

NATIONAL PUBLIC INVESTMENT MANAGEMENT POLICY

MINISTRY OF PLANNING AND ECONOMIC DEVELOPMENT

APPROVED BY CABINET IN OCTOBNER 2024

A Climate Smart and Gender Inclusive National Public Investment Management Policy
(CS&M National PIM Policy)

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1.0 General Background and Introduction

1.1 Public Investment in Sierra Leone

The National Public Investment Management Policy (NPIMP) intends to assist the Government of Sierra Leone (GoSL) in identifying, selecting, financing, implementing, and evaluating public investment projects/programmes in all sectors. It is the responsibility of the GoSL to provide public infrastructure that contributes to the improvement of the living conditions of the people and at the same time facilitate the promotion of effective economic activities. This policy aims at advancing Government priorities, ensuring value for public money and promoting socio-economic development with investments that are resilient to physical climate risks and promoting clean, green development. It focuses on improving the operations of Government businesses and facilitates economic growth and sustainability through resolving growth constraints especially in infrastructure.

In 2013, the GoSL established the Public Investment Management Unit (PIMU) in the then Ministry of Finance and Economic Development (MoFED) with the aim of achieving better coordination, promote synergies, efficiency and effectiveness of public investment. In 2018, the MoFED was divided into the Ministry of Finance (MoF) and the Ministry of Planning and Economic Development (MoPED). Following the division, the Public Investment Management Directorate (PIMD) was placed in the MoPED and works in collaboration with the MoF and other MDAs. MoPED/PIMD maintains the coordination, compilation and oversight of the Public Investment Programme (PIP) while the Ministry of Finance provides the fiduciary responsibility. The PIMD guides the implementation and completion of capital investment projects throughout the public investment management cycle.[1]

This policy is therefore developed to ensure that there is efficient and effective management of the Public Investment Program (PIP). The Policy will guide the creation of the enabling environment for improved public sector management and private sector participation in public investment initiatives. Consequently, it aims to provide increased opportunities for economic growth and development consistent with Sierra Leone's ambition for low-carbon, climate resilient development. Anecdotal evidence suggests that public investment will raise

[1] Government of Sierra Leone, *Government Policy Statement: Public Investment Management in Sierra Leone,* 2015.

outputs in the short, medium and long terms, particularly during the periods of economic prosperity.

1.2 Challenges in Public Investment Management

While there have been significant efforts by the Government to improve public investment, there are series of challenges in meeting the desired objectives. Despite the efforts made in broadening revenue mobilization over the years, there is still a very low resource base relative to the huge capital development needs. Poor project designs, delays in funding projects and programmes during implementation and inadequate monitoring and evaluation often result in project cost and time overruns causing significant delays in project completion. This in turn poses a challenge in projects meeting their intended project objective(s). At the institutional level, there has been duplicity in public investment efforts by MDAs, Local Councils (LCs), State Owned Enterprises (SOEs) and Development Partners due to coordination challenges.

Public investment project implementation at the local level is often constrained due to insufficient capacity in planning and execution. Monitoring and evaluation is weak with overlapping roles and responsibilities of various stakeholders. Poor quality of strategic frameworks/guides including project prioritization matrix, appraisal tools, investment screening criteria etc. and non-transparent, non-competitive bidding sometimes compromise the quality of work.

Furthermore, the effect of climate has significant impact on the efficiency of the Public Investment Programme in Sierra Leone especially as gender, environmental and climate issues, such as, deforestation, waste management (particularly improper disposal of plastics), land degradation, mining and lack of adequate environmental awareness are seriously affecting the country and increasing the impact from climate shocks (e.g., increased intensity of flooding, extreme weather events), and climate stressors that affect agricultural productivity, water management, infrastructure assets, services, human development, etc.

Studies have showed that Sierra Leone is among the top ten (10) countries that are susceptible to climate change risk and that if action is not taken this will slow economy growth and poverty reduction regardless any future economic outlook.

Additionally, gender disparity in the Public Investment Management is also topical. There is a misconception that infrastructural projects are gender- neutral by perceiving that women and men benefit equally from the public investment facilities, ignoring that both genders have different needs and use public assets differently. It is even a common practice that infrastructural projects are most often exclusively planned, designed and implemented by men even if they are meant for female use.

This policy will redraw the framework to address the institutional challenges, introduce climate change resilient actions and adaptation; and mainstream gender inclusiveness and responsive in project planning, decision making and delivery of the infrastructural facility.

1.3 Climate Resilience Public Investment Management[2]

Climate resilience PIM is a framework for managing public investment through addressing climate change mitigation and adaptation and disaster risk management. It contributes to a country's efficient use of public resources by considering how climate change and natural disaster affects the future value of public assets and operation and maintenance costs. Climate change and natural disasters cause direct damage to infrastructure assets and disrupt infrastructure services. On the other hand, the selection of the infrastructure type will have significant implications for both the country's resilience to climate change and natural disaster and the level of global Greenhouse Gas (GHG) emissions during the project lifetime. Therefore, it is essential to advance public investment by addressing climate and disaster resilience, as well as choosing carbon sink and low carbon technologies, materials, and products to meet the national targets of the effective resilience and the net zero GHG emissions by 2050

1.4 Gender Equality, Disability, and Social Inclusion

PIM plays a significant role in facilitating gender equality, disability, and social inclusion. Infrastructure has a potential to catalyse inclusive development through enhancing mobility, accessibility, time savings, security, and opportunities for marginalized and vulnerable groups. However, infrastructure is not always neutral. Inadequate project planning and operation cause barriers in gender, disability, and other social factors, resulting in social

exclusion and disparities among marginalized and vulnerable groups. It is essential, therefore, to address infrastructure needs for marginalized and vulnerable groups in the project initiation and formulation stages and to ensure their involvements in the operation stage and the other stages of the PIM cycle. It will enable infrastructure to be more meaningful for all, to drive inclusive economic growth, and to leave no one behind in the country

1.5 Guides to Policy Statements on the Public Investment Programme

Public Investment refers to government spending on Economic Infrastructure such as roads, water and sewage systems, energy, telecommunications and Social Infrastructure such as tourist attractions, schools, hospitals and prisons, etc. Public Investment may also be spending on Human Capital such as education and health, or Financial Investments by Government Institutions in assets such as sovereign wealth funds, project preparation facilities, etc.

Political interests can influence certain projects to be considered in the public investment programme regardless of the outcome of appraisals. Even where systems of appraisal are relatively sophisticated, it is not uncommon for projects to be included when they are highly politically relevant. The reason is that some projects are adopted through presidential/executive pronouncements and going through appraisal process is challenging. In such a situation, this policy dictates that the MoPED and the Public Investment Committees (PIC) ensure that the necessary procedures for determining the viability of the project and the principles of the public investment management cycle are adhered to.

The Public Investment Programme shall guide the Executive and Legislative arms of the Government with information on public investment projects across the country. The information shall include status report on completed, ongoing, and pipeline projects/programmes for informed decision making that will guide public investment policy directives. The policy shall also inform Government on infrastructural gaps and recommends on how these gaps can be addressed.

2.0 Objectives of the National Public Investment Management Policy

In order to resolve the financial, institutional, technical and political challenges, the GoSL through the MoPED has developed this National Public Investment Management Policy

(NPIMP) to improve the effective planning and efficient execution of public investment activities, increase opportunities for economic growth and national development. The objectives of the NPIMP are:

a) ***Strategic:*** setting priorities that would align and strengthen public investment and the national development plan.

b) ***Institutional:*** providing the framework for the coordination of all stakeholders in public investment efforts and streamline roles and responsibilities.

c) ***Operational:*** establish clear processes in the planning, appraisal, budgeting, implementation and post evaluation of public investment projects.

In addition to the above objectives and to ensure a Climate-Smart and gender responsive Public Investment Programme, the policy will also address the following:

a) Climate-resilient actions on the public investment programme;
b) Opportunities to advance low-carbon considerations into public investment projects;
c) Gender mainstreaming in the public investment programme.

3. Scope of the National Public Investment Management Policy

The National Public Investment Management Policy (NPIMP) shall cover the entire Public Investment Management (PIM) cycle **(Box 1 and Annex A)** and shall include projects that are completed, ongoing, pipelined and proposals at conceptual stage.

Broad public investment direction and priorities shall be set by Cabinet or through Executive pronouncements.

The scope of the Public Investment Programme shall include completed projects requiring operation and maintenance expenditures throughout the project life cycle.

The Policy will be supplemented by an Operation Manual which will provide a step-by-step guide on the planning, design and implementation of the Public Investment Programme.

4. Guiding Principles of Public Investment Management System

The planning, management and delivery of public investment projects shall be guided by the following principles:

a) Alignment with National Development Plan (NDP).

All public investment projects and programmes shall be planned and designed to meet the goals and objectives as outlined in the National Development Plan. This implies that all actors including the Ministries Departments and Agencies; Local Councils; and State Owned Enterprises and other stakeholders shall work within the framework and provisions of the National Development Plan. Projects and programmes outside the scope of the National Development Plan will be rejected.

