



WEST AFRICA GOVERNANCE MONITORING PROJECT

SIERRA LEONE

By

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2011

SOME CHARACTERISTICS

Population: 5.8 million (projected by SSL based on 2004 Population Census)

Area: 71,740 sq km/29,925 sq mi

Main languages: Temne (35%), Mende (31%), Limba (8%), Kono (5%), Krio, Loko and Madingo (2% each) CIA World Fact Book

Political system: Constitutional democracy

President: His Excellency Dr. Ernest Bai Koroma, sworn in 17 September 2007

Human Development Index: 0.317 (2010)

Ibrahim African Governance Index (2011)

Overall Score: 48 of 100, 30th of 53 countries

Safety and Rule of law: 22nd

Participation and human rights: 19th

Sustainable economic opportunity: 33th

Human Development: 49th

Overall Ranking African Governance Report:

Transparency International Corruption Perception Index: 2.5 on a scale of 10, with 10 being very clean (2011)

Main sectors of the economy: agriculture and mining

Main natural resource: Diamonds, titanium ore (rutile), bauxite, gold, iron ore, forests, abundant water and rich off shore fishing

Economic growth rate in 2010: 4.9 % (World Bank)

Table of Contents

List of Abbreviations	4
Executive Summary	5
1. INTRODUCTION.....	7
1.1 Country context.....	7
1.2 Methodology	10
1.3 Activities Undertaken by the National Governance Monitoring Team	11
2. DEMOCRACY AND POLITICAL GOVERNANCE.....	12
2.1 Introduction.....	12
2.2 Context of Democracy and Political Governance in Sierra Leone	12
2.3 Analysis of National Democracy and Political Governance Practices and Findings.....	13
2.4 Baseline Data Analysis of Democracy and Political Governance Practices Clustered by Objective Analysis	14
3. SOCIO-ECONOMIC DEVELOPMENT	21
3.1 Introduction.....	21
3.2 Context of Socio-economic Development in Sierra Leone.....	21
3.3 Analysis of National Socio-economic Development Practices and Findings	23
3.4 Baseline Data Analysis of Socio-economic Development Governance Practices	24
4. ECONOMIC MANAGEMENT AND GOVERNANCE.....	38
4.1 Introduction.....	38
4.2 Context of Economic Management and Governance in Sierra Leone	38
4.3 Analysis of Economic Management and Governance Practices and Findings	39
ANNEXES	49
Annex 1.1 Democracy and Political Governance: MONITORING FRAMEWORK	49
Annex 1.2 Democracy and Political Governance: INDICATORS MATRIX	52
Annex 1.3 Democracy and Political Governance: BASELINE DATA.....	54
Annex 2.1 Socio-economic Development: MONITORING FRAMEWORK.....	62
Annex 2.2 Socio-economic Development: INDICATORS MATRIX.....	64
Annex 2.3 Socio-economic Development and Governance: BASELINE DATA	68
Annex 3.1 Economic Governance and Management: MONITORING FRAMEWORK	78
Annex 3.2 Economic Governance and Management: INDICATORS MATRIX.....	80
Annex 3.3 Economic Governance and Management: BASELINE DATA	83
REFERENCES.....	91

List of Abbreviations

ACC	Anti-Corruption Commission
APC	All Peoples Congress
APRM	African Peer Review Mechanism
AU	African Union
CSOs	Civil society organisations
DFID	Department for International Development
DDR	Disarmament, Demobilisation and Reintegration
DFID	Department for International Development
DISECs	District Security Committees
ECOWAS	Economic Community of West African States
FBC	Fourah Bay College GDP
	Gross Domestic Product
HDI	Human Development Index
HRCSL	Human Rights Commission of Sierra Leone
IPBS	Integrated Peace building Strategy
IPRSP	Interim Poverty Reduction Strategy Paper
MADAM	Mankind's Activities for Development Accreditation
MARWOPNET	Mano River Women's PeaceNetwork
MDG	Millennium Development Goal
MICS	Multi-Indicators Cluster Survey
MRU	Mano River Union
MTEF	Medium Term Expenditure Framework
NCD	National Commission for Democracy
NPRC	National Provisional Ruling Council
OGI	Open Government Initiative
PASCO	Poverty Alleviation Strategy Coordination Office
PBC	Peacebuilding Commission
PBF	Peacebuilding Fund
PBSO	Peace Building Support Office
PCS	Peace Consolidation Strategy
PRSP	Poverty Reduction Strategy Paper
PROSECs	Provincial Security Committees
SAPA	Social Action Poverty Alleviation
SCSL	Special Court for Sierra Leone
SSR	Security Sector Reform
TRC	Truth and Reconciliation Commission
UNAMSIL	United Nation Peacekeeping Mission in Sierra Leone
UNIOSIL	United Nations Interrogated Office in Sierra Leone
UNPBC	United Nations Peacebuilding Commission
UNPBF	United Nations Peacebuilding Fund
WANEP	West African Network for Peacebuilding

Executive Summary

Sierra Leone is at an opportune time to implement a national-level governance monitoring initiative. After a brutal rebel war and years of dictatorial single-party and military rule, the country is not only struggling to consolidate a hard-won peace but also a hard-won democracy. Second, Sierra Leone is in the process of implementing the African Peer Review Mechanism (APRM) after acceding to the process in 2004. The research and analysis conducted in this African-led governance monitoring initiative thus provides a baseline for ongoing monitoring efforts that both complement the APRM and reflect on-the-ground issues and the perspectives of in-country stakeholders. It is also hoped that the Sierra Leone example can provide lessons for other countries seeking to implement national-level monitoring in pursuit of good governance.

Since 2002, Sierra Leone has witnessed improvements as well as downward trends in its socio-economic landscape but also in its political sphere. In 2008, for example, the country was ranked 177 out of 177 countries in the United Nations Human Development Index (HDI). Seventy percent of the population lives below the poverty line and 26 percent live in absolute poverty. In spite of this, Sierra Leone has since 2007 made impressive strides to improve its governance landscape. This includes conducting free, fair and transparent elections in 2007 and nurturing institutions and practices of good governance through initiatives like accession to the APRM process.

As expected of a country in transition from war to peace and democracy, Sierra Leone is currently faced with a number of governance challenges. These include resource constraints, low absorptive capacity, overdependence on external support, youth unemployment, corruption and mismanagement, weak state institutions and poor management of resources.

This national initiative is part of the CODESRIA-OSIWA Joint Regional Governance Monitoring Initiative. In the current phase, the Sierra Leone national team seeks to develop a national governance monitoring framework, an indicators matrix and a monitoring baseline database for Sierra Leone in reference to the governance areas identified in the APRM process: democracy and political governance, economic governance and management, corporate governance and socio-economic development.

In the area of democracy and political governance, an attempt has been made not only to develop the monitoring framework, monitoring indicators matrix and monitoring baseline database but also to review progress in the sub-national objectives of democracy and political governance. The review examined the entire institutional framework, processes and procedures in place to improve democracy and governance in the country. Care has been taken to identify relative progress and highlight relevant shortfalls. As part of the analysis, a way forward in each of the subthemes has been outlined.

The initial analysis revealed that democracy and political governance is currently at a relatively early stage with a very strong foundation for deepening and strengthening the process and practice. Evidence from the analysis, for example, suggests that there are the necessary structures, processes, policies, programmes and systems to promote democracy and

political governance in the country. The lessons drawn from years of authoritarian political systems and fratricidal war provide ample motivation to avoid relapse into conflict by making committed efforts to enthrone good governance. The analysis, however, concludes that Sierra Leone has, in its strides to promote good governance, been confronted with a number of challenges, including weak institutional capacity, corruption and mismanagement and entrenched debilitating social and political attitudes.

The following are some recommendations for improving democracy and political governance in Sierra Leone:

- Beyond ratification of regional and legal instruments, efforts must be made to domesticate and implement these instruments.
- Every possible measure should be taken to implement policy reform initiatives.
- Policymakers should ensure that institutions created are made operational and effective in practice.
- Dependence on external sources of funding for crucial governance institutions, including electoral management bodies and integrity institutions should be gradually reduced.
- Civil society organizations (CSOs), including grassroots organizations, should be involved in planning decisions as well as in implementation.
- Major grassroots organizations should be identified and their capacity built so that they may effectively participate in governance initiatives.
- CSOs and government should establish a joint framework to enhance transparency and accountability work in the country.

1. INTRODUCTION

1.1 Country context

Sierra Leone is a small West African country with a total landmass of 73,325 sq.km. and an estimated population of 5.9 million.¹ It is blessed with rich mineral resources including diamonds, gold, rutile and bauxite. Its capital, Freetown, founded in 1787 as a haven for freed slaves, was the one-time headquarters of British West Africa. Sierra Leone boasts the oldest university in region, Fourah Bay College, which opened in 1827 in Freetown, which as a result became known as the Athens of West Africa.

Sierra Leone gained its independence from Great Britain on 27 April 1961 and subsequently declared a Republican State on 19 April 1971. The immediate post-independence era, especially during 1961 and 1964, was one of great promise for rapid development and democracy based on the nature of the political leadership and the abundant natural resources endowment.² During the 1960s and 1970s, annual growth averaged about 4% and 3.5%, respectively.³ The period was marked by competitive party politics and press freedom.

In the 1980s, post-independence economic and political gains dwindled. Growth slowed dramatically to an average of 1.5 % and the country experienced five military coups.⁴ This unfortunate situation was largely due to economic mismanagement and poor governance of successive authoritarian single-party and military governments. The policies and programmes of these regimes affected many sectors of the state, including the security and justice sector where recruitment was based on connection rather than merit and conditions of service were poor. Decentralization was also undermined with the dissolution of Local Councils in 1972, and this affected grassroots political participation. The situation was compounded by the marginalization and exclusion of youth, who constituted a significant number of the country's population.⁵

These conditions led to the outbreak of the rebel war in 1991. The Sierra Leone Truth and Reconciliation Commission's report, entitled *Witness to Truth*, was blunt in pointing out that the war in Sierra Leone was largely the result of failure in governance and institutional processes in the country.⁶ The eleven-year war (1991-2002) brought a breakdown of civil and

¹ National Population Census of 2004.

² Sierra Leone Poverty Reduction Strategy Paper (PRSP). A National Programme for Food Security, Job Creation and Good Governance (2005-2007). (Freetown: Ministry of Development and Economic Planning) p. 1.

³ Ibid, p. 1.

⁴ Ibid.

⁵ Draft Sierra Leone Compact of the United Nations Peacebuilding Commission and the Republic of Sierra Leone Framework for Cooperation: Building on Progress, April 26 2007, p. 5.

⁶ *Witness to Truth: The Report of the Sierra Leone Truth and Reconciliation Commission*, Vol. 2, 2004, p. 7.

political authority and human tragedy: more than 20,000 people were killed; two million people were displaced and thousands were injured or maimed.⁷

The conflict not only precipitated massive destruction of lives and property, but also contributed significantly to the dislocation of the country's economy, physical infrastructure and social facilities. Additionally, it adversely affected the legitimacy of the government and its ability to effectively govern. This precarious situation was intensified with the military intervention in politics in 1992 when the Provisional Ruling Council (NPRC) first under the leadership of Captain Valentine Strasser and then Brigadier General Maada Bio seized power from the All People's Congress (APC). Like most military regimes in Africa, the NPRC obstructed the smooth flow of democracy and good governance in the country. This situation, among other things, compelled Sierra Leonean civil society, working in close cooperation with ECOWAS and the international community, to restore multiparty politics in 1996. The newly established multiparty political system under the leadership of Ahmed Tejan Kabbah of the SLPP was however toppled in May 1997 by the Armed Forces Revolutionary Council led by Major Johnny Paul Koroma. Again, civil society, ECOWAS and the international community resisted the junta, leading to the restoration of constitutional order in 1998.

In the post-war transition from an authoritarian political system to peace and democracy, Sierra Leone has faced many challenges. These include many issues related to bad governance, poverty, ill-trained, poorly paid and undisciplined security forces, youth unemployment, displaced populations, a ruined economy and sub-regional security. The 2002 Presidential and Parliamentary elections were again won by the SLPP led by Dr. Ahmed Tejan Kabbah, who began his second term in office. During this period, the government developed several post-conflict peacebuilding initiatives in cooperation with international development partners. These included Disarmament, Demobilisation and Reintegration (DDR), the Good Governance Strategy of 1997, a process of decentralisation, the Poverty Reduction Strategy Paper (PRSP), Peace Consolidation Strategy, Security Sector Reform, Sierra Leone Vision 2025, the Truth and Reconciliation Commission (TRC) and the Improved Accountability and Governance Pact.⁸

In order to ensure the transition from peacekeeping to peacebuilding, the government worked closely with international partners to finalise the Interim Poverty Reduction Strategy Paper (IPRSP). The IPRSP articulated the government's priorities in addressing the challenges of the transition from war to peace. It underscored the need for a secure and peaceful environment as the basis for any meaningful poverty alleviation strategy.⁹ The IPRSP therefore prioritised protective security and the improvement of law and order. In 2005, a comprehensive Poverty Reduction Strategy Paper (PRSP) was approved. This important

⁷ Report of the Sierra Leone Governance and Civil Service Reform Programme, Phase II Annual Review, 26 July 2006, p. 6.

⁸ Sierra Leone Compact, The United Nations Peacebuilding Commission and Republic of Sierra Leone Framework for Cooperation: Building on Progress, Draft Report, p. 4.

⁹ Interim Poverty Reduction Strategy Paper (IPRSP) of the Government of Sierra Leone, 2001.

national programme provides a three-year post-conflict peacebuilding framework whose first pillar focuses on efforts to promote good governance, peace and security.¹⁰

The final phase of the disarmament and demobilisation of all combatants got under way from May 2001-January 2002. A total of 72,490 combatants were disarmed and 71,043 were demobilised including 6,845 child soldiers.¹¹ The rebel war was officially declared over on 18 January 2002, and by February 2004, over 56,000 ex-combatants were reintegrated into active civil life. These developments significantly facilitated the successful conduct of peaceful national elections in May 2002. With a democratically elected government in place, moves were taken to extend government authority nationwide and this facilitates the return of refugees and internally displaced persons, as well as the gradual return to normalcy.

In an effort to address the issue of transitional justice, the government and its international partners established the Truth and Reconciliation Commission (TRC) and the Special Court for Sierra Leone (SCSL). The TRC was set up to act as a vehicle for healing war-related wounds. It has completed its work and presented its report. The government has also produced a White Paper on the report, though with a slow pace implementation posture. The SCSL, on the other hand, was established to prosecute those who bear the greatest responsibility for crimes against humanity and its proceedings are ongoing, especially the trial of Charles Taylor in The Hague.

The final United Nations Peacekeeping Mission in Sierra Leone (UNAMSIL) withdrawal in December 2005 saw the establishment of the United Nations Integrated Office in Sierra Leone (UNIOSIL). This mission was occupied with peace consolidation efforts and security sector reform, with governance and youth issues very high on its agenda. In 2008, this mission was transformed into the United Nations Integrated Peacebuilding Office for Sierra Leone (UNIPSIL). An important result of these processes was the National Security Sector Review Report (SSR) which was launched in 2005. The report is a product of a Working Group Secretariat commissioned in 2003. A Peace Consolidation Strategy (PCS) with the expressed objective of building capacities for the prevention, management and resolution of potentially violent threats was also developed.¹² Other good governance institutions established include the Anti Corruption Commission (ACC), the Human Rights Commission for Sierra Leone (HRCSL), the National Public Procurement Authority (NPPA), the Office of the Ombudsman and the National Commission for Democracy (NCD).

