Re: Sierra Leone: Social Safety Net Project
Grant Numbers H9250-SL and D0920-SL
Amendment to the Amended and Restated Financing Agreement

Excellency:

We refer to the Amended and Restated Financing Agreement between the Republic of Sierra Leone ("Recipient") and the International Development Association ("Association"), dated September 18, 2015, for the above-referenced Project ("Agreement"), as amended. We also refer to the Recipient’s request dated January 22, 2019, requesting changes to the Agreement.

Please note that the capitalized terms used in this letter ("Amendment Letter") and not defined herein have the meanings ascribed to them in the Agreement.

We are pleased to inform you the World Bank agrees to your request and hereby proposes to amend the Agreement as follows:

1. The Project description in Schedule 1 to the Agreement is deleted and replaced by Annex 1 to this Amendment Letter:

2. Section I.A.2 and I.A.3 of Schedule 2 to the Agreement shall be renumbered as Section I.A.3 and I.A.4, respectively, and a new Section I.A.2 of Schedule to the Agreement shall be included, which shall read as follows:

"National Social Protection Secretariat

The Recipient shall maintain, at all times during the implementation of the Project, the National Social Protection Secretariat, with a composition, mandate, terms of reference and resources satisfactory to the Association, to be responsible for inter alia, coordination of the activities under Part 1 of the Project and of the social protection sector."

RCA 248423  WUI 64145  FAX (202) 477-6391
3. Section III. Procurement of Schedule 2 to the Financing Agreement is deleted and replaced by the following:

“All goods, works, non-consulting services and consulting services required for the Project and to be financed out of the proceeds of the Financing shall be procured in accordance with the Procurement Regulations.”

4. The table in Section IV.A.2 is amended as set forth in Annex 2 to this Amendment Letter.

5. Section IV. B. 2. is deleted and replaced with the following:

“2. The Closing Date is June 30, 2023.”

6. The definition “District” in the Appendix to the Agreement is deleted and replaced by the following:

““District” includes one of the following administrative units in the Recipient’s territory participating in the Project: Bo, Bombali, Bonthe, Falaba, Kailahun, Kambia, Karene, Kenema, Koinadugu, Kono, Moyamba, Port Loko, Pujehun, Western Rural, Western Urban and Tonkolili, or such other administrative unit as may be elaborated in the Project Operational Manual from time to time; and “Districts” mean, collectively, two or more said administrative units.”

7. The definition “Procurement Guidelines” in the Appendix to the Agreement is deleted and replaced by the following:

““Procurement Regulations” means, for purposes of paragraph 87 of the Appendix to the General Conditions, the “World Bank Procurement Regulations for IPF Borrowers”, dated July 2016, revised November 2017 and August 2018.”

All provisions of the Agreement which are not expressly modified in accordance with this Amendment Letter remain unchanged.
Please indicate your agreement with the foregoing, by countersigning and dating the two original copies of this Amendment Letter and returning one countersigned original copy to the Association. Upon receipt by the Association of said original countersigned by the authorized representative of the Recipient and dated, this Amendment Letter shall become effective as of the date its countersignature.

Very truly yours,

INTERNATIONAL DEVELOPMENT ASSOCIATION

By

Gayle Martin
Country Manager for Sierra Leone
Africa Region

AGREED:

REPUBLIC OF SIERRA LEONE

By:

Authorized Representative

Name:

Title: Minister of Finance

Date: 12/09/2019

Attachment
Annex 1

Project Description

The objective of the Project is to establish the key building blocks for a basic national safety net system and to provide income support to extremely poor households in Sierra Leone.

The Project consists of the following parts:

**Part 1: Development of Systems for Implementation of Social Safety Net Interventions**

Establishing and operationalizing, and thereafter expanding and strengthening, key building blocks of a basic national safety net system, the said key building blocks to include: (a) tools for a three stage common targeting system consisting of: (i) geographical areas below the district level; (ii) community-based identification of potentially eligible households; and (iii) verification of households eligibility through proxy means testing; (b) a registry of Beneficiaries; (c) an integrated management information system, including, among others, supply and installation of appropriate information and communications technology, hardware, software, internet connectivity, local area networks and mobile technology support; (d) a payment system; and (e) appropriate grievance redress mechanisms and anti-corruption measures.

**Part 2: Cash Transfers to Extremely Poor Households and Emergency Response**

(a) Piloting and thereafter scaling up the implementation of a Cash Transfer Program, including *inter alia* provision of income support, in the form of Cash Transfers, to Beneficiaries.

(b) Scaling-up the provision of Cash Transfers to Beneficiaries in response to an Eligible Crisis or Emergency, as needed.

**Part 3: Project Management and Capacity Building**

(a) Strengthening the capacity of NaCSA for day to day coordination, implementation and management (including, among others, fiduciary aspects, carrying out of audits, designing and implementing an information education and communications strategy and reporting) of Project activities and results, all through the provision of technical advisory services, Training, Operating Costs, non-consulting services and acquisition of goods for the purpose.

(b) Strengthening the technical and management capacities of sector ministries, institutions, agencies and Local Councils at central and local
levels for coordination of national safety net interventions, all through provision of technical advisory services, Training, Operating Costs, non-consulting services and acquisition of goods for the purpose.

(c) Strengthening monitoring and evaluation mechanisms in the sector, in particular: (i) regular monitoring activities (including field visits); (ii) external assessments (including process evaluations and targeting assessments); and (iii) carrying out of an impact evaluation.

(d) Organizing work-shops on *inter alia* health, nutrition, and financial literacy for Beneficiaries.
### Annex 2

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of the Amended and Restated Original Grant Allocated (expressed in SDR)</th>
<th>Amount of the Additional Grant Allocated (expressed in SDR)</th>
<th>Percentage of Expenditures to be Financed (inclusive of Taxes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Goods, non-consulting services, consultants’ services, Training and Operating Costs under Parts 1 and 3 of the Project <em>(Pro Memoria)</em></td>
<td>761,776</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td>(2) Cash Transfer Program under Part 2 of the Project <em>(Pro Memoria)</em></td>
<td>150,862</td>
<td>0</td>
<td>100%</td>
</tr>
<tr>
<td>(3) Goods, non-consulting services, consultants’ services, Training and Operating Costs for the Districts under Parts 1 and 3 of the Project</td>
<td>1,438,224</td>
<td>2,000,000</td>
<td>Such percentage of the Annual Expenditures as the Association may determine for each Fiscal Year and communicate to the Recipient</td>
</tr>
<tr>
<td>(4) Cash Transfer Program for the Districts under Part 2(a) of the Project</td>
<td>2,249,138</td>
<td>5,200,000</td>
<td>Such percentage of the Annual Expenditures as the Association may determine for each Fiscal Year and communicate to the Recipient</td>
</tr>
<tr>
<td>(5) Cash Transfer Program under Part 2(b) of the Project</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>TOTAL AMOUNT</strong></td>
<td><strong>4,600,000</strong></td>
<td><strong>7,200,000</strong></td>
<td></td>
</tr>
</tbody>
</table>