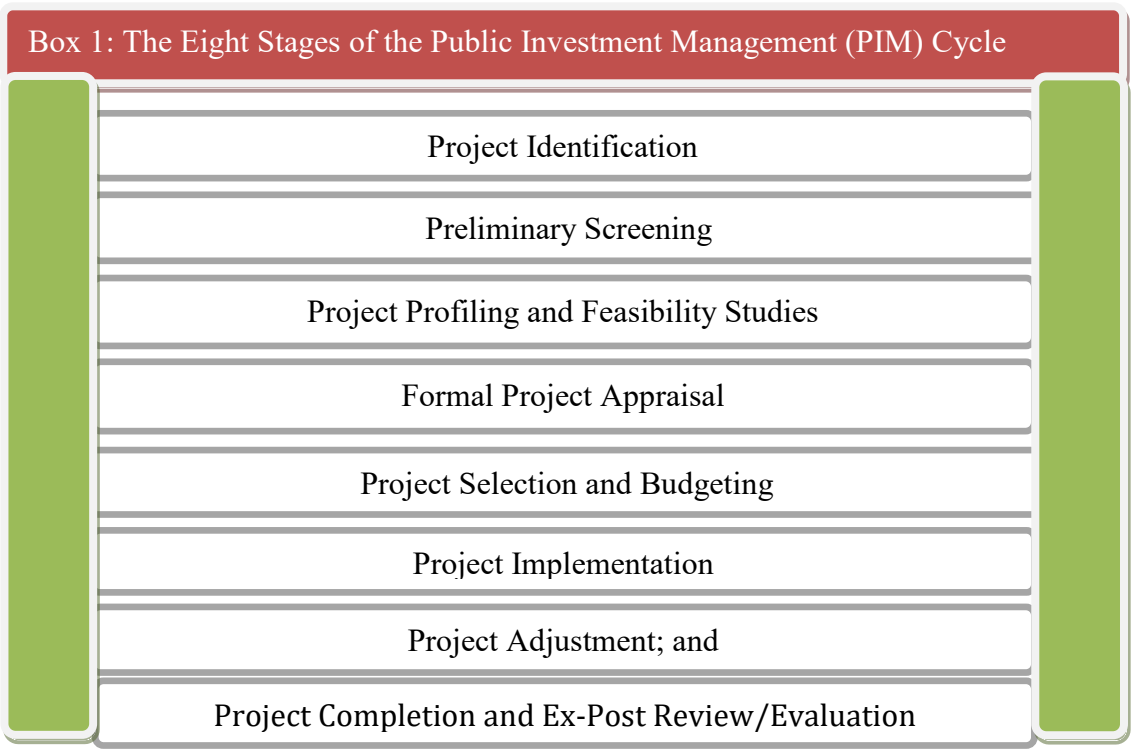
b) Regulatory and Legal Framework Requirements

In designing public investment projects, Ministries Departments and Agencies, Local Councils and State Own Enterprises shall conduct assessment of the regulatory and legal framework within which the project is envisaged to operate.

Ministries Departments and Agencies, Local Councils and State Own Enterprises shall comply with existing legislations, regulations, provisions and acts to guide their actions in all project planning, designing and implementation. This includes but not limited to the Public Procurement (NPPA) Act (2004) as amended in 2016; the PFM Act (2016) and its accompanying regulations of 2018; the National Monitoring and Evaluation Agency Act (NaMEA), 2024; frameworks or policy directives developed by the NaMEA; the Sierra Leone Climate Policy 2021, the Sierra Leone Gender and Women's Empowerment Act, 2022 and other regulatory procedures that would be developed and issued from time to time.

c) Adherence to the Public Investment Management (PIM) Cycle

The Public Investment Management (PIM) cycle constitutes eight (8) stages from identification of a project to its completion and ex-post evaluation as described in **Box 1 and Annex A**. All public investment projects shall go through the PIM Cycle. Climate and disaster screening and gender considerations shall apply along multiple steps of the cycle (screening, feasibility study and appraisal as appropriate depending on the nature of the risks, tagging for climate at the budget tagging. Etc.),



d) Adherence to the Local Content Act, 2016

All public investment projects shall be formulated to optimize the use of local content including material, capital and labor resources. Projects shall make special provisions and arrangements to transfer advanced knowledge, skills and technology to the local personnel. Projects shall promote local employment and facilitate the growth of local industries and promote special schemes that promote and protect the interest of local players, especially small and medium enterprises, trade unions and cooperatives as contained in the Local Content Act, 2016.

e) Transparency and Accountability

The Ministry of Planning and Economic Development shall ensure that all information pertaining to public investments and public projects are accessible by the relevant stakeholders and the general public for effective implementation, monitoring and oversight. The policy is built on the premise that the general public is a ***public monitor*** during the implementation of the public investment programme.

The Public Investment Management process shall be compliant with the Right to Access Information (RAI) Act, 2013.

f) Aligning the PIM Cycle to the National Fiscal Budget Process

Public investment projects (including all types of PPPs) require the use of public funds and/or government guarantee and should be captured in the national budget process and the Medium-Term Expenditure Framework (MTEF). Therefore, public investment system shall be aligned with the budgeting process to avoid duplication of processes and efforts. The preparation of budget proposals shall ensure integration and consistency with the MDAs, LCs and SOEs Strategic Plans and the National Budget Calendar. Climate-budget tagging will allow for tracking of government's contribution to climate finance (and, hence contribution to the Sierra Leone's non-conditional climate finances contribution under the NDC).

g) Access and Public View of the PIP

The Ministry of Planning and Economic Development shall provide opportunity for the general public to have access to information on public investment programme.

If the public investment process is digitalized, the **'*public view window*'** of the website shall be made accessible to the public to promote transparency and accountability in public investment management information.

The Ministry of Planning and Economic Development shall display public investment information on their websites and other Government websites, not only to give visual access to the general public, but also provide an avenue for public comments and suggestions. This will facilitate citizens' participation and monitor role in the delivery public assets.

h) Environmental Impact Assessment

MDAs, LCs and SOEs shall conduct an Environmental, Social and Health Impact Assessment (ESHIA) where applicable and/or Environmental Screening and seek approval from the Environmental Protection Agency (EPA) or the appropriate authority for any project to be implemented. This shall be part of the project feasibility studies and shall form part of the appraisal for that project.

The PIM appraisal shall focus on climate-resilient projects which contribute to climate impact mitigation and adaptation efforts and have the potential to yield higher efficiency outcome.

i. Sierra Leone Gender and Women's Empowerment Act, 2022

The Gender and Women's Empowerment Act, 2022 was promulgated to address the gender in-balances to involve more women in the decision making process and structures to achieve at least 30% representation of women. It is recognized that it is usually a challenge when mainstreaming gender considerations throughout the public investment cycle especially when there is a need to develop a strategic vision that pays due consideration to gender equality concerns.

The Ministry of Planning and Economic Development in collaboration with the Ministry responsible for Gender shall design the framework for project planning, decision making and delivery to take a gender mainstreaming approach at ensuring an equal representation of women's and men's interest and needs. The Public Investment Process shall incorporate gender considerations throughout the public investment process and involving more women in decision-making processes.

j) Stakeholders Participation

The policy recognizes that infrastructure projects are the cornerstone for economic growth, people's wellbeing and sustainable development. Therefore, all stakeholders' involvement and the participation of beneficiary and affected persons in the project identification, planning, implementation, monitoring and evaluation shall be assured by incorporating gender considerations throughout the public investment process. This shall include gender mainstreaming (improved number of women's participation in public investment activities to determine gender-specific impacts of infrastructure decisions) and interests of Persons with Disabilities (PWDs).

k) Debt Sustainability

The policy recognizes the critical nexus between public debt and public investment. Where there is borrowing for public investment projects, the potential impact on debt sustainability shall be determined and evaluated by the Minister of Finance (MoF).

l) The Public Procurement Act (PPA), 2016

The Public Procurement Act 2016 is the law regulating all procurement processes in the country. Therefore, every procurement activity undertaken or to be undertaken by Ministries Department and Agencies, Local Councils and State Owned Enterprises shall comply with the Public Procurement Act 2016 and its accompanying regulations. In addition, MDAs, LCs and SOEs shall also comply with any regulations and guideline that are issued from time to time by the National Public Procurement Authority (NPPA).

m) The Local Government Act 2022

The Local Government Act, 2004 provides for the devolution of responsibilities to the local councils which has now been revised to the Local Government Act, 2022. The implementation of the public investment programme at the local councils shall be in conformity with the Local Government Act, 2022.

n) Operation and Maintenance in the Public Investment Programme

To ensure that the physical assets in the Public Investment Programme are operating efficiently, continuously, and safely Ministries Departments and Agencies; Local Councils and State Owned Enterprises shall ensure that all projects take into account both operational and maintenance costs throughout the project life cycle.