The Presidential and Parliamentary elections of 2007 were noted for the return to a constituency-based system, as required by the 1991 Constitution, Act No. 6. President Dr. Ernest BaiKoroma of the APC won 54.6% of the votes in the Presidential run-off elections. The elections were widely acclaimed as been free, fair and peaceful. Upon assumption of office, the APC led-government developed a blueprint for national development, the Agenda

¹⁰ Poverty Reduction Strategy Paper (PRSP), p. 76.

¹¹ Ibid.

¹² Harnessing Hope: Catalyzing Efforts for Accountability, Participation, and Reconciliation in Sierra Leone: A Peace Consolidation Strategy, 2006, p.1.

for Change, the Second Poverty Reduction Strategy, 2008-2012 (PRSP). The agenda focuses on four major areas—energy, transportation, agriculture and fisheries, and sustainable human development—and is anchored on the principles of good governance, with emphasis on the rule of law, human rights, peace and security.¹³

Since 2007, the government, in close working cooperation with international development partners, has been trying with varying degrees of success to promote good governance in the country. Some of the strides made include the strengthening of democratic institutions such as the National Electoral Commission (NEC), Political Parties Registration Commission (PPRC), Human Rights Commission for Sierra Leone, and the Anti Corruption Commission (ACC). With the revised ACC Act of 2008, the ACC now has prosecutorial powers with a very strong mandate. The government is also promoting the work of the APRM, the Extractive Industries Transparency Initiative (EITI), the Open Government Initiative (OGI) and a host of others.

The joint Vision for Sierra Leone of the United Nations Integrated Peacebuilding Office of 2009 also prioritized good governance interventions. Its five priority areas identify two that are directly related to good governance promotion. The first is consolidation of peace and stability with support for multiparty dialogue, conflict prevention and political tolerance building. The other is concerned with promoting the rule of law, human rights of marginalised groups. The vision targets the following state institutions: Parliament, NEC, PPRC and the Independent Media Commission.

In spite of the aforementioned good governance progress, Sierra Leone still has a lot to do in terms of good governance promotion as well as the prevention of relapse into conflict. It has as a nation the Herculean task of addressing challenges such as corruption, marginalization and disempowerment of rural communities, lack of economic opportunities, inadequate state capacity to deliver basic services, unemployment and marginalisation, in particular among the youth.¹⁴

1.2 Methodology

The National Governance Monitoring Team of Sierra Leone employed a multiplicity of techniques and processes in order to derive the Governance Monitoring Framework, the Indicators Matrix and the Baseline Data for Sierra Leone in the governance thematic areas. Generally, the methodology involved data collection and analysis and a process that team members followed to conduct the analysis, produce and validate the report. In order to derive the national governance framework, the team reviewed the CODESRIA-OSIWA Joint Regional Governance Monitoring Initiative's generic governing frameworks. Like most other governance studies, this governance monitoring study for Sierra Leone used secondary and primary sources.

¹³ An Agenda for Change, Second Poverty Reduction Strategy Paper, 2008-2010 (PRSP-II).

¹⁴ Ibid. p.1.

Secondary sources include desk research and review of relevant national, regional and international literature on governance. Some of the national literature reviewed by the national team members includes the Sierra Leone 1991 Constitution (Act No.6 of 1991); the Agenda for Change, the Second Poverty Reduction Strategy Paper, 2008-2012 (PRSP); the National Recovery Strategy of Sierra Leone of 2003, Vision 2025, the Joint Vision for Sierra Leone of the United Nations Family of 2009. The team also reviewed a host of national legal frameworks, policies and programmes including the Anti Corruption Commission Acts of 2000 and 2008, as well as most of the regional, continental and international legal standards on governance, including the ECOWAS Protocol on Good Governance and Democracy.

Primary sources used include information derived from discussion with key national governance actors including those working in the various relevant ministries, departments and agencies (MDAs), the private sector, civil society and members of the international development partners. This was undertaken mainly to cross check information derived from secondary sources. Efforts were made by members of the team to collect relevant data from the judiciary, parliament, the executive and from the ACC and other state and non-state institutions.

1.3 Activities Undertaken by the National Governance Monitoring Team

The National Governance Monitoring Team undertook a number of activities in their attempts to derive the national governance monitoring framework, matrix, and database and draft and produce the report. These activities included firstly, the familiarization of team members with the governance monitoring aims, scope, objectives and methodology. The team members convened a one-day research meeting where members were briefed on the terms of reference of the assignment and discussed the team members' roles and responsibilities, meeting schedules, and the commencement date of the work. Members were informed on the importance of meeting deadlines and the production of scientifically acceptable reports. As a team, members also developed and adopted the research work plan.

Another important team activity was the review and adaptation of the methodological framework, including the African Governance Monitoring Frameworks developed as part of the CODESRIA/OSIWA regional initiative. Members then embarked on the enumeration and assessment of Sierra Leone's African and regional treaties ratification process. All the research team members also carried out a combined analysis of Sierra Leone's 1991 Constitution and other governance development frameworks in order to determine the country's national priorities and to deduce a national governance monitoring framework for the country. The team members then designed the indicators matrix around the objectives of each of the governance sectors. Data were collected for all the indicators in order to develop the baseline database for each of the governance sectors. Individual draft reports were submitted, validated and integrated into the country report.

2. DEMOCRACY AND POLITICAL GOVERNANCE

2.1 Introduction

As a country in transition from authoritarian political system and war to peace and democracy, efforts to promote democracy and good political governance should be given priority on Sierra Leone's development agenda. The 2005 TRC report was forthright in pointing out that bad governance was a major cause of the country's eleven-year fratricidal war. Successive post-independence political regimes did not only fail to provide adequate security and livelihoods for the citizens but also to provide for democratic participation in decision-making processes.¹⁵ This background undoubtedly informs the country's resolve, especially after the end of the war in 2002, to vigorously promote democracy and good political governance processes and programmes. This determination is not only evidenced in the quest to ratify international and regional instruments as well as undertake their domestication, but also in the development of policies and programmes that promote democracy and good political governance. It is however not just enough to ratify treaties and develop programmes, but, more importantly, to ensure actual implementation. This analysis will endeavour to assess Sierra Leone's practical implementation of democracy and political governance programmes.

The analysis in this section seeks to show how Sierra Leone is complying with the National Democracy and Political Governance Normative Framework that was created as part of this initiative. It will examine the country's democracy and political governance objectives as gleaned from its various national governance development frameworks and policies, with specific attention to strengths, weaknesses or challenges, and will proffer some recommendations. Democracy and political governance in the context of this study will be interpreted within the prism of the NEPAD Declaration, which states that: "Democracy and Political Governance constitute an important prerequisite for successful economic, corporate and socio-economic governance, touching as they do on the fundamental rights of the citizens (both individuals and groups); the accountability of government to the governed; and the relative stability of the polity."

2.2 Context of Democracy and Political Governance in Sierra Leone

Sierra Leone's determined national resolve to promote democracy and political governance gathered serious momentum after the official end of the war in 2002. Even before this period, the 1991 Constitution Act No.6 of 1991 had a number of provisions covering issues of democracy and political governance. A very important aspect reflecting this all-important governance angle is the effort to reduce the overwhelming powers of the executive as provided for in the 1978 one-party Constitution. There are various provisions, for instance,

¹⁵ Witness to Truth: Report of the Sierra Leone Truth and Reconciliation Commission, 2005 p. 39.

empowering parliament to provide oversight of the activities of the executive especially regarding the appointment of public officials by the chief executive. Additionally, Chapter Three of the 1991 Constitution recognizes and protects a list of fundamental rights and freedoms of the individual covering the broad range of political, economic and social rights. The 1991 Constitution also clearly supports the strict observance of the principle of separation of powers with emphasis on ensuring judicial independence:

In the exercise of its judicial functions, the judiciary shall be subject only to this constitution or any other law, and shall not be subject to the control or direction of any other person or authority.¹⁶

A good number of national development programmes in Sierra Leone have over the years articulated democracy and political governance priorities, procedures and policies. One such development programme is the Poverty Reduction Strategy Paper (PRSP) 2005-2007. This first PRSP identifies good governance as a very important strategy in the national quest to fight poverty in the country. One of its pillars, entitled Peace, Security and Good Governance puts premium on efforts to address the thorny problems of instability, divisiveness, hatred and bad governance. The Second Poverty Reduction Strategy Paper, 2008-2012, entitled Agenda for Change, also articulates good governance as the anchor for the effective realization of sustainable human development in the country. This very important national blueprint identifies four main priority areas: electricity, agriculture, transportation and social services. However, the principles of good governance were clearly articulated as the bedrock for the successful realization of results in the four priority areas. Some of these good governance principles prioritized include human rights, the rule of law, public sector reform, peace and security.¹⁷ The Joint Vision for Sierra Leone of the United Nations Family also sets good governance-oriented priorities for the country. Its targeted support puts a premium on multiparty dialogue, conflict prevention, political and ethnic tolerance as well as the promotion of national cohesion and human rights.¹⁸

Following some of these national governance development blueprints are various governance legal frameworks and policies, including the ACC Act 2000 and revised version of 2008, the Anti Money Laundering Act of 2004, Local Government Act 2004, a National Anti-Corruption Strategy, and Accession to the APRM in 2004. Institutions were also established to promote political democracy and governance. Some of these include the ACC, the Decentralization Secretariat, the Office of the Ombudsman, the Truth and Reconciliation Commission, the Special Court for Sierra Leone and Political Parties Registration Commission (PPRC).

2.3 Analysis of National Democracy and Political Governance Practices and Findings

As could be seen in the foregoing context discussion, Sierra Leone has over the years endeavoured with varying degree of success to comply with some of the elements of the

¹⁶ 1991 Constitution, Act No. 6 of 1991, Article 120 (3).

¹⁷ An Agenda for Change, Second Poverty Reduction Strategy Paper, 2008-2012 (PRSP-II).

¹⁸ The Joint Vision for Sierra Leone of the United Nations Family, May 2009.

National Democracy and Political Governance Normative Framework. Taking the issue of standards and codes, some commendable efforts have been taken to ratify and domesticate the 30 international instruments and standards as well as the 16 regional instruments and standards contained in the normative framework. With the international standards and codes, Sierra Leone is signatory to almost all the rights related international conventions. These include International Convention on Civil and Political Rights, International Convention on Economic, Social and Cultural Rights; the Geneva Convention of 1949; Convention on the Rights of the Child and its Optional Protocol on the Involvement of Children in Armed Conflict; Rome Statute of the International Criminal Court; and the Convention Against Torture and other Cruel, Inhuman and Degrading Treatment or Punishment. The country has not, however, ratified the Convention on the Prevention and Punishment of the Crime of Genocide.¹⁹

Most of the regional standards and codes have also been ratified by the country. Some of these include: the African Charter on Human and Peoples Rights (1990); the AU Declaration on Democracy, Political, Economic and Corporate Governance; the Constitutive Act of the African Union (2000); the AU Convention on Preventing and Combating Corruption and the NEPAD Framework Document. Beyond ratifying, the country has also made some strides to establish national institutions to ensure implementation of some of these standards. Some of these institutions include the National Commission for Democracy (NCD), the Human Rights Commission for Sierra Leone, the Office of the Ombudsman, Political Parties Registration Commission and the Truth and Reconciliation Commission.

2.4 Baseline Data Analysis of Democracy and Political Governance Practices Clustered by Objective Analysis

The following democracy and political governance objectives will now be assessed in Sierra Leone:

1. Preventing and reduction of intra and inter-state conflicts
2. Constitutional Democracy including periodic political competition and opportunity for choice, the rule of law, citizen rights and supremacy of the constitution
3. Promotion and protection of economic, social and cultural rights, civil and political rights as enshrined in African and international human rights instruments
4. Uphold the separation of powers, including the protection of the independence of the judiciary and of an effective legislature
5. Ensure accountable, efficient and effective public office holders and civil servants
6. Fighting corruption in the political sphere
7. Promotion and protection of the rights of women
8. Promotion and protection of the rights of children

¹⁹ Situational Analysis of Democracy and Good Political Governance in Sierra Leone, 2010 by the APRM National Governing Council, Sierra Leone.

9. Promotion and protection of the rights of vulnerable groups including internally displaced persons and disabled persons

OBJECTIVE ONE: Preventing and reduction of intra and inter-state conflicts

Challenges: youth unemployment; regional insecurity; poverty.

Actual governance practices: Sierra Leone has since 2002 put in place legal frameworks, policies and institutions to prevent and reduce conflicts. Some of these include the enactment of the anti-money laundering act, national drug control agency, communiqué signed between the two main political parties; political parties registration commission (PPRC), the national disaster management unit in the Office of National Security, TRC and SCSL and the promotion of security sector reform. At the regional and sub-regional levels, the country established the joint border security and confidence-building units in all four MRU states and ratified relevant regional security instruments and standards.

Strengths: The relatively low level of ethnic, regional and religious divisions, international good will and support.

Weaknesses: Increasing poverty, domestic violence, and the will to implement regional and national programmes. There are encouraging signs but committed efforts are required to address the root causes of conflict, including youth unemployment, poverty, corruption and injustice and sub-regional peace and security, especially with regard to Guinea and Coted'Ivoire.

Recommendations: Urgent attention to the identified weaknesses if conflicts are to be prevented or reduced.

- **Use of traditional mechanisms by government in post-conflict policies**

The Sierra Leone Government has indeed used traditional mechanisms in addition to modern policies in addressing post-conflict challenges. The religious tolerance as expressed and promoted through the collaborative work of the Inter-Religious Council of Sierra Leone (IRCSL) played an important role in bringing peace to the country. The IRCSL is a body made of representatives of all religious groups in the country. This council's mediatory role in facilitating dialogue between the warring factions was crucial in the resolution of the Sierra Leone conflict. They were, for example, clearly visible in the negotiations leading to the signing of the Lome Peace Accord in July 1999.

- **Effectiveness of the policies implemented to address peace and security challenges.**

A range of policies and programmes to address peace and security challenges have been adopted, with varying levels of success. In order to address the issue of youth unemployment, for example, the government, in cooperation with international development partners, established a Ministry of Youths and Sports as well as a National Youth Commission

(NAYCOM). While commendable in terms of putting in place national structures to address youth problems, their effectiveness needs to be examined in terms of meeting set objectives of getting youth meaningfully engaged for national development.

Recommendations: In sum, the establishment of these institutions indicates the existence of a national drive to address the youth problem but much more needs to be done in terms of developing appropriate programmes to engage the majority of the youth who are still without employment and education.

Policies and programmes put in place to address the security challenges of drugs trafficking, diamond smuggling and money laundering including legislation such as the Anti-Money Laundering Act of 2005 as well as the establishment of the Financial Intelligence Unit in the Bank of Sierra Leone. However, that the regulations have hardly been implemented. The fight against corruption, however, could be regarded as successful in implementation, particularly with the passing of the revised Anti-Corruption Act of 2008 that provides prosecutorial powers to the commission witnessing the indictment and prosecution of senior government officials including cabinet ministers.

Despite progress, a lot more must be done to proactively fight corruption and money laundering, as well as to address the other challenges identified above. Suggestions include: continuing generate the political will to ensure the independence of the ACC, providing a living wage and improved conditions of service for civil servants, security forces and members of the judiciary. There is also a need to ensure stiff punitive measures for those convicted of corruption and money laundering, and lastly, inclusive governance should be promoted.

