities, local Government and other key stakeholders to participate in conservation planning and management.

Post-independence attempts to ensure effective conservation of biological diversity and sustainable natural resource management have been hampered by: (a) weaknesses in conservation legislation and regulations, and inadequate capacity for enforcement; (b) Lack of effective partnerships for conservation; (c) Insufficient funding to support protected area management; and (d) Lack of alternative sustainable livelihood opportunities. The proposed project will address all of these weaknesses, and will build capacities and awareness through piloting interventions in three priority conservation sites in the first instance, and building mechanisms for sharing best practice more broadly. It will leverage the Bank's worldwide experience in implementing similar projects to assist Sierra Leone in its biodiversity conservation efforts through mainstreaming participatory, community-based approaches to governance and resource management into local, regional and national development planning and implementation, which are critical for sustainable success of conservation management investments.

Global environmental benefits include (i) Effective conservation of globally important ecosystems and threatened species as part of priority biodiversity ecosystems of biodiversity importance/conservation areas; (ii) Investments in biodiversity at ecosystem level removing the root causes of threats, thus improving the efficacy and cost-effectiveness of management endeavors; (iii) Strengthened institutions at Regional, National, and local levels through targeted capacity building for planning, management and monitoring of national biodiversity conservation including land-use planning and zoning; (iv) Harmonization of fragmented national environmental policies and legislation; (v) Increased partnerships

at all levels, providing opportunities to better collaborate and communicate the exchange of good practices; (vi) Increased local ownership through enhancement of public participation in planning and management of biodiversity resources and , (vii) Agreement on consolidated national biodiversity monitoring and information system accessible to key stakeholders (harmonized data collection and effective data dissemination will be a valuable capacity for national, regional and local decision makers).

B. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH NATIONAL AND/OR REGIONAL PRIORITIES/PLANS:

Government has formulated a range of sectoral policies, and regulatory and institutional frameworks that deal with natural resources management (including forestry, wildlife, minerals, and fisheries), protected area system management and biodiversity conservation. The National Environment Policy (NEP) and the National Environmental Protection Act (NEPA), were enacted in 1994 and 2000, respectively, to cover environmental management. Subsequently, the 2008 Environmental Protection Act establishes the Sierra Leone Environmental Protection Agency (SLEPA) with authority for environmental management.

In 2003 the GoSL produced and adopted the National Biodiversity Strategy and Action Plan (NBSAP) which highlights the status of the nation's various ecosystems and biological resources, and outlines the threats to the existence and performance of these systems. NBSAP identifies a broad range of cross-sectoral needs to ensure effective conservation of biodiversity, including for policy planning and legislation, capacity building, public participation, monitoring and evaluation, incentives, research and training, public education and awareness, access to technology and information, benefit sharing, indigenous knowledge, financial resources. The NBSAP recognizes the need to finance biodiversity conservation activities on a more sustainable and long-term basis. It identifies eight priority sites where urgent actions are needed to restore the integrity and ecological functionality of these systems. The project responds to the NBSAP and the NEP by directly addressing conservation challenges at three of the eight sites, and also developing and implementing a strategy for sharing experience and best practice to support conservation of all other priority sites across the country.

In addition to supporting national policies and strategies, the project also contributes directly to the four key objectives of the UN Convention on Biological Diversity (CBD), including the participatory conservation of biodiversity, the sustainable use of biological resources, capacity building of local communities to support the management of protected area systems, and fair and equitable sharing of benefits arising from the utilization of genetic resources.

C. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH [GEF STRATEGIES](#) AND STRATEGIC PROGRAMS:

As developed under GEF-3, the proposed GEF intervention was designed to address the objectives of GEF Operational Programs OP-1 (Arid-Semi-and Zone), OP-3 (Forest ecosystems) and OP-4 (Mountain Ecosystems). The project is in line and fits with the revised GEF-4 strategic objectives for biodiversity. The project objective directly aligns with the Strategic Objective 1 (SO-1) of the GEF Biodiversity Program¹ and contributes to Strategic Program # 3 (Strengthening Terrestrial PA networks). See Annex 15 for further details.

D. JUSTIFY THE TYPE OF FINANCING SUPPORT PROVIDED WITH THE GEF RESOURCES.

¹ Focal Area Strategies and Strategic Programming for GEF-4, GEF, October 2007.
SO-1: To Catalyze Sustainability of Protected Area Systems.

The GEF funding through both investment and technical assistance will support activities to address specific threats to globally significant biodiversity at priority sites, as well as strengthening the capacity and legal and institutional framework for conservation more broadly throughout the country and in collaboration with other Development Partners and neighbouring states (see Annex 4).

E. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:

The project will benefit from partnerships with a range of parallel Development Partner supported conservation initiatives, where information and staff exchanges will be incorporated in staff training and stakeholder education and public awareness programs. Significantly also the project will be implemented in close cooperation with the GEF 4 biodiversity project which is currently under preparation. Partnership arrangements and related initiatives are detailed in Section C and Annex 2 of the Project Document.

F. DISCUSS THE VALUE-ADDED OF GEF INVOLVEMENT IN THE PROJECT DEMONSTRATED THROUGH INCREMENTAL REASONING :

Please see Annex 15 of the Project Brief for the detailed incremental cost analysis

G. INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS, THAT MIGHT PREVENT THE PROJECT OBJECTIVE(S) FROM BEING ACHIEVED AND OUTLINE RISK MANAGEMENT MEASURES:

See Section C 5 of the Project Brief for potential risks and mitigation measures.

H. EXPLAIN HOW COST-EFFECTIVENESS IS REFLECTED IN THE PROJECT DESIGN:

Project design follows a qualitative cost-effective approach to justify the best use of the GEF fund for achieving the described global environmental benefits. Given the nature of the project, classical financial and economic analyses cannot accurately measure the impact of the project on the beneficiaries, and the economy as a whole. The weakness of environmental data collection in Sierra Leone, exacerbates the difficulty of measuring and valuing many of the effects involved, especially the likely off-site benefits associated with conservation of the project sites and associated areas.

Project is the most cost effective of the alternatives considered. The SL-NBSAP proposes program of interventions covering 19 individual priority projects, categorized into thematic and cross-sectoral projects, to be implemented by a number of lead public sector agencies. Given the limited capacity and financial resources, it was decided to focus initially on demonstrating effective conservation at smaller number of conservation sites, as well as developing the strategy and capacity for replicating lessons learned at other priority sites identified in the SL- NBSAP in collaboration with other Development Partners.

PART III: INSTITUTIONAL COORDINATION AND SUPPORT

A. INSTITUTIONAL ARRANGEMENT:

The Ministry of Agriculture, Forestry and Food Security (MAFFS), through its Forestry Division, will be the *Executing Agency*. Overall supervision of project implementation will fall under the responsibility of the Assistant Director and head of the, Conservation and Wildlife Management Unit of the Forestry Division. See Section C2 and Annex 6 of the Project Brief for details.

B. PROJECT IMPLEMENTATION ARRANGEMENT:

The Forestry Division will establish a Project Management Team (PMT) responsible for the day-to-day project management, coordination, supervision and monitoring of project activities at all levels. The PMT, will directly supervise the Conservation Site Managers (CSMs) at the priority conservation sites. Each CSMs will have supervise a Conservation Site Management Team (CSMT) composed of Forestry Division staff. With the support of the PMT, each CSMTs will contribute to the preparation, and take lead responsibility for implementing site management plans in collaboration with the CSMC. See Section C2 and Annex 6 of the Project Brief for details.

PART IV: EXPLAIN THE ALIGNMENT OF PROJECT DESIGN WITH THE ORIGINAL PIF:

(a) The Project Development Objective (PDO) and Global Environmental Objective (GEO) at work program entry were, respectively: (a) Improvement of sustainable protected area management and biodiversity conservation within the Sierra Leone contributing to socioeconomic development of beneficiary communities, and (b) enhance the ecological integrity of selected ecosystems on protected areas. In consultation with the recipient, the Project’s PDO and GEO are now merged in to: “Improved management of selected priority conservation sites and enhanced capacity for replication of best practices”. Expected global benefits to which the GEF alternative contributes to have not changed.

(b) The Project title, which was “Wildlife Protection and Biodiversity Conservation Project”, has been simplified to “Biodiversity Conservation Project”, since biodiversity implies wildlife, and conservation implies protection.

(c) Components: Project design has been simplified and focused in consultation with the counterparts in view of the available funding for the proposed activities and in order to address concerns about the realistic capacity on the ground to implement them. Please see the matrix below.

	Overall Project	Component 1	Component 2	Component 3
Title	<p><u>At WPE stage:</u> <i>Wildlife Protection and Biodiversity Conservation Project</i></p> <p><u>At CEO stage:</u> <i>Biodiversity Conservation Project</i></p>	<p><u>At WPE stage:</u> Strengthening Policy, Legislation and Institutional Framework for Ecosystem and Protected Area Management and Conservation of Wildlife and Biodiversity</p> <p><u>At CEO stage:</u> Strengthen the National Framework for Biodiversity Conservation</p>	<p><u>At WPE stage:</u> Improving Management of Selected PAs</p> <p><u>At CEO stage:</u> Conservation Site Planning and Management</p>	<p><u>At WPE stage:</u> Project Management and Monitoring and Evaluation</p> <p><u>At CEO stage:</u> Project Management, Monitoring and Evaluation</p>
Cost	<p><u>At WPE stage:</u> <i>Total US\$ 16.6 m; GEF US\$ 5m</i></p>	<p><u>At WPE stage:</u> <i>\$ 2.4m (GEF \$0.7m)</i></p>	<p><u>At WPE stage:</u> <i>\$ 12m (GEF\$3.7m)</i></p>	<p><u>At WPE stage:</u> <i>\$2.2m (GEF\$0.6m)</i></p>

	<u>At CEO stage:</u> <i>Total US\$ 23.8 m; GEF US\$ 5m</i>	<u>At CEO stage:</u> <i>\$ 2.64m (GEF\$0.7m)</i>	<u>At CEO stage:</u> <i>\$20.46m (GEF\$ 3.9m)</i>	<u>At CEO stage:</u> <i>\$ 0.7m (GEF\$0.4m)</i>
Scope	Target areas reduced from 4 to 3 Mechanism for replication now an explicit outcome	The scope of the component was changed slightly to maximize the benefits and impacts on the ground	Overall remains the same and has only be fine-tuned for more realistic outputs	No change in scope.


(d) Project target areas: The original PIF identified four project target areas, whereas the appraised project now focuses on three target areas. Two of the sites initially selected as project target areas have since been secured with the assistance of other donor funded conservation projects (i.e., Gola Forests and Western Area Peninsula). Hence the GEF project will focus on two of the original sites (Loma Mountains and Outamba-Kilimi), as well as a new priority site – Kangari Hills. During appraisal the team concluded that it would be more feasible for establish effective conservation management at three rather than four sites in the first instance, but that the project would develop a strategy for sharing best practice with other priority conservation sites as capacity is developed.

(e) Financial plan: At WP entry the financing included a GEF contribution of US\$5.0 million which was complementing US\$ 11.6 million in baseline co-financing, for a total cost of US\$ 16.6 million. At CEO stage the GEF contribution of US\$5.0 million is complementing an increased baseline cofinancing of US\$18.8 million, for a total cost of US\$23.8 million. See Annex 15 for the incremental cost calculations.

(f) Implementation arrangements: A 2005 Presidential directive created and assigned institutional responsibility for environment and forestry to a National Commission on Environment and Forestry (NACEF). Hence, from the time of identification in 2005 through June 2007, preparation was undertaken with NACEF as the primary counterpart to be responsible for implementation. Preparation stalled in 2007 following a post general election deliberation on institutional responsibilities for environment and natural resources. New institutional arrangements were clarified in late 2008 with protected area management reverting to the Department of Forestry within the Ministry of Agriculture, Forestry and Food Security. Project design was, subsequently, updated in early 2009 to reflect the new implementation arrangements, as well as other donor funded projects that had been initiated at two of the priority sites that were earlier envisaged as target areas for the GEF project.

PART V: AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for CEO Endorsement.

Agency Coordinator, Agency name	Signature	Date	Project Contact Person	Telephone	Email Address
Steve Gorman Executive Coordinator The World Bank		July 30, 2009	Paola Agostini	(202) 473 7620	pagostini@worldbank.org

ANNEX A: PROJECT RESULTS FRAMEWORK

Project Development Objective (PDO) / Global Environmental Objective (GEO)	Project Outcome Indicators	Use of Project Outcome Information
The Project Development Objective is improved management of selected priority conservation sites and enhanced capacity for replication of best practices. The PDO/GEO have been combined as the PDO directly contributes to Strategic Objective 1 (SO-1) of the GEF Biodiversity Program	(i) Management effectiveness in selected priority conservation sites supported by the Project has improved by 20% /a (ii) Phased plan for replication of best practices in CS management throughout Sierra Leone adopted by MAFFS	To assess conservation site management effectiveness To guide scaling up and replication of best practice at other priority conservation sites
Intermediate Outcomes	Intermediate Outcome Indicators	Use of Intermediate Outcome Monitoring
Component 1: National Framework for Biodiversity Conservation		
Effective policy, legal and institutional framework for biodiversity conservation	(i) Updated Wildlife Protection Act and associated regulations to include requirements of effective conservation site management drafted and submitted to Cabinet (ii) Updated Forestry Act and associated regulations in line with best practices and approaches to conservation. (iii) GIS system to support management of selected priority CSs established and operational	To inform policy and strategy processes.
Component 2: Conservation Site Planning and Management		
Participatory management plans for selected priority conservation sites	(i) Participatory management plans for selected priority conservation sites, including the area-linked monitoring systems, developed and adopted by Conservation Site Management Committees.	To measure institutionalization and support for conservation management.
	(ii) Annual work plans for selected priority conservation sites are approved by Conservation Site Management Committees from PY2 onwards.	To review progress in mitigating restrictions of access
	(iii) Essential park infrastructure as identified in Management Plans (e.g. offices, visitor centre, trails, sign posts) established and operational by EOP.	To measure adequacy of conservation site facilities.
Component 3: Project Management, Monitoring and Evaluation		
Project being effectively implemented	(i) Project budget executed according to schedule (ii) Audits satisfactory (iii) M&E system providing required reports and data in a timely manner	To assess implementation progress

\a As measured by individual conservation site scorecards (GEF Tracking Tool for SO-1) and verified by independent evaluator.

Arrangements for results monitoring

Project Outcome Indicators	Baseline	Target Values					Data Collection and Reporting			
		PY1	PY2	PY3	PY4	PY5	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection	
Project Development Objective (PDO) /Global Environmental Objective (GEO)										
(i) Management effectiveness in priority conservation sites supported by the Project has increased by 20% by end of project (EOP).	PAME Tracking Tool (TT) available ²	All 3 target PAs use TT								
(a) OKNP	Score=49	49	52	55	57	60	Annual reports	GEF SP1 Tracking Tool	PMT	
(b) LMFR	Score=22	22	24	26	28	30			PMT	
(c) KHFR	Score=25	25	27	28	30	32			PMT	
(ii) Mechanisms for replication established by EOP.				Best practices identified.	Phased Replication Plan prepared.	New priority conservation sites using BCP-generated best practices	Annual reports	Project progress reports	PMT	
Intermediate Outcome Indicators										
Component 1: National Framework for Biodiversity Conservation										
1.1 Policy and Legal Framework										
(i) Updated Wildlife Protection Act and associated regulations drafted, to include requirements of effective PA management.	Existing Act (1972)	Revision of old Act and drafting of new Bill initiated.	Drafting of new Bill.				Annual reports	Notes from the Attorney General's, Reports, Government Gazette	PMT	
(ii) Updated Forestry Act and associated regulations in line with current best practices and approaches to resource management and conservation by EOP.	Existing Act (1988)	Revisions of old Act and drafting of new Bill initiated.	New bill drafted and submitted to relevant authorities for approval				Annual reports	Notes from the Attorney General's, Reports, Government Gazette	PMT	
(iii) CS GIS system established and operational	No system in place	Hardware purchased and system designed Training started	Baseline maps under preparation	System operational and key staff trained Baseline maps prepared for each project site		Baseline maps for priority CS prepared	Annual	Consultant reports, System reports	PMT	

² Selection of key species and ecological parameters will be monitored in order to measure achievement of GEBs following update of site specific threat analysis and baseline biodiversity survey's, which will be undertaken during year one of implementation. A number of key indicators species will be selected and monitored periodically through EOP and beyond in order to provide guidance on the effectiveness of conservation management interventions. All relevant indicators will be embedded in the Tracking Tools for each conservation site.

		Target Values					Data Collection and Reporting		
1.2. Institutional Framework									
(iv) Permanent co-ordination among agencies on matters related to biodiversity operational by PY2 (as stipulated by NBSAP).	No mechanism in place.	Institutional framework defined, members invited.	Quarterly meetings held.	Quarterly meetings held.	Quarterly meetings held.	Quarterly meetings held.	Quarterly reports	Minutes of meeting	PMT

Project Outcome Indicators	Baseline	Target Values					Data Collection and Reporting		
		PY1	PY2	PY3	PY4	PY5	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
Component 2: Conservation site Planning and Management									
2.1 Pilot Site Management Planning and Implementation									
(i) Participatory management plans for selected conservation sites and buffer zones developed.	MPs for project sites do not exist	Standardized format, and schedule for preparing MPs developed Biodiversity surveys and threat analysis initiated		MPs for project sites prepared and operational	MPs under implementation	MP implementation in progress; goals being met according to plan	Yearly	Minutes of participatory meetings, MP updates	PMT
(ii) Community Action Plans developed for each site	CAPs do not exist	Socio-economic surveys carried out	CAPs prepared and agreed	CAPs under implementation			Yearly in first two years; then EOP	Surveys, CAP	PMT
(iii) Annual work plans for the three CSs are approved by Conservation Site Management Committees (CSMCs) from PY2 onwards.	CSMCs not existing.	Three CSMCs established.	Quarterly CSMC meetings held.	Quarterly CSMC meetings held.	Quarterly CSMC meetings held.	Quarterly CSMC meetings held.	Quarterly reports	Minutes of meeting	PAMC
(iv) Essential park infrastructure as identified in management plans (e.g. offices, visitor centre, nature trails, sign posts) are operational by EOP.	Basic infrastructure inadequate (OKNP) or absent (LMFR and KHFR)		Basic infrastructure needs identified in MPs and procurement started	Provision of key infrastructure in process		Key infrastructure in place in each project site	Yearly	Management Plans	PMT
2.2 Community outreach and conservation-linked development									
(v) % of households (hh) targeted under CAPs receiving training and/or support for conservation-linked activities /e	TBD /f	0% - CAPs under preparation	5%	15%	20%	30%	Annual reports	CAPs	PMT
2.3: Mainstreaming conservation in district development planning									
(vi) All District Development Plans of the four Districts have a chapter on biodiversity conservation by EOP.	No chapters on biodiversity conservation exist.		1	2	3	4	Annual reports	District Development Plans	PMT
(vii) Chiefdom by-laws updated to include existing national conservation laws and regulations	Existing by-laws do not reference	Meetings held with Paramount Chiefs, District	By-laws updated as need arises	By-laws updated as need arises	By-laws updated as need arises	By-laws updated as need arises	Yearly	Published regulations	PMT

		Target Values					Data Collection and Reporting		
	conservation objectives	Councils, local communities at each project site By-laws updated and disseminated							
Component 3: Project Management, Monitoring and Evaluation									
(i) Project budget executed according to schedule	n/a	80% of disbursement targets met	90%	100%	100%	100%	Quarterly	PMRs	PMT
(ii) Audit satisfactory	n/a	Unqualified audit	Unqualified audit	Unqualified audit	Unqualified audit	Unqualified audit	Yearly	Audit Reports	PMT, World Bank
(iii) M&E system providing required reports and data in a timely manner	n/a	Project has sufficient information from M&E system to measure project progress	Project has sufficient information from M&E system to measure project progress	Project has sufficient information from M&E system to measure project progress	Project has sufficient information from M&E system to measure project progress	Project has sufficient information from M&E system to measure project progress	Quarterly	PMRs	PMT, World Bank

ANNEX B: RESPONSES TO PROJECT REVIEWS (from GEF Secretariat and GEF Agencies, and Responses to Comments from Council at work program inclusion and the Convention Secretariat and STAP at PIF)

1. All comments from the GEF Secretariat and the STAP were addressed at work program entry.
2. Response to GEF Council comments :
Comment from France: Although classified as 'under discussion' Germany is mentioned as an important financing partner in the proposal, this should be verified.

Response: It is now confirmed that there is co-financing from Germany for the project.

3. Response to GEFSEC Comments of Review of August 10, 2009

Comment 1 (Q7). *The project document states as GEB the "Effective conservation of globally important ecosystems and threatened species ...". However, the measurement of GEBs is not sufficiently considered in the current document. The Project Results Framework and the "Arrangements for results monitoring" table do not include any indicators for GEBs. On page 11, paragraph 36 of the project document, potential indicators to measure impacts on biodiversity on the site level are listed. However, this section is very general. Please, include information on which key species will be tracked, which are the indicators for the status of natural ecosystems and how exactly the M&E will provide evidence on how the project results are expected to contribute towards the achievement of global objectives in biodiversity conservation. Please, also include indicators to measure GEBs of the project in the PRF/Arrangements for results monitoring section of a revised version of the document.*

Response: Selection of key species and ecological parameters that will be monitored in order to measure achievement of GEBs can only be undertaken following update of site specific threat analysis and baseline biodiversity survey's. Such surveys can only be undertaken with the use of project funds following effectiveness and will be a priority activity during year one of implementation. Following baseline survey, a number of key indicators species will be selected and monitored periodically through EOP and beyond in order to provide guidance on the effectiveness of conservation management interventions. Monitoring plans will be based on simple and easily-repeatable measurement of the relative abundance and distribution of selected rare and endangered species, and species that indicate the status and trends in biodiversity and ecological integrity of the sites, as well as the incidence of key threats (e.g., wildfires, poaching, etc). All relevant indicators will be embedded in the Tracking Tools for each conservation site. The text in the project document has been clarified to indicate this.

Comment 2 (Q8). *The design of the project is sound. The only ambiguity is why some outputs (for component 1: a strategy for sustainable financing; for component 2: income generation for local people) are mentioned and explained in some sections of the project document but not listed in the GEF Project Framework or the CEO endorsement request. Please, include or clarify*

Response: Income generation is not defined in the RF since exact activities that will be supported cannot be known until site specific Community Action Plans are developed with the use of project funds in years one and two. Furthermore, it will not be possible to predict or quantify total income generation associated with project interventions since this will be dependent on a number of factors, many of which will be outside the control of the project. Also impacts may take some years to be realized. However, guidelines for identification of conservation linked activities that will be developed under the project will be shared with other parallel rural development projects and local planning initiatives, with a view to mainstreaming and scaling up likely conservation impacts in the medium and longer term.

Comment 3 (Q11) In GEF-4 another GEF-funded project on protected area management has been proposed. However, no information on planned cooperation with this project is being provided. Please, make sure that there is close cooperation between the two initiatives and include some information on how to cooperate in a revised version of the document.

Response: The point is noted and it needs to be understood that the two projects will be implemented in close cooperation. The project has been referenced in Annex 2 and in the CEO Memo.

As designed the GEF-4 project would complement the terrestrial focus of the Sierra Leone Biodiversity Conservation Project, which is funded under GEF3, as well as other bilaterally supported site-based conservation initiatives (which also focus on primarily forested and other terrestrial ecosystems), to complete coverage of the nation's key ecosystems by including wetland and mangroves ecosystems - which are currently not effectively protected. It will support the sharing of experience and expertise derived from the range of ongoing parallel site-specific protected area management initiatives across the country, and consolidate the national conservation program through scaling up and mainstreaming best practice in the context of government strategies for national and regional development. Thus overall, while the GEF3 project in Sierra Leone will be covering the institutional and legal framework in revising and updating the national laws to reflect current biodiversity conservation practices (including wetland areas), this proposed GEF4 project will put in practice the conservation planning and management of the priority wetland (coastal and inland) sites

Comment 4 (Q15): A number of relevant risks and appropriate mitigation measures are listed. The consequences of climate change, however, are not considered.

Response: It is clarified that the project as designed does not have any direct implications for climate change.

Comment 5 (Q17) . *The GEF contribution to project management is 8% of the total GEF grant - which appears adequate. The contribution from cofinancing (which should match or exceed the percentage contribution from the GEF), however, is less than 2%. A substantial increase for project management is very much recommended*

Response: Project design seeks to minimize the total cost associated with Project management (PM), and allocate as much of the funding as possible to direct investments, and technical assistance/training/capacity building. There is a difference between overall cofinancing – as indicated in the Project Framework (A. above) – and direct cofinancing of the BCP as shown in the Annex 5 of the project document. The PM costs shown are related only to the direct costs of managing the BCP; the PM costs for the other activities which are considered cofinancing are covered by the relevant projects (details are in the GEF Project Brief, Annex 15, Incremental Cost Analysis).

Please note that the project management costs (not including the M&E activities) supported by the direct cofinancing is estimated to be US \$290,000 (as shown in Section F. Project Management Budget/Cost) which is closely matched with GEF financing for PM at US \$315,000. This allocation is based on detailed discussions with Government counterparts, and represents the best estimate of the requirements for successful completion of Project management activities.

Comment 6 (Q22) Cofinancing has not been confirmed. If this project is a pre-negotiation package, please indicate this.

Response: The CEO package which was reviewed is a pre-negotiation package. The date for negotiation has been set for the middle of September 2009. The confirmation of co-financing sources will be provided following completion of negotiations.