MDAs, LCs and SOEs shall from time to time develop guidelines for the use and servicing of their respective public assets.

o) Sierra Leone Climate Policy 2021

The Sierra Leone Climate Policy of 2021 postulated that Sierra Leone has made rapid increase in its climate policy portfolio since its 2007 National Adaptation Plan of Action (NAPA). The policy maintains that Sierra Leone is vulnerable to climate change. The Climate Policy stated that while Sierra Leone has a low carbon footprint, the impact and effects of climate change may have severe consequences in multiple areas and sectors. Low-carbon/greenhouse gas emission considerations at the same time will ensure cleaner and greener development opportunities while contributing to Sierra Leone's emission targets set out in the Nationally Determined Contribution (NDC).

This policy shall build on these premises to take steps to combat the adverse effect of climate change by developing climate smart public investment projects that can mitigate and are adaptive to climate shocks.

5. The Public Investment Management (PIM) Cycle

This sets out what shall happen at different stages in the life cycle of a public investment programme in order to guide efficient public investment decision making. In practice, Ministry Departments and Agencies, Local Councils and State Own Enterprises shall follow the eight decision making stages as shown in **Box 1** and **Figure 1 below** to ensure efficient and effective planning and implementation of Public Investment Programmes.

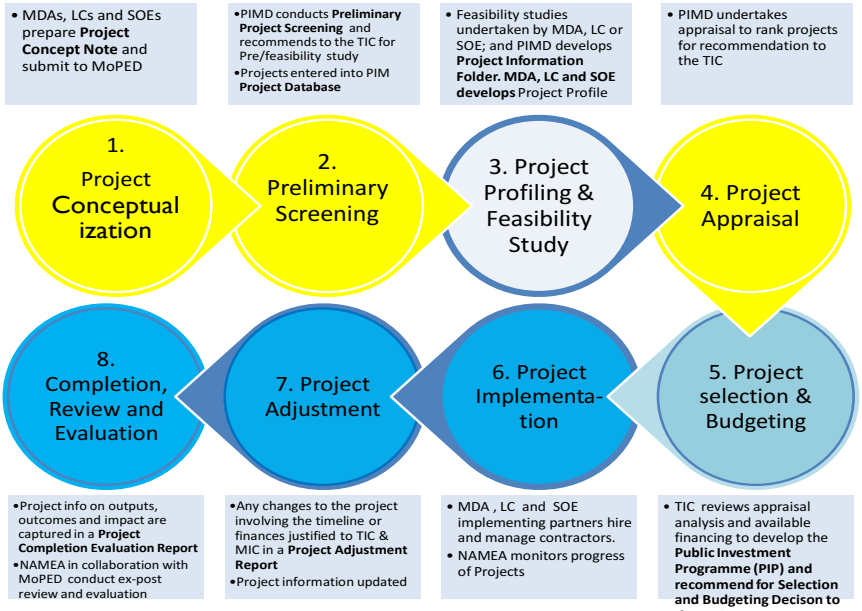


Figure 1 the Eight (8) Stages of the Public Investment Management (PIM) Cycle

5.1 Project Identification

Ministries Departments and Agencies; Local Councils and State Owned Enterprises shall develop a project Concept Note (CN) for any new project for the upcoming fiscal year and submit to the Ministry of Planning and Economic Development.

The Concept Note is the first phase in the project development process after a project idea has been conceived. This is the stage where the problems and opportunities are identified, alternatives are highlighted and conformity to the national and sectoral strategies are determined.

It is also best at this stage to determine the potential climate impact of the project and its exposure to climate risk. The design and guidance of the project concept note shall have explicit recognition of climate change and how the project is expected to meet climate change adaptation, resilience or mitigation.

In addition, a concept note shall contain gender characteristics and analysis to determine gender responsiveness in project development.

Eligible projects at this stage shall satisfy the following criteria:

a) **Alignment to the National Development Plan (NDP)-** All public investment projects and programmes shall be aligned to the National Development Plan.

b) **Alignment to the Strategic Plans of Ministries Departments and Agencies; Local Councils; and State Owned Enterprises** – All projects/programmes within the portfolio of a Ministry Department and Agency, Local Council or State Owned Enterprises shall demonstrate how the project or programme fits in the respective strategic plan.

c) **Satisfies the condition for climate smart actions and gender inclusiveness and responsiveness:** The Concept Note shall demonstrate how the project meets climate resilience, mitigation and adaptation and how gender inclusive the project will be.

The Concept Note shall include the information as shown in Box 2 and Annex B. The Ministry of Planning and Economic Development shall provide technical support to Ministries Departments and Agencies; Local Councils and State Own Enterprises in this process of developing the Concept Note.

Table 1 2: Requirement of Project Concept Note (CN)

Box 2: Requirement of Project Concept Note (CN)			
1	Project Title	10	Alignment with the Sustainable Development Goals (SDGs)
2	Implementing Agency (MDA, LC, SOE)	11	Project Sustainability
3	Project Location	12	Environmental Impact and Resettlement Needs
4	Project Objective (s)	13	Climate Change Responsiveness and Adaptation
5	Project Beneficiaries	14	Gender Inclusiveness, Responsiveness and Impact
6	Project Duration (State and End Time)	15	Project Expected Outcome and Indicators
7	Project Indicative Cost	16	Project Estimated Budget and Annuals Disbursement Plan
8	Funding Source	17	Project Works Plan
9	Alignment with Government National Development Plan (NDP)	18	Project Contact Person (s)

In the event, where MDAs may require external technical assistance, this may be outsourced and/or seek support from Development Partners.

The Ministry of Planning and Economic Development shall from time to time develop guidelines and directives on Project Identification and development process and methodology.

5.2 Preliminary Screening

Preliminary screening is useful to weed out potential "***white elephant" projects*** before they gain planning momentum and helps to avoid allocating further resources for more detailed studies. Screening of Concept Notes shall include looking at why the project is needed in terms of strategic benefits, the logic, alternative approaches, potential demand and the cost estimate.

Preliminary screening is essential for early identification of high value/high risk projects where a more intensive appraisal will be required. This is in line with the *Principle of*

Proportionality in Public Investment Management which dictates for screening for project vulnerability and risk at the early stage of the PIM Cycle.

Upon receiving project Concept Note (CN) from Ministries Departments and Agencies (MDAs), Local Councils (LCs) or State Own Enterprises (SOEs), the MoPED/PIMD shall screen the CNs and complete a Project Screening Matrix (PSM) which shall include the following:

1) **Project Information Completeness:** All mandatory fields in the CN shall be correctly and completely filled.
2) **Project Needs Assessment:** This shall be based on project objectives, which are well defined according to the beneficiary's expectations.
3) **Non-Duplicity or Overlap: T**he proposed project shall not overlap with existing ones that have the same objectives. There should be sufficient background information to justify the need for the project, keeping in mind that the beneficiaries may not have a deep understanding of the particular issues the project seeks to address.
4) **Determination of the Climate and Disaster Risk Responsive to resilience, mitigation or adaptation:** This is to ensure that the design of the proposed project has an explicit recognition of climate change and disaster risk and how this can be mitigated or adapted to in the concept note.
5) **The screening shall also determine that the project is not designed in isolation of the network in which it operates.**
6) **Gender inclusiveness:** The proposed project addresses gender equality concerns
7) **Implementation timelines:** In order to visualize the implementation of the project, Ministries Departments and Agencies; Local Councils, and State Owned Enterprises shall provide a project implementation timeline and identify all key activities step by step. There should be sufficient justification for all the major activities to ensure exclusion of irrelevant activities.

At this stage of the PIM Cycle, the Concept Note can be rejected on the following conditions:

a) The project does not fall within the National Development Plan and the implementing body's strategic plan.

b) Project proposals/Concept Notes that are out of line with climate change policies or where resilience to climate change hazards is likely to come at a high cost

c) A Project Concept that is out of place for long term decarbonization policies and international commitments.

d) Where a project adaptation to climate change is unlikely to be achieved at an acceptable cost.

e) Where a project does not meet a minimal standard for gender responsiveness and inclusiveness

5.3 Project Feasibility Studies

The preliminary screening stage shall inform whether the conceptualized idea requires a pre-feasibility study combined with needs assessment or a full feasibility study separate from the needs' assessment. The feasibility study shall demonstrate whether a project is worth the investment and forms the basis of the appraisal process.

Feasibility Studies may be funded through the Project Preparation Facility (PPF). Alternatively, Ministries, Department and Agencies; Local Councils; or State Owned Enterprises may seek funding outside the PPF to conduct feasibility studies.

The Project feasibility studies shall include the conduct of an Environment, Social and Health Impact Assessment (ESHIA) as prescribed by the Ministry/Agency responsible for Environment and Climate Change matters.

The feasibility studies shall be conducted by the project owner (MDA, LC or SOE). In the event, the project owner lacks the expertise to conduct such studies; this can be outsourced to a competent individual or firm as the case may be. However, the procurement of this service shall follow the prescriptions of the Public Procurement Authority Act, 2016 or as amended.

5.4 Formal Project Appraisal

The project appraisal process is a pre-requisite to making sound investment decisions. The objective of the appraisal shall be to assess and determine the economic and/or social

viability of the project; and determine whether the appraised investment is the most efficient use of public resources.