OBJECTIVE 2: Constitutional democracy including periodic political competition and opportunity for choice, the rule of law, citizen rights and supremacy of the constitution.

Challenges: Poor pay and conditions of service for members of the judiciary as well as high illiteracy rates.

Strengths: The ratification of many of the international and regional standards and codes as well as the recognition and guarantee of some of these rights in the constitution.

Weaknesses: The will to implement these standards and codes, poor conditions and pay and resource constraints.

Actual governance practices: Sierra Leone continues to make impressive strides especially in promoting political participation and the franchise as well as the rule of law and supremacy of the constitution. The citizens are allowed to vote and be voted for in free, fair and transparent elections as exemplified in the 2002 and 2007 presidential and parliamentary elections. The strengthening of democratic institutions like the National Commission for Democracy (NCD) and the Open Government Initiative (OGI) and the APRM have all helped to ensure that the citizen's voices are heard. The DFID-funded Justice Sector Development Programme (JSDP) is also helping to ensure the rule of law and access to justice. Despite these encouraging signs, there are worrisome developments as the legal system continues to

give discretionary powers to some public officials thus undermining the rule of law. The reluctance to separate the Office of Attorney General from that of the Minister of Justice is also hampering the rule of law. The traditional justice system still maintains some of its autocratic and discretionary powers.

Recommendations: As such, there is a need to ensure political will to implement policies as well as to put in place proactive actions for ensuring a living wage and improved conditions of service for citizen. There should also be steps to reform the traditional justice system through review.

- **Functioning of parties and party systems**

Actual governance practices: The reintroduction of a multiparty system in 1991 with the 1991 Constitution Act No. 6 of 1991 saw the establishment of many political parties in the country. In spite of this development, two main political parties predominate politics and governance in the country: the All People's Congress Party (APC) the current ruling party, and the Sierra Leone People's Party (SLPP), the current opposition. These parties do little, however, regarding political socialization and other activities that contribute to national development. There is now a Political Parties Registration Commission (PPRC) that regulates the work of political parties and offers a conflict resolution mechanism. The PPRC also promotes a political parties' code of conduct but has no enforcement capacity to compel political parties to abide by the rules.

The independent electoral commission conducts elections in the country with a clear mandate and national structures. The chairperson and other members of the National Electoral Commission are appointed through legal procedures established by the act establishing the commission.

Recommendations: The NEC, like many other state institutions, requires more capacity in order to effectively discharge its functions, especially those of voter education and sensitization. In the last 2007 elections, there were many void votes.

OBJECTIVE 3: Promotion and protection of economic, social and cultural rights, civil and political rights as enshrined in African and international human rights instruments

Challenges: Several factors stand in the way of the realization of this objective, including a low level of human rights awareness, a culture of impunity and an autocratic traditional justice system.

Strengths: The country's willingness to ratify a majority of the international and regional standards and codes.

Weaknesses: Resources and capacity constraints, poverty and impunity.

Actual governance practices: The scope of coverage in terms of the recognition and protection of rights in the 1991 Constitution is commendable. Additionally, the rate of ratification of international standards and codes is also encouraging. The establishment of the

Human Rights Commission of Sierra Leone also shows a demonstration of national effort to protect human rights. There is also a Parliamentary Committee on Human Rights. However, the country's record on upholding human rights in practice has been a less than satisfactory, a situation worsened with the outbreak of the war in 1991. A risk that needs to be addressed is the increasing rate of gender-based violence and the autocratic traditional justice system.

Recommendations: In order to correct some of these ills, there is need for effective collaboration between state and non-state actors, especially in promoting political and rights awareness campaigns. There is no denying the fact that there was undue external influence in determining the country's future especially in the immediate post-conflict era. There are however some national efforts to ensure ownership of development process, particularly the new development blueprint of the Agenda for Change with focused priorities on energy, infrastructure, food security, health and other social sectors.

- **Type of Constitutional regime**

Sierra Leone has a Presidential System of Government and as such members of cabinet are chosen outside parliament or among members of parliament that have resigned their seats in parliament.

- **Parliamentary control over the executive**

There are various constitutional provisions for parliamentary control over the executive especially with regard to approval of presidential appointments, approval of the budget and a process in which members of the executive account for its stewardship through question time in parliament. The exercise of these parliamentary powers is however stymied by a number of factors including a lack of sufficient oversight capacity on the part of parliament and too much power on the part of the executive.

OBJECTIVE FOUR: Uphold the separation of powers, including the protection of the independence of the judiciary and of an effective legislature

Challenges: Poor pay and conditions of service for members of the judiciary and parliament, disproportionate executive power and an autocratic traditional system.

Strengths: are noticeable in international support of efforts to ensure access to justice and parliamentary capacity building.

Actual governance practices: Although there are constitutional provisions to ensure the respect and protection of separation of powers, there are problems in practical implementation.

Weaknesses: The reluctance to separate the office of Attorney General from that of the Minister of Justice is problematic. Constitutional provisions to ensure judicial independence have been very difficult to put into practice. The immunity of Members of Parliament from arrest, for instance, curtails judicial independence.

OBJECTIVE FIVE: Ensure accountable, efficient and effective public office holders and civil servants

Challenges: Poor salaries and conditions of service, archaic codes and standards.

Strengths: Ongoing civil service and public reforms, which are supported by international development partners.

Actual governance practices: A number of reforms have been introduced including the establishment of the Governance Reform Secretariat, which has now been transformed into the Public Service Reform Unit located in the Office of the President. There have been efforts to carry out a diagnostic study of the architecture of government in order to rationalize the current structure of ministries. Other efforts include the transformation of the Establishment Secretary Office into the Human Resources Management Office (HRMO), records management and payroll verification, and a comprehensive pay and grading reform strategy.

Weaknesses: There is, however, a lack of will to implement reform strategies and reluctance among some civil servants to embrace the reform measures.

OBJECTIVE SIX: Fighting corruption in the political sphere

Challenges: Adequate political will, grinding poverty, poor pay and conditions of service for public servants.

Strengths: The increasing commitment to strengthening the ACC and providing deterrent mechanisms.

Actual governance practices: Impressive strides have been made since the establishment of the ACC to fight corruption and, where possible, nip it in the bud. The revised ACC 2008 Act, for instance, has given the ACC urgently needed prosecutorial powers and provides for a mandatory assets declaration by all public officers, expands the list of official corrupt practices from 9 to 27, protects whistle blowers and fosters international cooperation in the fight against corruption. However, the ACC needs adequate and consistent funding.

Recommendations: Secure adequate funding for the ACC. Build the capacity of civil society actors as whistle blowers and active agents in awareness building campaigns against corruption.

OBJECTIVE SEVEN: Promotion and protection of the rights of women

Challenges: A highly patriarchal society, discriminatory customary and cultural practices and the low level of illiteracy among women.

Weaknesses: Sufficient will to implement policies and programmes and resources constraints. Strengths are the enactment of relevant gender bills and legislation, the creation of a Ministry of Gender and Children's Affairs and a 30% quota for inclusion of women in public offices.

Actual governance practices: The 30% inclusion of women in public life is still to be realized and the traditional justice system is still autocratic and discriminatory. The issue of prosecution of the perpetrators of gender-based violence during the war is also still a thorny issue in the country. Measures taken by the TRC and the sentencing of perpetrators by the Special Court for Sierra Leone are not sufficient to address this problem.

OBJECTIVE EIGHT: Promotion and protection of the rights of children

Challenges: Poverty, inadequate educational and training facilities, social and cultural norms, and the will to implement policies.

Strengths: The ratification of most of the international and regional standards and codes.

Actual governance practices: Sierra Leone has made good strides in domesticating most of these standards and codes including the African Charter on the Rights and Welfare of the Child. Sierra Leone has also made progress in the areas of immunization and education. Teacher training under the SABABU Education Project, for instance, is contributing greatly to enhancing the education of children. However, as in the case of women's rights, there is a problem in terms of the will to implement policies.

OBJECTIVE NINE: Promotion and protection of the rights of vulnerable groups

Challenges: Poverty, no right to residency status for refugees, poverty and a lack of will to implement policies.

Strengths: The ratification of most international instruments and codes.

Actual governance practices: Effective implementation of the instruments that have been ratified and domesticated is problematic. There are refugees residing in Sierra Leone, mainly Liberians, as well as about 211 asylum seekers for a total of 9,489. There are 15,417 Sierra Leonean refugees in other countries, 2,949 Sierra Leonean asylum seekers and 227 returned refugees, a total of 18,593.

Potential risks: Constraints the country faces in handling refugee issues include difficult socio-economic conditions and low capacity in terms of resources.

Recommendations: There is a need for more funding to ensure the absorption of refugees as well as to assist the internally displaced.

3. SOCIO-ECONOMIC DEVELOPMENT

3.1 Introduction

African governments have embraced improving governance as a key strategy for development through the New Partnership for Africa's Development (NEPAD) using the African Peer Review Mechanism (APRM). Given the high level of poverty among most African countries, socio-economic governance has gained in focus. This is true for Sierra Leone, which, since the post-conflict phase beginning in 2002, has taken many steps to achieve the socio-economic governance objectives, including signing, ratifying and domesticating key international instruments governing socio-economic issues. This report focuses on key international, regional and nation instruments are crucial for socio-economic development in Sierra Leone. The context in which socio-economic development is discussed is guided by the NEPAD declaration, which asserts that socio-economic development implies the "continuous improvement in the well being and in the standard of living of the African peoples." The socio-economic development section of this report highlights efforts and progress made in designing appropriate policies and delivery mechanisms in key social development sectors, and the impact or outcome of such efforts.

3.2 Context of Socio-economic Development in Sierra Leone

The Sierra Leone's Constitution lays down laws that protect every citizen and seek to ensure peace, justice, equality and, above all, the welfare of the people. Achieving all of this relies on the full participation of the people who in return expect good governance. For Sierra Leone, the socio-economic objectives focus on the judicious utilisation of the country's resources and ensuring the accessibility for all in the use of basic amenities and facilities. Chapter 2 of the Constitution, subsection 8:1;2;3 clearly states that equal opportunity must be given to all irrespective of sex, race, age, etc. (Sierra Leone National Constitution, 2001).

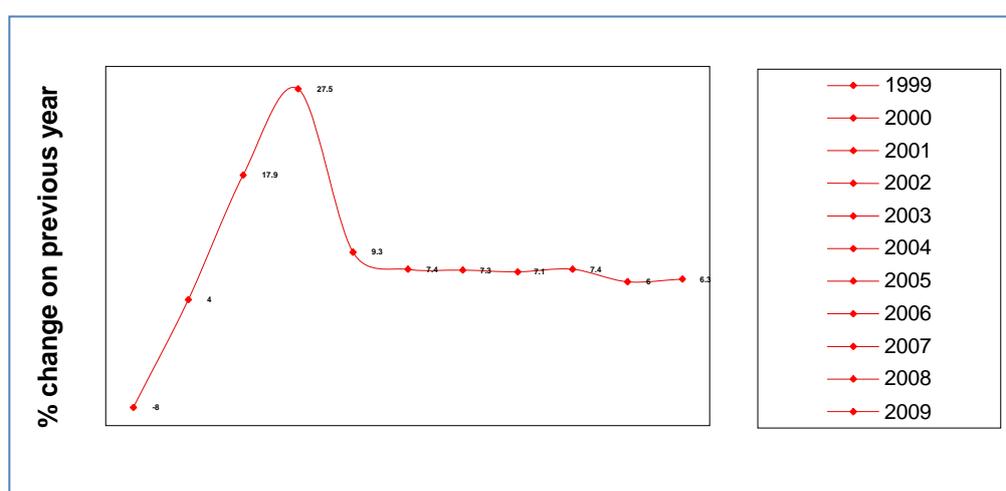
The country's poor performance on socio-economic indicators largely undermines its development priorities. Sierra Leone has been consistently ranked at the bottom of the UNDP Human Development Index for the past two decades. The country's maternal mortality rate is considered one of the highest in the world and the poverty rate is still over 60%. The country is challenged in reaching all the Millennium Development Goals except for parts of MDG 3 (gender parity) and MDG 6 (HIV/AIDS). To reverse these negative trends, economic growth rate should reach 10% from its 6.5% level, according to the second PRSP (UNDP Country assessment report, 2008-2010).

Sierra Leone is on the path to development after a decade-long destructive conflict that only ended in 2002. During the conflict, the country was heavily engaged with relief activities and in the immediate post-conflict period, efforts were directed at the consolidation of peace and security as seen by the priorities of the country's first PRSP (2005-2007). This first PRSP was designed to address the challenges of the transition from war to peace by focusing on three key areas: restoring national security and good governance, food security and job creation; and growth and human development. In today's current national development plan, known as Agenda for Change, 2008-2012, the country's development priorities fall into four

categories: the provision of reliable power supply, raising the quantity and value added production in agriculture and fisheries, improving the national transportation network, including road, river and air transportation, and sustainable human development through the provision of improved social services (PRSP-II, 2008-2012).

Challenges are also being faced with regards to economic growth, a necessary condition for guaranteeing a high standard of living. Sierra Leone enjoyed unprecedented growth rates in the years following the cessation of conflict. The growth rate is projected to continue to decline from a rate of 7.5% in 2003 to 6.3% in 2008, with a slight increase to 6.5% in 2009. If growth rates are sustained at the 2009 levels (between 6-7%), the country is likely to reach MDG 1 by 2015.

Figure 1: Economic growth is levelling off



Source: Sierra Leone PRSP, 2009.

In the health sector, the major focus of Sierra Leone’s socio-economic objectives is on reducing infant and maternal mortality, scaling up of essential services, such as immunization, utilization of treated bed nets, promotion of early and exclusive breastfeeding, and promotion of hygiene practices as well as making available minimum maternal and neonatal health care systems. In light of the country’s high maternal mortality rate, the government introduced free medical care for pregnant women and children under five years of age in early 2010. The government has made access to safe drinking water throughout the country a priority in recognition of its clear link to health. The prevention of HIV/AIDS and mitigating its effects also remains a priority of the government. A medium-term approach is a health insurance scheme that would help improve the quality of life of the population.

Sierra Leone’s socio-economic priorities, as summarized in the Agenda for Change, improve access to quality of education through extensive training of teachers; provide adequate teaching and learning materials; improve the conditions of service for teachers, especially in remote areas, and encourage education of the girl child. In recognition of the important role education plays in socio-economic development and considering the high rate of illiteracy in

the country, Sierra Leone has made free primary school education a priority, especially for the girl child.

3.3 Analysis of National Socio-economic Development Practices and Findings

Sierra Leone has made a number of efforts that comply with the National Socio-economic Development Normative Framework, especially after the conflict, by signing, ratifying and domesticating key international instruments. This report focuses on some key international and regional instruments that are crucial to socio-economic development.²⁰ There are ten international instruments mentioned in the generic framework and Sierra Leone has signed, approved or ratified six of these instruments, most of which are regional.²¹ Sierra Leone is still to ratify the following relevant socio-economic instruments: African Charter for Popular Participation in Development, World Summit on Sustainable Development, United Nations Declaration on the Right to Development and World Summit on Social Development Plan of Action.