ANNEX C: CONSULTANTS TO BE HIRED FOR THE PROJECT USING GEF RESOURCES

<i>Position Titles</i>	<i>\$/ person month*</i>	<i>Estimated person months**</i>	<i>Tasks to be performed</i>
For Project Management			
<i>Local (no GEF resources used)</i>			
	0	0	
<i>International</i>			
Biodiversity Specialist	16,000	15	Overall technical guidance, and oversight of Project management
Protected Area Management Planner (part time)	16,000	5	Oversight of management plan implementation
Justification for Travel, if any: Some daily subsistence allowance will be provided when staff at the PMT HQ in Makeni need to travel to the sites, or when site staff need to travel to Makeni, or other sites; International specialists will travel to Sierra Leone and be resident for periods of time throughout the year.			
For Technical Assistance			
<i>Local</i>			
Biodiversity Monitoring Specialists (2)	3,000	48	Establish and implement monitoring system
Social/Community Development Specialist	3,000	60	Social and community planning
Communications/Outreach Specialist	3,000	50	Communications
Legal Expertise for policies and regulations advice, and studies	30,000	Lumpsum	Legal advice
Introduction of multi-year output based planning and budgeting at FD Level (to include preparation of guidelines and training of relevant FD staff)	16,000	Lumpsum	Budget planning
Training Needs Assessment, Training Plan, and Carrying out of training for staff at Central FD level	140,000	Lumpsum	Training plan formulation and delivery
Training Needs Assessment, Training Plan, and Carrying out of training for staff at decentralized level	30,000	Lumpsum	Training plan formulation and delivery
Socioeconomic Surveys (one contract, to cover all three sites)	100,000	Lumpsum	Surveys
Conduct biodiversity baseline studies and other task specific studies; \$100,000 for each of the three sites	300,000	Lumpsum	Surveys
Preparation of Resettlement Action Plans (RAPs); \$25,000 for each of the three sites	75,000	Lumpsum	Preparation of RAPs
Preparation of Community Action Plans (CAPs); \$40,000	120,000	Lumpsum	Preparation of CAPs

for each of the three sites			
NGO Service Contract for CAP Implementation	75,000	Lumpsum	Implementation of CAPs
Consultant services (training and capacity building) associated with implementation of Community Action Plans /1	150,000	Lumpsum	Implementation of CAPs
Facilitation of meetings and workshops (local firm)	30,000	Lumpsum	Facilitation of workshops and meetings
<i>International</i>			
Protected Area Management Planner (part time)	16,000	10	Expertise on formulation of management plans
Study on REDD	16,000	1	Assessment of potentials for accessing financing from REDD initiatives
Formulation of frameworks for sustainable financing mechanisms	16,000	1	Assessment of financing options for CS
Ecotourism Expert	16,000	2	Study on ecotourism potentials
Justification for Travel, if any: Some daily subsistence allowance will be provided when staff at the PMT HQ in Makeni need to travel to the sites, or when site staff need to travel to Makeni, or other sites; International specialists will travel to Sierra Leone and be resident for periods of time throughout the year.			

* Provide dollar rate per person weeks or months as applicable; ** Total person weeks/months needed to carry out the tasks.

ANNEX D: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS

A. EXPLAIN IF THE PPG OBJECTIVE HAS BEEN ACHIEVED THROUGH THE PPG ACTIVITIES UNDERTAKEN.

The objectives of the PPG have been met.

B. DESCRIBE FINDINGS THAT MIGHT AFFECT THE PROJECT DESIGN OR ANY CONCERNS ON PROJECT IMPLEMENTATION, IF ANY: N/A

C. PROVIDE DETAILED FUNDING AMOUNT OF THE PPG ACTIVITIES AND THEIR IMPLEMENTATION STATUS IN THE TABLE BELOW:

<i>Project Preparation Activities Approved</i>	<i>Implementation Status</i>	<i>GEF Amount (\$)</i>				<i>Co-financing (\$)</i>
		<i>Amount Approved</i>	<i>Amount Spent To date</i>	<i>Amount Committed</i>	<i>Uncommitted Amount*</i>	
1. Baseline assessments	Completed	45,000	45,000			4,000
2. Institutional capacity analysis & PRA design	Completed	25,000	25,000			1,000
3. Policy and legislation framework assessment	Completed	20,000	20,000			2,000
4. Assessment of land tenure and benefit sharing arrangements	Completed	25,000	25,000			2,000
5. Identification of collaborators and partners	Completed	20,000	20,000			3,000
6. Development of tools for PA management	Completed	25,000	25,000			2,000
7. Assessment of long-term funding mechanisms and documents	Completed	25,000	25,000			2,000
8. Development of PAD and accompanying documents	Completed	95,000	95,000			20,000
9. Management of PDF Block-B	Completed	70,000	70,000			4,000
Total		350,000	350,000	0	0	40,000

* Any uncommitted amounts should be returned to the GEF Trust Fund. This is not a physical transfer of money, but achieved through reporting and netting out from disbursement request to Trustee. Please indicate expected date of refund transaction to Trustee.

ANNEX E: CALENDAR OF EXPECTED REFLOWS - N/A

Provide a calendar of expected reflows to the GEF Trust Fund or to your Agency (and/or revolving fund that will be set up)

Document of
The World Bank

PROJECT DOCUMENT

ON A

PROPOSED GRANT FROM THE
GLOBAL ENVIRONMENT FACILITY TRUST FUND

IN THE AMOUNT OF USD 5.0 MILLION

TO THE

GOVERNMENT OF SIERRA LEONE

FOR A

SIERRA LEONE BIODIVERSITY CONSERVATION PROJECT

July 30, 2009

CURRENCY EQUIVALENTS

(Exchange Rate Effective May 1, 2009)

Currency Unit = Sierra Leonean Leone
.00031746 = US\$1
US\$ = SDR 1

FISCAL YEAR

January 1 – December 31

ABBREVIATIONS AND ACRONYMS

AAA	Analytical and Advisory Activities
CAS	Country Assistance Strategy
CIF	Community Investment Fund
CS	Conservation Site
CSSL	Conservation Society of Sierra Leone
DACO	Development Assistance Coordination Office
DDR	Disarmament, Demobilization and Reintegration
EFA	Environmental Foundation for Africa
ENFORAC	Environmental Forum for Action
EPA	Environmental Protection Agency
ESMP	Environmental and Social Management Plan
ESW	Economic and Sector Work
FD	Forestry Division
GDP	Gross Domestic Product
GFCCI	Gola Forest Conservation Concession Initiative
GoSL	Government of Sierra Leone
IBA	Important Bird Areas
IDP	Internally Displaced Person
KfW	Kreditanstalt fuer Wiederaufbau
MAFFS	Ministry of Agriculture, Forestry and Food Security
MDG	Millennium Development Goals
MLCP	Ministry of Lands and Country Planning
MLCPE	Ministry of Lands, Country Planning and Environment
MRRF	Ministry of Marine Resources and Fisheries
MOU	Memorandum of Understanding
NaCEF	National Commission on Environment and Forestry
NaCSA	National Commission for Social Action
NBSAP	National Biodiversity Strategy and Action Plan
NEP	National Environmental Policy
NEPA	National Environmental Protection Act
NEPAD	New Partnership for Africa's Development
NFAP	National Forestry Action Plan
NPM	National Project Manager
NRM	Natural Resource Management
NTFPs	Non-Timber Forest Products
PEMSD	Planning, Evaluation, Monitoring and Statistics Division, MAFFS
PMU	Project Management Unit
PSC	Project Steering Committee
RPF	Resettlement Policy Framework
RSPB	Royal Society for the Protection of Birds

SL	Sierra Leone
SL-BCP	World Bank-funded Biodiversity Conservation Project (formerly named Protected Area Management Project (PAMP))
SL-PRSP	Sierra Leone Poverty Reduction Strategy Paper
SL-PAMP	Sierra Leone Protected Area Management Project
TSS	Transitional Support Strategy
WAFR	Western Area Forest Reserve
WAPF	Western Area Peninsula Forest
WCB	Wildlife Conservation Branch of the Forestry Department

Vice President:	Obiageli Ezekwesili
Country Director:	Ishac Diwan
Sector Manager:	Ashok Subramanian
Task Team Leader:	John Fraser Stewart

SIERRA LEONE

CONTENTS

	Page
A. STRATEGIC CONTEXT AND RATIONALE	1
1. Country and sector issues.....	1
2. Rationale for Bank and GEF involvement.....	4
3. Higher level objectives to which the project contributes.....	5
B. PROJECT DESCRIPTION	5
1. Lending instrument	5
2. Project development objective and key indicators.....	5
3. Project components	6
4. Lessons learned and reflected in the project design.....	7
5. Alternatives considered and reasons for rejection	8
C. IMPLEMENTATION	9
1. Partnership arrangements.....	9
2. Institutional and implementation arrangements.....	10
3. Monitoring and evaluation of outcomes/results.....	11
4. Sustainability and Replicability	12
5. Critical risks and possible controversial aspects.....	14
6. Loan/credit conditions and covenants.....	15
D. APPRAISAL SUMMARY	16
1. Economic and financial analyses	16
3. Fiduciary	17
4. Social.....	18
5. Environment.....	18
6. Safeguard policies	19
7. Policy Exceptions and Readiness.....	20
Annex 1: Country and Sector or Program Background	21

Annex 2: Major Related Projects Financed by the Bank and/or other Agencies	25
Annex 3: Results Framework and Monitoring.....	29
Annex 4: Detailed Project Description	31
Annex 5: Project Costs.....	43
Annex 6: Implementation Arrangements	44
Annex 7: Financial Management and Disbursement Arrangements	48
Annex 8: Procurement Arrangements	59
Annex 9: Economic and Financial Analysis.....	66
Annex 10: Safeguard Policy Issues	67
Annex 11: Project Preparation and Supervision.....	71
Annex 12: Documents in the Project File.....	74
Annex 13: Statement of Loans and Credits	75
Annex 14: Country at a Glance.....	76
Annex 15: Incremental Cost Analysis	78
Annex 16: Maps.....	86

A. STRATEGIC CONTEXT AND RATIONALE

1. COUNTRY AND SECTOR ISSUES

1. Sierra Leone is located in the Upper Guinean Forest Ecosystem and hosts abundant richness of biodiversity, and biological uniqueness in terms of endemism and number of rare and threatened species. The country (land area 72,280 km²) has five main ecosystem types including: lowland rainforests, montane forests, savanna woodlands, freshwater and wetlands, and coastal and marine. Savanna vegetation covers about 35% of the total land area. Sierra Leone's position at the westernmost extent of the Upper Guinea Forest Ecosystem Continuum provides for significant diversity and endemism. Indigenous fauna includes 15 species of primates, 18 species of antelopes and duikers, and over 500 bird species. More than 4,800 km² of Sierra Leone is wetlands, including freshwater swamp, riparian forests and mangroves, which are host to more than 200,000 migrant bird visitors annually.

2. The current status of Sierra Leone's biological diversity is diminishing rapidly and the capacities of ecological systems to function properly are being reduced. Surveys of the distribution and composition of forest fragments indicate that approximately 70% of the country was formerly covered by forest, whereas less than 5% of intact original forests remain. In some areas, deforestation followed in the wake of industrial-scale commercial logging during the colonial period. At that time, subsistence farmers moved directly into logged areas and burned the remaining vegetation to clear the land for agriculture, and forest was never allowed to regenerate. The decline of Sierra Leone's forests continues largely as a result of unsustainable slash-and-burn agriculture involving short fallow periods, as well as unsustainable mining practices.

3. Despite an existing network of 48 forest reserves and conservation areas, representing about 4% of the land area (180,250 ha), population growth (at 2.3%) and unsustainable resource use is continuing to exert extreme pressure on the environment leading to over harvesting of timber, expansion of grazing and slash-and-burn agriculture, with continuing deforestation, forest degradation and soil erosion. The most extensive area of primary forest remaining in Sierra Leone is the Gola Forest Reserves in the southeast of the country, close to the border with Liberia, where mining and timber harvesting have been contained by the establishment of forest reserve status, and donor support for conservation management. The Western Area Peninsula Forest Reserve includes another significant prevailing fragment of rainforest that is under increasingly severe threat due to uncontrolled use of forest resources and urban expansion. Nationwide, deforestation continues unabated at an estimated 2 % of cover per annum, emphasizing the need for urgent action.

4. Post-independence attempts to ensure effective conservation of biological diversity and sustainable natural resource management have been hampered by weaknesses in legislation and regulations, and inadequate capacity for enforcement; insufficient funding to support protected area management, and lack of alternative sustainable livelihood opportunities for communities currently using natural resources unsustainably. Government capacity to effectively conserve Sierra Leone's biodiversity assets is severely stretched. Multiple donors and aid agencies are active in the sector, and all projects emphasize the importance of responding to immediate

threats as a matter of urgency, and developing capacity. This Project builds on existing Government and donor initiatives with emphasis on building the capacity of governmental institutions and personnel to carry out their mandates effectively through engaging local communities, local Government and other key stakeholders to participate in effective conservation planning and management at three priority conservation sites in the first instance, and developing mechanisms for sharing best practice more broadly.

B. POLITICAL AND ECONOMIC CONTEXT

5. Sierra Leone was the first country designated as “post conflict” by IDA to experience a democratic transition of government. Recent political events provide good reason for optimism that a sustainable pluralistic democratic system is gradually being established. A peace and reconciliation process, including a special court, has largely completed the task of bringing closure to the atrocities of the conflict period. The situation remains fragile, however, as demonstrated by repeated clashes in urban centers between supporters of the governing and opposition parties. Sierra Leone’s recovery remains fragile and the country continues to rank amongst the least advantaged of countries in various measures. Sierra Leone was 177th out of 177 countries in the 2007/2008 UNDP Human Development Index rankings. Much remains to be done to improve governance and accountability, to tackle high levels of unemployment, the high number of infant, child and maternal deaths, which are amongst the worst rates in the world, and a very high youth dependency ratio.

6. Overall, Sierra Leone’s post-conflict economic performance has been robust. Sierra Leone’s recovery, which began in 2000, continued steadily for nine years through 2008 when real Gross Domestic Product (GDP) grew by an estimated 5.5 % despite a simultaneous spike in the world prices of food and fuel commodities. The average real growth rate for the period 2000-2008 was 10 % while the population grew at a rate just over 2 % per annum. From a sector perspective, the main sources of growth have been agriculture and services. Agriculture employs about 70 % of the population and, as of 2008, accounts for about 44 % of the GDP. The mining sector accounts for 2 % of employment and 18 % of GDP, and has historically generated the majority of export receipts. Unsustainable use of natural resources by rural, agricultural and mining communities constitutes some of the most pressing threats to biological resources and natural assets that have the potential to support significant income from tourism in the future.

7. **Sierra Leone Poverty Reduction Strategy.** The GoSL has recently launched its second Poverty Reduction Strategy (PRS), which represents the Government’s overarching development strategy for the period 2008 – 2012¹. The PRS acknowledges the importance of sustainable management of Sierra Leone’s natural resources – forests, wildlife, biodiversity, soil, water, land, fisheries and mineral resources – for achieving future economic growth. It also emphasizes the need to strengthen the linkages between poverty reduction and management of the environment as a key challenge to reducing poverty in Sierra Leone. The project will directly contribute to the following focus areas stated in the PRS: (i) halting deforestation, biodiversity loss and land degradation; (ii) developing and implementing strategies that address environment at the national level and are mainstreamed into implementation; (iii) promoting studies, research,

¹ Poverty Reduction Strategy 2008-2012. An Agenda for Economic and Social Empowerment. GoSL, Dec. 2008.

surveys and analyses for the improvement and protection of the environment and the maintenance of a sound ecological system; (iv) building capacity of communities in the management of protected area systems; (v) promoting effective planning in the management of the environment; (vi) establishing a data bank on natural resources management and utilization; and (vii) coordinating the monitoring and implementation of national environmental policies.

8. National Policy and Institutional Frameworks for Natural Resources Management.

Environmental aspects of forestry are addressed in the National Environment Protection Act of 2000, the Mines and Minerals Act of 1996, and the 1998 Forestry Act. The former established a National Environment Protection Board to facilitate coordination among Ministries, agencies and local authorities in all areas relating to environmental protection. The Environmental Protection Act of 2000 also specifies responsibilities of the Department of the Environment charged with coordinating all environment- related activities and “promoting the establishment of national environmental standards”. It also addresses the necessity to obtain an environmental impact assessment (EIA) license for certain projects, to be determined as subject to EIA provisions. It provides guidance regarding the conditions under which EIA license applications will be required, and about the general contents of an EIA. In July 2008, through adoption of a bill, the Government established the Sierra Leone Environmental Protection Agency (SLEPA) within the Ministry of Lands, Country Planning and Environment as the agency responsible for environmental management.

9. Responsibility for forest management and biodiversity conservation is with the Division of Forestry within the Ministry of Agriculture, Food and Forestry. The Ministry has recently outlined its three strategic priorities for forestry as "the three C's" of Commercial, Community, and Conservation forestry. In 2003 the GoSL produced and adopted the National Biodiversity Strategy and Action Plan (NBSAP) which highlights the status of the nation’s various ecosystems and biological resources, and outlines the threats to the existence and performance of these systems. NBSAP identifies a broad range of cross-sectoral needs to ensure effective conservation of biodiversity, including for policy planning and legislation, capacity building, public participation, monitoring and evaluation, incentives, research and training, public education and awareness, access to technology and information, benefit sharing, indigenous knowledge, and financial resources. The NBSAP recognizes the need to finance biodiversity conservation activities on a more sustainable and long-term basis. It identifies eight priority sites where urgent actions are needed to restore the integrity and ecological functionality of these systems.

10. The project responds to the NBSAP and the NEP by directly addressing conservation challenges at three of the eight priority sites identified in the NBSAP, and also developing and implementing a strategy for sharing experience and best practice to support conservation of all other priority sites across the country. It will build on Government and donor investments to establish capacity for conservation and protected area management within the Division of Forestry. In addition to supporting national policies and strategies, the project also contributes directly to the four key objectives of the UN Convention on Biological Diversity (CBD), including the participatory conservation of biodiversity, the sustainable use of biological resources, capacity building of local communities to support the management of protected area

systems, and fair and equitable sharing of benefits arising from the utilization of genetic resources.

2. RATIONALE FOR BANK AND GEF INVOLVEMENT

11. The Bank is well positioned to support the Government of Sierra Leone in building capacity for effective conservation management, as it has extensive experience implementing projects in post-conflict environments, and has been a key partner in Sierra Leone since the end of the decade-long civil war, supporting resettlement, reintegration, recovery, and reconstruction. The Project will leverage the Bank's worldwide experience in implementing similar projects on behalf of GEF in the region and around the world. In particular it will bring experience in mainstreaming participatory, community-based approaches to governance and resource management, which will be of critical importance in ensuring success of this operation.

12. The Bank is also well positioned to coordinate with and complement ongoing interventions supported by other Development Partners. A number of other donors are actively assisting Sierra Leone's conservation efforts, and the project will target resources towards the areas that have not yet received as much attention and are in need of critical intervention for conservation, as well as supporting the Government to develop a coherent strategy to consolidate and build on the various parallel initiatives. In particular, the project will provide guidance in planning for and investments in conservation management that will be funded by IDA to establish Loma Mountains Non-Hunting Forest Reserve as a National Park, and an offset for critical habitats lost to inundation resulting from the Bumbuna Hydropower Project. This will allow a more effective use of financial resources, while also ensuring that biodiversity conservation is coherently integrated into the overall management framework country-wide.

13. *Relevance to GEF-3 Operational Programs:* As developed under GEF-3, the proposed GEF intervention was designed to address the objectives of GEF Operational Programs OP-1 (Arid-Semi-arid Zone), OP-3 (Forest Ecosystems) and OP-4 (Mountain Ecosystems), focusing on the establishment of a system of critical ecological sites (protected areas) and the protection and conservation of wildlife and biological diversity within them. The project aligns perfectly with GEF-3 Strategic Priority SP-1 (Catalyzing Sustainability of PAs).

14. *Relevance to GEF-4 Strategic Objectives:* The project is in line and fits with the revised GEF-4 strategic objectives for the Focal Area "Biodiversity". The project objective directly aligns with the Strategic Objective 1 (SO-1) of the GEF Biodiversity Program² and contributes to Strategic Program # 3 (Strengthening Terrestrial PA networks). The project directly contributes towards the strategic vision of the SO through institutional capacity building, partnership with NGOs, supporting local communities, increasing the protected area coverage, and establishing effective management systems in the existing national parks. The project will make a valuable contribution to increasing the number, size and integrity of a variety of global ecosystems by delineating representative samples of ecological areas and declaring them as legally protected – including the (i) *Outamba-Kilimi National Park* (Savanna Woodland, 110,900 ha); (ii) *Loma*

² Focal Area Strategies and Strategic Programming for GEF-4, GEF, October 2007.
SO-1: To Catalyze Sustainability of Protected Area Systems.

Mountain Non-hunting Forest Reserve (Montane Forest, 33,201 ha); and (iii) Kangari Hills Non-hunting Forest Reserve (Rainforest, 8,573 ha). Ssee Annex 15.

3. HIGHER LEVEL OBJECTIVES TO WHICH THE PROJECT CONTRIBUTES

15. The overall goal, or higher-level objective, of the proposed Biodiversity Conservation Project is to assist the GoSL to fulfill its strategy, as stated in the PRS, of improving the sustainable management of Sierra Leone's natural resources, in order to enhance economic growth and reduce poverty.

B. PROJECT DESCRIPTION

1. LENDING INSTRUMENT

16. The SL-BCP is a full-sized, stand-alone GEF Project, with a 5-year implementation period, to be financed by a **GEF Grant in the amount of US \$5.0 million**. GoSL contributions in kind to the BCP will total **US \$1.0 million**. The Government of Sierra Leone is continuing discussions with other donors to raise more leveraged resources in support of the project.

17. The Project would be supplemented by IDA US \$2 million under the Bumbuna Environmental and Social Management Project, which is currently under preparation. IDA funds would be specifically earmarked for establishing effective long term conservation at the Loma Mountains, as an offset for natural habitats lost to inundation by impoundment at the Bumbuna dam. Further the SL-BCP is also a critical and timely contribution to a diverse portfolio of donor-supported activities in the natural resources management/protected areas management sector in Sierra Leone (see Tables A and B in Annex 2). The Project is designed to complement these and other activities and develop a coherent approach to conservation across the country. For the next 5 years, total donor support to GoSL in these sectors (excluding the BCP) is estimated at approximately US \$17.8 million and for this reason, this figure is utilized as the 'Baseline' in the Incremental Cost Analysis for the project (see Annex 15).

2. PROJECT DEVELOPMENT OBJECTIVE AND KEY INDICATORS

18. **The Project Development Objective (PDO)/Global Environmental Objective (GEO)** is improved management of selected priority conservation sites (CSs) and enhanced capacity for replication of best practices. The PDO/GEO have been combined as the PDO directly contributes to Strategic Objective 1 (SO-1) of the GEF Biodiversity Program³.

Key Outcome Indicators:

³ Focal Area Strategies and Strategic Programming for GEF-4, GEF, October 2007.
SO-1: To Catalyze Sustainability of Protected Area Systems.

- Management effectiveness in selected priority conservation sites supported by the Project has improved by 20%
- Phased plan for replication of best practices in CS management throughout Sierra Leone adopted by MAFFS

(See details in Annex 3: Results Framework and Monitoring).

3. PROJECT COMPONENTS

19. The project will have three components (details are provided in Annex 4: Detailed ProjectDescription).

Component 1: Strengthen the National Framework for Biodiversity Conservation (US\$ 0.8m, of which US \$0.7m is GEF, US\$ 0.1m is GoSL). The Project will fund services, goods and training under two sub-components:

1.1 Policy and Legal Framework (US\$0.5m) , which will entail: (i) Reviewing and updating forest, wildlife and biodiversity policies and regulations in consultation with stakeholders; and (ii) exploring options for sustainable financing of conservation sites, including payments for environmental services, etc.

1.2 Institutional Framework (US\$0.3m), which will entail: (i) Establishing a National Steering Committee (NSC) for project activities; (ii) Developing a strategy for replication of best practice, including FD and other relevant authorities, (iii) introducing multi-year planning and budgeting within Forestry Division; and (iv) Develop a GIS database to support conservation site management.

Component 2: Conservation Site Planning and Management (US\$ 4.5 million, of which US\$ 3.9m is GEF, US \$0.6m is GoSL). The project will provide services to support planning and management, goods (e.g., vehicles, GPS, radios, etc.), minor infrastructure improvements, training, and some operational costs, in order to develop and implement more effective conservation management at selected priority sites. Best practice will be shared with managers and stakeholders at other priority sites around the country in the context of implementing a national strategy for replication. The component will include three sub-components:

2.1: Pilot Site Management Planning and Implementation (US\$2.9m), which will entail: (i) Establishing conservation management teams (CSMTs) at each of the three sites, and building partnerships among government, non-government organizations, community-based organizations, traditional village leaders and the private sector; (ii) Developing site specific conservation management plans that are endorsed by traditional and local authorities; (iii) Implementing management plans (includes minor infrastructure improvements for staff and visitors, observation posts, water supply, road access, research facilities, trails and camp sites, and boundary demarcation); working with local communities to improve resources management, implementing monitoring systems, and exploring financing options; and (iv) Building capacity of field staff and key stakeholders to undertake conservation planning, management, and enforcement through joint training programs.