The MoPED/PIMD may apply several techniques and methodologies, including the Cost Benefit Analysis (CBA), Economic Net Present Value (ENPV), Benefit and Cost Ratio (BCR), with an acceptable decision rule for budgeting or securing funding as shown in Box 3.

The MoPED may also adopt the Cost Effectiveness Analysis (CEA) appraisal technique for social projects and programs for which it is difficult to quantify benefits in monetary terms.

Box 3: Appraising for Project Funding Using the NPV Criteria

Sign of the NPV		Source of Fund	Action to be taken
Financial	Economic		
+	+	1. Private 2. PPP 3. Public	Line ministry to look for private sector funding before seeking funds from the GoSL
+	-	Purely private	Line ministry to collaborate with SLIEPA and PPP unit for private sector fudning/intervention
-	+	Purely public	GoSL to seek grant, use internal resource (budget) and/or contract loans

Some other considerations of the Appraisal shall include the following:

a. **Technical Feasibility:** the project shall be technically feasible under the existing capacity of the implementing agency. If a project is assessed to be too ambitious on the technical level without any available external support, the MoPED shall request from the implementing Ministry Department and Agency; Local Council or State Owned Enterprise to provide additional information. In cases of ambitious projects, the Concept Note may be required to include a technical proposal that outlines the key technical components and procurement needs of the project.

b. **Cost and Benefit Estimates:** The appraisal shall determine the cost and benefit of each of the components of the project. This pricing shall be determined either based on existing Market price and/or Past Experience. Industrial Standards could also be

used where applicable. The appraisal shall also consider an estimate of the operational and maintenance cost throughout the project life cycle.

c. **Budget Availability:** An important factor is the availability of government budget for the sector or agency to which this proposed new project belongs. Past budgetary allocation and utilization for similar projects shall be reviewed to help gauge the budget capacity of the MDA, LC and SOE. This shall serve as the first check to determine the absorptive capacity of the implementing agency and shall determine whether government should absorb the Project in the PIP portfolio of the proposed implementing agency.

d. **Past Performance:** The MoPED shall evaluate the past performance of the MDAs, LCs and SOEs to find out whether a similar project has been completed in the past; whether the project was implemented on time; whether the project funded within allocated budget are comparable, etc.

e. **Regulatory Impacts:** The appraisal shall determine whether the implementation of the project will require legislative enactment and/or changes to existing legislation

f. **Climate and Disaster Risk Resilience:** The project appraisal should expand on the climate and disaster risk screening at the concept stage and include an assessment on the compliance with the minimum standard for projects to meet climate and disaster risk resilience and adaptation to climate change and how this risk can be mitigated or adapted to. This includes an assessment of whether

    a. physical climate and disaster risks present material impacts on the project scope/activities;

    b. project scope/activities present risks on towards meeting mitigation targets on greenhouse gas emissions; and

    c. measures to reduce these risks have been incorporated.

g. **Gender:** The appraisal should assess a project's compliance with gender mainstreaming, inclusiveness and responsiveness criteria as part of project appraisal.

h. **Operation and Maintenance.** This appraisal will determine whether and operation and maintenance regime which can be monitored and adjusted during the implementation is developed.

The MoPED shall develop guidelines/templates and other analytical tools to facilitate public investment decision making and shall provide and support capacity building to Ministries Departments and Agencies; Local Councils; and State Owned Enterprises on the use of the methodologies and an understanding of the relevant decision rules.

Where need be MoPED may outsource to an expert or seek technical assistance from Development Partners such as the World Bank and the International Monetary Fund for capacity building on the best practices for appraisals.

5.5 Project Selection and Budgeting

This is the investment stage where new projects and programmes are selected into the Public Investment Programme This phase in the PIM cycle is a quality-entry process. It prevents projects from being "***parachuted"*** into the national budget without first been appraised, selected and prioritized as ***"budget eligible"***.

Prioritization is essential to ensure that resources are invested in the right projects. It is a strong gate-keeping process. The decision for the project to be considered for selection is based on appraisal findings which are presented to decision makers in a summary appraisal report with justification.

The appraisals shall be done by MoPED/PIM and submitted for review to the Technical Investment Committee (TIC) which in turn shall submit a recommendation to the Ministerial Investment Committee for the selection of the project for budgeting.

With climate smart considerations, the screening appraisal should ensure that projects that are selected have budgeting that is appropriately "climate" tagged and do not invade requirements for climate risk assessment and/or appraisal for climate-resilient design. Specific and clear climate change criteria should guide the project selection process to assess the consistency with government's climate change mitigation objectives, and appropriate design to mitigate exposure to climate risks. Building upon existing project selection criteria such as stakeholder engagement, cost-effectiveness, and sustainability, projects should also adhere to the following climate related criteria:

(i) **climate-relatedness**: projects should be primarily climate-related, with an acceptable percent of the total investment costs tagged to climate change adaptation, and mitigation;

(ii) **alignment with national plans**: projects should align with Sierra Leone's Nationally Determined Contributions (NDCs) and other relevant national plans

(iii) **adaptability:** projects should be able to adapt to expected climate change impacts such as extreme heat, wildfire, flood and drought;

Project selection does not automatically guarantees funding for the project. Funding can be guaranteed through budgeting process when the project's merit and viability are considered alongside competing claims of other projects on budget.

In general, only projects and programmes that have been reviewed, appraised, and have got an identifiable funding source shall be selected for inclusion into the Public Investment Programme for integration into the National Budget and the Medium Term Expenditure Framework.

Projects that are not selected for inclusion into the PIP for the period under review shall be included in the Pipeline of Projects (PoPs) for the next rounds of project selection and budgeting. Such projects shall be given priority in the next round of selection when funds are identified and/or available.

The Ministry of Planning and Economic Development in collaboration with the Ministry of Finance shall develop detailed selection criteria before any round of projects selection is made. The detailed selection criteria shall be communicated to Ministries, Departments and Agencies; Local Councils; and State Owned Enterprises and shall be published on the website of the Ministry of Planning and Economic Development at least a week before the selection of project is conducted.

5.6 Project implementation

Ministries Departments and Agencies; Local Councils and State Owned Enterprises shall be responsible for implementing public investment projects and programmes within their respective portfolios.

Throughout this stage, the MoPED shall be kept informed of the project's implementation status according to the agreed-on frequency and format of communication. The status of the project or programme shall be updated and published on a regular basis.

Implementation Reports shall also include the anticipated cost, implementation schedule, and quality of deliverables. Each project deliverable (including the maintenance plan) shall be reviewed for quality and measured against the agreed-upon criteria.

During the process of Project Implementation, the National Monitoring and Evaluation Agency shall carry out their monitoring exercise according to their prescribed methodology and Standard Operating Procedures. They may from time to time issues guidelines and directives on how the procedure is to be done.
As Ministries Departments and Agencies; Local Councils; and State Owned Enterprises responsible for keeping records of projects during implementation, monitoring and evaluation will be carried out throughout the implementation process by NAMEA.

The Monitoring and Evaluation Reports (MER) that are issued by the National Monitoring and Evaluation Agency shall serve as a base upon which project funds are released by the Ministry of Finance especially for Government funded projects and counterpart funding.

5.7 Project Adjustment

Ministries Departments and Agencies, Local Councils and State Owned Enterprises implementing public investment projects and programmes shall submit Project Adjustment Request (PAR) as shown in **Annex C** to the Ministry of Planning and Economic Development for review. Adjustments may occur due to delay, suspension, stall, cancellation, modification and/or other necessary changes that may affect the implementation of the project.

The project adjustment review shall be done by the Ministry of Planning and Economic Development in collaboration with the National Monitoring and Evaluation Agency. The recommendations of the review will be submitted to the Ministry of Finance for approval in the event of any necessary adjustments with cost implications.

Should there be any need for Project Adjustment, this should be supported by a strong and clear justification to warrant the adjustment. Terms and conditions specified in the Public Procurement Act (2016) shall be adhered to in the event that project adjustment cost is 25% or more of the total cost of the project.

5.8 Project Completion Review and Ex-Post Evaluation

Ministries Departments and Agencies, Local Councils, and State Own Enterprises, and any other implementing partner of a public investment project shall submit a ***Project Completion and Evaluation Report (PCER)*** to the Ministry of Planning and Economic Development with copies to the Ministry of Finance and the National Monitoring and Evaluation Agency. The Ministry of Planning and Economic Development in collaboration with the National Monitoring Agency and any other relevant institution shall review the PCER to examine project completeness for the issuance of a ***Certificate of Project Completion (CPC)***.

The review shall include satisfactory evidence that the project meets the following:

i) All deliverables set in the project document are met.

ii) Application/consideration of climate and disaster risk screening, and reflection of relevant adaptation and resilience measures in the project document are met

iii) A check that the operation reflects low-carbon/greenhouse gases and/or decarbonization measures built into the design are met.

iv) Gender inclusiveness and responsiveness are adhered to. This will include access to facility services disaggregated by gender, women's and children's safety, user friendliness of people with disabilities and resolution concerns of grievances raised during the implementation of the project.