Despite not having ratified, signed or approved the above documents, Sierra Leone has put in place institutions, and designed policies geared towards achieving the socio-economic objectives they set forth. Sierra Leone has signed the Comprehensive Africa Agriculture Development Programme (CAADP). This is an important move, as agriculture is the single largest contributor to GDP growth. Related to the African Charter for Popular Participation in Development, the country is currently implementing a decentralisation policy, which encourages the participation of women in politics and empowerment of civil society organisations to participate in the development process. The decentralisation policy is geared towards creating the space for the full participation of grassroots communities in development and decisionmaking processes. Additionally, the National Political Party Registration Commission was formed to ensure that multiparty politics is practiced. In ensuring sustainable development and compliance with the World Summit on Social Development, Sierra Leone established the Environmental Protection Agency, and provided supports to the works of Conservation Society Sierra Leone, Green Scenery, and Council for Human Ecology. Similarly, the country has recently reviewed the Mineral and Mining Act to ensure that environmental impact assessments are incorporated in the operations of mining companies and other development organisations.

In terms of the United Nations Declaration on the Right to Development, Sierra Leone has set up the Anti Corruption Commission and the Justice Sector Reform Strategy, which are geared towards ensuring peace, justice, equity, accountability and welfare of the people.

The country also transformed the National Commission for Rehabilitation, Reintegration and Resettlement (just after the conflict ended in 2002) into a Commission for Development

²⁰ Table 3.5 in the annex provides details on the status of ratification of key socio-economic development indicators.

²¹ These include the United Nations Millennium Declaration, the Convention on the Elimination of all forms of Discrimination against Women, the NEPAD Framework Document, Right to Development in the African Charter on Human and Peoples' Rights, the African Charter on the Rights and Welfare of the Child, the Constitutive Act of the African Union.

(National Commission of Social Action) that looks into the implementation of development projects especially at the grassroots level. These are measures instituted to address the World Summit on Social Development Plan of Action.

Several key challenges that can and should be surmounted to facilitate the signing and ratification of the remaining instruments. These include frequent changes in political regimes and development priorities, especially in the 1990s, poor administration and weak institutions, a lack of commitment on the part of officials, poor dissemination of information, limited political will as there are no motivations or penalties for signing or not signing international instruments, limited capacity and institutional lapses.

3.4 Baseline Data Analysis of Socio-economic Development Governance Practices

The socio-economic development objectives assessed in this section are:

1. Promote self-reliance and build capacity for self-sustaining development
2. Accelerate socio-economic objectives to achieve sustainable development and poverty eradication
3. Strengthen policies, delivery mechanisms and outputs in key social development areas including education for all, combating HIV/AIDS and other communicable diseases
4. Ensuring affordable access to water, energy, finance (including microfinance), markets and ICT to all citizens, especially the rural poor
5. Progress towards gender equality, particularly equal access to education for girls at all levels
6. Encourage broad-based participation in development by all stakeholders at all levels

For each of these six objectives, specific sub-objectives consisting of targets and indicators have been identified and can be found in Annex 2.2.

OBJECTIVE ONE: Promote self-reliance and build capacity for self-sustaining development

Challenges: Consultations with stakeholders to ensure effective participation in development programmes especially with regards to programme implementation; lack of effective stakeholder participation in the national budget preparation process; lack of effective stakeholder and community participation in the district budget and planning process; reliance on budget support for funding the national budget; and high aid dependency for development budget.

Actual governance practices: At the end of the 10-year civil war, Sierra Leone made remarkable moves towards sustainable development. As is consistent with many post-conflict situations, the move from relief to development became urgent. The development phase was geared towards speeding up the process of socio-economic development knowing that these were some of the reasons that plunged the country into conflict. The development phase in the early years post conflict also emphasized the importance of national ownership of the

development process. Development partners were supportive of building the capacity of government officials and recruiting qualified, experienced and competent staff in key ministries. Consequently, the country prepared the Sierra Leone's Vision 2025 (2003), a National Recovery Strategy (2000), an Interim Poverty Reduction Strategy (2002), the First PRSP (2004-08) and the Second PRSP (2009-12). Sierra Leone is in the middle of implementing PRSP-II. The country has also developed and implemented several sectoral policies and plans. The preparation of these documents involved extensive consultations with stakeholders at all administrative levels (ward committee, village committees, district development committees and national level).

It is noteworthy that in post-conflict Sierra Leone, ownership of the design and orientation of national policies and programmes gained prominence. All were nationally driven, with clearly laid out steps, especially with regards to the process of countrywide consultation for national and district development plans. The design of the annual national budget, budget hearings and discussions are held with participants from the districts, civil society and the general public. The use of participatory approach through public consultations, participatory assessment and validation led by national expert with little external support characterised the process of preparing national development plans and policies. The down side of this nationally driven process is its reliance on donor funding. UNDP, for example, is a major donor for the Development Assistant Coordinating Office, which is the Government-established institution staffed with national experts responsible for the coordination of the design and implementation of national development plans.

The implementation of both the national budget and the national development plan relies heavily on external support. Budget support as a percentage of national budget was around 60% in the early 2000s. Budget support in 2010 is 40% of national budget before which it dropped slightly to 39% in 2008 and 2009. For the fiscal years 2011 and 2012, budget support is projected to be 39% though this report recommends lowering budget support in order to increase ownership of the implementation of the budget and national development programmes. To be able to so, domestic revenue collection efforts have to be stepped up. Currently, domestic revenue is 11.6% of GDP. Revenue collection efforts are being intensified through the introduction of a VAT system in 2010. It is too early to make an assessment of the impact of the introduction of VAT both on domestic revenue collection and on inflation but subsequent reviews and updates of this report should attempt to do so.

Another important aspect to monitor with regards to promoting self-reliance and self-sustaining development is measures taken by the government to sustain the ownership of the development programmes. These measures include institutional strengthening but more so capacity building for the preparation and implementation of development plans in addition to resource mobilization to fully fund national development programmes. There is limited data in the baseline with regards to plans to develop the capacity of the government to implement national development plans. However, the Ministry of Finance and Economic Development has a unit called DACO whose responsibility is to monitor the progress of PRSP implementation. Staff of this unit often benefit from external training to improve their M&E capacity. Regular training workshops are also held with district committees responsible for

monitoring PRSP implementation in their districts.

Donors have also supported various schemes in strategic ministries in providing relevant and qualified national staff. In the early years post conflict, some government ministries had Project Implementation Units (PIUs), which are supported by various donor partners including the World Bank and EU. These units hire highly qualified staff most of whom are Sierra Leoneans trained abroad who could otherwise not accept a government job because of poor remuneration. They received attractive salaries paid by these donors to retain such staff. This bolstered the caliber of people working for government and increased the productivity of most government ministries. Some of these units are still found in few ministries like the Ministry of Finance and Economic Development and the Ministry of Trade and Industry.

Strengths: The national ownership in the design and orientation of national development plans has its strength in the resourcefulness, experience and qualification of staff designated with the responsibility to coordinate the implementation of national development plans and programmes. Also, there is an intrinsic desire in the government to put the most pressing issues of the country on the development agenda. This implies that even for the next years, it is likely that the ownership of the design and orientation of development plans will continue.

Weaknesses: There are some notable weaknesses in the ownership of the design and orientation of national development plans. The first is funding of the national development plans and the second is the sustainability in the recruitment and retention of needed highly qualified staff to support the implementation of national development plans. There is no exit strategy for donors supporting PIUs. Such staff are not likely to accept less competitive government remuneration. In the event that donors cease their support, there is a risk of a vacuum being created.

Another notable weakness in ensuring the sustainability of nationally driven development plans and programmes is with regard to funding such programmes. In cases in which donors' areas of interest and government priorities are not aligned, the government will have no option but to follow the donor's agenda.

Also, there is a general lack of qualified and trained M&E staff as well as the lack of a robust M&E system for tracking and monitoring the progress in the implementation of national development plans.

An important part of ensuring and sustaining national ownership of development plans is the active involvement of civil society organizations in their design, implementation and monitoring. CSOs can play oversight role, which is key in ensuring that development plans reflect national reality. Currently, it is a weakness that there is little participation of CSOs in national development planning process.

Potential Risks: The potential risk, which is already mentioned as a weakness, is the availability of experienced and qualified staff to continue to ensure the ownership of the design and monitor the implementation of national development plans and programmes.

Recommendations: To monitor the sustenance of national ownership for the design and

orientation of national development plans and programmes, this report recommends that certain indicators be monitored and reported on, on an annual basis. Regular monitoring of the steps in designing national development plans and programmes should be carried out to see if additional initiatives to deepen national ownership are being implemented. Also, the share of donor support or funds for national development plans should be decreasing as domestic revenue increases. The participation of women in national development planning process should also gradually gain prominence to ensure that ownership of national development planning process is sustained. Also, CSOs should be encouraged to participate more in the national development planning process.

OBJECTIVE TWO: To accelerate socio-economic objectives to achieve sustainable development and poverty eradication

Challenges: Lack of adequate progress monitoring national planning process; lack of funds to support identified priorities in national development plans; poor infrastructural facilities to stimulate private sector investment and employment; low productivity of agriculture because of lack of mechanized farming and reliance on rainfall; limited storage facilities and lack of processing skills and tools of agricultural products; limited access to land for agricultural purposes; a high degree of informal sector activities with constraints to business expansion; an underdeveloped financial market with high cost of credit for private sector development; high poverty rates.

Actual practices: the GDP growth rate in Sierra Leone, a widely used indicator for poverty reduction, has grown at a relatively fast pace post conflict, though in recent years is has slowed. GDP growth rate for 2009 was 4.7%, far short of the 10% annual growth rate that would enable to country to reduce its more than 60% poverty rate, according PRSP-II. Agricultural productivity, which makes up the largest component of GDP growth in Sierra Leone is still low because of limited use of technology and irrigation methods. Post-harvest losses are not easily captured and there is little food processing for value addition.

Progress in achieving poverty reduction and economic growth in the Sierra Leone depends, to a large extent, on human capital, people's access to nutrition, health, education, sanitation, safe drinking water and on people's social integration. A significant reduction in poverty requires the transformation of the rural sector, which has the country's highest poverty rate and the majority of the poor. The strategy should aim to increase farmers' incomes by improving productivity, empowering production from rainfall and reorganizing production chains. Major reforms are needed in productive infrastructure, management and development of water, organization of markets, credit system, and construction of feeder roads.

In other to accelerate socio-economic objectives to achieve sustainable development and poverty eradication, the government and also civil society organisations have established various institutions with the specific mandate of ensuring sustainable development. Some of these include the Poverty Alleviation Strategy Coordinating Office (PASCO); Development Assistant Coordinating Office (DACO); Campaign for Good Governance (CGG); Anti-Corruption Commission (ACC); National Revenue Authority (NRA); National Social

Security and Insurance Trust (NASSIT); and National Commission for Social Action (NACSA).²² Also, as an effort to address environmental concerns, the government has established the Sierra Leone Environmental Protection Agency, although the agency is understaffed and under-resourced.

In the design and implementation of national development programmes, Sierra Leone pays more attention to poverty reduction and less on sustainable development. The concept of providing for today's generation while not compromising provision for tomorrow or future generation is not well embedded in national development plans and programmes. Environment is treated as a cross cutting issue in national development plans. Conscious efforts have to be made by government in ensuring sustainable development.

A considerable number of measures are being put in place to address poverty. Notable progress is seen in particular in the promotion of agriculture especially during the implementation of the country's second PRSP. Agriculture contributes between 30-40% of GDP over the years and about 60% of Sierra Leoneans depend on agriculture for their livelihood. The country has about 5.3 million hectares of arable land, of which only about 10% is being cultivated by 80% of farmers. The government's Small Holder Commercialisation Scheme aims to assist subsistence farmers by providing them with better resources and technical knowledge. This programme holds immense promise and is expected to increase food production and processing and thus farmers' income and food self-sufficiency.

Strengths: Sierra Leone has enormous strengths to apply in pursuit of the socio-economic objectives to achieve sustainable development and eradicate poverty. The country is rich not only in mineral resources but also natural resources, especially fertile soil. It also has resourceful population. Donor support has in most times been forthcoming.

Weaknesses: The lack of or limited use of technology in agriculture is a major weakness in ensuring sustainable development and poverty eradication.

Potential Risks: The Sierra Leone Agenda for Change (PRSP-II) estimates that the amount of funding needed to implement the three-year plan is USD1.92 billion. Expectations are that about 44% of the funds will be provided by donors. This high dependence on foreign aid is a threat to the country's self-reliance and to ensuring sustainable development. This takes on increased importance as many developing countries begin to experience dwindling of foreign aid due to donor fatigue.

There is also a risk of high vulnerability to fluctuation of basic commodities on the international market causing great impact on a country like Sierra Leone. Heavy dependence on importation, especially of basic food coupled with recent increases in international food prices poses a great risk to poverty reduction.

Recommendations: As noted from available, though limited data, some progress is being made especially in reducing poverty. However, considerable efforts are required in ensuring

²² See Annex 2.3.

sustainable development. This report is recommending monitoring of indicators and annual report on key indicators that will highlight progress that is being made in ensuring sustainable development and poverty reduction. More policies with deliberate provision to ensure environmental sustainability should be designed and implemented. To increase agricultural productivity and reduce poverty, improved production technologies, increase land under irrigation to reduce dependence on rain fed agriculture, increase food processing and increased access to land should be monitored. Providing infrastructure for agriculture should also be monitored as this is important in increasing farmers' income through increased access to market.

OBJECTIVE THREE: Strengthen policies, delivery mechanisms and outputs in key social development areas including education for all, combating HIV/AIDs and other communicable diseases

To achieve objective three, the government will have to design appropriate policies, establish and or strengthen delivery mechanism, which include processes and institutions for the implementation of such policies, and closely monitor policy impact or outcomes.

Challenges: Reversing the spread of HIV/AIDS through reducing risky behaviour and increasing knowledge about the disease; reducing malaria-related deaths and other communicable diseases; lack of incentives for health professionals especially in rural and remote areas; low incentives for teachers and high teacher-pupil ratio; high levels of illiteracy, school drop outs and poor quality of education.

Table 3.1: KEY SOCIAL INDICATORS FOR SIERRA LEONE

KEY INDICATORS	VALUE	YEAR
Population	5,559,853	2008
Annual population growth rate	2.5%	2008
GDP per capital	351	2008
Poverty headcount ratio (% of population below poverty line)	70%	2004
Unemployment rate (% of labour force)	2.8%	2005
Gross primary enrolment	147%	2007
Net primary enrolment	73%	2006
Ratio of girls to boys in primary education	9:10	2007
Adult literacy	39%	2008
Access to safe drinking water (%)	49%	2008
Access to safe sanitation (%)	13%	2008
Life expectancy at birth (years)	48	2008
Maternal mortality rate (per 100,000)	857	2008
Under-five mortality rate (per 1,000)	194	2008

Infant mortality rate (per 1,000)	123	2008
Forest cover	38%	2007
Human Development Index (HDI)	0.36	2007

Source: World Bank Atlas (2009)

The table above provides a snapshot of key social development areas. As of 2008, about 60% of the country's population could not read and write. About half of the population has access to drinking water. Though poverty head count has fallen from 70% in 2004 to 60% (PRSP-II), that figure is still high and among the highest on the continent. For the majority of the first ten years that UNDP produced the Human Development Index (HDI) as part of its Human Development Report, Sierra Leone ranked last.

With regards to the Millennium Development Goals, Sierra Leone is one of the African countries lagging behind on their achievement, with the exception of the MDG 3 subgoal on gender parity in primary school and the MDG 6 subgoal of halting and reversing the trend of HIV/AIDS. Until recent gains, Sierra Leone has registered some of the highest maternal and child mortality rates in the world. Considerable progress can be seen in maternal mortality rates, which have dropped from 1,800/100,000 to 857/100,000 in recent years.