2.2: Community Mobilization and Outreach and Conservation-linked Development

(US\$1.5m), which will entail: (i) Community outreach and awareness through strategic local and national communications programs that will include contributing to school curricula, preparing information materials, extension by field staff, and developing nature clubs; and (ii) Conservation-linked community development, which will include support for identifying priority threats to conservation jointly with local stakeholders, and exploring options for addressing them. Solutions may include introducing new technologies (e.g., wood burning efficient stoves, food processing, etc.) or agreements on resource use, and/or strengthening linkages with government programs and service providers to reduce unsustainable dependency on natural resources.

2.3 Mainstreaming Conservation in District Development Planning (US\$ 0.1m), which will entail supporting the Government's decentralization process by training conservation staff and local officials to working with District Councils and Ward Development Committees to ensure that conservation and sustainable natural resource management is incorporated in district and regional planning for development and service delivery.

Component 3: Project Management, Monitoring and Evaluation (US\$ 0.7m, of which US\$ 0.4m is GEF, US\$ 0.3m is GoSL). The Project will finance services, goods and minor works to support a Project Management Team (PMT) with office facilities and training for planning and management. Activities will include: (i) Operation of the National Steering Committee (NSC) and Project Management Team, (ii) Developing and supervising annual and quarterly work plans and budgets, (iii) Overseeing procurement, financial management and audit, and (iv) establishing baselines, and developing planning, monitoring and evaluation systems for the national conservation program.

4. LESSONS LEARNED AND REFLECTED IN THE PROJECT DESIGN

20. Project design was guided by lessons learned from numerous past and ongoing World Bank and non-Bank supported protected area management and biodiversity projects, primarily in West and Central Africa, as well as from recent donor supported conservation projects in Sierra Leone. These included Conservation and Sustainable Utilization of Resources in Central Africa (ECOFAC), the Sectoral Program for the Valorisation of Protected Areas (PSVAP) in Gabon, and Protected Area Development Project (PADP) in Ghana. Project design also drew lessons from the Sierra Leone National Social Action Project (NSAP), whose key objective is to assist communities in restoring infrastructure, and building local capacity for collective action, using a community-driven development approach. Experience from recent and current conservation initiatives in Sierra Leone that contributed to design include the Gola Forest Project, feasibility studies on options to protect Gondama and Matama Islands in Bo and Pujehun Districts, and the Tiwai Island Sanctuary Project, which is currently the only gazetted Wildlife Reserve in the country that is providing social benefits such as employment, education and recreation through eco-tourism.

21. The main lessons learned and incorporated in project design include the need to: (i) build ownership for sustainability through active and meaningful involvement of key stakeholders in project preparation, implementation and monitoring, specifically including local communities

and traditional authorities in decision making; (ii) ensure that stakeholders are fully informed, understand and support the objectives of conservation, as well as their responsibilities and the potential benefits that will accrue; (iii) develop site specific conservation strategies and monitoring programs that target key threats and the underlying causes; (iv) define Government roles to ensure effective protection of selected sites as well as sharing best practice to support replication of project successes; (v) build technical, organizational and management capacities of all relevant stakeholders at national, district, ward and site levels; (vi) ensure key staff are selected through transparent and competitive processes, and augment Government capacity and skills with consultant expertise as necessary; and (vii) ensure realism in the scope of project focus and expected outcomes.

5. ALTERNATIVES CONSIDERED AND REASONS FOR REJECTION

22. Alternatives considered included project designs that would: (a) attempt to address the conservation needs at all priority sites identified in the SL-BSAP, or (b) focus only on site level interventions. The SL-NBSAP proposed a program of interventions covering 19 individual priority projects, categorized as thematic and cross-sectoral initiatives, with an estimated cost of about US\$95 million over seven years (2004-2010), during which time all necessary resources would be mobilized, institutional arrangements established, baseline studies conducted and policy reviews undertaken. The 19 priority projects were envisaged as individual projects to be implemented in a coordinated manner by a range of lead public sector agencies.

23. This approach was rejected for several reasons, key amongst these being that neither the government nor donors were in a position to commit the required level of financial resources. In addition, there is limited capacity in the country, and coordinating activities of so many projects in the absence of an adequate database and M&E system would have made effective tracking of implementation progress and evaluation difficult. Accordingly it was decided to focus initially on a limited number of conservation sites, and build the capacity for sharing lessons learned in the context of a phased strategic plan for replication. The option to focus even more narrowly on only site level interventions was rejected due recognition of the need to build national level capacity in parallel to ensure support and success of the site interventions, and also provide for replication.

24. The no project alternative would result in continued degradation and collapse of Sierra Leone's natural ecosystems and loss of many endemic species at all priority sites not currently receiving bilateral support, as well as the loss of the ability of these systems to provide critical ecosystem services, and also provide for the potential development of tourism in future years.

C. IMPLEMENTATION

1. PARTNERSHIP ARRANGEMENTS

25. **Implementation:** Implementation of the project will entail strengthening of existing and development of new partnerships among stakeholders at the local, District and national levels, as well as among Development Partners. At the local and national levels, inter-sectoral partnerships among stakeholders will be formalized in the context of site level conservation management committees and the National Steering Committee as outlined in section 2. Additionally, project implementation will benefit from partnerships with a range of parallel Development Partner supported conservation initiatives, where information and staff exchanges will be incorporated in staff training and stakeholder education and public awareness programs.

26. Key projects where such partnerships will be pursued include: (a) the EC-financed Project "Conservation of the Western Area Peninsula Forest Reserve and its Watershed", which is being implemented by Welthungerhilfe and Environmental Forum for Action (ENFORAC); (b) the "Trans-boundary Peace Park Project", which is implemented by Bird Life International and the Conservation Society of Sierra Leone; (c) the IDA-funded Rural and Private Sector Development Project (RPSDP), which is being implemented country-wide with the aim of improving the efficiency of agricultural value chains; (d) the IFAD-funded Rural Finance and Community Improvement Programme, (e) the FAO/Government of Italy supported Food Security through Commercialization of Agriculture Project, (f) the USAID-funded and CORAD implemented Livelihood Expansion and Asset Development (LEAD) Program, which all support agricultural/ community development and rural livelihoods in several districts, including Koinadugu; (g) the USAID-supported Trans-boundary Project between Sierra Leone and Guinea; (h) the EU/CARE supported Sustainable Agriculture Project in Koinadugu, and (i) the IrishAid-supported project in support of Tiwai Island Sanctuary. International NGOs involved in conservation in Sierra Leone include: Conservation International; the Royal Society for the Protection of Birds-UK, and BirdLife-Netherlands. National NGOs which may become implementing partners or service providers under the project include: the Conservation Society of Sierra Leone; INFORAC; the Environmental Foundation for Africa (EFA) and the TACUGAMA Chimpanzee Project. Additionally, the project will be implemented in close coordination with the GEF-4 project in Sierra Leone which is under preparation. The GEF 4 project will complement the terrestrial focus of this proposed project as well as other bilaterally supported site-based conservation initiatives (which also focus on primarily forested and other terrestrial ecosystems), to complete coverage of the nation's key ecosystems by including wetland and mangroves ecosystems - which are currently not effectively protected. Thus overall, while this project will be covering the institutional and legal framework in revising and updating the national laws to reflect current biodiversity conservation practices (including wetland areas), the GEF4 project will put in practice the conservation planning and management of the priority wetland (coastal and inland) sites

27. The large number of conservation and conservation relevant projects and the broad range of organizations engaged in implementing them represent challenges - in terms of their impact on Government capacity to take lead responsibility and institutionalize the benefits achieved, and assets - in terms of the diversity of skills and experience they represent and that could contribute to overall project objectives. Consequently it will be essential for lead Government staff and the project management team to work together to develop a strategic approach to coordinating and sharing skills and experience among this diverse group in order to achieve mutual objectives and sustainability of outcomes.

2. INSTITUTIONAL AND IMPLEMENTATION ARRANGEMENTS

28. ***Project Oversight at the National Level.*** A National Steering Committee (NSC) will be established and chaired by the Director of Forestry. Membership of the NSC will include the Forestry Division's Assistant Director of Conservation and Wildlife Management Unit, the Project Manager, representatives of the Ministry of Finance and Development (MFD); the Ministry of Internal Affairs, Local Government and Rural Development (MIALGRD); the Ministry of Lands, Country Planning and Environment (MLCPE); the Ministry of Fisheries and Marine Resources (MFMR); the Ministry of Mineral Resources (MMR); the Ministry of Tourism and Cultural Affairs (MTCA); the Sierra Leone Environmental Protection Agency (SLEPA); a representative of local NGOs; and a community representative from each conservation site. Representatives of other Ministries, Departments and Agencies may be invited to participate on an ad hoc basis as needs arise. The NSC will provide strategic and advisory guidance and assistance in resolving inter-sectoral challenges to project implementation.

29. ***Project Management at the National Level.*** The Ministry of Agriculture, Forestry and Food Security (MAFFS), through its Forestry Division, will be the *Executing Agency*. Overall supervision of project implementation will fall under the responsibility of the Assistant Director and Head of the Conservation and Wildlife Management Unit of the Forestry Division. The Forestry Division will establish a *Project Management Team (PMT)* responsible for the day-to-day project management, coordination, supervision and monitoring of project activities at all levels. The PMT, which will be based at Makeni, will consist of a Project Manager, and specialist staff including skills in biodiversity conservation site planning and management, information technology and GIS, social and rural development, biodiversity surveys, and monitoring policy and regulatory aspects of conservation, and communications and outreach. The PMT will directly supervise the Conservation Site Managers (CSMs) at the priority conservation sites.

30. ***Project Oversight at Conservation Site Level.*** A Conservation Site Management Committee (CSMC) will be established for each of the priority conservation sites, chaired by the District Council Chairman, with the Conservation Site Manager as Member and Secretary. The CSMC will consist of representatives of local communities, NGOs, other local stakeholders, such as mining or logging concessionaires, traditional leaders (e.g. Paramount Chiefs), and village committees. The CSMC will provide guidance, advice and assistance in addressing inter-sectoral challenges to project implementation at each of the priority conservation sites.

31. ***Project Management at Conservation Site Level.*** Each site will have a *Conservation Site Management Team (CSMT)* composed of Forestry Division staff, including a Conservation Site manager, an office manager/administrator, two technical-level staff and, at least six guards. With the support of the PMT, each CSMTs will contribute to the preparation and take lead responsibility for implementing site management plans in collaboration with the CSMC.

32. ***Accounting, financial and procurement arrangements.*** The overall responsibility for financial management and procurement will be with two specialists from a consultancy firm who are already providing services for the ongoing World Bank-financed Rural and Private Sector Development Project (RPSDP). The PMT will be supported by a team of international and national consultants who will provide technical assistance to Components 1 and 2.

3. MONITORING AND EVALUATION OF OUTCOMES/RESULTS

33. The overall objective of the project's Monitoring and Evaluation (M&E) system is to monitor progress, results and outcomes of the project's interventions into managing selected priority conservation sites in Sierra Leone, as well as building capacity for replication of best practice, over a five year period. In support of improved project management of conservation sites, and as an integral aspect of project interventions and activities, M&E related activities aim to establish and institutionalize a system for monitoring of site conservation management with the support of GIS technology, that will include monitoring of key ecological indicators in conservation sites, as well as the pace of development and impacts on conservation-linked economic and community development activities at the site level.

34. Project-related M&E will provide a platform of data for the project team to use in managing the project, allowing for evaluation of effectiveness and efficiency, as well as overall assessment and support for management of protected areas and other conservation sites throughout the country. The project-related system will be designed to provide timely progress reports of implementation based on key performance indicators as per the results framework (Annex 3), thereby measuring achievement of PDO outcomes and intermediate outcomes using PDO outcome indicators and intermediate outcome indicators respectively. Project outputs will also be tracked using selected indicators. Project monitoring will be an on-going process that will produce quarterly reports on output indicators, semi-annual reports on output and outcome indicators, and annual reports on outcome indicators.

35. M&E will be undertaken at the national, district and conservation site levels. A number of different agencies will be involved including the relevant line ministries and departments, Development Partners, NGOs and CBOs, and communities associated with each site. At the national level, the M&E system related to conservation sites will provide data as and when required for the PRS II annual progress report and be connected and aligned with the requirements of data and data storage in the databases established by MAFFS and MLCPE. The project will support the existing M&E unit in the Policy Evaluation, Monitoring and Statistics Division of MAFFS and build capacities to coordinate and facilitate data collection and entry, analyze and disseminate information, inform and signal policy makers and provide feedback on

policy issues to national and project level stakeholders. FD will ensure that consolidated M&E reports are submitted to the World Bank at regular intervals.

36. Project conservation site M&E will monitor changes and trends in biodiversity and the ecological integrity and viability of conservation sites, as well as livelihood related aspects. It will include: (a) assessing and tracking the abundance of key species and indicators of the status of natural ecosystems and use of resources at conservation sites; (b) using participatory techniques to monitor conservation linked social and economic activities and trends; (c) providing evidence on how project results are contributing towards the achievement of the overall sector goals and global objectives in biodiversity conservation.

37. M&E will be the overall responsibility of the PMT in collaboration with Policy Evaluation, Monitoring and Statistics Division of MAFFS. While the PMT M&E Officer will coordinate development and implementation of the M&E System, project staff at the various levels, implementing partners and service providers will play an important role in M&E activities. While the general arrangements for results monitoring have been defined in Annex 3, a detailed M&E Plan that will further specify data/information requirements and sources, methods, frequency and responsibilities for data collection, will be elaborated at project start up.

4. SUSTAINABILITY AND REPLICABILITY

38. **Commitment of the Recipient.** Following the general elections of 2007, institutional responsibility for forestry and for protected area and biodiversity conservation reverted to the Forestry Division within the MAFFS. Subsequently, the Forestry Division was restructured at national level with the creation of three separate units: (i) Conservation and Wildlife Management; (ii) Commercial Forestry; and (iii) Community Forestry. This development emphasizes the Government's recognition of the need and commitment to conservation at the national level. At the field level, the Forestry Division is committed to establishing Conservation Site Management Teams through relocation or recruitment of staff as necessary. Experienced and appropriately trained managers have already been identified for all priority sites supported under the project, and the number of field staff increased.

39. **Sustainability.** Given current level of capacity and funding, as well as the poverty driven underlying causes of the threats to conservation in Sierra Leone, achieving sustainability through implementing a project of this scale and scope will be challenging. However, Government commitment to conservation is clear, and project design incorporates a strategy for sustainability through building awareness and capacity at the site, district and national levels.

40. *Institutional sustainability:* The project will increase the level of institutional and human resource capacity at national, district and site level. It will build government staff capacity at the site level, where it will also establish new multi-stakeholder site management committees, and explore partnerships for conservation with civil society and private sector groups where possible. It will build on the Government's program of decentralization and work through District Councils, Wards, and Village Development Committees, as well as district forestry and wildlife offices, environmental protection offices, and community based organizations to ensure that conservation is incorporated in local, district and regional planning and resource management.

This will be complemented by activities to build awareness and support for conservation among national level stakeholders, strengthen the legal framework, and develop a prioritized strategy for sharing best practice and building capacity for management of all priority conservation sites around the country.

41. *Social sustainability* will be achieved by fostering local ownership of the project through active involvement of local stakeholders (communities, traditional leaders, and Community Based Organizations) at site level when confirming, prioritizing, planning and implementing project supported activities. In order to ensure long-term commitment for sustaining project outcomes and impacts, the project will prepare and implement community action plans in each site that will identify and support sustainable livelihood alternatives to unsustainable resource uses that impact negatively on the biodiversity of the conservation sites. Activities supported under the action plans will strengthen local community capacity to maintain or improve their economic status in a conservation linked manner, thereby further strengthening local community involvement and support for conservation objectives.

42. *Financial sustainability*⁴: It is expected that the CSs will only become financially self-sustaining entities in the medium- to long-term, and even then, significant funding from the Government will be required for viability. As such, funding from external sources will remain necessary for some time in order to achieve the conservation goals. The project will explore possibilities for creation of sustainable long-term financing instruments such as payment for environmental services (PES), forestry-based carbon off-set projects (REDD), environmental/conservation trust funds, debt-for-nature swaps, user fees, entrance fees, charges and taxes, and private sector initiatives to finance ecologically benign natural resource and park management activities and compensate community efforts for sound environmental stewardship. In addition, the project will provide natural resource-dependent communities with alternative means of livelihood by promoting economically viable and environmentally-friendly economic activities which will reduce pressure on the natural resources in the CSs and enhance sustainability. As a key to financial sustainability, the project will introduce an effective and transparent financial management system at the CS level.

43. *Ecological sustainability* will be achieved by addressing barriers and constraints at all levels to ensure long-term maintenance of environmental stewardship and ecological productivity as well as the enhancement of environmental services (biodiversity, watershed management, water quality, sequestration, climate change) at both national and global levels. Various project activities such as (i) promoting sustainable land use practices including conservation agriculture and agroforestry; (ii) raising environmental awareness through school programs and other initiatives; (iii) limiting poaching and managing bushmeat trading; and (iv) promoting eco-tourism will directly contribute to ecological sustainability.

44. **Replicability.** The project will develop a prioritized and phased strategic plan for replication that will include sharing best practice and experience with site managers and stakeholders at all priority conservation sites in the country. This will include sharing both positive and negative experience gained from parallel bilateral conservation initiatives (e.g., Gola

⁴ Financial sustainability is achieved when a protected area system is able to secure sufficient and predictable levels of resources over the long-term to meet its total costs (GEF, 2007).

and Western Peninsula), as well as from priority sites that are not beneficiaries of targeted projects. The project strategy is to build awareness of both the needs and opportunities afforded by conservation among site level stakeholders, as well as establish capacity and skills at the national level to assist site level staff to undertake threat analysis, and prepare maps and operational plans for additional priority sites. The strategy for replication also includes working with district and traditional authorities to incorporate conservation in decentralized planning, including priority conservation sites and the broader landscape. With regard to funding, the project will build capacity for multi-year output based planning and budgeting within the Division of Forestry, which will better equip the Government to make reasoned decisions regarding budget allocation. It will also explore opportunities to capture funding for conservation from the private sector, e.g., by building partnerships with national and international networks (e.g., via SUSTAIN - Sierra Leone's Eco-Travel Network) to provide a forum for public and private actors to discuss opportunities for eco-tourism development, and will also review opportunities to link payments for environmental services (e.g, water supply, power generation, tourism, fisheries) to conservation management.

5. CRITICAL RISKS AND POSSIBLE CONTROVERSIAL ASPECTS

Potential risks and mitigation

Risk Factors	Description of Risk	Rating of risk	Mitigation measures	Rating of residual risk
Non-prevailing peace in SL		Low		Low
GoSL might not sustain commitment to biodiversity conservation	<ul style="list-style-type: none"> ▪ GoSL may not provide adequate attention and resources to improving national framework for biodiversity conservation. 	Substantial	<p>Technical and financial support to strengthening national biodiversity framework.</p> <p>Stimulation of inter-sectoral cooperation, providing policy support, and organizing lobbying events.</p> <p>Exploration of innovative financing mechanism for conservation (PES, Voluntary Carbon Fund).</p>	Moderate
Institutional capacity	<ul style="list-style-type: none"> ▪ Alongside weak inter-sectoral cooperation and coordination, MAFFS/FD and other ministries may have insufficient human capacities and expert knowledge to implement the project. ▪ Limited performance of 	Substantial	<p>Institutional reform and support to employment of inter-sectoral coordination mechanisms.</p> <p>Capacity building for relevant institutions, HR development, young professional program and use of external consultants</p> <p>Performance-based</p>	Moderate

Risk Factors	Description of Risk	Rating of risk	Mitigation measures	Rating of residual risk
	field staff may appear due to lack of incentives for improving work effectiveness and efficiency.		planning and budgeting for field staff and utilization of 'soft' incentives (providing trainings and better working conditions).	
Local population gives higher priority to livelihoods than to support for biodiversity conservation	<ul style="list-style-type: none"> ▪ Due to poverty and insufficient incentives, local communities may be inclined towards unsustainable resource exploitation, and in extreme cases to illegal logging and encroachment. 	Substantial	<p>Promoting alternative income-generating activities and links to other development programs for improving livelihoods.</p> <p>Capacity building program, and training for District staff.</p> <p>Carrying out public awareness and outreach programs, including PR activities, nature clubs in rural schools and farmer field schools.</p>	Moderate
Inadequate local participation in boundary demarcation	<ul style="list-style-type: none"> ▪ GoSL may not be fully committed to participatory management of conservation sites. ▪ Local population may not be willing to participate in conservation and settling boundary disputes. 	Moderate	<p>Support to inter-sectoral cooperation, decentralization, multi-stakeholder approaches to planning and implementation.</p> <p>Introduction of participatory approaches (e.g., participatory boundary mapping) and set-up of conflict resolution mechanisms, as well as involvement of traditional authorities/CBOs</p> <p>Sustainable alternative livelihood programs and awareness creation</p>	Low
Overall Risk		Substantial		Moderate

Risk Rating – H (High), S (Substantial), M (Moderate), L (Low or Negligible)

6. LOAN/CREDIT CONDITIONS AND COVENANTS

Negotiations conditions

- ✓ GOSL approval of counterpart funding requirements
- ✓ PMT to agree on template for interim financial reports
- ✓ Procurement Plan prepared for first 18 months of Project Implementation

Effectiveness conditions

- ✓ Special/Designated Accounts have been opened in a local bank satisfactory to the IDA under terms and conditions satisfactory to the IDA.
- ✓ Prepare a Project Implementation Manual
- ✓ Establish the National Steering Committee

Legal and Financial covenants

- ✓ Quarterly progress reports highlighting financial performance will be prepared and sent to the Bank no later than 45 days from the end of the quarter.
- ✓ Annual audit reports will be prepared and submitted to the Bank within six months of the end of the fiscal year audited.

D. APPRAISAL SUMMARY

1. ECONOMIC AND FINANCIAL ANALYSES

45. *Economic.* The project will produce local, national, and global environmental benefits whose value cannot be readily quantified. A formal quantified economic analysis is therefore not provided -- this section evaluates benefits in qualitative terms and, consistent with GEF requirements, summarizes the estimated incremental costs (additional details are found in Annex 9 - Economic and Financial Analysis; and Annex 15-Incremental Cost Analysis). The project will improve the conservation management of globally significant endemic biodiversity and landscape values of sensitive ecosystems, and thereby generate mutual economic and environmental benefits by: (i) improving the legal and regulatory framework for PA operations; (ii) introducing new management techniques; (iii) developing opportunities for livelihoods and job creation from sustainable utilization of non-timber values of conservation sites and associated landscapes, including tourism and recreation, use of non timber forest products, seasonal agriculture and fisheries; and (iv) capacity building of stakeholders at all levels in the PA system. The incremental costs are associated with those activities that achieve country and regional benefits by: (a) supporting protected areas planning; (b) enhancing PA management and building public awareness of biodiversity conservation and associated international standards; and (c) conserving their globally important biodiversity. GEF assistance will also help to mainstream biodiversity conservation in adjacent landscapes where the primary emphasis is on economic uses and subsistence.

46. *Fiscal.* Due to government budget constraints, the proposed biodiversity conservation activities could not be implemented without GEF support. Nevertheless, gross public

expenditures on PAs are expected to increase, especially in the post project period. These will be a very small proportion of the Forestry Division's respective total public expenditures, and will not result in an undue fiscal burden. In the medium and longer term, positive social and economic benefits are likely to be realized through tourism and new employment opportunities, which will also help increase tax revenues.

2. TECHNICAL

47. The project is technically justified on the basis of the urgent need to address growing threats to Sierra Leone's priority conservation sites that are still rich in biodiversity. The growing threats result from unsustainable exploitation of natural resources associated with population growth and the expansion of economic activities following more than a decade of civil war. The project will pilot best practice in conservation site planning and management at three priority sites in the first instance, and build capacity to replicate this experience at other priority conservation sites throughout the country. The project objective, components and activities were developed in a participatory manner by the Division of Forestry technical staff with the support of other stakeholders including sector specialists who were also engaged in designing and implementing other on-going conservation initiatives in Sierra Leone. The project will build new skills in multi-stakeholder participatory planning for conservation and sustainable resource management, in the context of decentralized development planning. Site level interventions include identifying and addressing underlying causes of the main local threats to conservation, together with local communities and traditional and local authorities. This will entail designing and implementing targeted community action plans to reduce unsustainable impacts on biodiversity, and developing linkages between economic benefits and the objectives of conservation. New skills will be derived from international and local experience through a combination of formal and on-the-job training, networking, exchange programs, and will focus on developing practical approaches to conservation that are appropriate for local conditions and needs.

3. FIDUCIARY

48. Given the Ministry's weak capacity for financial management and procurement, the team identified the RPSDP PCU within the Ministry of Agriculture as having adequate available capacity to handle procurement and financial assignment. A Designated Account will be opened in Freetown by the Ministry of Agriculture to fund all centrally managed expenditure, while an Imprest Account will be opened in Makeni (where the project implementation team will be based) to fund the operating costs and community-related activities in the field. The Bank (IDA) will make disbursements to the Designated Account in Freetown from which funds will be transferred to the Imprest Account in Makeni. The GoSL will second an Imprest Accountant to the Makeni office to handle all field financial management functions and submit monthly returns to the RPSDP PCU before replenishment of the Makeni Imprest Account. The Accountant at the RPSDP PCU will be required to consolidate reports from the field with that of centrally managed activities, and submit Interim unaudited Financial Reports to the Bank on a quarterly basis.