Where external expertise to conduct the review is required, the Ministry of Planning and Economic Development in collaboration with the National Monitoring and Evaluation Agency (NaMEA) shall outsource the review to an expert third party.

The Certificate of Project Completion shall be jointly issued by the Ministry of Planning and Economic Development, the National Monitoring and Evaluation Agency and the project implementing institution.

Following the issuance of the CPC, the project shall be entered into the Completed Project Register (CPR) in the Pubic Investment Programme Database as a completed Public Asset or facility ready for use.

In order to determine the project's effectiveness and impact, the National Monitoring and Evaluation Agency (NaMEA) in collaboration with the Ministry of Planning and Economic Development, shall conduct an ex-post review and evaluation of major projects. The ex-post review should be carried out not long after project completion and should focus on learning lessons from project implementation and on verifying that they are delivering the planned outputs. It should also provide feedback on the technical design and the implementation process.

The relevance of ex-post review has become more prominent and critical because of the impact of climate change on projects and the need to ascertain what works in terms of mitigation and adaptation measures. The ex-post evaluation will include the choice of climate adaptation measures adopted among others.

On gender mainstreaming, the ex-post will evaluate the impacts of the facility in reducing gender disparities, improving women's and children's well-being and their social empowerment, and how the facility supports economic growth.

Where an outside expertise is required, this may be outsourced to a third party or seek support from Development Partners.

6. Legal Framework for Public Investment Management

In an effort to improve the management of public finances, the government within the context of the Public Financial Management (PFM) reform has reviewed the Financial Management Regulation 2007 (FMR 2007) and the Government Budgetary and Accountability Act (GBAA 2005). This culminated in the enactment of the Public Financial Management Act (2016) and its accompanying Public Financial Management Regulations (2018), with a broader mandate to:

1) Strengthen the macro fiscal framework and strategy to guide fiscal planning in the medium term;

2) Improve budget discipline by introducing firm limits on extra-budgetary spending;

3) Increase the focus on measuring, monitoring, and managing fiscal risks by introducing an annual fiscal risk statement;

4) Establish Treasury Single Account (TSA); and

5) Establish cash planning requirements and strengthen accounting, financial reporting, and auditing by aligning public sector accounting with international standards while broadening the scope for budget documentation and financial reporting.

The PFM Act (2016) sets a list of provisions for the inclusion of the PIP in the State budget[3]:

"The Minister of Finance shall annually prepare and submit as part of the State budget documents on Public Investment Programme which includes –

a) A list of:

i) All ongoing projects which have been included in the state budgets of the present or preceding financial years and the implementation status of which are ongoing;

ii) All new projects that have been included in the State budget of the next financial year;

iii) All ongoing PPP projects with implementation status

iv) All PPP projects, and multiannual commitments which have been approved by the Minister of Finance under section (1) subsection (2) of the PFM Act 2016;

b) A list of transformational development projects and their assessment mentioned in paragraphs (a) and (b) of subsection (8) of section 77 of the PFM Act 2016;

c) That the following information related to all projects and PPP projects included in the lists mentioned in paragraph (a) be captured in the listing:

i) Name, start and completion dates, and summaries of the projects and PPP projects;

ii) Financing sources of the projects and PPP projects

iii) Updated projections of annual expenditures for the projects and PPP projects to be spent under the State budget over the entire period of the project implementation;

iv) Amount of outstanding commitments to project payments, including PPP projects;

[3]Government of Sierra Leone; *the Public Financial Management Act, 2016*: Section 35, Pg 37.

v) Any other information as may be deemed appropriate by the Minister;

d) The Minister may issue regulations and guidelines to prescribe:

i) The procedures, criteria, methodologies, and specific information required to qualify a project for inclusion in the State budget;

ii) Any other procedures, criteria, methodologies, and requirements in respect of screening, evaluation, and implementation of projects.

e) The screening, evaluation, selection, and implementation of PPP projects shall be made in accordance with the Public Private Partnership Act, (2014)."

Noting the ongoing review of the PFM Act 2016 and its accompanying regulations of 2018, the National Public Investment Management Policy shall comply with the provisions on the Public Investment Programme in the revised/amended act.

In recent years, the Ministry of Planning and Economic Development and the Ministry of Finance in close collaboration with other Ministries Departments and Agencies have worked to improve the execution rate of public investment programmes, and the trend is continuing.

In addition, the ***"performance contract mechanism"-,*** which is a comprehensive system of "national performance contracts" across Ministries Departments and Agencies was established in 2012 and has continued to exist.

Consistent with the government's decentralization policy, the Local Government Act 2004 and the amended Local Council Act 2022 both reinforce the devolution of duties and responsibilities from Ministries Departments and Agencies to Local Councils to improve service delivery. This included the implementation of public investment programme.

This policy and its accompanying operational manual deepen this process as the guiding instrument and framework for an efficient and effective public investment management system.

7. Institutional Framework for Public Investment Management

To ensure proper planning and effective delivery of public investment, including the financing of projects that involve potential private sector interest, the Ministry of Planning

and Economic Development shall collaborate with all stakeholders to harmonize public investment at National and Sub-national levels. A detailed description of the roles and responsibilities of stakeholders is provided in the accompanying National Public Investment Management Operational Manual (NPIM-OM).

7.1 Key Institutions

a) Ministry of Planning and Economic Development (MoPED)

The Ministry of Planning and Economic Development shall be responsible for the overall coordination and management of the Public Investment Programme (PIP).

The MoPED shall be responsible to manage and oversee the entire public investment management process, ensuring that all projects comply with the Public Investment Management guidelines, manuals, templates and other related requirements as may be deemed necessary from time to time.

The Ministry of Planning and Economic Development shall develop the Public Investment Programme in the line with the Public Investment Management (PIM) cycle and shall also adopt best practices in the process. The annual Public Investment Programme shall be integrated into the National Budget and Medium Term Expenditure Framework. In addition, the Ministry of Planning and Economic Development shall produce accompanying statement of financial and economic policies on the Public Investment Programme in the annual National Budget. This will include past performance and outlook of the public investment programme.

The Ministry of Planning and Economic Development shall in collaboration with the Ministry of Finance assess the quality and integrity of the projects by analyzing and preparing opinions on the financial and economic feasibilities of project. This may be done at the identification and appraisal stages.

The Public Investment Management Directorate (PIMD) shall work collaboratively with other departments within the Ministry of Planning and Economic Development, the Ministry of Finance, and other Ministries Department and Agencies, Local Councils, and State Owned Enterprises to overcome the coordination challenges and align the interests of various

stakeholders of public investment with a view to developing a comprehensive medium to long-term public investment direction and ensure efficiency and effectiveness of the Public Investment Management system.

The Ministry of Planning and Economic Development in collaboration with the Ministry of Finance shall conduct periodic portfolio review and stock-takes on projects and programmes implemented by Ministries Department and Agencies (MDAs), Local Councils (LCs), and State Owned Enterprise (SOEs) regardless the source of funding to ascertain progress on the implementation of the Public Investment Programme. The Ministry shall report its findings with recommendations to the Ministerial Investment Committee, the Cabinet and the Presidential Investment Steering Committee.

The Ministry of Planning and Economic Development shall from time to time develop and issue policy directives on the development and implementation of the Public Investment Programme and shall provide capacity support to the Ministries Departments and Agencies, Local Councils and State Owned Enterprises.

The Ministry of Planning and Economic Development in collaboration with the Ministry of Finance shall ensure that funding for the Project Preparation Facility (PPF) is provided for in the National Budget. The Ministry of Planning and Economic Development shall develop and issue guidelines on how MDAs, LCs, and SOEs can access and utilize the PPF.

The Public Investment Management Directorate shall serve as the Secretary to the Technical Investment Committee (TIC), Ministerial Investment Committee (MIC) and Presidential Investment Steering Committee (PISC). The Planning and Research Directorate in the Ministry of Planning and Economic Development shall also be a member of the Technical Investment Committee. The Minister of Planning and Economic Development shall serve as the Chair of the Ministerial Investment Committee with the Minister of Finance serving as the Co-Chair. The Development Secretary shall serve as the Chair of the Technical Investment Committee.

The Ministry of Planning and Economic Development will collaborate with the Ministry responsible for Environment and Climate Change and the Environmental Protection Agency (EPA) to ensure that projects developed by Ministries Departments and Agencies, Local

Councils and State Owned Enterprises are climate smart and meet the minimum threshold of climate resilience and adaptation. The minimum threshold shall be determined by the ministry responsible for environment and climate change and the Environmental Protection Agency.

The Ministry of Planning and Economic Development will collaborate with the Ministry responsible for Gender to ensure that gender is mainstreamed in the Pubic Investment Management Cycle and that project and programmes developed are gender inclusive and responsive.

b) Ministry of Finance (MoF)

The Ministry of Finance shall be responsible for the fiduciary matters on the implementation of the Public Investment Programme in the National Budget and the Medium Term Expenditure Framework.