Even though progress in achieving the MDGs are minimal, some notable achievements have been made in increasing policy outcomes in key social development areas, including primary schooling, and maternal and child health and HIV/AIDS. Advancements in these areas were the results of efforts made by the government and donor partners to rehabilitate health and educational facilities, implement HIV/AIDS interventions, and introduce, in 2010, a free healthcare policy for women and children and people living with HIV/AIDS. Also, the country received an award for making progress in combating HIV/AIDS. Sierra Leone has also made significant progress in goal 4 (reduce child mortality). As a result, the country moved nine steps up on the 2010HDI, ahead of countries such as Mali, Burkina Faso, Liberia, Chad, and Burundi.

Box 3.1 Sierra Leone's 2010 MDGs Progress Report

MDG 1: Eradicate extreme poverty and hunger.

This goal will not be met. Absolute poverty has fallen from around 70 percent after the war to around 60 percent by 2007, but would need to fall to below 40 percent (lifting 20 percent of the population out of poverty in 5 years) to reach the target. The employment to population ratio has remained constant at 40-45 percent, indicating that the absorptive capacity of the labour market in Sierra Leone is very limited. This is so because of low investment and the fact that many of the people seeking jobs lack relevant education and or skills that are in high demand. While there has been a fall in the poverty ratio, the malnutrition ratio (measured as underweight children under five) does not seem to have fallen.

MDG 2: Achieve Universal Primary Education.

This goal is inconclusive due to limited data available to assess progress towards relevant indicators. Following the end of the war, gross enrollment rose significantly and for a while exceeded 100 percent as older students returned to school. Net enrollment also rose but now seems to have leveled off at between 62 and 69 percent. The yearly enrollment in each of the years 2006 to 2008 remained constant around 62 percent. Drop-out rates are high, notably among girls reaching puberty.

MDG 3: Promote Gender Equality and Empower Women.

This goal will not be met. Near gender balance has been achieved in gross primary enrollment, but with a higher drop-out rate among girls, female completion rates are subsequently much lower. Boys enroll and complete secondary school at a higher rate than girls. Even with an immediate turnaround, parity cannot be reached by 2015. Other forms of discrimination against women still exist and women are generally less empowered than men.

MDG 4: Reduce Child Mortality.

This goal may be met with increased and sustained effort. Following the war, under-five child mortality was estimated at 267/1000 (2005), the highest in the world. A more recent survey (DHS) estimates child mortality at 140. This is a major achievement and if sustained Sierra Leone might reach a target below 100 and therefore close to the target of 95 by 2015. A similar fall was noted for infant mortality. The new Free Healthcare Initiative should help create and maintain momentum for progress toward this goal. This goal may be met with effective delivery of ongoing programmes and increase financing.

MDG 5: Improve Maternal Health.

This goal may be met with increased and sustained effort. In 2000 the maternal mortality ratio was 1800/100,000 births, the world's highest. A 2008 DHS report puts this number at 857, a dramatic drop (see also footnote 1). As with child mortality, the Free Healthcare Initiative should increase the possibility of achieving the target of around 450/100,000 in 2015. This goal may be met with effective delivery of ongoing programmes and increase financing.

MDG 6: Combat HIV/Aids, Malaria and other diseases.

This goal is likely to be partly met. The targets for combating HIV/AIDS will be met, but reducing malaria and TB will lag behind. HIV prevalence appears to have been stabilized at a rate of just over 1.5 percent of the general population, with pockets of higher prevalence among certain groups. Treatment options are widely available free of charge, but fear of stigma appears to be a larger obstacle to effective treatment than access. While there has not been much progress in reducing the incidence of malaria, there are no indications that the disease is growing in frequency. Planned campaigns—providing treated bed-nets, etc.—should at least help stabilize and possibly start to reverse incidence. The TB prevalence rate is difficult to assess because of stigma, but the treatment success rate is encouraging (average 85 percent).

MDG 7: Ensure environmental sustainability.

This goal will not be met. Remaining forest cover is currently less than 5 percent of total forest and cannot be reversed by 2015. Sustainable development principles should be incorporated into policies and programmes for reversal of the loss of environmental resources. Many sustainable principles have already been incorporated into Law and policies, but require medium to long term implementation. Biodiversity is still being lost in many parts of the country. Progress is being made in rural water supply, but is still a long way from reaching its target. Major towns, with large populations, are without safe drinking water. The proportion of people with access to safe drinking water has leveled off at 50 percent in 2008. The MDG target for 2015 is 73 percent.

MDG 8: Develop a Global Partnership for Development.

This goal, while a global one, may be met locally with sustained effort. Sierra Leone enjoys strong support and partnership from the international community, with ODA levels remaining stable at around US\$65 per capita. All Development Partners have endorsed the Government's Agenda for Change, and new support strategies (UN Joint Vision, AfDB/WB Joint Assistance Strategy) are fully aligned with it. A new Aid Policy has been approved by Government and endorsed by all Development Partners. In this regard, regular Government/Development Partners meetings now take place.

In addition to national development plans and programmes the country has also been designing various sectoral plans and policies. Some of these are the NSADP, the national program for the NEPAD-CAADP/ECOWAP Process, the Health Strategy, the Education for All Policy, and the financial sector development plan (FSDP). In addition to sectoral policies, in the quest to strengthen policies and delivery mechanism, the government has passed key legislation to ensure the provision of services. Some of these include the Telecommunication Act 2007 (Amended) (No.11), The National Power Authority Act, 2006 (amended) (No.4), The Education Act 2004 (No.2), The Public Health Act 2004(Amended) (No.8), The Sierra Leone Water Company Act 2001 (No.6) etc.

The enactment of the Education Act provided compulsory and free primary school education. The Sababu project was set up after the conflict to take care of the rehabilitation and reconstruction of basic educational facilities including secondary and primary schools all over the country. This was aimed at increasing the literacy level in the country especially for girls and women. Over the past 10 years, the country has made some progress in the area of education. The net enrolment in primary education increased. However, the primary school completion rate is low, which suggests that the school dropout rate is highest among girls. Even with continuous reforms and support for the education sector, public examination pass rates have been low especially at the senior secondary school level, which is the entry examination for university education. In 2007/08 and 2008/09 school years, only 20% and 19% of candidates for the senior secondary school exams (WASCE) had the necessary grades to gain access to university.

The vehicle or mechanism for the provision of basic services has been mainly through government ministries, departments and agencies. The Ministries of Education and Health are responsible for delivery of services for these sectors including policy formulation and implementation, monitoring the implementation of programmes and ensuring that education and health services are provided to all in Sierra Leone. Equally so Sierra Leone Road Transport Authority, the National Power Authority are responsible for providing roads and energy services respectively.

Strengths: There is a strong political will and government commitment to making positive progress in achieving the MDGs. This is especially so since because of the conflict the country lost a decade (1992-2002) before starting its investment on the MDGs compared to other countries. Since 2002, the government has ensured that all development programmes integrate the MDGs. There are clear strategies and programmes for ensuring basic service delivery, and policies and laws have also been enacted. With the required resources and expertise, the foundation for ensuring outputs in key social development areas has been laid.

Weaknesses: Persistently low levels of human capital pose a “chicken or egg” problem with no immediate solution. Many schools were rehabilitated and constructed but not all of them have been adequately equipped with learning materials and staffed with teachers. Health centres in rural areas are not all equipped with qualified and trained medical practitioners. There are still cultural and traditional beliefs holding back on progress with regards to the girl child education. Funding is also not adequate, especially for the provision of basic health care

facilities.

Potential risks: The social sector is still heavily reliant on donor support. Even with direct budget support, some resources are specifically earmarked for social sector spending. Dwindling of such resources is likely to affect progress in social sectors. Also, with the increased emphasis on infrastructure, which is both human-capital and financial-capital intensive, service delivery in education and health are likely to be affected.

Recommendations: Sierra Leone has made notable strides in providing basic services to the population. Key institutions have been established, policies designed and laws enacted to increase the impact of socio-economic policies and programmes. However, more needs to be done in ensuring that delivery mechanisms meet up their responsibilities and policies produce the desired outcome. Monitoring of service delivery needs to be intensified.

Sierra Leone is now implementing its second PRSP. A comprehensive and independent review and evaluation of the country's socio-economic development will help to support the claims of progress made over the years. This report is proposing the annual monitoring of key health including HIV/AIDS, education, and policy delivery mechanisms to track progress in providing services in key social areas.

OBJECTIVE FOUR: Ensuring affordable access to water, energy, finance (including microfinance), markets and ICT to all citizens, especially the rural poor

Access to basic service needs especially for rural population has remained a desired goal of the government of Sierra Leone. The priority of Sierra Leone, after the conflict, is to concentrate on providing basic services to the rural population, who are more disadvantaged with regards to access to services.

Challenges: Limited access to finance; inadequate goods market and market information; a poor road network, limited access to ICT; limited access to sustainable drinking water source; poor sanitation facilities; lack of and limited access to energy supply.

Actual governance practices: The problems presented above are not devoid of the history of declining economic growth and development preceding the eruption of conflict. Also, bad governance, the protracted civil war and the diversion of resources to conflict caused extensive damage to the social sector in Sierra Leone. It is not surprising then that the majority of Sierra Leoneans, especially those in the rural areas continue to lack access to basic social services.

The baseline data for indicators identified for this objective is still incomplete largely due to data unavailability. However, for some of the indicators, this report found that access to basic services is still a problem in Sierra Leone even though the country has created/established several institutions for the provision of basic service delivery. With access to energy specifically, 79% of the population depends on kerosene while another 16% use electricity but mostly for lighting purposes only. Providing electricity for citizens is also expensive especially with the non-payment of electric bills as a result of poor bills collection. The Sierra Leone National Power Authority is now installing pre-paid metres and has also instituted a

banking system for bill payment. These measures are expected to increase efficiency in bill collection and subsequent increase in provision of electricity. According to the PRSP-II, only about 1% of the rural population have access to electricity.

With regards to access to water and sanitation, about 84% of population in urban areas have access to water while only 30% of rural population could access sustainable drinking water source. The national situation is worse with access to sanitation where only a mere 13% of the population have access to sanitation.

For most parts of Sierra Leone, there is limited access to basic socioeconomic infrastructure, and the weakness of public services is exacerbated by the lack of maintenance of existing infrastructure. The road network is in poor condition and often impassable during the rainy season. The network of tarred roads is limited to some district headquarter towns. Poor infrastructure to improve access contributes to higher transportation costs and commodity prices in Sierra Leone, which are higher compared to neighbouring countries.

Strengths: Sierra Leone is a relatively small country and not sparsely populated like countries such as Botswana. Providing access to basic services should therefore not pose major challenges. Also, the country is endowed with natural resources as the country boasts 12 rivers and access to the sea and abundant sunlight. With the available technology and financial resources, providing rural electrification, water supply should be easily met.

Weaknesses: High cost of providing services due to dilapidated infrastructure.

Recommendations: Sierra Leone is still a long way from providing access to basic services especially for people in rural areas. There is a huge gap between urban and rural population with regards to access to all basic services. The use of electricity, access to water, basic sanitation, finance, market and ICT services are still confined to urban areas with rural population having only limited access to some of these basic needs. As a result, the report has provided indicators in the above-mentioned areas that should be monitored regularly to track progress in providing basic services especially to rural population.

OBJECTIVE FIVE: Progress towards gender equality, particularly equal access to education for girls at all levels

Ensuring gender equality has long been recognized by the international community, development practitioners and gender activists as vital for economic development and the wellbeing of women.

Challenges: Lack of proper implementation of gender programmes and monitoring; limited funding for gender programmes; lack of proper monitoring of gender programmes and timely reporting on gender related international treaties; limited representation of women in politics and decision-making positions.

Actual governance practices: The Convention on the Elimination of Discrimination against Women (CEDAW) was signed and ratified by the Sierra Leone Government in 1988. Sierra Leone also embraced the Beijing Declaration and has made progress in designing policies

and establishing institutions for the implementation of gender programmes. The creation of the Ministry of Gender, Social Welfare and Children's Affairs in 1996 is one such move. The government also established a parliamentary subcommittee on gender. The National Policy on the Advancement of Women adopted by government in 2000 regards women's political empowerment of Women as a strategy for facilitating the full participation of women in the decision-making process. A national gender policy has also been enacted. However, from the current budget allocations a mere 0.163% of the national budget is allocated to the Ministry of Welfare Gender and Children's Affairs, which reveals that gender is a relatively low priority.

However, when it comes to ensuring equity in education, the government's affirmative action policy has led to an increase in the enrolment of girls at all levels. The abolition of primary school fees for all children in 2001, the provision of full school support for girls entering the Junior Secondary School and school feeding programmes in some rural areas have led to increased number of girls in school. In 2003, there were 58% and 42% of boys and girls, respectively in primary school enrolment. In 2005, there were 63% boys and 37% girls in both primary and secondary schools. According to the MICS3 2005 Report, gender parity (girls to boys) has sharply increased thereafter to 101% in primary schools and 78% in secondary schools (Sierra Leone 2010 MDG report).

In order to enhance the democratization process, post-conflict developing countries such as Mozambique and Rwanda have adopted affirmative measures, including reserved seats and quotas, to ensure the participation of women. Sierra Leone is now discussing the quota system but the country has yet to take this further by including this issue in the Constitution, which is being reviewed, or in other legal documents. Compared to other post-conflict countries such as Mozambique, Rwanda and Liberia, women in Sierra Leone are still a long way to gaining parity in participation in politics. An estimated 14% of women stand for election, which is less than half of the MDG target of 30% for women's participation in politics.

Strengths: In increasing the gender equality in access to education and participation in politics, Sierra Leone has great strengths in the laws it has enacted. Also, there is increasing awareness of the role and importance of women in economic development. Several international instruments have been ratified and are being domesticated and reported on regularly. There is also strong political commitment to ensuring gender equality. Another strength is the presence of strong gender advocacy organizations and expertise in the country.

Weaknesses: Culture and traditional norms with regards to the role of women in society are still entrenched, and thus breaking through the glass ceiling to ensure gender equality is still a tough exercise. The prevalence of high poverty rates and limited economic opportunities, especially among the rural population, is also likely to hamper progress in girls' educational attainment because they are often taken out of school to help supplement family income.

Conclusion: There has been considerable progress made in reducing disparity among boys and girls in schools. The government has been implementing policies that promote girl child

education and innovative measures such as free examination fees and free uniforms for girls that have seen increased number of girls in schools.

OBJECTIVE SIX: Encourage broad-based participation in development by all stakeholders at all levels

Challenges: Countering the long history of dependence on the government, donors and NGOs for livelihood support; motivating rural communities to believe that they can contribute to their own development; the inaccessibility of some remote areas in ensuring participation in consultation on development programmes; obtaining local contributions to development by rural communities; widespread rural poverty.

Actual governance practices: The Government has promoted participatory development in all its interventions, policies and strategies especially in the post-conflict period, beginning with the design and implementation of the Interim Poverty Reduction Strategy in 2001, and continuing with the PRSP-I (2005-2008) and the PRSP-II (2009-2012). Establishing and support through adequately funding the National Commission for Social Action (NaCSA) is one such clear move by the government to ensure broad-based participation in development by all stakeholders, especially people in rural areas.

With the NaCSA, a variety of projects were undertaken at the community level including supply of pipe borne water in Moyamba district and several other rural areas. Also, road maintenance, followed by construction of schools, markets and water and sanitation projects in various districts with active participation of rural communities.