4. SOCIAL

49. Project strategy recognizes the need to address social priorities in order to achieve conservation objectives. Villages and communities adjacent to the conservation sites are extremely poor and often lacking access to basic social infrastructure such as schools, health centers, drinking water, etc. Many villages are physically isolated, especially during the rainy season, and income-generating opportunities are often absent. This leads to pressure on the accessible natural resources from slash-and-burn agriculture, wood harvesting for domestic use, use of non timber forest products and hunting. Logging concessions and smallscale mining for gold and diamonds in areas adjacent to conservation sites also lead to increased pressure on the resource base. While local communities are aware of the restrictions imposed by the establishment of the conservation sites, and recognize the importance of supporting conservation objectives, basic livelihood alternatives need to be developed and supported in order to compensate for losses incurred due to the restriction of access to resources and further strengthen support for conservation. Consequently, the project will actively engage communities and traditional authorities in preparing and implementing conservation management plans, as well as in evaluating the overall impact of project activities. In particular, local communities will play a key role in identifying and quantifying threats to biodiversity and natural resources, stakeholder mapping, surveys, training workshops, and outreach programs, and will be represented in the Conservation Site Management Committees, which will endorse site plans at the local level.

50. The status of the small number of human settlements adjacent to the project sites will be verified in the early stages of implementation when boundaries will be confirmed and demarcated. In the case of Outamba-Kilimi National Park, a small number of human settlements inside the park received partial compensation to resettle outside of the Park before the civil war broke out. Many of these settlements remain inside the park and additional settlements have been established more recently. As an alternative to relocation, the Forestry Division is assessing the possibility of regularizing settlements and zoning conservation areas in accordance with plans that will be agreed with local communities. In the event that resettlement is considered to be the optimal course of action, it will be carried out in accordance with the Resettlement Policy Framework and Process Framework (see Annex 10).

5. ENVIRONMENT

The entire project constitutes an environmental mitigation and management plan. It has been designed and will be implemented in a participatory manner in order to build capacity to address specific threats to the biodiversity and ecological integrity of selected priority conservation sites, as well as capacity and a strategic plan to share best practice with managers and other stakeholders at other priority sites, thereby leading to mitigation or prevention of existing or potential impacts on biodiversity throughout Sierra Leone. Threats include loss of natural ecosystems or key species as a result of unsustainable agricultural practices and use of natural resources including timber, fire wood, non-timber forest products, and other wildlife species, as well as destruction and disturbance of habitats due to small and large scale mining and other site specific developments. The project will involve local communities and other stakeholders, including traditional authorities, in the preparation and endorsement of site specific plans, and interventions will include support for community development activities that are linked with

conservation objectives. The project will also build awareness at the national and district levels of the needs and opportunities to mitigate or pre-empt threats to priority habitats or species in regional development planning.

6. SAFEGUARD POLICIES

Safeguard Policies Triggered by the Project	Yes	No
Environmental Assessment (<u>OP/BP</u> 4.01)	[X]	[]
Natural Habitats (<u>OP/BP</u> 4.04)	[X]	[]
Pest Management (<u>OP</u> 4.09)	[]	[X]
Cultural Property (<u>OPN 11.03</u> , being revised as OP 4.11)	[]	[X]
Involuntary Resettlement (<u>OP/BP</u> 4.12)	[X]	[]
Indigenous Peoples (<u>OP/BP</u> 4.10)	[]	[X]
Forests (<u>OP/BP</u> 4.36)	[X]	[]
Safety of Dams (<u>OP/BP</u> 4.37)	[]	[X]
Projects in Disputed Areas (<u>OP/BP</u> 7.60)*	[]	[X]
Projects on International Waterways (<u>OP/BP</u> 7.50)	[]	[X]

Environmental Assessment (OP/BP 4.01). The Project is classified as Category B, as the potential adverse affects are few, and site specific. The Project is expected to have an overall positive environmental impact by conserving biodiversity and improving natural resource use.

The Government prepared an Environmental and Social Impact Assessment (ESIA), which details measures and plans for addressing potential threats, including guidelines for screening projects and identifying mitigation measures when necessary. The ESIA was disclosed in-country, and at the WB InfoShop. Disclosure workshop dates were published in three local newspapers: The Democrat (May 7 & 14, 2007), Standard Times (May 10 & 14, 2007) and Salone Times (May 9, 2007). Five separate disclosure workshops were held between May 16 and 22, 2007 at different sites throughout the country, and close to priority conservation sites, including: Fintonia for Outamba Kilimi National Park; Kabala for Loma Mountains Forest Reserve and Tingi Hills Forest Reserve; Mongeri for Kangari Hill Forest Reserve; Kenema for Gola and Tiwai Island Wildlife Sanctuary; and Freetown for Western Area Peninsula Forest Reserve. The full text of the workshop reports (including list of participants) has been incorporated into the ESIA. As detailed in the ESIA, the Project will not support or finance any logging or mineral extraction. Neither will it necessitate any large scale infrastructure development or major civil works within or at the periphery of the conservation sites. Under the project, rehabilitation or development of basic facilities, such as access roads, research and visitor facilities, and community level initiatives, will support improved conservation management effectiveness, and build support for conservation through enhanced awareness of benefits, and catalyzing conservation linked development.

Natural Habitats (OP/BP 4.04). Consistent with OP 4.04, the project will help to conserve natural habitats, and ensure that specific project activities avoid habitat degradation.

* *By supporting the proposed project, the Bank does not intend to prejudice the final determination of the parties' claims on the disputed areas*

Involuntary Resettlement (OP/BP 4.12). The project may entail: (i) limited land acquisition once conservation sites' boundaries are demarcated and for small infrastructure works; (ii) relocation of a small number of human settlements located inside any of the conservation sites as determined during project implementation; and (iii) restriction of access to the selected legally designated parks and conservation sites. Overall impacts are yet to be determined as boundaries need to be re-demarcated and the status of villages inside and outside of the conservation sites needs to be identified. Therefore, consistent with OP 4.12, a Process Framework and a Resettlement Policy Framework have been prepared, approved and disclosed (as described above under Section 4 'Social').

Forests (OP/BP 4.36). Consistent with OP 4.36, the project aims to harness the potential of forest ecosystems to reduce poverty in a sustainable way, integrate forest conservation effectively into sustainable development and protect vital local and global environmental services and values of forests.

7. POLICY EXCEPTIONS AND READINESS

No policy exceptions are sought.

ANNEX 1: COUNTRY AND SECTOR OR PROGRAM BACKGROUND

SIERRA LEONE: BIODIVERSITY CONSERVATION PROJECT

Political Context

1. Peace has been consolidated in Sierra Leone. On September 17, 2007 Ernest Bai Koroma of the All Peoples Congress Party (APC) was sworn in as President of Sierra Leone, defeating the candidate of the incumbent Sierra Leone Peoples Party (SLPP) in a second round ballot held on September 8. Sierra Leone is the first country designated as “post conflict” by IDA to experience a democratic transition of government. There was broad consensus among international observers that the 2007 elections were free, fair and credible. Civilian rule has always been either under APC or SLPP, with the APC ruling for a 25 year period from 1967 to 1992 and the SLPP ruling from 1961-1967 and from 1996-2007. These periods of civilian rule were interspersed with various military regimes which held power for a total of 11 years. Recent political events provide good reason for optimism that a sustainable pluralistic democratic system is gradually being established. A peace and reconciliation process, including a special court, has largely completed the task of bringing closure to the atrocities of the conflict period. The situation remains fragile, however, as demonstrated by repeated clashes in urban centers between SLPP and APC supporters.

2. Local council elections took place largely peacefully on July 5, 2008 and a process of devolution of power, started in 2004, continues to deepen, giving local authorities responsibilities for most local-level delivery of services (health, education, water, feeder roads, etc.). Public Financial Management has been strengthened through the introduction of modern budgeting and accounting systems. New and better budgeting legislation and regulations are now in place. Most ministries and agencies now prepare annual procurement plans, and the Government has adopted a new Chart of Accounts and requires donors to use it for regular reporting.

3. The Government has enacted key legislation to support the decentralization process and important responsibilities for the delivery of basic services have been devolved to district councils. Transparency in allocation is maintained through an allocation formula, which is public. Local councils now have a greater role in basic education, primary health care, water supply, and feeder roads. Access to and citizen satisfaction with primary education and health care improved between 2005 and 2007. More work needs to be done; some ministries and agencies, notably those responsible for education and roads, have not devolved functions as and when required. A recent June 2009 national workshop concluded with a renewed commitment to deepen the devolution process. A large number of community sub-projects have been implemented as part of strengthening local initiatives.

Economic Context

4. Sierra Leone’s post-conflict economic performance has been robust; economic recovery, which began in 2000, continued for a ninth unbroken year into 2008 when real Gross Domestic Product (GDP) grew by an estimated 5.5 percent despite a simultaneous spike in the world prices

of food and fuel commodities. The average real growth rate for the period 2000-2008 was 10 percent while the population grew at a rate just over 2 percent per annum.

5. The main source of growth has been high post-conflict productivity. The contribution to growth from the labor force for the period 2002 to 2007 was 2.4 percent while physical capital contributed another 1.6 percent. Productivity growth contributed the remaining 6 percent. From a sector perspective, the main sources of growth in the economy have been agriculture and services. Agriculture employs about 70 percent of the population and, as of 2008, accounts for about 44 percent of GDP. The mining sector accounts for 2 percent of employment, 18 percent of GDP, and generates the majority of export receipts. Construction and manufacturing add another 7 percent of GDP. The manufacturing sector is small with mainly import-substituting industries and employs only about 2 percent of the labor force. The service sector, much of it informal, accounts for the remaining 31 percent of GDP.

6. Sierra Leone has broadened its export base from an almost exclusive concentration on diamonds in recent years to include rutile, bauxite, and a growing volume of cash crops. Estimated export growth was positive for all products in 2007 but slowed relative to both GDP and performance in previous years. Real exports fell in 2008 due to technical problems with the kimberlite diamond and rutile mining operations. The GDP share of exports of goods and non-factor services therefore fell to 18 percent in 2008 from 25 percent in 2006. Imports contracted by 4.3 percentage points of GDP between 2006 and 2008, as a consequence of falling exports and rising food and fuel prices. The external current account deficit (including official transfers) increased to -8.4 percent of GDP in 2008 from -3.5 percent of GDP in 2006. The current account balance was financed mainly by concessional external assistance and debt relief. Official reserves reached US\$209 million in 2008 or 5.1 months of import coverage.

7. Fiscal performance in 2007 continued its improving trend. The overall fiscal balance (after grants) had consistently moved in a positive direction over the last 7 years from -10.6 percent of GDP in 2001 to -6.7 percent of GDP in 2003 to an estimated -2.0 percent of GDP in 2007. Much of this improvement is due to slower growth in expenditures, with additional compression in response to shortfalls in external assistance and revenues in 2006 and 2007. This performance was not continued into 2008, however, due to faster than expected growth in recurrent spending, due in part to a temporary subsidy to the power sector as well as higher international food and fuel prices. This led to a deficit of 4 percent of GDP, almost 1 percentage point of GDP higher than budgeted.

8. Consumer price inflation has been pushed higher due to the pass-through effects of steady increases in oil prices in 2007 and 2008, combined with the spike in rice prices during 2008. The end-of-period inflation rates in 2007 and 2008 were 13.8 percent and 12.2 percent, up from 8.3 percent in 2006. The Government mitigated some of these price increases in 2008 by reducing import tariffs on rice, flour, and petroleum products. The exchange rate remained fairly stable through 2008 at just under 3,000 Leones per US dollar but has since depreciated to 3,100 Le/US\$ in the first quarter of 2009 due to falling export receipts. The treasury bill rate has fallen significantly to 9 percent in 2008 from 21 percent in 2007. This may be due to increased competition from several new commercial banks established in 2007 and 2008.

9. The impact of the Global Recession has been deeper and swifter than expected. Sierra Leone's growth forecast for 2009 has been reduced to 4.5 percent from 6.0 percent, largely due to reduced demand for Sierra Leone's exports. Lower exports combined with reduced remittances from diaspora families will adversely impact on the capacity to import needed fuel and capital goods. Real growth is expected to return to 6 percent per annum only by 2011. With GDP and imports lower, government revenues will be reduced below the budgeted amount thus inducing expenditure reductions.

Social Context

10. Despite some progress, Sierra Leone's recovery remains fragile and the country continues to rank amongst the least advantaged of countries in various measures. The 2007/08 UN Human Development Index, based on social indicators from 2005, ranked Sierra Leone 177th, at the bottom of the index. Much remains to be done to improve governance and accountability, tackle high levels of unemployment, the high number of infant, child and maternal deaths, which are amongst the worst rates in the world, and a very high youth dependency ratio. The poor infrastructure (energy, water, ports, and roads) is holding back development across all sectors. Inequality remains a concern. Women and girls and young people of both sexes continue to be socially excluded. Sierra Leone is vulnerable to external shocks. Most recently, global volatility (sharp increases in food prices in 2008 followed by steep declines in commodity demand and prices in 2009) have probably exacerbated incidences of poverty, particularly amongst the young urban and peri-urban populations. Unless economic growth can be sustained and employment opportunities increased there are clear dangers that progress made so far will be undermined.

11. Poverty is heavily concentrated in the rural and other urban areas outside Freetown. Roughly 70 percent of the population lived below the poverty line in 2004. The proportion below the poverty line in Freetown in 2003/04 was estimated at 15 percent, compared to 79 percent in the rural areas and 70 percent in other urban areas. Underemployment is a problem. At age 20-24, three of every ten young men are neither formally employed nor in school. The problem is especially acute in urban areas.

Natural Resources Management Context

12. In the immediate post-war period (2000-03), agriculture, forestry and fisheries sectors grew at an average 4.6 percent per annum and this was attributed largely to the high demand for basic food and timber for the housing sector. Sierra Leone's post-conflict economic performance is owed largely to recovery in agriculture and mining. An overdependence of the economy on agriculture, forest products, including bush meat, fisheries and mining have significantly increased pressure on the natural resource base and on biodiversity.

13. Sierra Leone is located in the Upper Guinean Forest Ecosystem and hosts abundant richness of biodiversity, and biological uniqueness in terms of endemism and number of rare small and large mammals. Its land area is 72,278 km² and encompassing five main ecosystem types including: lowland rainforests, montane forests, savanna woodlands, freshwater and wetlands, and coastal and marine. Savanna vegetation covers about 35% of the total land area. Sierra Leone's position at the westernmost extent of the Upper Guinea Forest Ecosystem Continuum provides for significant diversity and endemism. Indigenous fauna includes 15

species of primate, 18 species of antelopes and duikers, and over 500 bird species. More than 4,800 km² of Sierra Leone is wetlands, including freshwater swamp, riparian forests and mangroves, which are host to more than 200,000 migrant visitors annually.

14. The current status and potential of biodiversity is diminishing rapidly and the capacities of ecological systems to function properly are being reduced. Surveys of the distribution and composition of forest fragments indicate that approximately 70% of the country was formerly covered by forest, whereas currently less than 5% of intact original forests remain. In some areas deforestation followed in the wake of industrial-scale commercial logging during the colonial period. At that time, subsistence farmers moved directly into logged areas and burned remaining vegetation to clear the land for agricultural, and the forest was never allowed to regenerate. However, the decline of Sierra Leone's forests continues largely as a result of unsustainable slash-and-burn agriculture involving short fallow periods, as well as unsustainable mining practices.

15. Despite an existing network of 48 forest reserves and conservation areas, representing about 4% of the land area (c. 180,250 ha), population growth (at 2.3%) and unsustainable resource use is continuing to exert extreme pressure on the environment leading to over harvesting of timber, expansion of grazing and slash-and-burn agriculture, with continuing deforestation, forest degradation and soil erosion. The most extensive area of primary forest remaining in Sierra Leone is the Gola Forest Reserves in the southeast of the country, close to the border with Liberia, where mining and timber harvesting have been contained by the establishment of forest reserve status and donor support for conservation management.

16. The Western Area Peninsula Forest Reserve includes another significant prevailing fragment of rainforest, which is located precariously close to the densely populated capital city of Freetown and is under increasingly severe threat due to uncontrolled urban expansion. Deforestation continues unabated at approximately 2% of cover per annum due to prevailing anthropogenic pressures, emphasizing the need for urgent action to conserve the remaining intact forest areas and develop community based approaches to sustainable management.

17. The Government's capacity to effectively manage its biodiversity assets is severely stretched. Multiple donors and aid agencies are active in the sector, and all projects emphasize the importance of developing capacity. This Project builds on existing Government and donor initiatives with emphasis on building the capacity of governmental institutions and personnel to carry out their mandates effectively through engaging local communities, local Government and other key stakeholders to participate in conservation planning and management.

18. Post-independence attempts to ensure effective conservation of biological diversity and sustainable natural resource management have been hampered by: (a) Weaknesses in conservation legislation and regulations, and inadequate capacity for enforcement; (b) Lack of effective partnerships for conservation; (c) Insufficient funding to support conservation site management; and (d) Lack of alternative sustainable livelihood opportunities. The Project will address all of these weaknesses, and will build capacities and awareness through piloting interventions at three priority conservation sites in the first instance, and building mechanisms for sharing best practice more broadly.

ANNEX 2: MAJOR RELATED PROJECTS FINANCED BY THE BANK AND/OR OTHER AGENCIES

SIERRA LEONE: BIODIVERSITY CONSERVATION PROJECT

A) Financing for Protected Areas in Sierra Leone

Conservation site	Description	Environmental issues	Financing PA or related initiatives
<i>Conservation sites to be supported by the BCP</i>			
Outamba-Kilimi National Park	<ul style="list-style-type: none"> • 112,825ha • Savanna woodland • National Park status (1995). 	<ul style="list-style-type: none"> • Community resource use: hunting, farming, wood cutting, bush fires, NTFPs, fishing. • Commercial logging close to the park's boundaries. • Encroachment from Guinean communities with cattle in the Kilimi side. 	<ul style="list-style-type: none"> • Small support by DFID, US Embassy and UK based NGO (Born Free) for infrastructure and game guard gear. • USAID trans-boundary livelihood project Guinea-SL; cooperation with CIFOR, ICRAF, 2 years, started 2009 • Other INGOs in the area: Interaid, financed through EU (Food Security) 2007 to 2010: office in Kamakwie
Loma Mountains Non-Hunting Forest Reserve	<ul style="list-style-type: none"> • 33,200ha • Montane forest and savanna ecosystem • Non-hunting forest reserve (1973). 	<ul style="list-style-type: none"> • Low human influence due to isolation and difficult geography. • Evidence of small farming but no evidence of extractive activities • Reserve's boundaries unclear. 	<ul style="list-style-type: none"> • Bumbuna Hydroelectric Offset Project (IDA), US\$ 2 million • EU financed CARE Project on sustainable agriculture: 2009-2012 in Koinadugu District
Kangari Hills Non-Hunting Forest Reserve	<ul style="list-style-type: none"> • 8,573ha • Rainforest • Non-hunting forest reserve (1973). /a 	<ul style="list-style-type: none"> • Low human influence due to isolation and difficult geography. • Mining activities in fringe areas, but this needs to be confirmed. • Reserve's boundaries unclear. 	<ul style="list-style-type: none"> • No conservation project. • Second largest tropical forest left in Sierra Leone → REDD potential
<i>Other Key Conservation sites</i>			
Western Area Peninsula Forest Reserve	<ul style="list-style-type: none"> • 17,688 ha • Lowland rainforest 	<ul style="list-style-type: none"> • Source of water for the capital city • Various human destructive activities: urban intrusion, fuel wood collection, stone mining, farming, hunting, etc. 	<ul style="list-style-type: none"> • EU: WAPFR Project: 3 Mio €, 5 years (03/2009-2014) • UNDP: Demarcation and capacity building: US\$150,000 ;2 years • British High Commission: Reforestation • Other smaller projects; involvement of local NGOs • KfW: infrastructure program; GPC (income generation) in the rural areas of the WAP • Related: Urban Agriculture Projects (EU financed),

			implemented by COOPI and CONCERN
Gola Forest Reserve	<ul style="list-style-type: none"> • 74,800 ha • Closed lowland rainforest 	<ul style="list-style-type: none"> • Some diamond mining, logging activities and hunting, but progressively declining 	<ul style="list-style-type: none"> • EU-RSPB/CSSL: 5 Mio €, ongoing • EU- Bird Life Africa/CSSL: Trans-boundary Peace Park 3.2 Mio €; 5 years, launched 04/09 • EU-WHH: FS project: partly for Gola (Tunkia, Koya, Barri, Makperri chiefdoms): corridor, agriculture activities; 5 years
Tiwai Island Wildlife Sanctuary	<ul style="list-style-type: none"> • 1,200 ha • Lowland rainforest 	<ul style="list-style-type: none"> • The island condition prevents human exploitative activities 	<ul style="list-style-type: none"> • EU-WHH: Food Security project: partly for Gola (Tunkia, Koya, Barri, Makperri chiefdoms): corridor, agriculture activities; 5 years • Other donors: Critical Ecosystem Program, Irish Aid

^a Existing gazetted core area only – links through ecological corridors to extensive complex of mountain forest

B) Other major related projects

Sector	Project Name	Status	Progress	Amount (US\$ m)
World Bank: Social Sector	National Social Action Plan (NSAP): Restoration of infrastructure and building local capacities	Active	S	35
	Institutional Reform Capacity Building Project (IRCBP): Support GoSL decentralization process. Support to newly elected local councils to improve capacity and enhance transparency and accountability	Closed	S	35
Energy/Infrastructure	Power and Water Project: Rehabilitation of essential infrastructure and institutional capabilities	Active	S	35
	Completion of Bumbuna Hydroelectric	Active	S	38

ESSD/PSD	Completion of Bumbuna Hydropower	Active	S	12.5
	Infrastructure Development Project (IDP) Transport	Active	S	44
	Rural & Private Sector Development: Support to agriculture production, storage, packaging, marketing	Approved Start of implementation		30
	Sustainable Management of Mineral Resources	Planned		6
	Agriculture Sector Support Project	Closed	S	21.5
	Integrated Ecosystem Management project	Under Preparation		
World Bank: ESWs/AAAs	Agriculture Sector Review	Closed	S	
	Public Expenditure Review	Closed		
	Country Gender Assessment	Active		
	PSIA	Planned		
	Labor Market and Youth Study	Active		
	Decentralization Impact Study	Planned		
Department for International Development	The Administrative Barriers Project	Closed		
African Development Bank/Fund	Multi-National NERICA Dissemination Project	Active		30m
	Agricultural Sector Rehabilitation Project	Active		17.8m
European Union	Transitional Support LRRD (Watsan	Active		1.92

	Component)			
	Technical Assistance and Capacity Building for the National Commission on Environment and Forestry	Resources transferred to EPA		1.34m
				4.16m
	The Gola Rainforest Project	ongoing		EUR 4.0-8.0m
	10th EDF National Indicative Programme	Planned		
IFAD Agriculture	Rehabilitation and Community-based Poverty Reduction Project	Active		10.77m
Islamic Development Bank (IDB)	Integrated Rural Development Project	Active		
United Nations Capital Development Fund (UNCDF)	Microfinance Investment and Technical Assistance Facility	Active		8.8m

ANNEX 3: RESULTS FRAMEWORK AND MONITORING
SIERRA LEONE: BIODIVERSITY CONSERVATION PROJECT

Project Development Objective (PDO) / Global Environmental Objective (GEO)	Project Outcome Indicators	Use of Project Outcome Information
The Project Development Objective is improved management of selected priority conservation sites and enhanced capacity for replication of best practices. The PDO/GEO have been combined as the PDO directly contributes to Strategic Objective 1 (SO-1) of the GEF Biodiversity Program	(i) Management effectiveness in selected priority conservation sites supported by the Project has improved by 20% /a (ii) Phased plan for replication of best practices in CS management throughout Sierra Leone adopted by MAFFS	To assess conservation site management effectiveness To guide scaling up and replication of best practice at other priority conservation sites
Intermediate Outcomes	Intermediate Outcome Indicators	Use of Intermediate Outcome Monitoring
Component 1: National Framework for Biodiversity Conservation		
Effective policy, legal and institutional framework for biodiversity conservation	(i) Updated Wildlife Protection Act and associated regulations to include requirements of effective conservation site management drafted and submitted to Cabinet (ii) Updated Forestry Act and associated regulations in line with best practices and approaches to conservation. (iii) GIS system to support management of selected priority CSs established and operational	To inform policy and strategy processes.
Component 2: Conservation Site Planning and Management		
Participatory management plans for selected priority conservation sites	(i) Participatory management plans for selected priority conservation sites, including the area-linked monitoring systems, developed and adopted by Conservation Site Management Committees.	To measure institutionalization and support for conservation management.
	(ii) Annual work plans for selected priority conservation sites are approved by Conservation Site Management Committees from PY2 onwards.	To review progress in mitigating restrictions of access
	(iii) Essential park infrastructure as identified in Management Plans (e.g. offices, visitor centre, trails, sign posts) established and operational by EOP.	To measure adequacy of conservation site facilities.
Component 3: Project Management, Monitoring and Evaluation		
Project being effectively implemented	(i) Project budget executed according to schedule (ii) Audits satisfactory (iii) M&E system providing required reports and data in a timely manner	To assess implementation progress

/a As measured by individual conservation site scorecards (GEF Tracking Tool for SO-1) and verified by independent evaluator.