The Ministry of Finance in collaboration with the Ministry of Planning and Economic Development shall be responsible to determine the financial feasibility of introducing new capital investment spending in the National Budget and Medium Term Expenditure Framework.

The Ministry of Finance shall ensure timely disbursement of funds during project implementation.

The Minister of Finance shall serve as the Co-Chair of the Ministerial Investment Committee with the Minister of Planning and Economic Development serving as the Chair. The Minister of Finance and the Financial Secretary shall be members of the Presidential Investment Steering Committee.

The Minister of Finance shall appoint officials at director level from the following directorates to serve in the Technical Investment Committee: Macro-fiscal Directorate, Public Debts Division, Budget Bureau, Fiscal Decentralization Division, Multilateral Project Division and the Fiscal Risk Management Directorate and any other PIP relevant directorate/division that will be determined from time to time.

c) Presidential Investment Steering Committee (PISC)

A Presidential Investment Steering Committee (PISC) shall be established to review progress on the implementation of the development budget and the Public Investment Programme (PIP). This committee shall provide the strategic direction of the Public Investment Programme.

The committee meetings shall be conveyed on a quarterly basis and shall be chaired by His Excellency the President. Membership shall be drawn from the Cabinet and shall include the Chief Minister, the Minister of Planning and Economic Development, the Minister of Finance, the Minister of Local Government, the Minister of Environment and Climate Change, the Minister of Gender and others to be determined by His Excellency the President. The committee shall also include the Development Secretary (Chair of Technical Investment Committee) and the Financial Secretary. The Public Investment Management Directorate (PIMD) shall serve as the Secretary to the committee.

d) The Public Investment Committees (PICs)

To ensure proper planning and delivery of public investments, there shall exist Public Investment Committees (PICs) which shall consist of the Technical Investment Committee (TIC) and the Ministerial Investment Committee (MIC). These committees shall ensure an efficient and effective public investment management system. The composition and functions of these committees are described below**:**

d)(i) The Technical Investment Committee (TIC)

The composition of the TIC shall be determined by the Minister of Planning and Economic Development in collaboration with the Minister of Finance and other PIP relevant Ministries Department and Agencies. Membership to this committee shall include the following: Public Investment Management Directorate (PIMD), Planning, Policy and Research Directorate (PPRD) in the Ministry of Planning and Economic Development; Macro-Fiscal Directorate, Public Debt Division, Budget Bureau, Fiscal Risks Management Directorate, Fiscal Decentralization Division (FDD), Multilateral Project Division (MPD) in the Ministry of Finance; the National Investment Board (NIB); the Environmental Protection Agency (EPA); the National Monitoring and Evaluation Agency (NaMEA); and the Ministry responsible for Gender. Representation to this committee shall be at the level not lower than a Director.

The TIC shall be chaired by the Development Secretary. The PIMD shall provide the Secretariat to the TIC.

The TIC shall review appraised projects/programmes and proffer advice to the MIC for selection and budgeting. The TIC shall also review the stock of projects in the PIP to determine which project/programme stays or exit.

d)(ii) The Ministerial Investment Committee (MIC)

The MIC shall be drawn from the Cabinet and shall include the Minister of Planning and Economic Development, the Minister of Finance, the Minister responsible for Local Government, the Minister responsible for Environmental and Climate Change, the Minister responsible for Gender, and any other Minister that may been deemed necessary based on Government public investment polices and priorities. The MIC will also include the Financial Secretary and the Development Secretary (Chair of the Technical Investment Committee).

The MIC shall be chaired by the Minister of Planning and Economic Development and co-chaired by the Minister of Finance. The PIMD shall provide the secretariat to the committee.

The MIC shall provide the government policy direction on the public investment programme. It shall approve projects/ programmes recommended by the TIC for selection and budgeting into the PIP for integration into the National Budget and the Medium Term Expenditure Framework.

e) National Monitoring and Evaluation Agency (NaMEA)

The National Monitoring and Evaluation Agency (NaMEA) shall be responsible to monitor and evaluate all Government and donor funded projects and programmes contained in the Public Investment Programme (PIP).

The monitoring and evaluation of projects and programmes in the Public Investment Programme shall be in line with the provisions of the NaMEA Act 2024 and Standard Operating Practices and the periodic guides that will be developed and issued by NaMEA from time to time.

The National Monitoring and Evaluation Agency in collaboration with the Ministry of Planning and Economic Development and the relevant implementing institution shall be responsible to conduct an Ex- Post Review and Evaluation of projects and programmes.

Where external expertise is required, this can be outsourced to a third party expert and/or seek technical support from Development Partners.

The National Monitoring and Evaluation Agency shall be a member of the Technical Investment Committee and its representation to the committee shall not be below the level of a Director.

f) The National Investment Board (NIB)

The National Investment Board (NIB) was established to promote investment opportunities, to act as a facilitating body and assist investors to obtain facilities. Its mandate is to create the enabling environment for coordination, facilitate and promote investment in Sierra Leone. It was established by Sierra Leone National Investment Board Act, 2022.

The Ministry of Planning and Economic Development shall collaborate with the National Investment Board to promote investment that will attract the private sector.

The Ministry of Planning and Economic Development will from time to time collaborate with the National Investment Board to conduct needs assessment, feasibility studies and develop bankable-off-the-shelf projects that will attract the private sector and development partners.

The National Investment Board shall be represented in the Technical Investment Committee at the level of a Director

g) Ministries Departments and Agencies (MDAs); Local Councils (LCs) and State Owned Enterprises (SOEs)

Ministries, Departments and Agencies; Local Councils and State Owned Enterprises shall be responsible to initiate projects, develop project concept notes, prepare preliminary budget estimates, design implementation strategies and undertake internal appraisals of their projects and programmes.

The implementation of the projects and programmes in the Public Investment Programme is the responsibility of the respective Ministries Department and Agencies, Local Councils, and State Owned Enterprises.

Where applicable, MDAs, LCs and SOEs can collaborate with other institutions in project and programme implementation with clear roles and responsibilities specified.

Ministries Department and Agencies, Local Councils and State Owned Enterprise shall ensure projects and programme objective(s) are aligned to the goals of the Government as contained in the National Development Plan.

Local Councils shall integrate their respective stock of Public Investment Programme (PIP) into their respective annual budget. This shall include the ongoing and new projects and programmes of the budget year and medium term expenditure framework. This will also be consolidated in the National Public Investment Programme and Integrated into the National Budget

Ministries, Departments and Agencies; Local Councils and State Owned Enterprises may seek technical and financial support from the Project Preparation Facility or any other source for needs assessment, project design and development, and to conduct feasibility studies.

h) The Ministry Responsible for Environment and Climate Change

Climate-responsive investment is an important enabler for a sustainable growth. The Ministry responsible for Environment and climate change shall play a critical role in mainstreaming climate action into public investment projects. The urgent need to scale-up public investment creates a unique opportunity to shift investments towards green and resilient infrastructure. Public investment can stimulate private sector investment, which is crucial for inclusive growth. Green and resilient public investment has multiple benefits—it promotes economic growth, creates jobs, and addresses climate change.

The Ministry responsible for Environment and Climate Change shall support the Ministry of Planning and Economic Development; other Ministries Departments and Agencies, Local Councils and State Owned Enterprises to develop climate-smart public investment projects.

The Ministry responsible for Environment and Climate Change, and the Environmental Protection Agency in collaboration with the Ministry of Planning and Economic Development shall develop climate smart guidelines for the Public Investment Programme and systematic processes for screening for climate and disaster risks.

The Minister responsible for Environment and Climate Change shall be a member of the Ministerial Investment Committee and the Presidential Investment Steering Committee.

i) Environmental Protection Agency (EPA)

The Environmental Protection Agency (EPA) was established to protect the environment of Sierra Leone and for the effective management of the country's natural resources. It is guided in its operation by the Environmental Protection Act, 2022 and works under the supervision of the Ministry of Environment and Climate Change.

The Environmental Protection Agency in partnership with the Ministry responsible for Environment and Climate Change will collaborate with the Ministry of Planning and Economic Development to develop guidelines for projects and programmes to be climate smart, resilience and adaptive to climate change. This will ensure that projects and programmes development by MDAs, LCs, and SOEs are only selected for budgeting if they satisfy climate change and risk conditions of resilience, mitigation and adaptive.

The Environmental Protection Agency will facilitate the conduct of Environmental and Social Impact Assessment in the Public Investment Programme (where applicable) and Environmental screening.

The Environmental Protection Agency (EPA) shall be a member of the Technical Investment Committee and shall be represented at a level not below Director.

j) The Ministry Responsible for Gender

The Ministry responsible for Gender in collaboration with the Ministry of Planning and Economic Development shall provide technical guidance in ensuring that gender considerations and analysis are mainstreamed in the design and implementation of the public investment projects.

The Ministry responsible for Gender in collaboration with the Ministry of Planning and Economic Development shall develop guidelines on gender mainstreaming in the public investment programme to ensure that projects selected for budgeting are gender inclusive and responsive.