The active participation of rural communities in their development has been ensured not only in the design of programmes but also in the implementation. To increase communities' commitment and interest in the Small Holder Commercialization Schemes, rural communities now provide counterpart funding in the form of providing local materials for the construction for Agricultural Business Centres. This has seen increased collaboration among rural communities and participation in development.

Concluding thoughts and recommendations

This section of the report has addressed several questions: What is the status of Sierra Leone's socio-economic development and governance? What are Sierra Leone's vision, strategies and policies to foster socio-economic development? How will Sierra Leone get there? Are national strategic programmes in line with the socio-economic governance objectives? It is these questions that the monitoring framework, the indicators' matrix and the baseline data will address on an annual basis.

Self-reliance in development requires not only capacity building and the provision of public services but also ownership and leadership, as well as broad and deep participation by all sectors of society. It requires anchoring the development of the country on its resources and the resourcefulness of its people. Ownership and leadership of the development process entails setting development priorities, mobilising resources and access to private investments. It is vital to sustain and build on the level of ownership in the design of national development plans

and programmes. Efforts to mobilise domestic resources to fully fund national development plans and programmes should also be stepped up.

The need to accelerate socio-economic development is vital to Sierra Leone. There is a need to know what is being accomplished by way of policy formulation and effective service delivery, from shelter to health, from education to sanitation; effective monitoring will be key.

4. ECONOMIC MANAGEMENT AND GOVERNANCE

4.1 Introduction

The following analysis is carried out using two broad approaches. First, it examines Sierra Leone's compliance with a normative framework for national economic management and governance a range of internationally recognized codes and multilateral protocols relating to economic management. Sierra Leone, through ongoing processes like the African Peer Review Mechanism (APRM) has committed itself towards adopting and implementing the prescriptions of these codes and protocols; the analysis therefore aims at assessing the level of compliance, or lack thereof, in these efforts. Second, the analysis includes narratives of actual practices in place, including detailed explanations of the strengths and weaknesses of existing systems, policies and programmes as well as the challenges Sierra Leone faces in realizing the stated objectives. It also includes a general overview of the country's state of affairs with regard to economic management and governance.

4.2 Context of Economic Management and Governance in Sierra Leone

The protracted civil war, general insecurity, as well as poor governance adversely affected Sierra Leone's economic performance during the greater part of the last decade, leading to a collapse in confidence, a sustained contraction in output, and a substantial increase in poverty. The particularly violent episodes of rebel activities in 1995, 1997, and 1999 reversed much of the earlier economic gains and disrupted the implementation of key policy reform, thereby constraining the progress that could have been made in alleviating poverty. In recent years Sierra Leone has made great strides in achieving macroeconomic stability, though inflation remained in double digits. Since the end of the civil conflict in 2002, real GDP growth rebounded; averaging close to 8 percent a year between 2003 and 2008, but end-period inflation has averaged over 12 percent.

The Bank of Sierra Leone (BSL), whose primary goal is to maintain low inflation, has sought to meet this challenge despite having limited instruments of monetary policy and facing a general dominance of fiscal policy. Sierra Leone depends largely on foreign grants to finance its budget. Over the last five years, changes in net foreign assets have constituted on average more than 80 percent of the growth of broad money. The BSL has few ways to sterilize the foreign aid inflows. The country's dependence on external budgetary support has therefore exacerbated the fiscal dominance problem, rendering the conduct of monetary policy even more precarious.

Sierra Leone is a mining-rich (principally diamonds, rutile and bauxite) economy with a low level of financial intermediation. The post-war economic recovery has brought significant growth rates in recent years, fueled mainly by agriculture, mining, services and construction. A large part of economic transactions occur in the informal sector and the financial system is underdeveloped, with only about 160,000 bank accounts for a population of more than 5 million inhabitants. Credit to the private sector in 2007 was about 5 percent of GDP; the sub-Saharan African average was 17 percent. With limited financial intermediation, interest rates have less impact on household consumption and saving decisions. A considerable portion of

imports is directly financed by export proceeds because importers often are also exporters. Thus, the bulk of foreign exchange needs tends to be supplied outside of formal channels.

With support from its development partners, Sierra Leone has made significant progress in the pursuit of macroeconomic stability in recent years. Following the successful implementation of the first Poverty Reduction and Growth Facility (PRGF-II) arrangement (2001-2005), the Government entered into negotiations for a successor PRGF arrangement with the IMF. Based on the track record of economic performance, the Executive Board of the IMF approved the PRGF-II in May 2006. With continued donor support, during the implementation of PRSP-I, Sierra Leone achieved a relatively stable macroeconomic environment with strong economic growth, moderate inflation, declining current and fiscal account balances, increased level of foreign reserves, a broadly stable exchange rate, positive real interest rates and a lower external debt burden. Sierra Leone reached the completion point under the Heavily Indebted Poor Countries (HIPC) initiative in December 2006, and qualified for debt relief under the Multilateral Debt Relief Initiative (MDRI).

4.3 Analysis of Economic Management and Governance Practices and Findings

Despite its history of poor performance in terms of economic management, Sierra Leone has tried to place itself within the context of a number of multilateral protocols, programmes and policy arrangements. The national economic management and governance framework of NEPAD's APRM creates a concise context within which countries can assess their performance. Annex 3.1 presents Sierra Leone's status in terms of signing, approving or ratifying as many as 15 the relevant international protocols and instruments. As at the time of preparing this report, Sierra Leone is in various stages of incorporating and implementing the principles of these instruments within its national policy and programme development framework.

Sierra Leone is among the countries that has signed and ratified the NEPAD Framework Document, in addition to a number of other regional treaties and conventions including the African Union Convention on Preventing and Combating Corruption, the Abuja Treaty establishing the African Economic Community, the ECOWAS Treaty and the Mano River Union Treaty.

The country has also officially adopted a number of international codes and standards aimed at introducing transparency into the public financial management system. The International Accounting Standards and International Financial Reporting Standards provide the policy framework for preparation of financial statements by public agencies.

The analysis of actual practices in the area of economic management and governance aims at highlighting key achievements by the government, stating the main strengths and weaknesses of ongoing programmes as well as the challenges and risks. It concludes by making recommendations for how to move forward on the macroeconomic management and governance objectives. The analysis is organized according to the five objectives stated in the analytical framework:

1. Promoting macroeconomic policies to support sustainable development
2. Implement sound, transparent and predictable government economic policies
3. Promote sound public financial management
4. Fight corruption and money laundering
5. Accelerate regional integration by participating in the harmonization of monetary, trade and investment policies

OBJECTIVE 1: Promoting macroeconomic policies to support sustainable development

The Government of Sierra Leone has stated in several policy documents that it is committed to maintaining macroeconomic stability, promoting sustained and broad-based growth and pursuing structural reforms. The medium-term macroeconomic objectives are to sustain broad-based growth, reduce average inflation to single digits and maintain gross foreign reserves at a minimum of 3.5 months of import cover. Economic growth over the medium term will continue to be broad-based, with output increasing in all major sectors. Increasing public and private investment and more reliable electricity supply are expected to sustain these activities.

Taking into consideration the lingering effect of the surge in oil and food prices, the country recently registered high levels of inflation and a depreciation of the domestic currency against other international currencies. The global financial crisis had an impact on the country's economy; however, the government continues to state its commitment to maintaining a stable macroeconomic environment. The evidenced has been mixed as inflation fluctuates between low single-digit levels for short periods and then increases into double digits for other periods. As the economy is a net importer of goods, recent depreciations in the exchange rate created pass-through effects on domestic prices. The country exports mainly primary products such as cash crops and mineral resources, and the fall in the global market demand and prices further weakened export performance.

Actual governance practices: The country has, however, taken steps to strengthen economic management as well as improve the domestic financial system. Recent government policies focused on containing inflationary pressures; the Bank of Sierra Leone continues to utilize monetary policy and liquidity instruments to manage inflation. The Bank also introduced a number of market-based operations to deepen the inter-bank market and manage the overall liquidity in the economy. The financial sector, which is mainly dominated by commercial banks, recently saw the establishment of the Sierra Leone Stock Exchange as part of the Financial Sector Development Plan (FSDP). The FSDP, which encouraged the amendment of the Financial Services Act to encourage the establishment of new institutions, is a framework that aims at creating a diversified, responsive and well-functioning financial system.

Challenges: Sierra Leone's economy is vulnerable external shocks, making macroeconomic management a serious challenge. Some of these are summarized as follows:

1. A lack of the necessary political commitment to put in place and maintain sound macroeconomic policies.
2. Excessive influence of international financial institutions and multilateral development organizations in the formulation of macroeconomic policies.
3. A low level of contribution by domestic experts in macroeconomic policy formulation.
4. Inadequate policies at sectoral level to support national economic growth and development.
5. A relatively low level of public investment in infrastructure and other prerequisites for balanced and sustained economic growth.

Strengths: The government has in place well structured policy documents in terms of the Medium Term Expenditure Framework (MTEF) and the Agenda for Change (PRSP-II), with objectives geared towards promoting macroeconomic stability and sustained growth. The country has a pool of domestic experts both internally and abroad, as well as a wide range of untapped potentials and resources. There is also a lot of interest from the international community in investing in the country. There is currently peace and political stability.

Weaknesses: The country being a substantial net-importer of goods makes it difficult in managing key macroeconomic variables. There is a lack of adequate and alternative means of financing public projects. The country's financial market is still fairly young.

Potential risks: The financial implications of putting in place measures and taking steps towards achieving sustainable development in the midst of a low revenue-generating base can be enormous. This is likely to cause continued and increasing dependence on foreign financial assistance, which may prevent the country from becoming self-reliant and achieving self-sustaining development.

Conclusion and recommendations: Achieving macroeconomic stability is at the centre of the government's agenda for change and its programme framework for economic management. The country has and continues to take strides towards achieving economic stability and sustainable development. Major infrastructural development projects have been embarked on. With the return of peace and political stability, the country has succeeded in gaining the attention of donors and international investors. Some progress has been made in increasing growth, putting up institutions to promote export, investment and public-private partnerships and improving the country's ranking on UNDP's annual Human Development Index.

However, to ensure and further promote financial stability, limit its dependence on external donors and reduce domestic borrowing, focus has to be given to improving the country's short-term capacity to raise revenues to finance projects. There is also a need for the economy to undergo a structural transformation, diversify its export base to increase export revenue and reduce volume of imports so as to hedge against external shock vulnerability.

OBJECTIVE 2: Implement sound, transparent and predictable government economic policies

In line with the challenges to developing transparent and predictable economic policies, the objective of the government's medium-term economic and public expenditure policy is to ensure expenditure is directed to meet the poverty-reducing goals of PRSP-II, while maintaining prudent expenditure controls and avoiding domestic borrowing to finance the budget.

Actual governance practices: A number of ongoing policy initiatives aim at injecting some level of predictability in public policy tools such as the budget. One key policy initiative is the medium-term expenditure framework for public budgeting and expenditure management. This system of public budgeting and expenditure management has been in place since 2001. Major constraints in budget and MTEF preparation during PRSP-I (2001-2004) were the unrealistic projections that were made of the government's resource envelope, and the weak capacity of the MTEF process to provide a framework for the strategic allocation of budgetary funds. In 2008, the government commenced the preparation of Medium-Term Fiscal Frameworks, incorporating realistic medium term resource projections. As part of this initiative, MoFED introduced rigorous and evidence-based macroeconomic and revenue forecasting and planning systems.

To better integrate implementing ministries, departments and agencies (MDAs) into the economic policy and public financial management process, the government developed new guidelines for the preparation of strategic plans by MDAs, and ensured that the strategic plans adequately reflect resource allocations to these MDAs. Capacity building assistance is being provided to all MDAs to improve the quality of their strategic plans. Budget committees will occupy a central role in the preparation and implementation of MDA budgets, and will be responsible for the preparation of the MDA strategic plans, monitoring expenditure and results.

The government is making use of these key performance indicators to monitor and evaluate the performance of each MDA over the MTEF period. The Performance Budgeting Module in IFMIS (Integrated Financial Management Information System) will also be used for budget planning and execution. The government continues to expand stakeholder participation in the MTEF process. MDAs will collaborate with civil society organisations and the District Budget Oversight Committees in the planning, monitoring and implementation phases of their programs. To address the issue of commitment control, the Accountant General's department has stated its plans to continue to rollout IFMIS, which allows processing of transactions relating to specific MDAs from their respective locations.

Also, the government of Sierra Leone is subjected to the public expenditure and financial accountability (PEFA) process. Sierra Leone has produced Public Financial Management Assessment Reports since 2006 and the latest is the PFM Assessment Report 2010.²³ The

²³ Annual PFM Assessment reports for Sierra Leone from 2006 to 2010 can be obtained from the Ministry of Finance and Economic Development website: www.mofed.gov.sl.

2010 PFM assessment report was prepared by a team of consultants with comments from the PEFA secretariat and development partners. The report was also subjected to a validation workshop.

The central rationale for PFM reforms is the rebuilding of PFM legislation and skills to strengthen public expenditure. This is to improve the efficiency and effectiveness of public spending and consequently reduce poverty. Key elements of the public expenditure reforms include managing fiscal risks, improving public investment management, strengthening budget execution, furthering procurement reforms and improving the integrity of the government payroll. Results of the 2010 assessment report indicate that there is some improvement in the seven areas²⁴ of assessment on PFM, though some weaknesses still exist.

Challenges: Key challenges to implementing sound, transparent and predictable government economic policies include:

1. Lack of commitment to a clearly defined long-term economic policy framework
2. Lack of clearly defined processes and methods in compilation of economic data and projections
3. Lack of adequate participation at all levels in the formulation and implementation of key economic policies and programmes
4. Lack of an effective public administration

Strengths: The country has ensured that there are institutions and policies in place to guide economic policymaking. There is continued financial and technical support to the MoFED from international donors and partners.

Weaknesses: The research activities being undertaken to guide and advise economic policy decisions are not yet adequate. This situation limits access to economic and financial statistics that could be used to better understand the economic dynamics and make projections.

Potential Risks: With inadequate economic research and lack of reliable and timely statistical data, there is a tendency for government to make vital policy decisions based on the experiences of other countries or based on speculation.

Conclusion and recommendations: The country has taken steps to improving on its implementation of sound, transparent and predictable economic policies. Progress has been made in terms of designing strategies to support policymaking and strengthening institutions to participate fully in the formulation of economic policies. Through the Access to Public Information Bill tabled in Parliament, steps are being made to ensure that reliable data on economic and other pertinent issues can be obtained in a timely manner.

²⁴ These are: credibility of the budget, comprehensiveness and transparency, policy-based budgeting, predictability and control in budget execution, accounting, recording and reporting, external scrutiny and audit and donor practices.

All ministries, departments and agencies (MDAs) are required to prepare strategic plans that adequately reflect the resources that are allocated to them. Strategies are in place to monitor and evaluate the performance of each MDA over the MTEF period.

The 2010 PEFA (public expenditure and financial accountability) assessment pointed to weaknesses in budget formulation, which is currently focused on aggregate expenditures rather than on a distribution of spending by agencies that reflects their policies and plans. The GoSL should now ensure that IFMIS and related control improvements are sustained and deepened and that concerns raised in the 2008 audit opinion are acted upon with the ultimate aim of producing timely and accurate Statements of Accounts which can be given an unqualified opinion.

Finally, it should be ensured that research on economic-related issues be undertaken to allow for policy decisions to be made based on facts. Institutions and key ministries should be encouraged to carry out research and publish statistical information on a regular basis.