B. Arrangements for Results Monitoring

Project Outcome Indicators	Baseline	Target Values					Data Collection and Reporting			
		PY1	PY2	PY3	PY4	PY5	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection	
Project Development Objective (PDO) /Global Environmental Objective (GEO)										
(i) Management effectiveness in priority conservation sites supported by the Project has increased by 20% by end of project (EOP).	PAME Tracking Tool (TT) available ⁵	All 3 target PAs use TT								
(a) OKNP	Score=49	49	52	55	57	60	Annual reports	GEF SP1 Tracking Tool	PMT	
(b) LMFR	Score=22	22	24	26	28	30				
(c) KHFR	Score=25	25	27	28	30	32				
(ii) Mechanisms for replication established by EOP.				Best practices identified.	Phased Replication Plan prepared.	New priority conservation sites using BCP-generated best practices	Annual reports	Project progress reports	PMT	
Intermediate Outcome Indicators										
Component 1: National Framework for Biodiversity Conservation										
1.1 Policy and Legal Framework										
(i) Updated Wildlife Protection Act and associated regulations drafted, to include requirements of effective PA management.	Existing Act (1972)	Revision of old Act and drafting of new Bill initiated.	Drafting of new Bill.				Annual reports	Notes from the Attorney General's, Reports, Government Gazette	PMT	
(ii) Updated Forestry Act and associated regulations in line with current best practices and approaches to resource management and conservation by EOP.	Existing Act (1988)	Revisions of old Act and drafting of new Bill initiated.	New bill drafted and submitted to relevant authorities for approval				Annual reports	Notes from the Attorney General's, Reports, Government Gazette	PMT	
(iii) CS GIS system established and operational	No system in place	Hardware purchased and system designed Training started	Baseline maps under preparation	System operational and key staff trained Baseline maps prepared for each project		Baseline maps for priority CS prepared	Annual	Consultant reports, System reports	PMT	

⁵ Selection of key species and ecological parameters will be monitored in order to measure achievement of GEBs following update of site specific threat analysis and baseline biodiversity survey's, which will be undertaken during year one of implementation. A number of key indicators species will be selected and monitored periodically through EOP and beyond in order to provide guidance on the effectiveness of conservation management interventions. All relevant indicators will be embedded in the Tracking Tools for each conservation site.

		Target Values					Data Collection and Reporting		
				site					
1.2. Institutional Framework									
(iv) Permanent co-ordination among agencies on matters related to biodiversity operational by PY2 (as stipulated by NBSAP).	No mechanism in place.	Institutional framework defined, members invited.	Quarterly meetings held.	Quarterly meetings held.	Quarterly meetings held.	Quarterly meetings held.	Quarterly reports	Minutes of meeting	PMT

Project Outcome Indicators	Baseline	Target Values					Data Collection and Reporting		
		PY1	PY2	PY3	PY4	PY5	Frequency and Reports	Data Collection Instruments	Responsibility for Data Collection
Component 2: Conservation site Planning and Management									
2.1 Pilot Site Management Planning and Implementation									
(i) Participatory management plans for selected conservation sites and buffer zones developed.	MPs for project sites do not exist	Standardized format, and schedule for preparing MPs developed Biodiversity surveys and threat analysis initiated		MPs for project sites prepared and operational	MPs under implementation	MP implementation in progress; goals being met according to plan	Yearly	Minutes of participatory meetings, MP updates	PMT
(ii) Community Action Plans developed for each site	CAPs do not exist	Socio-economic surveys carried out	CAPs prepared and agreed	CAPs under implementation			Yearly in first two years; then EOP	Surveys, CAP	PMT
(iii) Annual work plans for the three CSs are approved by Conservation Site Management Committees (CSMCs) from PY2 onwards.	CSMCs not existing.	Three CSMCs established.	Quarterly CSMC meetings held.	Quarterly CSMC meetings held.	Quarterly CSMC meetings held.	Quarterly CSMC meetings held.	Quarterly reports	Minutes of meeting	PAMC
(iv) Essential park infrastructure as identified in management plans (e.g. offices, visitor centre, nature trails, sign posts) are operational by EOP.	Basic infrastructure inadequate (OKNP) or absent (LMFR and KHFR)		Basic infrastructure needs identified in MPs and procurement started	Provision of key infrastructure in process		Key infrastructure in place in each project site	Yearly	Management Plans	PMT
2.2 Community outreach and conservation-linked development									
(v) % of households (hh) targeted under CAPs receiving training and/or support for conservation-linked activities /e	TBD /f	0% - CAPs under preparation	5%	15%	20%	30%	Annual reports	CAPs	PMT
2.3: Mainstreaming conservation in district development planning									
(vi) All District Development Plans of the four Districts have a chapter on biodiversity conservation by EOP.	No chapters on biodiversity conservation exist.		1	2	3	4	Annual reports	District Development Plans	PMT
(vii) Chiefdom by-laws updated to include existing national conservation laws and regulations	Existing by-laws do not reference conservation	Meetings held with Paramount Chiefs, District Councils, local	By-laws updated as need arises	By-laws updated as need arises	By-laws updated as need arises	By-laws updated as need arises	Yearly	Published regulations	PMT

		Target Values					Data Collection and Reporting		
	objectives	communities at each project site By-laws updated and disseminated							
Component 3: Project Management, Monitoring and Evaluation									
(i) Project budget executed according to schedule	n/a	80% of disbursement targets met	90%	100%	100%	100%	Quarterly	PMRs	PMT
(ii) Audit satisfactory	n/a	Unqualified audit	Unqualified audit	Unqualified audit	Unqualified audit	Unqualified audit	Yearly	Audit Reports	PMT, World Bank
(iii) M&E system providing required reports and data in a timely manner	n/a	Project has sufficient information from M&E system to measure project progress	Project has sufficient information from M&E system to measure project progress	Project has sufficient information from M&E system to measure project progress	Project has sufficient information from M&E system to measure project progress	Project has sufficient information from M&E system to measure project progress	Quarterly	PMRs	PMT, World Bank

ANNEX 4: DETAILED PROJECT DESCRIPTION
SIERRA LEONE: BIODIVERSITY CONSERVATION PROJECT

OVERVIEW

The overall objective of the project is improved management of selected priority conservation sites, and enhanced capacity for replication of best practices.

The Project will achieve this objective through implementing three components: (i) National Framework for Biodiversity Conservation; (ii) Conservation Site Planning and Management; and (iii) Project Management, Monitoring and Evaluation (Project Overview is in Appendix 1). Anticipated outcomes include: (a) An improved policy, legal and institutional framework for biodiversity conservation; and (b) Conservation management plans for priority conservation sites prepared with the involvement of local stakeholders and being implemented effectively.

Project activities will be piloted initially at three conservation sites which have been selected based on priorities identified in the National Biodiversity Strategy and Action Plan (NBSAP, 2003), and following consultation with Central and Local Government, traditional authorities, and local communities. Sites have been selected to as to include different priority ecosystems as well as a range of threats to conservation that occur in other conservation sites across the country. The three sites are: (i) Outamba - Kilimi National Park, (ii) Kangari Hills Non-Hunting Forest Reserve ; and (iii) Loma Mountains Non-Hunting Forest Reserve.

Outamba - Kilimi National Park, includes lowland forest, moist savanna woodland and elephant habitat corridors that link the two conservation site core areas of Outamba and Kilimi, and also stretch across the international border into Guinea, as well as riverine ecosystems hosting hippopotamus. The site supports at least nine species of primates including four threatened species - western chimpanzee, red colobus monkey, black and white colobus monkey and sooty mangabey. In addition to elephant and hippopotamus, other resident large mammals include leopard, savanna buffalo, maxwell duiker, and water chevrotain. Vegetation is characterized by a mix of grassland, closed woodland and gallery forest, with South Guinea woodland savanna dominant. At their closest points, Outamba (74,100 ha) and Kilimi (36,800 ha), are 20 km distant from one another. Conservation management of ecosystems within the parks, as well as habitat corridors in the lands between these two core areas (approximately 1,000 km²) could greatly enhance the ecological viability of the sites. Collaborative management of the natural ecosystems that are contiguous with habitat on the Guinea side of the international border could further enhance conservation objectives, in particular, providing for the movement and viability of elephant populations, and collaborative responses to illegal hunting, burning, and encroachment for cattle grazing, etc., which constitute the major threats to the site.

Kangari Hills Non-Hunting Forest Reserve is a watershed for some of the country's main river systems and includes rich mountain forest and Savannah ecosystems. The site has been designated an important bird area by virtue of species diversity, endemism and threat (including three globally threatened species - white necked rockfowl picathartes, black faced stream warbler, and green tailed bristlebill), and hosts approximately 33% and 18% of Guinea forest

and Guinea-Sudan biome species respectively. By virtue of its linkages with other remnant forest ecosystems, the site also includes vagrant populations of forest elephant and resident populations of threatened primate species including chimpanzee, red colobus, and black and white colobus monkeys. While the reserve was temporarily settled by rebels during the civil conflict, prevailing threats to ecosystems and key species include slash-and-burn agricultural practices for rice production, small scale alluvial gold mining, and hunting. The site will provide the opportunity for conservation authorities to develop participatory approaches to addressing these threats, which are common to many natural areas around the country.

Loma Mountains Non-Hunting Forest Reserve includes the largest and most remote and pristine Guinea mountain forest ecosystems in the country. At 1,945 meters above sea level, Bintumani Mountain, in the core of the site, is the highest mountain in the country, and the highest peak west of Mount Cameroun. The site includes grasslands and Savannah above the tree line, mountain evergreen and low altitude tropical forests. Loma ecosystems support more than ten species of primates including chimpanzee, red colobus, black and white colobus, and sooty mangabey. Other resident threatened species include black duiker, Jenkins and Maxwells duiker, forest buffalo, leopard and - at the lower elevations - water chevrotain, elephant and hippopotamus. Because of its altitude, Loma Mountain hosts rich bird fauna including many species that do not occur elsewhere in the country, including five that are globally threatened. Threats to Loma ecosystems include seasonal agriculture, wildfires and hunting, which is currently mostly confined to the lowland aspects of the reserve. The site provides an opportunity to establish community based approaches to address and pre-empt future threats to this globally important and largely intact complex of ecosystems.

Key features of the priority sites targeted under the project are summarized in Table 1.

Table 1: Priority Conservation Sites to be Supported by the Project⁶

Conservation site	Description	Environmental issues	Social assessment
Outamba-Kilimi National Park	<ul style="list-style-type: none"> • 112,825ha • Savanna woodland • National Park status (1995). • IUCN Category II 	<ul style="list-style-type: none"> • Community resource use: hunting, farming, wood cutting, bush fires, NTFPs, fishing. • Commercial logging close to the park's boundaries. • Encroachment from Guinean communities with cattle in the Kilimi side. 	<ul style="list-style-type: none"> • 1 chiefdom (Tambakha); Bombali District. • Local communities are extremely poor and lack of access to social services.
Loma Mountains Forest Reserve	<ul style="list-style-type: none"> • 33,200ha • Montane forest and savanna ecosystem • Non-hunting forest reserve (1973). • IUCN Category II 	<ul style="list-style-type: none"> • Low human influence due to isolation and difficult geography. • Evidence of small farming but no evidence of extractive activities • Reserve's boundaries unclear. 	<ul style="list-style-type: none"> • 2 chiefdoms (Nieni and Neya); Koinadugu District. • Good tourism potential (ascensions to Mt. Bintumani possible) • Local communities are extremely poor and lack of access to social services.
Kangari Hills Forest Reserve	<ul style="list-style-type: none"> • 8,573ha • Rainforest • Non-hunting forest reserve (1973). • IUCN Category II 	<ul style="list-style-type: none"> • Low human influence due to isolation and difficult geography. • Mining activities in fringe areas, but this needs to be confirmed. • Reserve's boundaries unclear. 	<ul style="list-style-type: none"> • 2 chiefdoms; (Tonkolili and Bo Districts). • Local communities are extremely poor and lack of access to social services.

^a Existing gazetted core area only – links through ecological corridors to extensive complex of mountain and forest

PROJECT COMPONENTS

Component 1: Strengthen the National Framework for Biodiversity Conservation (US\$ 0.8m, of which US \$0.7m is GEF, US\$ 0.1m is GoSL). The Project will fund services, goods and training under two sub-components:

1.1 Policy and Legal Framework (US\$0.5m), which will focus on:

- (i) Reviewing and updating forest, wildlife and biodiversity policies and regulations in consultation with stakeholders, which will entail (a) supporting operation of the already established multi-stakeholder advisory committee⁷, which will meet on a quarterly basis (b) consultant services to assist with review of current policy and legal framework, (c) sharing options for improvement through a participatory process, (d) following the guidance of the consultations and the advisory committee, developing draft policies and regulations, and (e) proposing revised policy options and regulations to key decision makers and relevant stakeholders;
- (ii) Exploring options for sustainable financing of conservation sites, which will entail: (a) reviewing potential options for financing conservation, including payment for

⁶ See also Description of Project Sites in Appendix 1.

⁷ Membership includes *inter alia*, Forestry Division of MAFFS; SLEPA, SL Law Reform Commission (LRC), civil society, local governments, Environmental Forum for Action (ENFORAC), development partners.

environmental services (e.g., watershed management, tourism potential, carbon storage and Reduced Emissions from Deforestation and Forest Degradation <REDD>, power generation, fisheries production, etc); (b) undertaking economic analysis to support introduction of payments for environmental services by stakeholders not necessarily limited to local or national Government; and (c) Developing a strategy to establish sustainable financing of selected conservation management sites, which may include establishing specialized funds as well as approaches to ensure conservation priorities are incorporated in national and decentralized budget planning cycles.

1.2 Institutional Framework (US\$0.3m), which will focus on:

- (i) Establishing a National Steering Committee (NSC) for project activities, which will be chaired by the Director of Forestry within the Ministry of Agriculture, Forestry and Food Security, and will include key members of the project team as well as representatives of the Ministries of: Finance and Development, Internal Affairs, Local Government and Rural Development, Lands Country Planning and Environment, Fisheries and Marine Resources, Mineral Resources, Tourism and Cultural Affairs (see Annex 6 for functions of the NSC);
- (ii) Developing a strategy for replication of best practice of conservation management at priority sites throughout the country. This will include reviewing the priorities of the national biodiversity strategy and developing a strategic program to share experience and best practice derived from implementing this and other protected area projects among all priority conservation sites throughout the country, as well as mainstreaming conservation in development planning where possible. Information sharing will include staff exchanges and workshops supported under component 2.
- (iii) Building the capacity of Forestry Department, which will entail undertaking a training needs assessment, and preparing and implementing a training plan. Training will include introduction of individual staff work planning as well as multi-year planning and budgeting within the Forestry Department, which will emphasize output-based planning and budgeting, and the use of cost-benefit analysis where possible to build the rational for funding for conservation and the need for continuity of support to establish and maintain sustainable conservation and natural resource use in the longer term; and
- (iv) Developing a GIS database to support conservation site management, including: (a) design of system requirements and training on use of system; (b) maps of all priority conservation sites and other conservation sites, incorporating information on ecosystems and natural resources and the threats to their sustainable management; linked with (c) digitized operational plans for site management, which will be accessible to and periodically updated by the Project Management Team and site managers.

Component 2: Conservation Site Planning and Management (US\$ 4.5 million, of which US\$ 3.9m is GEF, US \$0.6m is GoSL). The project will provide services to support planning and management, goods (e.g., vehicles, GPS, radios, etc.), minor infrastructure improvements, training, and some operational costs, to develop and implement more effective conservation management at three priority sites. Best practice will be shared with managers and stakeholders at other priority sites around the country in the context of implementing the national strategy for replication. The component will include three sub-components:

2.1: Pilot Site Management Planning and Implementation (US\$2.9m), which will entail:

- (i) Building partnerships for conservation at the site level, which will include establishing conservation management teams (CSMTs) under the Department of Forestry at each of the three sites, and building partnerships among government, non-government organizations, community-based organizations, traditional village leaders and the private sector. The CSMT's will: (a) establish multi-stakeholder conservation site management committees; (b) review and update analysis of the interests of all stakeholders with the potential to enhance conservation of the site (in addition to local communities); (c) facilitate regular consultation meetings with local stakeholders; and (d) catalyze public-private partnerships that would support conservation (e.g., tourism development).
- (ii) Developing conservation management plans that are integrated with District Development Plans, which will include: (a) undertaking socio-economic survey of local community needs and interests as they relate to conservation; (b) developing a standard format for conservation site management plans compatible with the GIS database developed under component 1; (c) undertaking baseline and priority species surveys for each site; (d) preparing site-specific actions plans addressing issues of restriction of access of local communities in accordance to World Bank safeguards policy, and specifying conflict resolution mechanisms as necessary; (e) preparing Resettlement Action Plans as needed in line with the Resettlement Policy Framework; (f) preparing site-specific management plans in consultation with stakeholders; (g) ensuring that conservation management plans are incorporated in District Development plans; and (h) disseminating conservation management plans and achievements with stakeholders.
- (iii) Implementing management plans, which – in accordance with agreed plans – may include: (a) upgrading minor infrastructure, such as staff and visitor accommodation and facilities, observation posts, water supply, road access, research facilities, trails and camp sites, fire belts, etc; (b) boundary surveys and demarcation; (c) designing and implementing conservation monitoring systems; and (d) exploring site specific sustainable financing options for conservation management.
- (iv) Building capacity of field staff and key stakeholders to undertake conservation planning, management, and enforcement, which will entail: (a) undertaking a training needs assessment; (b) developing and implementing a joint training plan for conservation staff and local leaders in key aspects of conservation planning, management and monitoring; (c) joint training of park staff and local law authorities in enforcing conservation law; and

(d) organizing exchange visits for staff and key local stakeholders to other conservation sites to share and learn from both good and bad practice.

2.2: Community Mobilization and Outreach and Conservation-linked Development (US\$ 1.5m), which will include:

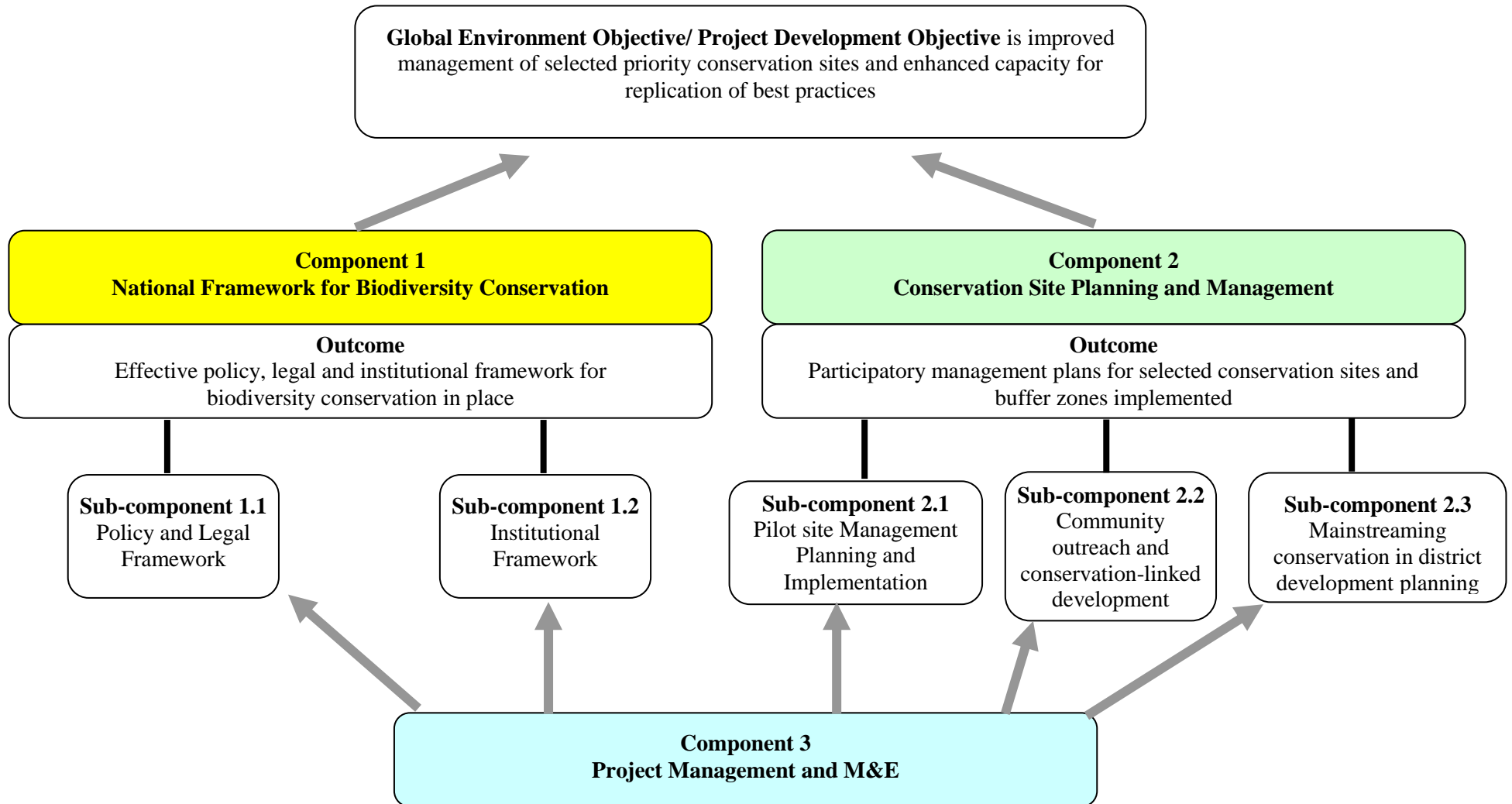
- (i) Education and knowledge sharing, which will entail: (a) Developing school curricula to emphasize the social, environmental and economic rationale for biodiversity conservation in the local context, in close cooperation with local and national authorities and existing school programs; (b) Designing and implementing a community outreach program, to ensure awareness of the needs and opportunities for conservation; (c) Designing and preparing appropriate communications materials, as identified in the site specific and national communications strategy, including written and graphic materials, and items for print and sound media; (d) Supporting the development of nature clubs in schools, building relationships between schools and specific conservation sites, encouraging voluntary participation in monitoring and survey work and community outreach; and (e) organizing yearly meetings between site staff, District Councils, and key stakeholders to share best practices, address common issues, and develop coordination mechanisms, that are linked with the priority needs, opportunities and successes of conservation management programs at project and other priority conservation sites.
- (ii) Conservation-linked community development to support local communities to identify and implement conservation-linked activities for livelihood improvements (e.g., sustainable farming, honey harvesting, use of other non-timber forest products, small-scale processing and marketing, tourism, implementing park management plans, etc.) based on the site-specific community action plans (CAPs). Activities under the CAPs will include: (a) providing training for developing income-generating activities; (b) supporting potential small-scale entrepreneurs to develop business plans and partnerships in support of conservation-linked investment initiatives; (c) supporting indigenous practices for sustainable land use; (d) strengthening linkages with government programs and service providers (such as Farmer Field Schools); and (e) possible introduction of energy-saving technologies to reduce unsustainable dependency on natural resources.

2.3: Mainstreaming Conservation in District Development Planning (GEF US\$0.1m), in the context of developing and implementing the national strategy for replication of best practices (under Subcomponent 1.2), and building on site-level experience. Activities will include:

- (i) Reviewing institutional constraints and opportunities for advancing the conservation agenda through influencing development planning, and by-laws governing natural resource management at the local and district levels.
- (ii) Mainstreaming conservation by training conservation staff and local officials to support decentralized Government processes and work with District Councils and Ward Development Committees to ensure that opportunities for conservation and enhancing the sustainability of natural resource management are incorporated in district and regional planning and the regulatory framework for development and service delivery.

Component 3: Project Management, Monitoring and Evaluation (Total US\$ 0.7m, of which US\$ 0.4m is GEF, US\$ 0.3m is GoSL). The Project will finance services, goods and minor works to support a Project Management Team (PMT) with office facilities and training for planning and management. Activities will include: (i) Operation of the National Steering Committee (NSC) and the Project Management Team; (ii) Developing and supervising annual and quarterly project work plans and budgets; (iii) Overseeing procurement, financial management and audit; and (iv) establishing baselines, and developing monitoring and evaluation systems for the national conservation program.

Appendix 1: Project Overview



ANNEX 5: PROJECT COSTS
SIERRA LEONE: BIODIVERSITY CONSERVATION PROJECT

(to be finalized at appraisal)

Project Cost By Component and/or Activity	Local US \$million	Foreign US \$million	Total US \$million
Component 1: National Framework for Biodiversity Conservation	0.27	0.45	0.72
Component 2: Conservation Site Planning and Management	3.12	0.92	4.04
Component 2.1: Pilot Site Management Planning and Implementation	2.12	0.71	2.83
Component 2.2: Community Outreach and Conservation-linked Development	0.95	0.19	1.14
Component 2.3: Mainstreaming Conservation in District Development Planning	0.05	0.02	0.07
Component 3: Project Management and Monitoring and Evaluation	0.52	0.12	0.64
Total Project Costs¹			5.40
Interest during construction			0.0
Front-end Fee			0.0
Physical Contingencies			0.10
Price Contingencies			0.50
Total Financing Required			6.00

¹Identifiable taxes and duties are US\$ 0.275 million, and the total project cost, net of taxes, is US\$ 4.725 million. Therefore, the share of project cost net of taxes is 95%.

ANNEX 6: IMPLEMENTATION ARRANGEMENTS
SIERRA LEONE: BIODIVERSITY CONSERVATION PROJECT

1. Introduction

The project will be implemented at two levels: (i) the national level for overall project coordination, planning, monitoring and evaluation, as well as implementation of Component 1 in support of a national framework for biodiversity conservation; and (ii) the conservation site level for implementation of Component 2 in support of conservation site planning and management⁸. Implementation arrangements respond to existing capacity of Government structures at central, district and site levels, and will contribute to building management processes for long-term sustainability beyond the project's lifespan.