The Minister responsible for Gender shall be a member of the Ministerial Investment Committee and the Presidential Investment Steering Committee. The Ministry responsible for Gender shall be represented in the Technical Investment Committee at the level of a Director.

k) The Ministry Responsible for Justice

The Ministry of Justice (MoJ) shall be responsible for providing legal and regulatory advice to the government on public investment programmes.

l) Audit Service Sierra Leone (ASSL)

The Audit Service Sierra Leone is the supreme audit institution in Sierra Leone. Its mandate is drawn from the Constitution of Sierra Leone, the Audit Service Act of 2014 and the Public Financial Management Act, 2016.

The Audit Service Sierra Leone shall be responsible to undertake independent auditing and reporting on all projects and programmes implemented by Ministries, Departments and Agencies; Local Councils and State Owned Enterprises.

m) The Cabinet

The Cabinet shall be responsible to provide policy directive on the public investment programme and approve the annual consolidated Public Investment Programme for integration into the National Budget and Medium Term Expenditure Framework.

The membership of the Ministerial Investment Committee shall be drawn from the Cabinet with the Minister of Planning and Economic Development serving as the Chair and the Minister of Finance the co-chair. The full complement of the MIC shall be determined from the time to time.

n) The House of Parliament

Parliament shall approve the annual Public Investment Programme integrated into the National Budget and Medium Term Expenditure Framework.

Parliament will provide oversight on the implementation of projects and programmes approved in the National Budget for the implementation of Ministries Departments and Agencies; Local Councils and State Owned Enterprises.

o) Donors/Development Partners

Development Partners play a significant role in the development and growth of Sierra Leone. They provide support and guidance in the development, planning and implementation of various public investment projects and programmes in various sectors of the economy. The support varies in the form of technical assistance, capacity building, and providing budgetary support. They also provide loans and/or grant to support projects and programmes in the Public Investment Programme.

Development partners' support shall be aligned to the National Development Plan and projects and programmes shall be subjected to country-led appraisal process.

The Ministry of Planning and Economic Development may from time to time seek technical assistance or outsource the appraisal process if the technical expertise needed is lacking in-country.

The Ministry of Planning and Economic Development will seek funding to complement the Project Preparation Facility from development partners.

Projects and programmes supported by Development Partners either on loans and/or grant shall be subjected to periodic stock-take assessment and portfolio review to assess progress in implementation. This periodic activity shall be led by the Ministry of Planning and Economic Development in collaboration with the Ministry of Finance.

Reports which will include findings on the implementation and recommendations from the stock-takes and portfolio review of the donor funded projects shall be presented to the Ministerial Technical Committee, the Cabinet and the Presidential Investment Steering

Committee. The report will also be shared to the Development/donor partners on the basis of projects or programmes supported/funded.

8. Implementation Framework for Public Investment

8.1 Stages of Public Investment Management

The quality of public investment shall be measured on the basis of the capacity to deliver its stated objectives. The delivery of public projects shall follow a systematic process to ensure adequate planning, preparation, appraisal, execution, monitoring and evaluation of all projects.

The PIM process identifies four main stages: Planning, Pre-Investment, Investment and Monitoring and Evaluation. At each stage of the cycle, the required outcome shall be properly assessed. The MoPED/PIM shall ensure that the implementing institution is accountable for effective delivery in terms of quality, timeliness, cost and efficiency:

a) **The Planning Stage** identifies two main areas of policy formulation and the development of plans at the national and sub-national levels. The expected outcomes are the development of a National Long- and Medium-Term Policy Objectives and the Sector Plans.

b) **The Pre-investment Stage** involves project conceptualization and preparation by MDAs, LCs and SOEs, and appraisal by the MoPED/PIM. The expected outcomes are the completed project Concept Notes, Completed Feasibility Studies and Identifiable Projects.

c) **The Investment Stage** involves decision making to select projects/programmes for inclusion into the PIP by the PIC and the implementation thereafter by MDAs, LCs and SOEs. The expected outcomes are finalized PIP and Completed Projects.

d) **The Monitoring and Evaluation (M&E)** involves continuous monitoring and appraisals using appropriate tools and techniques. This also includes ex-ante and ex-post evaluation of projects/programmes. The expected outcomes are the M&E reports.

8.2 Aligning the PIM and Budget Processes

Consistent with the PFM Act (2016), the NPIMP shall guide the government to ensure that the preparation of the PIP is integrated within the Annual Budget Process and the MTEF. The Annual Budget Circular issued to MDAs, LCs and SOEs shall contain policy guidelines, regulations and methodologies on Capital Expenditure and the Public Investment Programme. The MoPED/PIM shall provide such guidelines, regulations and methodologies from time to time to guide MDAs, LCs and SOEs.

The PIM Calendar shall provide timelines and activities to be undertaken during the course of the period aligned with the National Budget Call Circular in order to effectively guide MDAs, LCs and SOEs. This shall be reviewed periodically.

The PIM process shall be aligned with the Budget Calendar as shown in Figure 1

Figure 1: PIM Budget Call Circular (BCC) and the PIM Process

Ministry of Planning and Economic Development Budget Call Calendar (BCC) and the PIM Process		
Period By Quarter	**Weeks in Months**	**PIM Process/Activity**
Quarter 1	**March:**	
	Week 1 - 3	Workshop on MDAs', LCs' and SOEs' PIP Portfolio Review and Support/guide in the development of concept Notes/Project Proposals for New Projects/programmes
	Week 4	Submission of Concept Notes/Project Proposals for new projects/programmes to MoPED/PIMD
Quarters 2 and 3	**April:**	
	Week 1	Submission of Concept Notes/Project Proposals for new projects/programmes to MoPED Continues
	Week 2 - 4	MoPED/PIMD Reviews and Screens Project Proposals/Concept Notes submitted by MDAs, LCs and SOEs
	May:	
	Week 1	Provide Recommendation/Feedback on Screened Project for either Feasibility or Prefeasibility Studies
	May:	
	Week 2 -3	MDAs, LCs and SOEs provide response to feedback on screened projects
	Week 4	Feedback on the Revised Submissions of Project Proposals from MDAs, LCs and SOEs.
	June - August	Support to MDAs, LCs and SOEs on the Conduct of Prefeasibilities and/or Feasibility Studies for New Propojects/Programmes
	August	
	Week 4	Appraisals on Prefeasibility/Feasibility Studies
Quarter 4	**September**	
	Week 1-3	Issuance of PIM Budget Call Circular
	Week 4	Compilation of Submissions from MDAs, LCs and SOEs.
	October	
	Week 1 - 2	Convey Meeting of the Technical Investment Coomittee (TIC)
	Week 3	Report on the outcome of TIC submitted to the Ministerial Investment Committee (MIC) for Approval
	Week 4	Compilation of the Public Investment Programme
	November	Submission of the Public Investment Programme (PIP) as part of the National Budget to Parliament by the MoF

Figure 2 Ministry of Planning and Economic Development Budget Calendar (BBC) and the PIM Process

8.3 Medium Term Financing Strategy for Public Investment

The selection of projects/programmes in the PIP shall be based on the outcome of the appraisals undertaken by the MoPED/PIMD reviewed and approved by the PIC.

The total resource envelopes and the estimated costs of projects shall provide the basis for the projects/programmes that would be included in the PIP. Major financing sources for public investment projects and programmes may include the following:

a) Government Revenue

The Government may choose to undertake the entire cost associated with a project through internally generated revenue. These are described as Government Wholly Funded projects. Projects can also be funded by Development Partners in the form of Loans and/or Grants with Government providing counterpart funding. There are also those projects which are exclusively funded by Development. Some projects get syndicated or hybrid funding by multiple funding sources (multilateral and bilateral).

However, regardless the funding source of a project, the entire portfolio of projects across Government shall be profiled in the National Public Investment Porgamme and the Medium Term Expenditure Framework. This includes projects from Ministries, Department and Agencies, Local Councils and State Own Enterprises.

b) Development Partners

Development Partners play a critical role in our development trajectory. They provide funding to most of our development programmes in the form of loans and grants. They also provide technical expertise and capacity- building support to various sectors.

Government will continue to engage and partner with Development Partners in support of the Public Investment Programme. Projects and Programmes supported by development partners will be profiled and integrated into the Public Investment Programme and the Medium Term Expenditure Framework

Government will also engage Development Partners to support the Project Preparation Facility and for continued Technical Assistance for Project Development.

c) Public Private Partnership (PPP)

The government shall explore a range of funding options from the private sector in both the domestic and international markets. This shall be done in collaboration with the private sector through Public Private Partnerships (PPPs). This arrangement can leverage the expertise and resources from the private sector actors. It will reduce the government's financial risks exposure in project development and implementation and create financial leeway for Government to utilize scarce resources in other priority areas. The private sector shall bring its capital, skills and efficiency to ensure ***value for money*** and at the same time advance government priorities.