OBJECTIVE 3: Promote sound public financial management

A stated goal of the government is to ensure the continuous operation of a sound public financial management (PFM) system which supports fiscal discipline; the strategic, efficient and effective allocation of resources; and value for money and probity in the use of public funds.

Actual governance practices:

1. Enactment of the Government Budgeting and Accountability Act in May 2005 and the adoption of Financial Management Regulations in June 2007.
2. Enactment of the National Public Procurement Act 2004, followed by the establishment of a central regulatory authority for procurement and a complaints review panel. This led to the establishment of procurement committees in all procuring agencies and the training of procurement personnel.
3. Bringing the publication of annual public accounts, audit reports and the quarterly publication of un-audited accounts up to date.
4. Introduction of the Integrated Financial Management Information System (IFMIS) and its roll out to key institutions.
5. Formulation of a National Action Plan for PFM reform, internal and external assessments of the state of PFM using standard PEFA methodology.
6. Drafting of the Financial Administration Regulation for Local Councils.
7. Future reform is to be implemented within the Integrated Public Financial Management Reform Programme, which consolidates the PFM reforms within a single and harmonized framework and will focus on:
 - Budget formulation, refining and deepening the MTEF process;
 - Macro fiscal analysis and management;
 - Extending the roll-out of IFMIS to include all MDAs. This will also involve the roll out of IFMIS Performance Budgeting Modules;

- Improving human resource and payroll management;
- Improving audit and oversight through providing logistics and training for internal audit units as well as Parliamentarians;
- Strengthening debt management by ensuring that all institutions involved in debt management have clear mandates;
- Reviewing the legal and regulatory framework for a sound PFM system;
- Developing the capacity of local councils in terms of financial management by providing training and the development of an interim financial management system for local councils.

Challenges: Despite progress made, there is evidence of key challenges in realizing the public expenditure management goals. These include:

1. Lack of effective central government fiscal planning and management capacity.
2. Lack of effective administrative and legislative bodies in government budget management.
3. High levels of public borrowing.
4. Slow fiscal decentralisation processes.
5. Weak monitoring and reporting on financial management outcomes.

Strengths: The appropriate policies and acts to ensure sound public financial management are in place and have been enacted. Institutions to facilitate the management of public finance have been established.

Weaknesses: Revenue generating capacity of the country is highly limited, whereas its expenditure and investment needs are enormous. The capital market as a means of alternative sources of financing is still in its early stages of development and not very robust.

Conclusion and recommendations: Several reform programmes have been initiated to allow public finance to be managed efficiently. Despite the introduction of the goods and services tax (GST), the country still generates inadequate revenue to meet its high level of expenditure. This continues to result in big fiscal deficits, causing the government to resort to domestic borrowing and continued dependence on foreign aid. With the appropriate policies and acts in place, the government should ensure that institutions are strengthened to implement, regularly monitor and evaluate the public financial management system. The country should make more effective use of its natural resources to encourage investment and create other avenues for generating revenue.

OBJECTIVE 4: Fight corruption and money laundering

Actual governance practices: The government is firmly committed to the fight against corruption. The Anti-Corruption Commission (ACC) was established through an Act of Parliament in February 2000 with a mandate to prevent all forms of corruption in Sierra Leone. The ACC is a crucial part of the process of consolidating peace and good governance. The ACC faced considerable difficulties during its initial stages as it undertook its role. For example, it had to contend with a lack of capacity within its investigations department, which hampered its ability to successfully investigate and prosecute cases of corruption. This was

due to a shortage of trained staff and basic equipment needed to undertake investigations. Also, it was not an autonomous prosecuting body and required the consent of the Attorney General in order to initiate prosecutions, which proved to be a problem. The government in recent times has focused on improving the capacity of the ACC to implement the National Anti Corruption Strategy, expand service delivery, enhance public awareness on corruption issues, and improve the ACC's image.

Another obstacle in the implementation of anti-corruption policies is political interference in the operations of the commission. In the current government, but especially notable in the SLPP led government, frequent political interference in the operations and decisions of the ACC affected its image and effectiveness. The ACC commissioners were frequently replaced, leading to the general public's mistrust and lack of confidence on the integrity and role of the commission in eradicating corruption.

The effectiveness of the ACC in Sierra Leone can be assessed by looking at the country's score on Transparency International's corruption perception index (CPI).²⁵ Sierra Leone has consistently scored less than 2.5 on a scale of zero to 10 (where 10 represents highly clean and 0 represents highly corrupt) since 2003.

Corruption Perception Indices for Sierra Leone, 2003-2008

Year	Rank	No. of countries surveyed	Corruption Perception Index
2003	113	133	2.2
2004	114	145	2.3
2005	126	158	2.4
2006	142	162	2.2
2007	150	179	2.1
2008	158	180	1.9
2009	146	180	2.2

The government's approach towards money laundering and terrorist financing is of growing concern. The government's Financial Sector Plan is part of a broad strategy to address various loopholes including the abuses in international money transfers and remittances and also trade-based money laundering. The role, structure and operations of the Financial Intelligence Unit will be broadened.

Efforts to strengthen the banking system will also help. Strengthening short-term financial markets and monetary policy will contribute to macro-economic stability and to efficiency in the banking system by creating more robust short-term investment, liquidity management, and inter-bank market activities. Improving payments systems to facilitate inter-bank transactions will increase the use of electronic payments, credit cards, and ATM machines, thereby reducing the costly dominance of cash transactions in the economy. It is expected

²⁵ Information from 2003 to 2009 obtained from Adusei Jumah (2009), Sierra Leone As Seen Through International Economic and Social Indicators, UNDP.

that in the next 3 to 5 years, the Bank of Sierra Leone will develop the capacity to provide payments system oversight and facilitate the use of new electronic payment instruments such as credit cards and ATMs for retail transactions. With anticipated assistance from the ADB, there will be participation in a regionally oriented program to design and introduce a harmonized Real Time Gross Settlements system to facilitate eventual regional integration. An automatic clearing house may be introduced when the volume of transactions make it cost effective.

Because proceeds from corruption in most cases are laundered in some way (either by depositing in a foreign or domestic financial institution, or using the proceeds to purchase assets or goods), mechanisms used for prevention and detection of money laundering and terrorist financing are also useful in preventing and detecting corruption. Therefore, the government has recently enhanced implementation of systems for Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) as a way of substantially strengthening the fight against corruption. Sierra Leone has made some progress by adopting, in 2005, an AML/CFT law, which contemplates establishment of a financial intelligence unit, but implementation has stalled due to lack of resources and capacity challenges.

Challenges: Despite the attempts being made by the government to fight corruption, the key challenges remain the elimination of corruption at all levels and the elimination of money laundering within the financial system.

Strengths: The country has a fully independent central bank and a recently established independent anti-corruption commission. The country has also adopted codes and standards to guard against corrupt and money laundering practices.

Weaknesses: Inadequate capacity and lack of skilled personnel in institutions to ensure that anti-corruption laws and policies are implemented and monitored appropriately.

Conclusion and recommendations: Through the establishment of the Anti-Corruption Commission, the government has shown its commitment to fighting corruption. Measures and policies have been put in place including the introduction of Internal Audit Units in the various ministries, departments and agencies (MDAs). Many cases have been successfully prosecuted recently including those involving government officials. The country should, however, strengthen the skills and capacity of institutions responsible for fighting corruption as well as that of banking and other financial institutions to assist in the fight against money laundering and fraud in the financial sector.

OBJECTIVE 5: Accelerate regional integration by participating in the harmonization of monetary, trade and investment policies

The Government of Sierra Leone in many policy statements underscores the importance of regional integration as an opportunity to fight external shocks and facilitate growth among countries in the same region. Sierra Leone is among five countries in the ECOWAS region that are promoting the establishment of a single currency through the West African Monetary Zone (WAMZ). There have been recent challenges for countries to meet the necessary

convergence criteria, including macroeconomic convergence and the establishment of appropriate institutions.

Challenges:

1. There is usually a lack of consistency between national and regional economic policies.
2. There is often lack of meaningful implementation of regional economic treaties and protocols.
3. The country will have to incur cost of participating in regional integration.
4. It is sometimes difficult to come up with agreements that will result in a common benefit to all members in a particular regional bloc, as countries are faced with different circumstances and often have different agreements with other trading blocs outside the region.
5. There is often the fear by smaller economies of dominance by the larger economy in the region.

Strengths: Sierra Leone is in a strategic position in the West Africa region with a harbor that can facilitate transport of goods within the region. It is endowed with natural resources and a beautiful landscape that can make it a potential investment destination and a centre of attraction in the region.

Weaknesses: There is lack of appropriate institutions and systems in place to facilitate a successful participation in regional integration. Sierra Leone is yet to meet the targets of key macroeconomic indicators that would allow them to participate fully in regional harmonization.

Potential risks: As one of the smaller economies in the region, Sierra Leone risks being a minor player in the process of regional integration. The harmonization of monetary, trade and investment policies can prove difficult, given the stages of development in the various countries. In such a situation, the country risks losing focus of its national agenda in the process of trying to accommodate regional issues.

Conclusion and recommendations: The country is currently a member of key regional and sub-regional organizations, including the AU, the TECOWAS and the MRU. The country however needs to strengthen the capacity of its institutions as well as meet the criteria set by regional bodies to ensure its full participation in the process and increase its chances of benefiting from such regional economic communities.

ANNEXES

Annex 1.1 Democracy and Political Governance: MONITORING FRAMEWORK

OBJECTIVE ONE: Prevention and reduction of intra- and inter-state conflicts

National Governance Challenges: Lack of employment and training opportunities for young people, Low institutional and human capacity, Poor border surveillance and monitoring, Lack of attractive conditions of service for members of the security forces, Ineffective domestication and implementation of regional and international instruments

Relevant African Instruments (continental, regional and national): ECOWAS Protocol Relating to the Mechanism for Conflict Prevention, Management, Resolution, Peacekeeping and Security (1999), Supplementary Protocol on Democracy and Good Governance (2001)

Issues:

- 1.1. Addressing youth unemployment and marginalization
- 1.2. Tackling organized crime and drugs
- 1.3. Putting in place measures to address the issue of land tenure system
- 1.4. Ensuring that the traditional justice system operates efficiently
- 1.5. Small arms
- 1.6 Tackling poverty
- 1.7 Resolving the Yenga border issue between Sierra Leone and Guinea
- 1.8. Smuggling
- 1.9 Promoting political tolerance
- 1.10 Chieftaincy
- 1.11 Retirees

OBJECTIVE TWO: Constitutional Democracy including periodic political competition and opportunities for choice, the rule of law, citizen's rights and supremacy of the constitution

National Governance Challenges: Ineffective implementation of the political parties code of conduct, Outdated legislation, slow constitutional review process, Low awareness on political rights, ethnically-based and regionally-based political parties, and high illiteracy rates

Relevant African Instruments (continental, regional and national): Optional protocol to the international covenant on civil and political rights, Convention Against Torture and other cruel, inhuman or degrading treatment or punishment, The African Charter on human and people's rights (1990), The Durban declaration on principles governing democratic elections in Africa (2002)

Issues:

- 2.1 Constitutional review process
- 2.2. Improving inter-party relationships
- 2.3. Separation of the arms of government

OBJECTIVE THREE: Promotion and Protection of Economic, Social and Cultural Rights, Civil and Political Rights as enshrined in African and International Human Rights Instruments

National Governance Challenges: Low public awareness of the existence of the instruments, slow domestication and Implementation of the instruments, limited funding for the Human Rights Commission

Relevant African Instruments: African Charter on Human and Peoples Rights, African Charter on the Rights and Welfare of Children, Protocol on the African Charter on Human and Peoples Rights on the establishment of an African Court on Human and Peoples Rights, Convention on the Rights of the Child

Issues:

- 3.1 Ensuring public awareness of the existence of the instruments
- 3.2 Political commitment to the implementation and domestication of the instruments

OBJECTIVE FOUR: Uphold the Separation of powers including the protection of the independence of the judiciary and effective legislature

National Governance Challenges: Excessive executive powers, financial and logistical constraints

Relevant African Instruments (Continental, regional and national):

Issues:

- 4.1 Ensuring an open and transparent appointment and recruitment process
- 4.2 Executive powers
- 4.3 Legislative provisions

OBJECTIVE FIVE: Ensure Accountable, Efficient and Effective Public Office Holders and Civil Servants

National Governance Challenges: Poor conditions of service and pay for public servants, low implementation of public service reform measures, secure tenure of office impeding prospects for growth and innovativeness.

Relevant African Instruments (continental, regional and national):

Issues:

- 5.1 Prosecution of public servants on corruption cases
- 5.2 Measures in place to reduce corruption among public servants
- 5.3 Training and capacity building including in-service training
- 5.4 Recruitment, promotion and evaluation of public servants

OBJECTIVE SIX: Fighting corruption in the public sphere

National Governance Challenges: Limited funding for the Anti- Corruption Commission, poor conditions of service and pay for public servants, implementation of the revised ACC Act 2008, transparent systems and procedures for service delivery

Relevant African instruments (continental, regional and national): UN Convention Against Corruption, UN Convention against Transnational Organized Crimes, AU Convention against Corruption.

Issues:

- 6.1 Corruption and abuse of public office
- 6.2 Sustaining the independence of the ACC
- 6.3 Consistency in handling cases of corruption

OBJECTIVE SEVEN: Promotion of the respect, protection and fulfilment of the rights of women

National Governance Challenges: Implementation of the law regarding the rights of women, domestication and implementation of gender-related international and regional instruments, delay in enacting gender-related laws, lack of appreciation of the need to protect women's rights, lack of institutional capacity to implement gender-related instruments

Relevant African Instruments (continental, regional and national): Optional Protocol to the Convention on the Elimination of all forms of Discrimination Against Women

Issues:

- 7.1 Timely enactment of laws
- 7.2 Effective implementation of legal instruments
- 7.3 Inclusion of women issues in constitutional review
- 7.4 Capacity building for gender related institutions

OBJECTIVE EIGHT: Promotion and protection of the rights of children and young persons

National Governance Challenges: Adhering to regional and international instruments, development of national legal frameworks, institutions and mechanisms, promoting the rights and interests of children and preventing child abuse.

Relevant African instruments (continental, regional and national): African Charter on the rights and welfare of the child, Optional Protocol to the Convention on the Rights of the Child and on the sale of children, child prostitution and child pornography

Issues:

- 8.1 Timely enactment of laws
- 8.2 Effective implementation of legal instruments
- 8.3 Inclusion of children and young person's issues in constitutional review

OBJECTIVE NINE: Promotion and protection of the rights of vulnerable groups including the Internally Displaced Persons, Refugees and Aged

National Governance Challenges: Lack of human and institutional capacity, low awareness of legal instruments, low domestication and implementation of instruments

Relevant African Instruments (continental, regional and national): Convention governing the specific aspects of refugee problems in Africa, Convention on the rights of persons with disabilities and Convention relating to the status of refugees.