A. National Level

Project Oversight at the National Level. A National Steering Committee (NSC) will be established and chaired by the Director of Forestry. Membership of the NSC will include the Forestry Division's Assistant Director of Conservation and Wildlife Management Unit, the Project Manager, representatives of the Ministry of Finance and Development (MFD); the Ministry of Internal Affairs, Local Government and Rural Development (MIALGRD); the Ministry of Lands, Country Planning and Environment (MLCPE); the Ministry of Fisheries and Marine Resources (MFMR); the Ministry of Mineral Resources (MMR); the Ministry of Tourism and Cultural Affairs (MTCA); the Sierra Leone Environmental Protection Agency (SLEPA); a representative of local NGOs; and a community representative from each conservation site. Representatives of other Ministries, Departments and Agencies may be invited to participate on an ad hoc basis as needs arise (e.g., Ministry of Energy and Power, Ministry of Social Welfare, Gender and Children Affairs, Ministry of Information, Sierra Leone Roads Authority, Sierra Leone Agricultural Research Institute, and Njala University).

The NSC will provide strategic and advisory guidance and assistance in resolving inter-sectoral challenges to project implementation. Functions of the NSC will include: (i) providing conceptual and strategic guidance to the Project Management Team on project design, implementation and coordination of project activities; (ii) ensuring overall conformity with Government policies and strategies; (iii) reviewing project progress and performance; (iv) resolving implementation issues; and (v) assisting the Project Management Team in obtaining Government and Development Partner support as appropriate. Duties and responsibilities may be further elaborated in the Project Implementation Manual (PIM). The NSC will convene at least twice yearly and will participate in regular field visits in order to enable them to make informed decisions on project-related matters⁹.

Project Management at the National Level. The Ministry of Agriculture, Forestry and Food Security, through its Forestry Division, will be the Executing Agency. Overall supervision of

⁸ The Project Organizational Chart is presented in Appendix 1.

⁹ These trips will take place at least once a year for the NSC members to familiarize themselves with the project context and activities in the conservation sites and may include visits to other sites representing best-practice conservation management.

project implementation will fall under the responsibility of the Assistant Director of Forests, Head of the Conservation and Wildlife Management Unit, who will report directly to the Director of the Forestry Division on the status and progress in implementing the project.

The Forestry Division will establish a Project Management Team (PMT, which will be responsible for the day-to-day management, coordination, supervision and monitoring of project activities at all levels. The PMT, which will be based at Makeni, will consist of a Project Manager, and specialist staff including skills in biodiversity conservation site planning and management, information technology and GIS, social and rural development, biodiversity survey and monitoring, policy and regulatory aspects of conservation, and communications and outreach. The PMT will be responsible for (a) preparing, implementing and monitoring the annual work plans and budgets, as well as quarterly and mid-term project implementation reviews; (b) supervising and providing logistical, administrative and technical backstopping for the Conservation Site Management Teams and implementing partners; (c) liaising closely with implementing and development partners, and other stakeholders; and (d) preparing and periodically circulating progress reports.

B. Conservation Site Level

Conservation Site Management Committees (CSMCs) will be established at each project site, and will be chaired by the District Council Chairman with the Conservation Site Manager as member Secretary. In the case of Kangari Hills Non-hunting Forest Reserve, which is located in Bo and Tonkolili Districts, the CSMC will be co-chaired by the two District Council Chairmen. Membership of each CSMC will include representatives of local communities, NGOs, and other stakeholders, such as mining or logging concessionaires, traditional leaders (e.g. Paramount Chiefs), and village committees. The overall purpose of the CSMCs is to provide guidance, advice and assistance in addressing inter-sectoral challenges to project implementation at each of the priority conservation sites. The CSMC will: (i) provide guidance to the Conservation Site Management Team in preparing, implementing, and monitoring site management plans; (ii) ensure that project activities are integrated into the District Development Plans; (iii) foster local stakeholder ownership and commitment; (iv) assist in raising support at the level of Local Councils; and (v) facilitate the resolution of any obstacles to implementation. The CSMC will convene at least twice a year and its role can be further specified in the Project Implementation Manual.

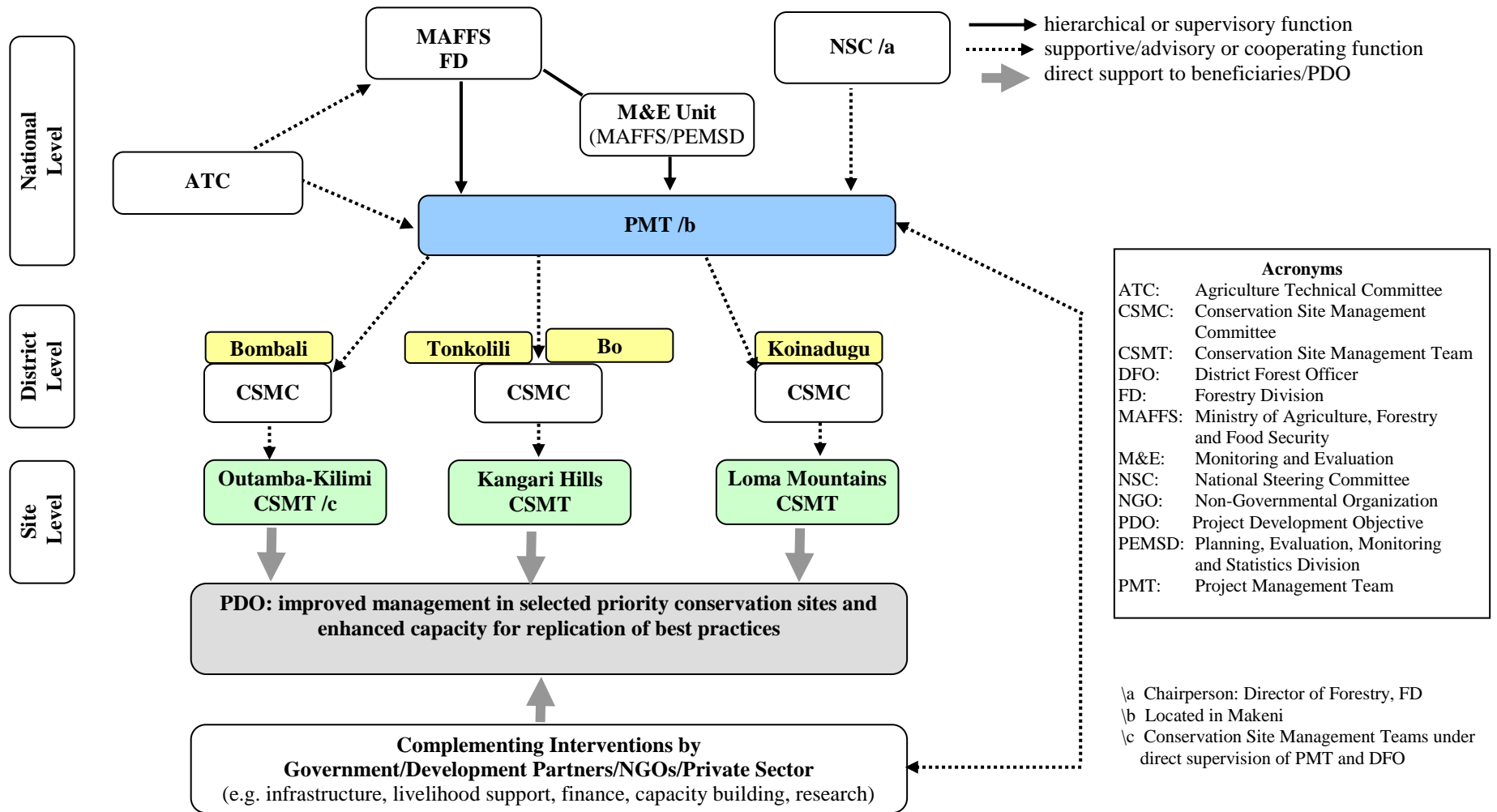
In addition, Technical Coordination Meetings may be called on an ad hoc basis, with the objective of addressing site-specific technical and coordination issues. Meetings will be chaired by the District Forest Officer with the Conservation Site Manager as Secretary and will involve key personnel from relevant Government agencies and implementing partners involved in site activities, as well as representatives from local communities and the private sector.

Project Management at Conservation Site Level. Each site will have a *Conservation Site Management Team (CSMT)* composed of Forestry Division staff, including a Conservation Site manager, an office manager/administrator, two technical level staff and, at least six guards. With the support of the PMT, each CSMTs will contribute to preparing and taking lead responsibility for implementing site management plans in collaboration with the CSMC. The project will

explore opportunities for establishing partnerships with national and international academic institutions and civil society organizations to support field survey and monitoring, as well as recruitment and training of junior staff in the field of conservation management.¹⁰

¹⁰ Njala University College School of Forestry offers a new BSc. (Forestry) Program. In 2009, the first 28 students are expected to graduate. There are also plans to offer a specialization in Wildlife/Biodiversity Management. It would be beneficial, both for the graduates and the FD, if some of the graduates could find employment with the FD.

Appendix to Annex 6: Project Organizational Chart



ANNEX 7: FINANCIAL MANAGEMENT AND DISBURSEMENT ARRANGEMENTS

SIERRA LEONE: BIODIVERSITY CONSERVATION PROJECT

1. Introduction

The financial management assessment was carried out in accordance with the Financial Management Practices Manual issued by the Financial Management Sector Board on November 3, 2005. The objective of the assessment was to determine whether the implementing entity has acceptable financial management arrangements, which will ensure: (1) the funds are used only for the intended purposes in an efficient and economical way; (2) the preparation of accurate, reliable and timely periodic financial reports, and (3) the safeguard of the entities' assets.

2. Implementation Arrangements

The project will be implemented at two levels: (i) the national level for overall project coordination, planning, monitoring and evaluation, as well as implementation of Component 1 in support of a national framework for biodiversity conservation; and (ii) the conservation site level which will be integrated into the Government's decentralized structures for implementation of Component 2 in support of conservation site planning and management.

The **Forestry Division** of the Ministry of Agriculture and Forestry (MAFFS) will be the implementing agency and will work in collaboration with the Ministry of Finance and other relevant line Ministries, multilateral and bilateral donors, and international and local NGOs.

The Financial Management and Procurement functions of this project will be performed by the PCU of the Rural and Private Sector Development Project (RPSDP), which will have the combined duty of managing financial and procurement transactions for the project, as well as training an in-house cadre in those areas to take over the tasks in the medium term. So far, the RPSDP PCU has been performing satisfactorily and has adequate capacity to take on this additional task.

Detailed implementation arrangements are laid out in Annex 6.

3. Country Issues

1. Sierra Leone has made substantial progress in a number of areas of governance, although the overall ranking in the Transparency International tables has deteriorated from 150 in 2007 to 158 in 2008 out of 179 and 180 respectively. The peaceful transfer of power from one elected national government to another in September 2007 is a notable achievement in Sub-Saharan Africa, and even more so in a post-conflict situation.

2. PFM has improved significantly over the years as the MTEF budget process has been strengthened. All MDAs now prepare strategic plans that are aligned to the PRSP objectives. An Integrated Financial Management Information System (IFMIS) has been

installed and implemented in key MDAs. Internal Audit Units have been established in 14 MDAs. The Public Expenditure Tracking Survey (PETS) and related Public Perception Surveys are regularly conducted and plans of actions developed and implemented based on the recommendations from PETS.

3. The GoSL has made substantive progress in strengthening its public financial management framework and systems, as evidenced in the 2007 PEFA, which showed that more than 80% of the 2002 CFAA recommendations had been implemented. Major achievements include establishment of the legal and regulatory framework for budgeting, accountability and procurement, implementation of an IFMIS in the Accountant General's Department in 2005 and rolled out to six MDAs in 2007. The substantial backlog of audited annual accounts has been cleared and the Government is now current on its reporting.

4. On decentralization, implementation of the devolution plan is on-going. A Chiefdom Governance Act has been developed and approved by Parliament. Local Councils were elected in 2004, following the enactment of the Local Government Act 2004, and are managing grants, undertaking participatory planning, and have established basic budgeting, procurement and accounting procedures. Out of 34 functions of the central government, 19 of these have been devolved to local councils and 14 out of the 19 elected councils have satisfactorily met the transparency and financial management accountability requirements in support of delivery of basic services.

5. The Government is still faced with paucity of required capacity in the all MDAs. Management and Functional Reviews were conducted for several Ministries, Departments, and Agencies (MDAs) but the recommendations were not implemented. A Senior Executive Service (SES) program was initiated and developed with the Bank's assistance but the operating arrangements and cost structure for the program were never finalized. Comprehensive civil service reform remains a prerequisite and critical for the successful implementation, monitoring and evaluation of all development programs.

6. Although a number of relevant pieces of legislation have been passed to ensure better fiduciary standards, successful implementation typically takes more time, and requires strong and committed leadership which is lacking in this environment.

4. Financial Management Risk Assessment and Mitigation

The table below shows the results of the risk assessment identified during the FM assessment which may hinder the achievement of project objectives together with the suggested risk mitigating recommendations on how management should address these risks.

Risk Rating Summary Table

Type of Risk	Risk Rating	Risk Mitigating Measures/Remarks	Conditions for Negotiation or Effectiveness (Yes/No)	Residual Risk Rating
Inherent Risk				
<p>Country Level Weaknesses in public financial management by state institutions due to lack of capacity. General limitations regarding accountability and transparency in PFM.</p>	H	The recently approved IPFMRP should help GoSL to address institutional capacity weaknesses in the public service in the medium term.	No	H
<p>Entity Level Weak project management capacity within the entity for managing Bank funded projects</p>	H	Use of the PCU for the RPSDP which has experience in Bank procedures should address this risk in the meantime while FD and the ministry develop their capacity.	No	S
<p>Project Level Lack of experience in managing Bank funded projects. Coordination between FD and PCU in RPSDP could be a challenge and pose delays or strained relations.</p>	H	<p>Reliance on the PCU’s support under RPSDP for fiduciary functions will help address this challenge. The relationship will be monitored closely to ensure there is strong coordination between the parties involved</p> <p>Development of a Project Implementation Manual will assist FD manage the activities of the project</p>	<p>No</p> <p>No</p>	S

Type of Risk	Risk Rating	Risk Mitigating Measures/Remarks	Conditions for Negotiation or Effectiveness (Yes/No)	Residual Risk Rating
Overall IR	H			S
Control Risk				
Budgeting Budgets may be based on unrealistic unit costs and their preparation could also be delayed	S	Effort to compile budgets that are based on Annual Work Plans procurement plan will be as realistic on unit costs as possible. AWP and procurement plan for the first year to be finalized prior to and agreed at negotiation.	Yes	M
Accounting Staff for this function may not have sufficient skills and capacity to perform the tasks. Maintenance of proper books of accounts, correctness and reliability of data may be hampered if computer based systems are not well developed and structured	H	The PCUs accounting staff for the RPSDP has adequate experience managing Bank funds in an existing Bank funded project will handle FM issues. There is adequate spare capacity to take on this additional responsibility. The satisfactory Accounting arrangements already in RPSDP will be adopted for this project.	No	S
Internal Controls/Internal Auditing Risk of non-compliance with internal control procedures. Internal audit unit	S	Internal controls will be in line with GoSL operational policies as per the various regulations. Internal audit supervision to be conducted periodically by Internal Audit Unit of the MAFFS Internal Audit function to	No	S

Type of Risk	Risk Rating	Risk Mitigating Measures/Remarks	Conditions for Negotiation or Effectiveness (Yes/No)	Residual Risk Rating
in MAFFS may not extend the function to the project for all its life		be reviewed/assessed during supervisions.		
Funds Flow Delays in transfer of funds especially to the remote protected sites/areas. Systemic delays in processing applications and processing payments to third parties.	H	Simplified funds flow arrangements as detailed in paragraph 16 below will facilitate efficiency in the transfers. The systemic problem affecting speedy withdrawal applications will be focus of Bank training of the relevant Ministry of Finance officials concerned	No	H
Financial Reporting Quality and timeliness in submitting IFR and other financial reports as well as annual financial statements for audit.	H	The RPSDP PCU has professionally qualified and experienced staff already working on another Bank funded project's PCU will support this project. IFR formats will be discussed and agreed upon with the PCU and project staff at negotiations in order to ensure that they can report on project expenditure. Annual financial statements will also be prepared for audit in time	No Yes	S
Auditing Delay in the submission of audit reports and	S	To ensure timeliness of audit compliance, the Auditor General will	No	S

Type of Risk	Risk Rating	Risk Mitigating Measures/Remarks	Conditions for Negotiation or Effectiveness (Yes/No)	Residual Risk Rating
the timeliness of management follow up on audit issues.		facilitate the engagement of an acceptable auditor within four months after effectiveness. Supervision missions will follow up on compliance with audit recommendations. TOR of the auditors to be discussed and agreed with the Bank at negotiations.		
Overall Risk Rating	H			S

H – High S – Substantial M – Modest L – Low

Following the mitigating measures that address the identified inherent and control risk, the overall FM residual risk is rated Substantial.

In order for the Bank to obtain reasonable assurance on the use of funds, the following are necessary features of a strong financial management system which should be in place:

- PMT should have an adequate number and skill mix of experienced staff especially in project management, financial management and procurement;
- The internal control system should ensure the conduct of an orderly and efficient payment and procurement process, and proper recording and safeguarding of assets and resources;
- The accounting system should be robust enough to support the project’s reporting requirements and meet its reporting obligations to fund providers including Government of Sierra Leone, IDA, other development partners;
- The Audit Service Corporation of Sierra Leone is legally mandated to audit all public funds which include donor funded projects. The auditor general is at liberty to engage an independent, qualified auditor to review the Project’s financial statements and internal controls on an annual basis and report to the appointing authority within the stipulated time in the financing agreement.

5. Strengths and Weaknesses

Strengths

The Director of the Forestry Division has ample experience with Project Cycle Management and is highly qualified for co-leading the Project together with the NPM. In addition, by using the existing capacity in the PCU for the RPSDP, this project is fortunate to start off on a strong FM position.

Weakness

This is the first Bank supported project to be implemented by the Forestry Division of MAFFS. The reliance on PCU staff for the RPSDP to perform the fiduciary function for this project in the medium term may strain the PCU, negatively impacting smooth implementation of the project in the event there are institutional conflicts or reorganization.

6. Action Plan

Ref.	Action	By whom	When
1.	Agree on IFR Format	IDA/MAFFS	By Negotiations
2.	Develop Project Implementation Manual	MAFFS	Before Effectiveness
3.	Appoint Auditors acceptable to the Bank	MAFFS	Within four months after Effectiveness
4.	Prepare and finalize AWP	MAFFS/IDA	By Negotiations

7. Staffing

Financial management of the project will be undertaken by the PCU of the Rural and Private Sector Development Project (RPSDP). The GoSL will second an Imprest Accountant to the Makeni office to handle all field financial management functions and submit monthly returns to the RPSDP PCU before replenishment of the Makeni Imprest Account. The RPSDP PCU will have overall responsibility for the financial management and procurement activities of the project. This arrangement will provide an acceptable level of FM capacity for the project.

8. Budgeting

Budgeting for the project activities will be based on the project work plan and procurement plan. Realistic unit costs will be used to determine the estimated cost of goods and services. The process will be synchronized with the budgeting cycle in the government. Quarterly or monthly release of budgetary allocations by the Ministry of Finance will be monitored closely to ensure these do not delay, hold or stall the project's progress

9. Accounting

The accounting arrangements existing in the RPSDP under the PCU's day to day management or finances will be applied to this project. The Forestry Division will need to develop its own capacity in the long run to sustain the benefits after the two projects come to an end.

10. Internal Control

The PMT is expected to have adequate segregation of duties within its structures. Accounting and internal control procedures are to be codified in an Accounting Procedures Manual to be developed specifically for the project's needs, which will form part of the Project Implementation Manual. The Manual will be reviewed by the Bank to assess its adequacy before the project becomes effective.

11. Reporting and Monitoring

The project will produce Interim un-audited Financial Reports (IFRs) on a quarterly basis, using a format to be developed during appraisal and agreed at negotiations. IFRs must be submitted to the Bank within 45 days of the reporting quarter. Annually, the project will produce financial statements that are based on International Financial Reporting Standards (IFRS) to be audited and submitted to the Bank within six months of the end of each financial year.

12. External Audit

The Audit Service Commission (ASC) of Sierra Leone is by law mandated to audit all government finances and projects. However, in view of the prevailing capacity constraints in the Commission, it will either jointly audit the project with an audit firm acceptable to the Bank, or outsource such functions to a firm of auditors with qualifications acceptable to the Bank. If the cost of auditing the project will be met from the project, then the recruitment of an auditor will be subject to the IDA/IBRD guidelines for the selection of consultants as revised in October 2006. The TOR for the auditor that is satisfactory to IDA will detail the scope of work and form the engagement of the auditor. The TOR will be prepared by MAFFS to be discussed and agreed at negotiations.

The appointment of auditors should be finalized not later than four months of effectiveness in order to comply with Financial Covenants in the financing agreement.

13. Conditionalities and Dated Covenants

Negotiations conditions

- Agree on format of IFR
- Prepare and finalize AWP
- Develop Project Implementation Manual – an action prior to effectiveness

14. Financial Covenants

- Quarterly IFRs highlighting financial performance will be prepared and sent to the Bank no later than 45 days from the end of each calendar quarter.
- Annual audit reports will be prepared and submitted to the Bank within six months of the end of the financial year.

15. Supervision Plan

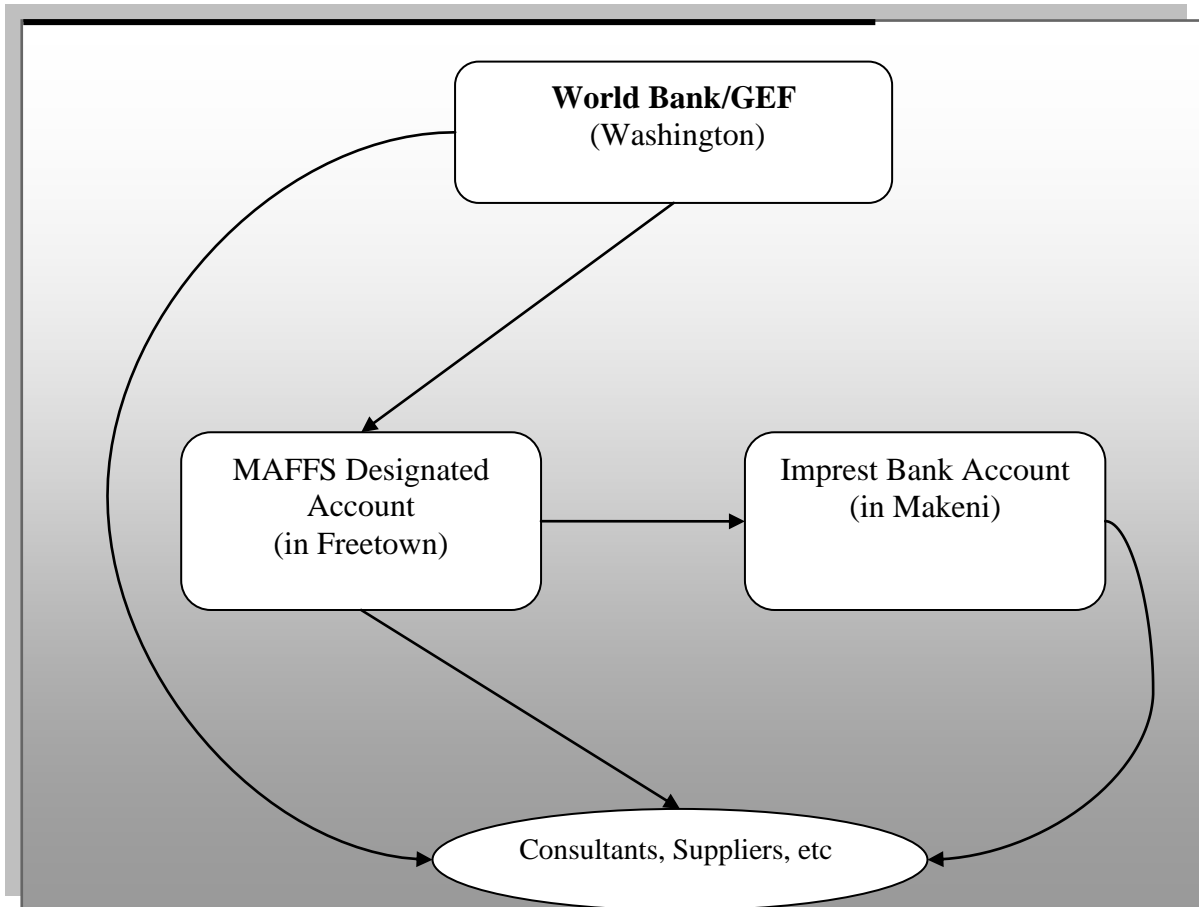
Financial Management Supervision will be risk-based. For this project, it has been determined that there will be at least two onsite visits (supervision) per Bank's fiscal year

by a financial management team member for Sierra Leone based in Freetown. This will be complemented by desk-based reviews of quarterly un-audited IFRs and the annual audited financial statements and the accompanying management letter.

16. Funds Flow Arrangements

A Designated Account (DA) denominated in US Dollars will be opened in Freetown by the MAFFS to fund all centrally managed expenditure, while an Imprest bank account will be opened in Makeni (where the project implementation team will be based) to fund the operating costs in the field. The Bank (IDA) will make disbursements of Advances to the Designated Account in Freetown from which funds will be transferred to the Imprest bank account in Makeni. The Accountant General's Department of the Ministry of Finance and Economic Development (MoFED) will second an Imprest Accountant to the Makeni office to handle all field financial management functions and submit monthly returns to the PCU in the RPSDP to review before it can process the replenishment of the Makeni Imprest Bank Account. The Accountant at the PCU will be required to consolidate reports from the field with that of centrally managed activities, and submit the quarterly unaudited Interim Financial Reports to the Bank within 45 days after end of each calendar quarter.