All projects that are funded through PPP arrangements shall conform to the PPP Act (2014) and shall be included in the national budget. The contingent liability of PPP projects shall be determined and reported in the National Budget.

d) Special Purpose Vehicles (SPVs)

The Government may utilize Special Purpose Vehicles (SPVs) in implementing infrastructure projects as and when deem necessary However, such projects shall be subjected to effective screening, appraisal and the institutional arrangements consistent with the PIM Cycle in determining the financial and economic viability.

e) Project Preparation Facility (PPF)

One of the critical challenges in the Public Investment Management System is inadequate project preparation to harness the potentials in many sectors. This is due largely to lack of human capacity and resource constraints to develop *fit and ready* projects. In order to address, the resource constraint to support MDAs, LCs and SOEs develop project, Government establishes the Project Preparation Facility (PPF).

The PPF is designed as a demand-responsive facility to finance project preparatory activities from identification through concept design to financial close. This will include feasibility, financial and legal structuring. It will include up-stream sector studies, structural adjustment studies, and project cycle activities.

The Fund will undertake project preparation activities necessary to undertake an infrastructure project from identification through concept design to financial close, including

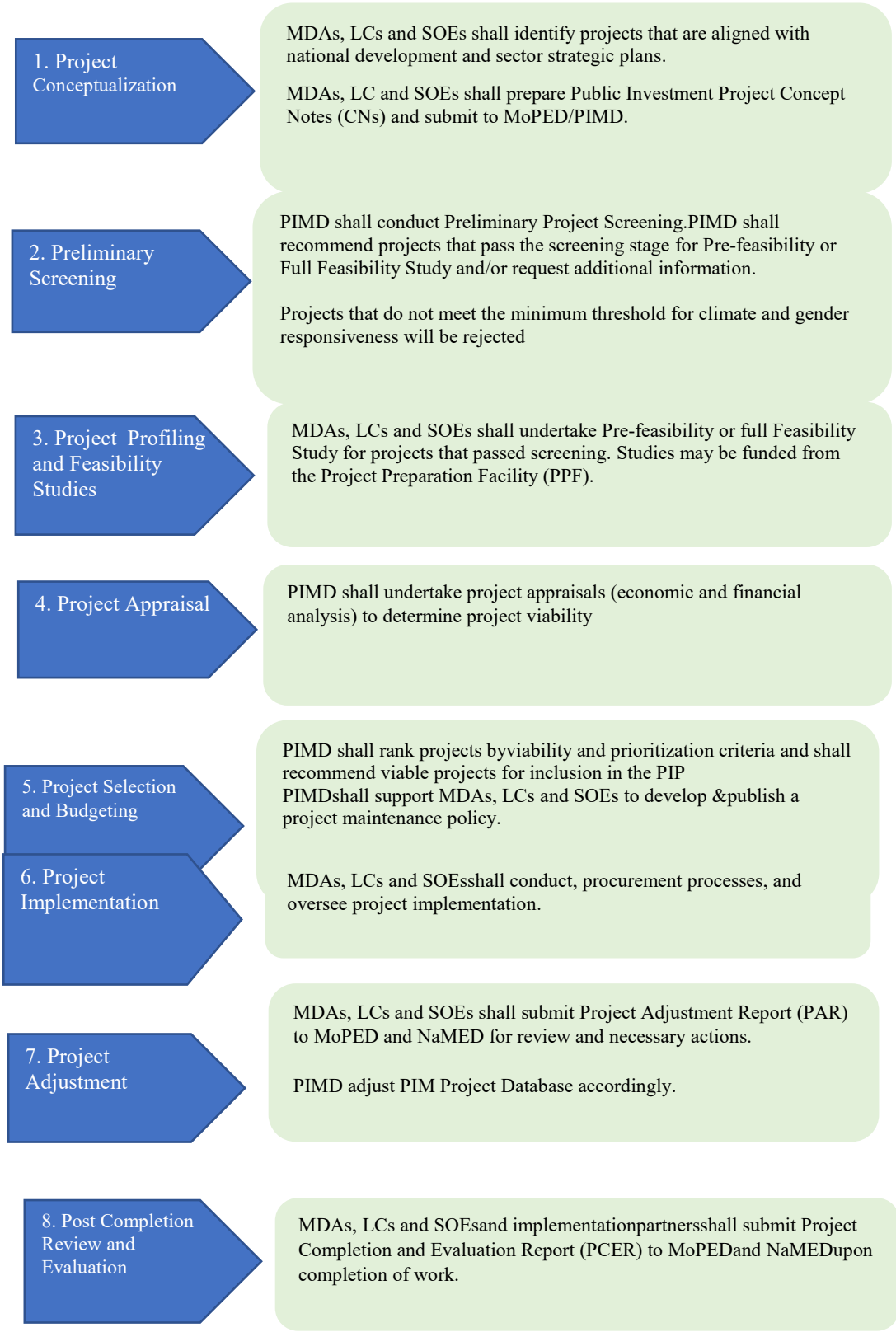
feasibility and financial and legal structuring, as well as capital-raising. The fund may also be utilized for ex-post evaluation of major projects.

The PPF shall be replenished annually in the National Budget to support project development. Government may also from time to time seek support from Development/Donor Partners and Private Sector in replenishing the PPF. Government may also seek technical assistance to support project development. .

The PPF shall be managed by the MoPED who shall provide periodic guidance on how MDAs, LCs and SOEs will access funding from the PPF, it utilization and governance.

ANNEXES

Annex A – Public Investment Management (PIM) Cycle



Annex B: Concept Note (CN) Questionnaire

Project Code: *(State Project Code as defined in the IFMS)*

1. Project Title: *(Give the name of the project title. It should be clear and consistent with the project information)* ----------

2. Implementing Agency: *(Name the Implementing MDA/Local Government Council)* ----------

3. Project Location: *(State Project Location (s) - Region, District, City, Chiefdom, Ward)* ----------

4 Beneficiaries: *(identify the communities/Individuals benefiting from the project, and the estimated number of beneficiaries. Describe the benefit qualitatively and/or quantitatively)*

A. Direct Beneficiaries: ----------

B. Indirect Beneficiaries: ----------

5. Project Objective: *(Clearly state the overall and specific project objectives)*

A. Overall Objective: ----------

B. Project Specific Objectives

I. ----------

2.----------

3.----------

4. ----------

C. Project Components/Brief Description

I----------

2. ----------

3. ----------

4. ----------

6. Project Duration: *(State start date and end date)* ----------

7. Project Cost: *(Estimate the total cost of implementing the project, taking into account cost of material, compensation payment, etc. List all major items and their costs)*

No	Activity	Description	Cost

1			
2			
3			
4			
Total			

8. Funding Source: *(List Funding method, GoSL, Donor (State Name) and funding type, e.g. budget, loan, grant, etc)*

Source	Type (Budget, Loan, Grant)	Amount
GoSL		
Donor (State Name)		
Total		

9. Alignment with Government National Development Objective: *(Specify how the project aligns with the Government's overall development objectives and priories as contained in the PRSP 4)*

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10. Alignment to the Sustainable Development Goals (SDGs): *(Specify how the project aligns with the United Nations SDGs)*----------

11. Project Sustainability: *(State briefly how the project will be sustained especially in the medium to long term)* ----------

12. Environmental Impact and Resettlement Needs: *(State whether this project will have any environmental impact and resettlement needs in its implementation and how that can be mitigated)*

A. Environmental Impact: ----------

B. Resettlement Needs: ----------

13. Gender Impact: *(State how gender especially women, will be impacted in the implementation of the project)*

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14. Project Expected Outputs and Indicators: *(Please specify the expected outputs and indicators which are measurable as per the specific objectives)*----------

15. Project Expected Outcomes/Impacts and Indicators: *(Describe the deliverables or output of the projects in concrete terms)*----------

16. Annual Disbursement Plan: (For 2021 Financial Year, State expected disbursement to the project)

Quarter	Foreign (Le)	Domestic (Le)
Quarter 1		
Quarter 2		
Quarter 3		
Quarter 4		
Total Annual		

17. Project Contact Person: (Please state name, designation, telephone number and email of the official responsible or leading the implementation of the project)

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Annex C – Project Adjustment Request (PAR) Form

Ministry of Planning and Economic Development

Project Adjustment Request (PAR) Form

Project Name: ----------

Implementing Agency ---------- **Change No.** ----------

Change Name ----------

Description of Change: ----------

Reason for Change: ----------

Effect on Project Deliverables (Including a List of any Affected Deliverables):

Effect on the Implementing Agency:

Effect on the Project Schedule (including Estimated Completion Date for this Change):

Original Project Cost: ----------

Effect on Project Cost:

Component/Activity Description	Man Hours (If applicable)		Amount (Le)	
	Reduction	Increase	Reduction	Increase
Analysis	-	-	-	-
Development	-	-	-	-
Total			-	-
Total Net Change in Cost (Le)				**-**

Effect of NOT approving this Change:

	Requested By:	Approved by:
Name	----------	----------
Designation:	----------	----------
Signature:		

For MoPED and MoF Offcials ONLY

For MoPED:

Recommended to MoF: Recommended ☐ Not Recommended ☐

Reason(s): ----------

For MoF: Approve ☐ Reject: ☐

Reason(s): ----------

DRAFT