The chart below illustrates the flow of funds:



17. Disbursement Arrangements

The Project Funds will be disbursed on the basis of transaction procedure, through various disbursement methods, including advances, reimbursements, direct payments and special commitments. The initial advance will be disbursed into a single Designated Account (DA). The DA will be denominated in US Dollars and will be managed by the PMT. Considering the cash flow requirements and project design, a flexible ceiling will be determined for the DA. An initial deposit into the DA will be based on a cash flow needs established from the projected expenditures and cash forecast for a six month period. Annual Work Plan and Budget for the first year of operation will be used and closely monitored to avoid possibility for exceeding the DA ceiling. Further replenishments into the DA will be at the request of the Recipient at such intervals and based on additional instructions to be contained in the Disbursement Letter. Direct payments may be authorized for payments of larger value contracts, the value of which will be specified in the Disbursement Letter as well.

The project will be required to submit supporting documentation for eligible expenditures incurred, along with each Withdrawal Application, as specified in the Disbursement Letter. Supporting documentation will be provided for expenditures incurred under the Statement of Expenditure (SOE), for payments made by the Recipient from the Designated Account and for reimbursements for eligible expenditures met by the Recipient from its own sources. Summary Sheets will be required for eligible expenditures made from the DA under contracts that are subject to prior review by IDA. Copies of original documents or records will be requested only for certain categories of expenditures above financial thresholds specified in the Disbursement Letter and for Applications for Direct Payments. The SOEs and Summary Sheets will report eligible expenditures in accordance with the respective financing agreements. These will form the basis for further replenishments of the DA. The supporting documentation for expenditures processed under the SOE procedure will be retained at the project office and made available later for review by Bank officials supervising the project or the auditors for verification.

19. Conclusions of the FM Assessments

In view of the above, the overall residual financial management risk for the project is rated **substantial**. In addition, the financial management arrangements for the project as designed, including the imprest bank account to be maintained and operated by PMT in Makeni, meet the minimum requirements of OP/BP 10.02.

ANNEX 8: PROCUREMENT ARRANGEMENTS
SIERRA LEONE: BIODIVERSITY CONSERVATION PROJECT

A. General

1. **Sierra Leone's Procurement Environment:** The Government has introduced a number of reforms in public financial management (PFM) including public procurement reforms meant to reduce the opportunities for corruption. The implementation of the public procurement law enacted in 2004 is part of the PFM reforms component of the Bank-financed Institutional Reforms and Capacity Building (IRCB) Project that is being implemented by the MoFED.

2. The Public Procurement Act (PPA) 2004 is comprehensive and covers all procurement in the public sector (Central Management Agencies, Ministries, Departments and Agencies (MDAs), Metropolitan, Municipal and District Councils as well as parastatal organizations and State-Owned Enterprises). The PPA created the National Public Procurement Authority (NPPA), an autonomous regulator empowered to set rules and oversee public procurement practices by all public sector bodies. In turn, the NPPA has issued standard bidding documents and regulations to ensure open, competitive procurement across government. Dissemination of regulations has been carried out and procurement plans of many MDAs are tied into the budgeting process. Capacity building, development of a procurement cadre within the public sector and auditing of entities are the current challenges being tackled. Progress is being monitored under the MDBs Budget support for Sierra Leone.

3. While there are some very real governance risks, the authorities have been making tangible progress that should be supported and deepened. Government and the key budget support donors have agreed on a well defined program of governance reforms backed by a harmonized approach to reform and monitoring. These reforms and other measures will help reduce the currently high fiduciary risks faced by the donor community.

4. **Procurement Implementation:** Given the Ministry's weak capacity for financial management and procurement which was observed by the pre-appraisal team, and to make use of existing resources, it was decided and agreed with the Government to utilize the services of the Project Coordinating Unit (PCU) of the ongoing World Bank-financed Rural and Private Sector Development Project (RPSDP). The PCU is supported by Financial Management and Procurement Specialists from a consultancy firm and they provide professional support to the Ministry irrespective of the funding source. However since the PMT will be based in Makeni, the MAFFS will assign or recruit a qualified procurement specialist to be based in the Makeni office, who, under the supervision of the PCU Procurement Specialist, will be responsible for decentralized procurement activities which will mainly be carried out by the communities under Community Driven (CDD) procurement. Consequently, the project will entrust overall responsibility for financial management and procurement to these specialists, who will be supported by the

assigned Ministry staff. This arrangement will be concluded and finalized during appraisal.

5. **Procurement Arrangements:** Procurement for the proposed project will be carried out in accordance with the World Bank's "Guidelines: Procurement under IBRD Loans and IDA Credits" dated May 2004 revised October 2006; and "Guidelines: Selection and Employment of Consultants by World Bank Borrowers" dated May 2004 revised October 2006, and the provisions stipulated in the Legal Agreement. The various items under different expenditure categories are described in general below. For each contract to be financed by the Grant, the different procurement methods or consultant selection methods, the need for pre-qualification, estimated costs, prior review requirements, and time frame are agreed between the Recipient and the Bank project team in the 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.

6. Procurement of Works: Works procured under this project, would include, *inter alia*, **pillaring, mapping, paving of roads and construction of offices, storage facilities and boreholes.** The procurement will be done using the Bank's Standard Bidding Documents (SBD) for all International Competitive Bidding (ICB) and for all others National SBD's agreed with or satisfactory to the Bank. Contracts below US\$3million but equal to or above US\$100,000 equivalent per contract will be procured under NCB. Contracts estimated to cost less than US\$100,000 equivalent per contract would be procured using shopping procedures based on a model request for quotations satisfactory to the Bank. Direct contracting may be used where necessary, but will be subject to Bank's no objection. **Where works contracts will best be carried out by beneficiary communities, simplified procedures under "Community Participation in Procurement" will be applied. These procedures will be described in the PIM.**

7. **Procurement of Goods:** A total of about US\$ 580,000 of goods would be procured under this project. These would include *inter alia*, **Computers, furniture, office, field and solar equipment, vehicles, and motorcycles** The procurement will be done using the Bank's SBD for all ICB and National SBD agreed with or satisfactory to the Bank. Contracts below US\$500,000 but equal to or above US\$50,000 equivalent per contract may be procured under NCB. Contracts estimated to cost less than US\$50,000 equivalent per contract would be procured using shopping procedures based on a model request for quotations satisfactory to the Bank. Direct contracting may be used where necessary, subject to Bank's no objection.

8. **Procurement of Non-Consulting Services:** Procurement of non-consulting services will follow procurement procedures similar to those stipulated for the procurement of goods, depending on their nature. The applicable methods will include NCB and Shopping.

9. **Selection of Consultants:** Consultancy services valued at about US\$ 1.8 million would be provided under the project and include *inter alia*, **establishment of management systems, training provision and audit.**

10. Contracts for consulting services, each estimated to cost US\$100,000 equivalent or more, will be awarded following the procedure of Quality and Cost Based Selection (QCBS). Consulting services estimated to cost less than US\$100,000 per contract under this project would be procured following the procedures of Selection Based on Consultants' Qualifications (CQS). For all contracts to be awarded following QCBS, LCS and FBS the Bank's Standard Request for Proposals will be used. Procedures of Selection of Individual Consultants (IC) would be followed for assignments which meet the requirements of paragraph 5.1 and 5.3 of the Consultant Guidelines. Least-Cost Selection (LCS) would be used for selecting the auditors. Single-Source Selection (SSS) procedures would be followed for assignments which meet the requirements of paragraphs 3.10-3.12 of the Consultant Guidelines and will always require the Bank's prior review regardless of the amount.

11. Short lists of consultants for services estimated to cost less than US\$200,000 equivalent per contract may be composed entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines. Consultancy services estimated to cost above US\$200,000 per contract for firms, and contracts for individuals for assignments estimated to cost above US\$100,000 and single source selection of consultants (firms and individuals) will be subject to prior review by the Bank.

12. **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.

13. **Operating Costs:** incremental recurrent expenditures incurred by the implementation agency, including office supplies, fuel and maintenance of vehicles, maintenance of equipment, field allowances and DSAs, telephone and other communications charges but excluding salaries of officials of the Recipient'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.

B. Assessment of the agency’s capacity to implement procurement

An **assessment** of the capacity of the implementing agency to implement procurement actions for the project was carried out by the Procurement Specialist in the Sierra Leone World Bank Office, Tsri Apronti, in March 2009. The assessment reviewed the organizational structure for implementing the project and the interaction between the project’s staff responsible for procurement and the Ministry’s relevant central unit for administration and finance.

The key issues and risks concerning procurement during implementation of the project have been identified and include (i) weak to non existent capacity in the implementing agency to manage procurement, (ii) no prior experience in the management of IDA supported projects and therefore no knowledge of World Bank procurement policies and procedures, and (iii) procurement functions being carried out by the accountant as an accessory to other functions.

The overall project risk for procurement is high.

The corrective measures which have been agreed are the use of the services of the procurement specialist from a consultancy firm who are already providing services for the ongoing World Bank-financed Rural and Private Sector Development Project (RPSDP). He will be supported by the procurement staff of the MAFFS and an assigned procurement focal person from the PMT who will be based in the Makeni Office.

C. IDA Review Thresholds and the Procurement Plan

The Recipient, at appraisal, will develop a procurement plan for project implementation which will provide the basis for the procurement methods. This plan will be agreed between the Recipient and the Project Team at negotiations. The final procurement plan will be available in the project’s database and in the Bank’s external website. The Procurement Plan will be updated in agreement with the Project Team annually or as required to reflect the actual project implementation needs and improvements in institutional capacity.

Table A 8.1: Thresholds for Procurement Methods and Prior Review

No	Expenditure Category	Contract Value Threshold** (US\$)	Procurement Method	Contracts Subject to Prior Review (US\$)
1	Works	C >= 3,000,000 100,000 = < C < 3,000,000	ICB NCB	All contracts Specified contracts as would be indicated in Procurement Plans (PPs)

		C<100,000	Shopping	None
2	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
3	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
4	Training, Workshops, Study Tours	All Values	To be based on Annual Work Plan & Budgets	

**These thresholds are for the purposes of the initial procurement plan. The thresholds will be revised periodically based on re-assessment of risks.

D. Frequency of Procurement Supervision

In addition to the prior review supervision to be carried out from Bank offices, the capacity assessment of the Implementing Agency has recommended two supervision missions per annum to carry out post review of not less than 20 percent of contracts subject to post-review.

ATTACHMENT 1

DETAILS OF PROCUREMENT ARRANGEMENT INVOLVING INTERNATIONAL COMPETITION.

1. Goods and Works and non consulting services.

(a) List of contract Packages which will be procured following ICB and direct contracting:

1	2	3	4	5	6	7	8	9
Ref . No.	Contract (Description)	Estimated Cost	Procurement Method	P-Q	Domestic Preference (yes/no)	Review by Bank (Prior / Post)	Expected Bid-Opening Date	Comments

(b) ICB Contracts estimated to cost **above 500,000 USD** per contract for Goods , 3million USD for Works and all direct contracting will be subject to prior review by the Bank.

2. Consulting Services.

(a) List of Consulting Assignments with short-list of international firms.

1	2	3	4	5	6	7
Ref. No.	Description of Assignment	Estimated Cost	Selection Method	Review by Bank (Prior / Post)	Expected Proposals Submission Date	Comments

(b) Consultancy services estimated to cost above 200,000 USD (firms) and 100,000 USD per contract (individuals), all single source selection of consultants (firms) and contracts of key professional staff for Program Management, Coordination, Monitoring/Evaluation, and the selection of program auditors, regardless of the amount, will be subject to prior review by the Bank.

(c) Short lists composed entirely of national consultants: Short lists of consultants for services estimated to cost less than 200,000 USD equivalents per contract may be composed entirely of national consultants in accordance with the provisions of paragraph 2.7 of the Consultant Guidelines.

ANNEX 9: ECONOMIC AND FINANCIAL ANALYSIS
SIERRA LEONE: BIODIVERSITY CONSERVATION PROJECT

Based on the nature of the project, classical financial and economic analyses cannot accurately measure the impact of the project on the beneficiaries, as well as on the country. The weakness of environmental data collection in Sierra Leone, and the difficulty in monetizing biodiversity benefits, exacerbates the difficulty of measuring and valuing many of the effects involved, especially the likely off-site benefits (positive externalities) of the three proposed conservation sites, and in the non-protected areas.

Therefore, this Annex does not provide an economic and financial analysis. The relevant analysis is to be found in Annex 15, Incremental Cost Analysis. In addition, for all livelihood sub-projects, each proposal will be evaluated for financial and economic soundness, prior to sub-project selection.

ANNEX 10: SAFEGUARD POLICY ISSUES

SIERRA LEONE: BIODIVERSITY CONSERVATION PROJECT

1. Background

The PAMP was screened and classified as a “Category B” operation (the project as re-designed and re-named BCP maintains this classification) because implementation of the planned activities under the Project is likely to trigger the World Bank Safeguard Policies on Environmental Assessment (OP/BP 4.01) and Involuntary Resettlement (OP/BP 4.12). The package of safeguard documents prepared by the Government of Sierra Leone for the project comprises three primary reports: (i) the Environmental and Social Impact Assessment (ESIA), incorporating an Environmental and Social Management Plan; (ii) the Resettlement Policy Framework; and (iii) Process Framework.

1.1 Environmental Impacts

The Project aims to contribute to enhancing the integrity and health of selected network of ecosystems in SL and to increase management effectiveness of 3 selected conservation sites. This is expected to be achieved by (i) strengthening policy, institutional and regulatory frameworks in the natural resource and environmental management sector; (ii) building and improving capacity of all key stakeholders, particularly MAFFS in project management, including monitoring and evaluation; (iii) developing and operationalizing systems and process for co-managing and co-administering conservation sites; and (iv) raising public awareness and education about PA management and biodiversity conservation. Given that some Project-funded activities are likely to have adverse impacts, albeit ephemeral, on the environment, the Recipient prepared an ESIA and ESMP that will guide the Project’s activities on-the-ground and are carried out in line with the World Bank Safeguard Policy on Environmental Assessment (OP/BP 4.01) and Sierra Leonean EA requirements. The ESMP predicts and outlines all possible negative impacts and considers time-bound and costed mitigation measures, institutional arrangements and capacity building issues for implementing the ESMP as well as tools for tracking implementation progress and for assessing any impacts.

1.2 Social Impacts

The project triggers the Involuntary Resettlement Policy (OP/BP 4.10) as it may entail: (i) limited land acquisition once conservation sites’ boundaries are demarcated and for small infrastructure works; (ii) relocation of a small number of human settlements located inside any of the conservation sites; and (iii) restriction of access to the selected legally designated parks and conservation sites. Overall impacts are yet to be determined as boundaries need to be re-demarcated and the status of villages inside and outside of the conservation sites needs to be identified. Accordingly, a Resettlement Policy Framework (RPF) was prepared and disclosed in compliance with the World Bank (WB) Policy on Involuntary Resettlement (OP/BP 4. 12). The RPF clarified resettlement principles, organizational arrangements, and criteria for activities to be supported under the project. The RPF also covered eligibility criteria for defining persons/populations affected by the Project, methods for valuing affected assets and entitlements, organizational arrangements, description of grievances resolution mechanisms, consultation and

participation framework, monitoring and evaluation arrangements, and budget for preparing a Resettlement Action Plan (RAP).

In addition, a Process Framework (PF) has been prepared by the Recipient of the Grant and submitted to the Bank as restriction of access in the CSs will impact the overall livelihoods of people in villages surrounding the CSs that heavily depend on the resources of these CSs. The Recipient of the Grant will carry out in-depth consultations with local communities, prior to *enforcing any restrictions* in order to prepare an Action Plan for each CS describing the specific measures to be undertaken to assist project-affected persons and specific arrangements for their implementation. This Action Plan shall be submitted to the World Bank for review and clearance. The Process Framework provides a preliminary assessment of access restrictions involved: (i) defining the restrictions on access to natural resources in proposed conservation sites under the BCP; (ii) identifying and quantifying the impacts that those restrictions may have on different segments of the local population; (iii) proposing, implementing and monitoring specific measures to compensate for the loss of those assets and the income associated with them; and (iv) putting in place grievance resolution mechanisms in order to resolve any issues that may arise due to restrictions on resources over the course of the project.

The Recipient of the Grant will conduct a supplemental socio-economic survey as part of the preparation of (i) site-specific action plans addressing restriction of access and alternative livelihoods activities; and (ii) site-specific resettlement action plans if needed. The supplemental survey will assess the following aspects: (a) understanding contexts of the conservation site (historical, geographical, socio-cultural, demographic and political); (b) collecting socio-economic data (population, income, living standards, etc.); (c) assessing the relevant customary rights; (d) assessing the equity and gender issues; (e) assessing the decision-making processes (local political structure, governance mechanism, etc.; and (f) assessing sustainable alternative livelihood activities that local populations prefer to engage. A template of the socio-economic questionnaire is annexed in the Process Framework.

The project has allocated budget for conducting the supplemental socio-economic survey, the preparation of site-specific Community Action Plans (CAPs) and Resettlement Action Plans (RAPs) as determined during project implementation. Additionally, the project determined budget allocation for training and overall safeguards monitoring and supervision.

2. Institutional Capacity and Processes for Developing Environmental Assessment, Resettlement Policy Framework and Process Framework

During the preparation of the ESIA the institutional capacity in country to ensure that key ESIA-related functions including review of the ESIA and site-specific EIAs, environmental monitoring, compliance (inspection) and enforcement, or management of preventive and remediation measures for the Project was assessed. Environmental assessments in Sierra Leone are at present guided by the National Environmental Assessment Policy and National Environmental Action Plan, which endorse the preventive approach to environmental management and emphasize the need to promote

socio-economic development within the context of prescribed acceptable environmental standards and safeguards. The 2008 Environmental Protection Act further established an effective environmental impact assessment framework/system, giving responsibility to the MCPLE to ensure compliance with established environmental impact assessment procedures in planning and execution of development programs and projects, including even compliance in respect of existing initiatives.

The Act also sets the procedure for the preparation, review and approval of environmental assessments of projects, which include making the EAs available for public inspection and comments in two consecutive issues of the gazette and two issues in a local newspaper. In the past, the majority of EAs have been undertaken for major infrastructure projects and mining. Project level EA in Sierra Leone follows a similar system to that found in most jurisdictions, i.e. submission of proposals, questioning, screening, and if found required – environmental assessment followed by conditions of approval (Environmental Management Plan), monitoring of implementation and auditing.

The ESIA, RPF and PF revealed inadequate technical capacity of project-affected organizations particularly MAFFS and Trade and Industry (MoTI) to implement and monitor the mitigation plan. Capacities within these agencies for implementing ESIA, RPF and PF-related functions are weak. Therefore, the ESMP foresees the need to strengthen the project coordination unit and training for its operation officers to ensure systematic implementation and monitoring of environmental and social issues. Training will start quite early in the implementation phase and continue throughout the life of the project.

3. Stakeholder Consultation and Disclosure on Safeguard Policies

Throughout project design and formulation the Recipient consulted widely with project-affected groups (i.e. farmers, landowners, traditional authorities, public and private sector organizations, research and academia, women and youth, etc), community-based organizations and non-governmental organizations about the project's environmental and social aspects and took their views into account in finalizing the safeguard documents. The Recipient agrees to continue the consultation process with such groups throughout the project's implementation as necessary to address ESIA, RPF and PF-related issues that affect them, particularly during the implementation of the civil works components such as boundary demarcation. The ESIA, RPF and PF indicate that relevant project documents were provided to project-affected groups, CBOs and NGOs prior to consultations. The PAMU/PMU has officially disclosed the ESIA, RPF and PF in-country through advertisements in local newspapers namely, the Democrat on May 7 & 14, 2007; Standard Times on May 10 & 14, 2007; and Salone Times on May 9, 2007. Between May 16 and 22, 2007 NaCEF had conducted 5 separate disclosure workshops throughout the country in places proximal to the PAs. The full text of the report (including list of participants) prepared at the end of the series of workshops at sites close to selected PAs (namely Fintonia for Outamba-Kilimi National Park, Kabala for Loma Mountains Forest Reserve and Tingi Hills Forest Reserve, Mongeri for Kangari Hill Forest Reserve, Kenema for Gola and Tiwai Island Wildlife sanctuary and Freetown for

Western Area Peninsula Forest Reserve) has been incorporated into the ESIA, RPF and PF, which can be found in IRIS and Project Portal. These safeguard documents have been submitted to the World Bank for review and approval and disclosed at the World Bank InfoShop on July 1, 2007.

Following appraisal, the Resettlement Policy Framework (RPF) will be revised to require the Recipient to carry out the supplemental socioeconomic survey as part of preparation of plan for each specific conservation site. The TOR for the consultant to conduct the survey and the detailed questionnaires the consultant can use while conducting the survey has been annexed in the current draft RPF. The supplemental survey would assess at least the following aspects: (a) Understanding contexts of the conservation site (historical, geographical, socio-cultural, demographic and political); (b) Identifying the various but distinct socio-cultural groups and estimating their numbers (based on the 2004 census); (c) Assessing the relevant customary rights; (d) Assessing the equity and gender issues; (e) Assessing the decision-making processes (local political structure, governance mechanism, etc.); and (f) Assessing sustainable alternative livelihood activities that local populations prefer to engage.

ANNEX 11: PROJECT PREPARATION AND SUPERVISION
SIERRA LEONE: BIODIVERSITY CONSERVATION PROJECT

Milestone

Description of Activity	Planned	Actual
PCN review	11/25/2005	11/05/2005
Initial PID to PIC	12/12/2005	02/02/2006
Initial ISDS to PIC	12/12/2005	02/02/2006
Appraisal	08/03/2009	July 2009
Negotiations	10/06/2009	
Board/RVP approval	11/24/2009	
Planned date of effectiveness	03/24/2010	
Planned date of mid-term review	06/01/2012	
Planned closing date	04/30/2015	

Key institutions responsible for preparation of the project:

- (i) Ministry of Agriculture, Forestry and Food Security, Sierra Leone
- (ii) Environmental Protection Agency, Sierra Leone

Bank staff and consultants who worked on the project included:

Name	Title	Unit
John Fraser Stewart	Team Leader, Sr. Environment and Natural Resources Specialist	AFTEN
Edward Dwumfour	Team Leader during original preparation, Sr. Env. Spec.	AFTEN
Thomas Muenzel	Agricultural Economist	FAO
Alexander Horst	Consultant	OBF
Joachin Ballweg	Consultant	FAO
Herbert Acquay	Program Coordinator	AFTEN
Mi Hyun Miriam Bae	Social Dev. Specialist	SDV
David A. Bontempo	Operations Analyst	ECSS3
Gayatri Kanungo	Consultant, GEF Processing	AFTEN

Ferdinand T. Apronti	Procurement Specialist	AFTPC
Oluwole Pratt	Financial Management Analyst	AFTFM
Anders Jensen	Monitoring and Evaluation Specialist	AFTRL
Charles Annor-Frempong	Sr. Country Officer	AFTAR
Victoria Bruce-Goga	Team Assistant	AFCW1
Sergiy Kulyk	Country Program Coordinator	AFCGH
Manush A. Hristov	Sr. Counsel	LEGAF
Rajiv Sondhi	Senior Finance Officer	LOAFC
Yusuf Bob Foday	Economist	AFTP4
Wolfgang Chadab	Sr. Finance Officer	LOAFC
Fatu Karim-Turay	Team Assistant	AFMSL
Robert Robelus	Consultant, Environment	AFTEG
Carolyn Winter	Sr. Soc. Dev. Specialist	AFTCS
Beatrix Allah-Mensah	Soc. Dev. Specialist	AFTCS
Robert W. DeGraft-Hanson	FM Specialist	AFTFM
Rose Ampadu	Program Assistant	AFCW1
Nyaneba E. Nkrumah	Sr. NRM Specialist	AFTEN

Bank funds expended to date on project preparation:

1. Bank resources (BBGEF and BBFAO): \$393,115.52
2. Trust funds (GEF PPG TF056209): \$339,840.65
3. Total: \$732,956.17

Estimated Approval and Supervision costs:

1. Remaining costs to approval: \$25,000
2. Estimated annual supervision cost: \$120,000

ANNEX 12: DOCUMENTS IN THE PROJECT FILE

SIERRA LEONE: BIODIVERSITY CONSERVATION PROJECT

1. Environmental and Social Assessment (ESIA) – May 2007
2. Resettlement Policy Framework – May 2007
3. Process Framework – May 2007
4. Biodiversity Tracking Tools for all Conservation Sites – 2008
5. Wildlife Conservation Act – 1972
6. Proclamation for the Constitution of Outamba-Kilima National Park – 1995
7. Environment Protection Agency Act - 2008

ANNEX 13: STATEMENT OF LOANS AND CREDITS
SIERRA LEONE: BIODIVERSITY CONSERVATION PROJECT

Project ID	FY	Purpose	Original Amount in US\$ Millions				Cancel.	Undisb.	Difference between expected and actual disbursements	
			IBRD	IDA	SF	GEF			Orig.	Frm. Rev'd
P078389	2006	SL-IDP Transp (FY06)	0.00	0.00	0.00	0.00	0.00	43.52	0.00	0.00
P087203	2005	SL-Power & Water SIL (FY05)	0.00	35.00	0.00	0.00	0.00	31.85	8.46	0.00
P078613	2004	SL-Inst Reform & Cap Bldg TAL (FY04)	0.00	0.00	0.00	0.00	0.00	14.08	2.55	0.00
P079335	2003	SL-Natl Soc Action (FY03)	0.00	35.00	0.00	0.00	0.00	19.92	8.27	0.00
P074320	2003	SL-Basic Edu Rehab (FY03)	0.00	0.00	0.00	0.00	0.00	10.88	4.30	0.00
P074128	2003	SL-Health Sec Reconstr & Dev (FY03)	0.00	0.00	0.00	0.00	0.00	14.39	9.03	0.00
P073883	2002	SL-HIV/AIDS Response (FY02)	0.00	15.00	0.00	0.00	0.00	5.99	2.95	0.00
Total:			0.00	85.00	0.00	0.00	0.00	140.63	35.56	0.00

SIERRA LEONE
STATEMENT OF IFC's
Held and Disbursed Portfolio
In Millions of US Dollars

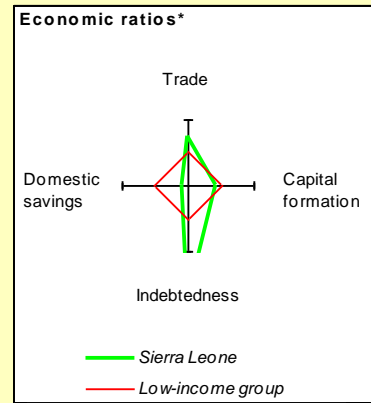
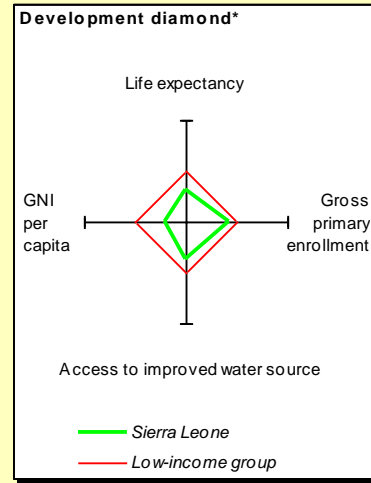
FY Approval	Company	Committed				Disbursed			
		IFC				IFC			
		Loan	Equity	Quasi	Partic.	Loan	Equity	Quasi	Partic.
	CeltelSierraLeon	0.58	0.00	0.00	0.00	0.58	0.00	0.00	0.00
	Total portfolio:	0.58	0.00	0.00	0.00	0.58	0.00	0.00	0.00

FY Approval	Company	Approvals Pending Commitment			
		Loan	Equity	Quasi	Partic.
	Total pending commitment:	0.00	0.00	0.00	0.00

ANNEX 14: COUNTRY AT A GLANCE

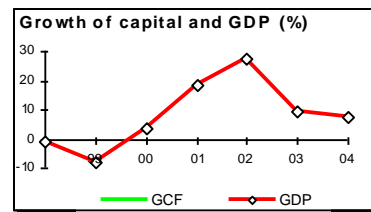
SIERRA LEONE: BIODIVERSITY CONSERVATION PROJECT

POVERTY and SOCIAL	Sierra Leone	Sub-Saharan Africa	Low-income		
2004					
Population, mid-year (millions)	5.4	719	2,338		
GNI per capita (Atlas method, US\$)	200	600	510		
GNI (Atlas method, US\$ billions)	11	432	1,184		
Average annual growth, 1998-04					
Population (%)	2.0	2.2	1.8		
Labor force (%)	18	10	2.1		
Most recent estimate (latest year available, 1998-04)					
Poverty (% of population below national poverty line)	70	..	..
Urban population (% of total population)	40	37	31		
Life expectancy at birth (years)	37	46	58		
Infant mortality (per 1,000 live births)	166	101	79		
Child malnutrition (% of children under 5)	27	..	44		
Access to an improved water source (% of population)	57	58	75		
Literacy (% of population age 15+)	30	65	61		
Gross primary enrollment (% of school-age population)	79	95	94		
Male	93	102	101		
Female	65	88	88		
KEY ECONOMIC RATIOS and LONG-TERM TRENDS					
	1984	1994	2003	2004	
GDP (US\$ billions)	1.1	0.91	0.99	1.1	
Gross capital formation/GDP	12.7	8.5	14.3	19.6	
Exports of goods and services/GDP	10.6	29.5	19.9	22.9	
Gross domestic savings/GDP	10.9	12.4	-7.0	3.4	
Gross national savings/GDP	9.7	2.7	6.7	14.8	
Current account balance/GDP	-4.7	-5.8	-7.6	-4.8	
Interest payments/GDP	0.9	2.9	0.9	1.1	
Total debt/GDP	56.7	170.9	162.3	161.3	
Total debt service/exports	24.3	60.3	11.3	10.7	
Present value of debt/GDP	89.3	..	
Present value of debt/exports	395.7	..	
	1984-94	1994-04	2003	2004	2004-08
<i>(average annual growth)</i>					
GDP	-1.7	3.0	9.2	7.4	7.0
GDP per capita	-3.9	0.9	7.1	5.4	5.1



STRUCTURE of the ECONOMY

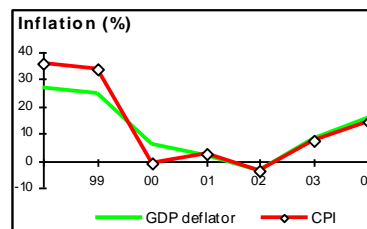
	1984	1994	2003	2004
<i>(% of GDP)</i>				
Agriculture	40.1	39.4	..	..
Industry	13.6	40.4	..	..
Manufacturing	5.7	9.9	..	..
Services	46.2	20.2	..	..
Household final consumption expenditure	82.1	76.5	91.4	83.4
General govt final consumption expenditure	6.9	11.1	15.6	13.2
Imports of goods and services	12.4	25.6	41.2	39.1
	1984-94	1994-04	2003	2004
<i>(average annual growth)</i>				
Agriculture	-7.2	..	..	..
Industry	2.5	..	..	..
Manufacturing	..	..	..	..
Services	0.7	..	..	..
Household final consumption expenditure	-7.7	10.3	8.2	-0.5
General govt final consumption expenditure	-3.2	..	..	..
Gross capital formation	6.2	..	..	..
Imports of goods and services	0.8	..	..	..



SIERRA LEONE: BIODIVERSITY CONSERVATION PROJECT

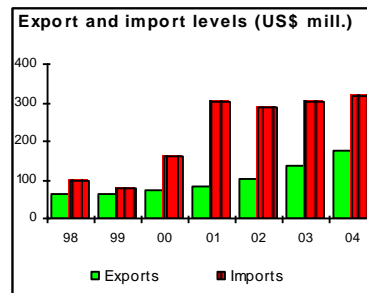
PRICES and GOVERNMENT FINANCE

	1984	1994	2003	2004
Domestic prices				
<i>(% change)</i>				
Consumer prices	66.7	24.2	7.5	14.2
Implicit GDP deflator	39.8	25.0	8.3	15.9
Government finance				
<i>(% of GDP, includes current grants)</i>				
Current revenue	..	12.9	20.1	21.3
Current budget balance	..	-18	-2.0	11
Overall surplus/deficit	..	-5.9	-6.8	-3.5



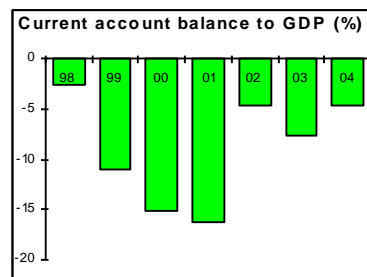
TRADE

	1984	1994	2003	2004
<i>(US\$ millions)</i>				
Total exports (fob)	127	194	138	174
n.a.	..	..	..	..
n.a.	..	..	..	..
Manufactures	..	..	..	..
Total imports (cif)	172	149	300	319
Food	39	52	61	57
Fuel and energy	45	29	40	42
Capital goods	54	27	29	33
Export price index (2000=100)	..	105	109	107
Import price index (2000=100)	..	98	99	99
Terms of trade (2000=100)	..	107	111	108



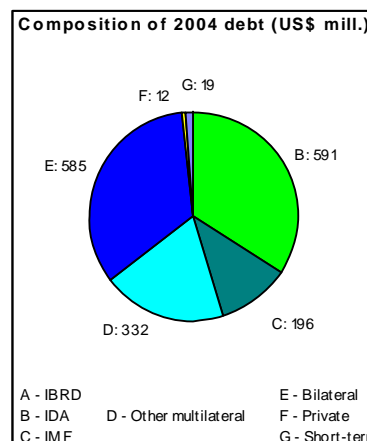
BALANCE of PAYMENTS

	1984	1994	2003	2004
<i>(US\$ millions)</i>				
Exports of goods and services	177	269	197	246
Imports of goods and services	215	234	408	421
Resource balance	-38	35	-211	-174
Net income	-30	-14	-27	-28
Net current transfers	17	26	163	151
Current account balance	-51	-53	-75	-51
Financing items (net)	25	52	65	99
Changes in net reserves	26	0	10	-48
Memo:				
Reserves including gold (US\$ millions)	8	41	59	82
Conversion rate (DEC, local/US\$)	2.5	586.7	2,347.9	2,691.0



EXTERNAL DEBT and RESOURCE FLOWS

	1984	1994	2003	2004
<i>(US\$ millions)</i>				
Total debt outstanding and disbursed	616	1,558	1,606	1,735
IBRD	8	3	0	0
IDA	47	186	543	591
Total debt service	43	163	25	29
IBRD	2	1	0	0
IDA	1	2	2	3
Composition of net resource flows				
Official grants	25	72	223	..
Official creditors	10	45	31	76
Private creditors	-3	0	-1	0
Foreign direct investment (net inflows)	6	-3	3	..
Portfolio equity (net inflows)	0	0	0	..
World Bank program				
Commitments	21	0	65	35
Disbursements	6	38	25	31
Principal repayments	1	2	0	0



ANNEX 15: INCREMENTAL COST ANALYSIS

SIERRA LEONE: BIODIVERSITY CONSERVATION PROJECT

A. Background Context

Biogeographically, Sierra Leone lies within the Upper Guinean Lowland Forest Ecosystem with an abundant richness in ecosystem and species biodiversity (lowland rainforests, montane forests, savanna woodlands, agricultural, freshwater and wetlands). There are 48 forest reserves and conservation areas, representing about 4% of the land area (c. 180,250 ha). The total area of government wildlife reserves is estimated at 173,000 ha. There are over 2000 species of plants including 74 endemic species identified in SL. 15 species of primate, 18 species of antelopes and duikers, 9 bat species and over 500 bird species have been recorded in SL. About 4,837.8 km² of SL is covered by wetlands with vegetation that is typically of freshwater swamp forests, riparian and mangroves. An estimated 240 species of birds have been identified within the wetland ecosystem, with about 200,000 migrant birds flying in every year.

In the immediate post-war period (2000-2003), agriculture, forestry and fisheries sectors grew at an average 4.6 percent per annum, and this was attributed largely to the high demand for basic food and timber for the housing sector. Upswing in Sierra Leone's post-conflict economic performance has been largely due to recovery in agriculture and mining. This overdependence of the economy on agriculture, forestry, mining, fisheries and production of bush meat has led to over-exploitation of natural resources with disastrous consequences to the environment. Further the current population growth rate, currently estimated at over 2 percent per annum, coupled with post-war demographic dynamics (particularly the rural-urban drift) the growing population is putting unsustainable pressure on existing social infrastructure (including services) and the country's natural and wildlife resources to the point that the status and potential of biodiversity is diminishing rapidly, and the capacities of ecological systems to function properly are severely reduced.

B. Baseline or Business as Usual Scenario (no GEF Scenario)

In the current situation Sierra Leone, although acknowledged by national stakeholders for its unique ecosystems and globally significant biodiversity, has not received adequate protection (including control and use restrictions) by the government. The decline of forests in Sierra Leone has been blamed largely on slash-and-burn agriculture and irresponsible mining. In some areas deforestation followed in the wake of commercial logging, which dates back to the colonial period and became a major industry when slavery was outlawed. Given that, forest management was non-existent, subsistent farmers moved directly into the logged areas to burn remaining vegetation and clear the land for agricultural activities, and the forest was never allowed to naturally regenerate. Overall, natural resources and biodiversity management has been poorly financed using state funds and the policy and program planning, implementation and monitoring in Sierra Leone is done by weak public sector institutions which have shown an unwillingness to partner with others.

In the absence of GEF assistance, Government of Sierra Leone, with limited support from other donors for the proposed target sites would undertake interventions limited in scope to meet selected domestic development objectives in ensuring a sustainable ecosystem, wildlife protection and biodiversity conservation.

Component 1: National Framework for Biodiversity Conservation

The project will focus on supporting the endorsement and, to a limited extent, enforcement of related environmental legislation and policies (National Environmental Policy (NEP) of 1994 and the National Environmental Protection Act (NEPA) of 2000, other policies on concessions, etc.), including dissemination of these policy and legal documents.

Component 2: Conservation Site Planning and Management

Without the GEF assistance, there would be limited funding for conservation site management & planning for the relevant Government body, which is the FD under the MAFFS, poor regional and national economic development planning for biodiversity protection and conservation management; all leading to persistent degradation of high-value, unique biodiversity and natural resources; and lastly, loss of opportunities for providing sustainable alternative livelihoods to people currently living off the conservation sites.

Such limited conservation support under the baseline scenario will be restricted to few biodiversity sites without any opportunity for mainstreaming biodiversity conservation and without being built on principles for sustainability as to link economic, social and environmental issues. It would also be insufficient to provide scientific data on the economic value of the use of existing biodiversity in order to ensure effective involvement of all stakeholders at national, regional and local levels in strategic planning and management. The baseline scenario does not include any efforts towards mainstreaming conservation in district development planning in the three selected sites.

Any efforts towards capacity building will include a limited scope of activities for training and raising awareness on sustainable use of forest biodiversity & NTFPs, and for improving their capacities to manage and develop high-biodiversity sites (protected areas and their peripheries). At the various levels, it will likely include the provision of basic hardware and software for local councils to improve accessibility and communication capacities at the minimal levels.

Component 3: Project Management, Monitoring and Evaluation

The activities within will focus upon the basics for implementation coordination of the Project.

Baseline Financing support : Given that SL-BCP is only one part of a diverse portfolio of donor-supported activities in the natural resources management/conservation sites management sector in Sierra Leone, the proposed project has been designed to

complement other activities and develop a coherent approach to conservation across the country.

As part of the baseline, the project could be supplemented by **US \$2 million** under the proposed project restructuring of the Bumbuna Environmental and Social Management Project (BESP), specifically earmarked for establishing effective long term conservation at the Loma Mountains site, as an offset for natural habitats lost to inundation by impoundment at the Bumbuna dam.

Since the late 1990s RSPB has been using its own resources estimated at about **US\$6.7m** (EUR 5 million) to support the Gola Forest Concession Conservation Initiative. There is also an amount of **US\$3.6** million from Conservation International and BirdLife International for the establishment of an endowment fund (Conservation Trust Fund) for the purpose of providing long-term financing support for the Gola Forest Reserve and the Tiwai Island Wildlife Sanctuary. Recent support (technical assistance) has come from the European Union (EU), in the amount of **US\$ 1.34m** (EUR 1.0 million) towards institutional capacity building and environmental management of the EPA of the MLCPE. Beyond this, the EU has since 2007 been implementing a EC grant of **US\$4.16m** (EUR3.1 million) for 5 years to the RSPB for implementing a new practical model for achieving sustainable conservation site management under the Gola Rainforest Conservation Project. Furthermore, the EU is supporting since 2009 two additional PA promotion projects: the WAPFR Project (€3m) and the Trans-Boundary Peace Park Project (Gola Forest extension, [€2.4m]).

Therefore, for the next 5 years, total donor support to the GoSL in these sectors (excluding the GEF SL-BCP) is estimated at approximately **US \$17.8 million**, which has been used as the 'Baseline' for the purposes of this incremental costs analysis.

Benefits: The domestic and global benefits under the baseline scenario focus on the basic maintenance of the ecosystems, PA management, and conservation of wildlife and biodiversity. This would be done albeit through limited and uncoordinated environmental planning and management, principally at the local and national levels. The baseline would confer decreasing global benefits through limited and insufficient protection to sites with high-biodiversity conservation value.

C. GEF Alternative

Project objectives, components, results

The Project Development Objective (PDO)/Global Environmental Objective (GEO) is improved management of selected priority conservation sites (CSs) and enhanced capacity for replication of best practices. The PDO/GEO have been combined as the PDO directly contributes to Strategic Objective 1 (SO-1) of the GEF Biodiversity Program¹¹.

¹¹ Focal Area Strategies and Strategic Programming for GEF-4, GEF, October 2007.

Key Outcome Indicators:

- Management effectiveness in selected priority conservation sites supported by the Project has improved by 20%
- Phased plan for replication of best practices in CS management throughout Sierra Leone adopted by MAFFS

Conservation of biodiversity through mainstreaming conservation site management and biodiversity into local, regional and national development planning and implementation has been identified by key stakeholders in the country as the most sustainable option for ecosystem development and biodiversity conservation in Sierra Leone. This is the overarching rationale behind the GEF alternative; and it clearly stands at the center of the Project design through its three inter-related project components. See Annex 4 for detailed component activities analyses.

Component 1: National Framework for Biodiversity Conservation: The expected outcome of this component is an effective policy, legal and institutional framework for biodiversity conservation.

The main incremental outputs of the component will include: (i) Updating of forest, wildlife and biodiversity policies and regulations in consultation with stakeholders supported; (ii) A strategy for sustainable financing of conservation sites developed; (iii) the institutional framework at national level is strengthened through institutional capacity building activities and the, development of a replication strategy.

Component 2: Conservation Site Planning and Management: The expected outcome of this component is the development and implementation of more effective conservation management for three selected priority CSs and buffer zones, which will help bring biodiversity conservation on the agenda of the District Councils and offer the local population development opportunities that are compatible with conservation objectives.

The activities under the component will result in the following key incremental outputs (i) Conservation Site Management Teams (CSMTs) established and supported; (ii) Coordination and conservation partnerships among government, non-government and community-based organizations, private sector and traditional leaders strengthened; (iii) Management Plans for selected conservation sites developed in a participatory way, integrated in District Development Plans, and disseminated; (iv) Capacity of decentralized FD staff and relevant stakeholders in planning, implementation and law enforcement strengthened; (v) Education and sensitization related to conservation sites promoted.

Component 3: Project Management, Monitoring and Evaluation: This component will ensure effective implementation of the two technical components and ensuring that

project complies with the World Bank Financial Management Guidelines and the Procurement Guidelines.

Global Environmental Benefits (GEB)

With the GEF financing, incremental global environmental benefits include:

- Effective conservation of globally important ecosystems and threatened species as part of priority biodiversity ecosystems of biodiversity importance/conservation areas.
- Investments in biodiversity at ecosystem level removing the root causes of threats, thus improving the efficacy and cost-effectiveness of management endeavors;
- Strengthened institutions at Regional, National, and local levels through targeted capacity building for planning, management and monitoring of national biodiversity conservation including land-use planning and zoning;
- Harmonization of fragmented national environmental policies and legislation.
- Increased partnerships at all levels, providing opportunities to better collaborate and communicate the exchange of good practices; and
- Increased local ownership through enhancement of public participation in planning and management of biodiversity resources.
- Agreement on consolidated national biodiversity monitoring and information system accessible to key stakeholders (harmonized data collection and effective data dissemination will be a valuable capacity for national, regional and local decision makers);

The result of the alternative scenario would be conservation of biodiversity, its mainstreaming into enhanced national, regional and local development planning and management for the Sierra Leonean ecosystem in a way that is sustainable and in line with national and global biodiversity objectives and strategies.

Importantly, the lessons generated under this Project would help a broader mainstreaming of biodiversity considerations in other sectors and regions in Sierra Leone, the West Africa sub-region and other countries.

D. Fit with GEF Strategic Priorities

Eligibility for GEF co-financing: Sierra Leone is a member of many International Conventions. It ratified the Convention on Biological Diversity in 1996, the Convention on International Trade in Endangered Species (CITES) in 1995, and the Ramsar Convention in 2003.

Relevance to GEF Strategic Priorities: As developed under GEF-3, the proposed GEF intervention was designed to address the objectives of GEF Operational Programs OP-1 (Arid-Semi-arid Zone), OP-3 (Forest Ecosystems) and OP-4 (Mountain Ecosystems), focusing on the establishment of a system of critical ecological sites (protected areas) and the protection and conservation of wildlife and biological diversity within them.

The project is in line and fits with the revised GEF-4 strategic objectives for biodiversity. The project objective directly aligns with the Strategic Objective 1 (SO-1) of the GEF Biodiversity Program¹² and contributes to Strategic Program # 3 (Strengthening Terrestrial PA networks). The project directly contributes towards the strategic vision of the SO through institutional capacity building, partnership with NGOs, supporting local communities, increasing the protected area coverage, and establishing effective management systems in the existing national parks. The project will make a valuable contribution to increasing the number, size and integrity of a variety of global ecosystems by delineating representative samples of ecological areas and declaring them as legally protected – including the (i) *Outamba-Kilimi National Park* (Savanna Woodland, 110,900 ha); (ii) *Loma Mountain Non-hunting Forest Reserve* (Montane Forest, 33,201 ha); and (iii) *Kangari Hills Non-hunting Forest Reserve* (Rainforest, 8,573 ha).

E. Incremental value added by GEF funding

The GEF financing will add value through reviewing and reforming institutional and legal frameworks relating to natural resources management and in defining practical arrangements for establishing public-private partnerships such as co-management and co-administration for effective and efficient PA management. The GEF will provide crucial support to enable the development and implementation of broad-based development plans for the three selected PAs, where biodiversity issues are truly integrated and reflected. It will enhance the knowledge base for sound ecosystem management and decision-making, including monitoring and evaluation for sustainable long-term tourism, mining and fishing practices.

Significantly the project will encourage alliances and co-management of PA resources, which is especially important for the *Outamba-Kilimi National Park* with its elephant populations cross-bordering to Guinea. Besides, the *Kangari Hills Non-hunting Forest Reserve*, which belongs to Bo and Tonkolili Districts, needs coordination between the two districts. Therefore, integration beyond national and district borders will be actively pursued by the project. Notably GEF incremental financing will promote mainstreaming efforts through which national, regional and local players will be provided with technical, financial and institutional support to develop enabling policy framework, adequate skills and targeted capacity. Likewise, cooperation between sectors will be channeled and catalyzed through the project. This will be crucial, for instance in the case of the definition of site boundaries, especially in *Kangari Hills Non-hunting Forest Reserve*, with its potential conflicts with the mining industry.

¹² Focal Area Strategies and Strategic Programming for GEF-4, GEF, October 2007.
SO-1: To Catalyze Sustainability of Protected Area Systems.

GEF funds will also provide assistance through development of rural enterprises and market mechanisms, and provide support to community members toward income-generating activities compatible with appropriate natural resources management systems. Thus, this project will provide opportunities to managers of PAs and communities to add value to conservation sites and increase the contribution of goods and services provided by their sustainable management to poverty alleviation at the national and local levels. Income-generating activities for smallholders will be identified and promoted through linkages with relevant institutions. For instance, farm households around the *Outamba-Kilimi National Park* could be linked to an EC-funded and InterAid-implemented development project based in Kamakwie for improved swamp rice farming. The shaded coffee berries from traditional forests in the peripheries of Loma Mountain could be upgraded as organic and/or shade grown coffee and therefore receive higher prices in the world market. This would also contribute to preventing slash-and burn practices in the buffer zones of the Loma Forest. It is expected that at least 30% of households in the areas adjacent to the CSs will be engaged in environmentally-friendly economic activities by the end of the project (EOP). Significantly, GEF financing will also help introduce on a pilot basis energy-saving technologies (e.g. fuelwood-saving stoves) and the use of renewable energies, such as solar, biogas or hydropower from small plants to stimulate environmentally-friendly economic growth, relying less on purely extractive energy resources.

Incremental Cost Calculations

The GEF's contribution of **US\$5.0 million** to the proposed project would leverage **US \$1.0 million** from GoSL and community contributions in cash and kind and complement the following baseline: US\$ 2 million from IDA; US\$ 1.34 million from EU; US\$ 4.16 from Birdlife Africa/EU; US\$ 6.7 from the RSBP; US\$ 3.6 from the Conservation International and Birdlife International. Table 1 below shows the overall financing support for the GEF alternative which includes financing that provides funding to other parks. Therefore, the costs of the **GEF alternative is estimated at US\$ 23.8 million**, with an incremental financing of US\$ 6 million (from GEF and GoSL) and baseline support of US\$ 17.8 million.

F. Role of Cofinancing

Table 1: GEF Alternative - Breakdown of Funding sources by components

Components	GEF (US\$ M)	GoSL/Beneficiaries (US\$ M)	IDA* (US\$ M)	RSBP* (US\$ M)	EU (US\$ M)	Bird Life Africa/EU (US\$ M)	CI/BI* (US\$ M)	Total (US\$ M)
Component 1: National Framework for Biodiversity Conservation	0.7	0.1	0	0.5	1.34	0	0	2.64

Component 2: Conservation Site Planning and Management	3.9	0.6	2.0	6.2	0	4.16	3.6	20.46
Component 3: Project Management, Monitoring and Evaluation	0.4	0.3	0.0	0	0	0	0	0.7
TOTAL	5.0	1.0	2.0	6.7	1.34	4.16	3.6	23.8

* IDA supported Bumbuna Offset for Loma Mountains project
CI/BI: Conservation International and Birdlife International
RSBP: Royal Society for the Protection of Birds

ANNEX 16: MAPS

SIERRA LEONE: BIODIVERSITY CONSERVATION PROJECT