Issues:

- 9.1 Public awareness of the instruments
- 9.2 Domestication and implementation of the instruments
- 9.3 Capacity building

Annex 1.2 Democracy and Political Governance: INDICATORS MATRIX

OBJECTIVE ONE: Preventing and reducing intra-and inter-state conflict

- 1.1 Addressing youth unemployment and marginalization: Development of legal frameworks, measures and policies, % of youth unemployment, % of youth population.
- 1.2 Tackling organized crime and drugs: Steps taken to tackle the problem, legal frameworks, measures and policies developed, evidence of drug cases and organized crimes
- 1.3 Putting in place measures to address the issue of land tenure system: Policies and measures in place, evidence of land disputes and Legal framework developed.
- 1.4 Ensuring that the traditional justice system operates efficiently: legal frameworks, measures and policies developed cases of injustices of the traditional justice system and reform measures introduced.
- 1.5 Small arms: estimated number of small arms, national actions taken
- 1.6 Tackling poverty: % of the poor, measures and policies developed
- 1.7 Resolving the Yenga border issue between Sierra Leone and Guinea: sources of the clash and steps taken by both countries to resolve the conflict
- 1.8 Smuggling: magnitude of the problem and national policies and measures developed
- 1.9 Promoting political tolerance: incidence of inter-party rivalry, measures taken to promote political tolerance
- 1.10 Chieftaincy: incidence of the problem and measures taken to address it

OBJECTIVE TWO: Constitutional Democracy including periodic political competition and opportunity for choice, the rule of law, citizen's rights and supremacy of the constitution)

- 2.1 Constitutional Review Process: steps already taken
- 2.2. Improving inter-party relationships: measures and actions taken
- 2.3. Promoting national political education and awareness: policies and programmes developed
- 2.4 Ensuring separation of powers: Current situation of the practice of the principle of separation of powers

OBJECTIVE THREE: Promotion and Protection of Economic, Social and Cultural rights, Civil and Political rights as enshrined in African and International Human rights instruments

- 3.1 Ensuring public awareness of the existence of the instruments: steps taken to promote public awareness of the instruments
- 3.2 Political commitment to the implementation and domestication of the instruments: number of instruments ratified
- 3.3. Measures and policies taken to implement and domesticate the instruments

OBJECTIVE FOUR: Uphold the Separation of Powers including the protection of the independence of the judiciary and effective legislature

- 4.1. Appointment and recruitment process of members of the judiciary
- 4.2. Measures in place to ensure open and transparent process of recruiting members of the judiciary
- 4.3. Policies and measures in place to ensure independence of the judiciary
- 4.4 Evidence of programmes to promote an effective legislature

OBJECTIVE FIVE: Ensuring accountable, efficient and effective public office holders and civil servants

5.1. Ensuring improved salaries and conditions of service: measures and steps taken

5.2. Measures in place to reduce corruption among public servants

OBJECTIVE SIX: Fighting Corruption in the public sphere

6.1 Curbing corruption and abuse of public office: Legal frameworks, measures and programmes developed

6.2. Sustaining the independence of the ACC: Policies and programmes promoted

6.3 Incidence of corruption

OBJECTIVE SEVEN: Promotion of the respect, protection and fulfillment of the rights of women as enshrined in African and international human rights instruments

7.1 Accelerating the ratification, implementation and domestication of instruments as enshrined in African and international human rights instruments

7.2 Steps taken to ratify, implement and domesticate the instruments

7.2 Increasing women's participation in national politics and development- total number of women in parliament, cabinet and judiciary

OBJECTIVE EIGHT: Promotion and protection of the rights of children and young persons

8.1 Adhering to regional and international instruments: regional and international instruments ratified

8.2 Development of national legal frameworks, institutions and programmes: Legal frameworks, institutions and programmes developed evidence of implementation and domestication of instruments.

OBJECTIVE NINE: Promotion and protection of the rights of vulnerable groups including internally displaced persons, refugees and the aged

9.1 Ratification and domestication of instruments, evidence of ratification and domestication of the instruments

9.2 Promotion of national popularization of the instruments: programmes developed

9.3 Development of legal frameworks, policies and programmes Legal frameworks, policies and measures developed

Annex 1.3 Democracy and Political Governance: BASELINE DATA

Issue	Indicator/Target	Data (Year)	Comments
OBJECTIVE ONE: Preventing and reducing intra-and inter-state conflict			
1.1 Addressing youth unemployment and marginalization	Development of legal frameworks, measures and policies, % of youth unemployment, % of youth population	Established National Youth Commission 70% and 50% of unemployed rural and urban youths respectively (2008 National Budget) Only 1.4% of national budget was allocated to youth issues in 2008 (National Budget 2008)	
1.2 Tackling organized crime and drugs	Steps taken to tackle the problem, legal frameworks, measures and policies developed, evidence of drug cases and organized crimes	2005 Anti-Money Laundering and Countering of Terrorist Financing Act Established National Drugs Control Agency Enacted the Anti-Human Trafficking Act of 2005 Established Office of National Security (ONS) 2008 law enforcement operation led to the seizure of 700 kilograms of cocaine, culprits were prosecuted and sentenced.	
1.3 Putting in place measures to address the issue of land tenure system	Policies and measures in place, evidence of land disputes and Legal framework developed	No baseline data.	
1.4 Ensuring that the traditional justice system operates efficiently	Legal frameworks, measures and policies developed cases of injustices of the traditional justice system	Legal frameworks and programmes developed 2008 Chieftaincy Bill passed	

	and reform measures introduced		
1.5 Small arms	Estimated number of small arms, national actions taken	No baseline data.	
1.6 Tackling poverty	% of the poor, measures and policies developed	No baseline data.	
1.7 Resolving the Yenga border issue between Sierra Leone and Guinea	Sources of the clash steps taken by both countries to resolve the conflict	No baseline data.	
1.8 Smuggling	Magnitude of the problem and national policies and measures developed	No baseline data.	
1.9 Promoting political tolerance	Incidence of inter-party rivalry, measures taken to promote political tolerance	World ranking and national steps taken Low level of ethnic, religious and regional divisions (BTI 2006) Established Truth and Reconciliation Commission (TRC) and Special Court for Sierra Leone WBI Rankings for stability: 2005 (30.7) and 2007 (40.3) First country to have UN Integrated Peacebuilding Mission that transited to UNAMSIL and now UNIPSIL Signed defence pacts with Nigeria and Guinea	

		Two main political parties signed a communiqué in 2008	
1.10 Chieftaincy	Incidence of the problem and measures taken to address it	2008 Chieftaincy Bill passed	
OBJECTIVE TWO: Constitutional Democracy including periodic political competition and opportunity for choice, the rule of law, citizen's rights and supremacy of the constitution)			
2.1 Constitutional Review Process	Steps taken	1991 Constitution, Act.No.6 of 1991 provides for election management bodies (sections 32 and 33), Established Political Parties Registration Commission (PPRC), Established Parliamentary Service Commission, Established Law Reform Commission, Established the Independent Media Commission (IMC), Established the Commission for Democracy (NCD), Acceded to the APRM in 2004 and signed the technical MOU in 2010, Established the Open Government Initiative (OGI).	
2.2. Improving inter-party relationships	Measures and actions taken	No baseline data.	
2.3. Promoting national political education and awareness	Policies and programmes developed	No baseline data.	
2.4 Ensuring separation of powers	Current situation of the practice of the principle	No baseline data.	

	of separation of powers		
OBJECTIVE THREE: Promotion and protection of economic, social and cultural rights, civil and political rights as enshrined in African and international human rights instruments			
3.1 Ensuring public awareness of the existence of the instruments	Steps taken to promote public awareness of the instruments	No baseline data.	
3.2 Political commitment to the implementation and domestication of the instruments	Number of instruments ratified	Parliamentary Human Rights Committee Human Rights Commission established in 2006. Passed the three gender Acts in 2007 and Amendment to the Citizens Act of 2006.	
3.3. Measures and policies taken to implement and domesticate the instruments		1991 Constitution, Act No. 6 of 1991 guarantees fundamental human rights (chapter 3), Ratified most of the international and regional instruments	
OBJECTIVE FOUR: Uphold the Separation of Powers including the protection of the independence of the judiciary and effective legislature			
4.1. Appointment and recruitment process of members of the judiciary			
4.2. Measures in place to ensure open and			

transparent process of recruiting members of the judiciary			
4.3. Policies and measures in place to ensure independence of the judiciary		1991 Constitution, Act. No. 6 of 1991 guarantees judicial independence, Article 120 (3), 2005, Five Year Justice Development Programme, Government three year Justice Sector Reform Strategy Investment Plan (2008-2010), Established the Justice Sector Coordination Office and Parliamentary Capacity Building Programme.	
4.4 Evidence of programmes to promote an effective legislature			
OBJECTIVE FIVE: Ensuring accountable, efficient and effective public office holders and civil servants			
5.1. Ensuring improved salaries and conditions of service	Measures and steps taken in terms of policies, reforms and programmes	Established the Public Service Reform Unit (PSRU), Management and Functional Reviews of Government ministries carried out Establishment of Human Resources Management Office (HRMO) Records Management and payroll Verification exercise carried out Comprehensive Pay and Grading Reform Strategy in place	
5.2. Measures in place to reduce corruption among public servants			

OBJECTIVE SIX: Fighting corruption in the public sphere			
6.1 Curbing corruption and abuse of public office	Legal frameworks, measures and programmes developed	Zero tolerance to corruption policy of the President Assets declaration requirement for all public servants	
6.2. Sustaining the independence of the ACC	Policies and programmes promoted	Established the ACC and Revised ACC Act 2008, giving independence to the ACC as well as prosecutorial powers	
6.3 Incidence of corruption		Corruption perception index of 2009 ranked Sierra Leone 146 in 2009.	
OBJECTIVE SEVEN: Promotion of the respect, protection and fulfillment of the rights of women as enshrined in African and international human rights instruments			
7.1 Accelerating the ratification, implementation and domestication of instruments as enshrined in African and international human rights instruments	National steps taken.	Adopted regional and international instruments including CEDAW Established the Ministry of Gender and Children's Affairs	
7.2 Steps taken to ratify, implement and domesticate the instruments		Passed the three gender bills in 2007 There is a National Gender in Development Policy and Gender Strategic Plan	

7.3 Increasing women's participation in national politics and development- total number of women in parliament, cabinet and judiciary		Appointed a female Chief Justice 14% Parliamentarians are women 65% of women have no education, 67% of women in the provinces suffer from domestic violence, 94% of women aged 15-49 have undergone female genital mutilation	
OBJECTIVE EIGHT: Promotion and protection of the rights of children and young persons			
8.1 Adhering to regional and international instruments	Regional and international instruments ratified	Ratified all major international instruments on juvenile justice Ratified the optional protocol of the CRC concerning the involvement of children in armed conflict in 2002	
8.2 Development of national legal frameworks, institutions and programmes	Legal frameworks, institutions and programmes developed evidence of implementation and domestication of instruments.	Revised the recruitment policy of children in the armed forces in 2004 thereby making 18 the minimum age for recruitment into the armed forces. Anti-Human Trafficking Act of 2005	
OBJECTIVE NINE: Promotion and protection of the rights of vulnerable groups including internally displaced persons, refugees and the aged			
9.1 Ratification and domestication of instruments, evidence of ratification and domestication of the instruments			

9.2 Promotion of national popularization of the instruments	Programmes developed	Anti-Human Trafficking Act of 2005	
9.3 Development of legal frameworks, policies and programmes	Legal frameworks, policies and measures developed		

Annex 2.1 Socio-economic Development: MONITORING FRAMEWORK

OBJECTIVE ONE: Promote self-reliance in development and build capacity for self-sustaining development

National Governance Challenges: Inadequate consultations with stakeholders to ensure effective participation in development programmes, Lack of effective stakeholder participation in the national budget preparation process, Lack of effective stakeholder/community participation in the district budget and planning process, Reliance on budget support for funding national budget and High aid dependency for development budget

Relevant African Instruments (continental, regional and national): African Charter for Popular Participation in Development (1990), United Nations Declaration on the Right to Development, World Summit on Social Development Plan of Action (1995)

- 1.1 Ensure ownership of the orientation of National Development Programmes
- 1.2 Ensure effective ownership of the Design of National Development Programmes
- 1.3 Ensure effective Ownership of the implementation of National Development Programmes
- 1.4 Domestic revenue generation
- 1.5 Women's participation in national development processes

OBJECTIVE TWO: Accelerate socio-economic development to achieve sustainable development and poverty eradication

National Governance Challenges: Lack of adequate progress monitoring national planning process; Lack of funds to support identified priorities in national development plans; Poor infrastructural facilities to stimulate private sector investment and employment; Low productivity of agriculture because of lack of mechanized farming and reliance on rainfall; Limited storage facilities and lack of processing skills and tools of agricultural products; Limited access to land for agricultural purposes; High informal sector activities with constraints to business expansion; Under developed financial market with high cost of credit for private sector development; Reduction of high poverty rates, food insecurity, lack of effective implementation of socio-economic development and poverty reduction programmes

Relevant African Instruments (continental, regional and national): World Summit on Sustainable Development (WSSD) Johannesburg (2002)

- 2.1 Create an enabling environment to achieve socio-economic objectives
- 2.2 Increase agricultural productivity and ensure sustainable development
- 2.3 Monitor policy outcome in making progress on social development targets in poverty, education, HIV/AIDS, and other communicable diseases
- 2.4 Capacity building for implementation of development plans at local and national level
- 2.5 Private sector development and support for infrastructural development

OBJECTIVE THREE: Strengthen policies, delivery mechanisms and outcomes in key social areas including education and combating of HIV/AIDS and other communicable diseases

National Governance Challenges: Reversing the spread of HIV/AIDS through reducing risky behaviour and increased knowledge about the disease; Reducing malaria related deaths and other communicable diseases; Lack of incentives for health professionals especially in rural and remote areas; Low incentives for teachers and high teacher-pupil ratio; High levels of illiteracy rate school drop outs and poor quality of education, limited consultations in design of sectoral policies

Relevant African Instruments: United Nations Millennium Declaration (2000)

- 3.1 Design appropriate mechanisms for service delivery
- 3.2 Monitor policy outcome in making progress on social development targets especially progress on the MDGs
- 3.3 Strengthen policy delivery mechanisms
- 3.4 Consultation in design of sectoral policies

OBJECTIVE FOUR: Ensuring affordable access to water, sanitation, energy, finance (including micro-finance), markets, ICT, shelter and land to all citizens, especially the rural poor

National Governance Challenges: limited livelihood assets and access to micro-finance especially for rural population; Inadequate goods market and market information; Poor road network, Limited access to ICT; Limited access to sustainable drinking water source; Poor sanitation facilities, Lack of and limited access to energy supply

Relevant African Instruments (continental, regional and national): World Summit on Social Development Plan of Action (1995)

- 4.1 Provide access to finance, adequate goods market and market information
- 4.2 Provide business related infrastructure
- 4.3 Provide affordable access to basic services
- 4.4 Increase formalization of businesses

OBJECTIVE FIVE: Progress towards gender equality in all critical areas of concern, including equal access to education for girls at all levels

National Governance Challenges: Lack of proper implementation of gender programmes and monitoring; Limited funding for gender programmes; Lack of proper monitoring of gender programmes and timely reporting on gender related international treaties; Limited representation of women in politics and decisionmaking positions, patriarchal system and stereotypes, gender-based violence, lack of self empowerment, girl child labour, high girls school drop outs, teenage pregnancy, girl child harrassment

Relevant African Instruments (continental, regional and national): Convention on the Elimination of all forms of Discrimination against Women (Beijing Platform for Action)

- 5.1 Reduce gender inequality in access to education
- 5.2 Increase gender mainstreaming measures
- 5.3 Increase the representation of women in politics and decisionmaking positions
- 5.4 Design and implement gender equality policies

OBJECTIVE SIX: Encourage broad-based participation in development by all stakeholders at all levels

National Governance Challenges: how much of domestic influence on design of obj 1: inclusion/exclusion in development planning process, local consultations, gender balance, community monitoring of development programmes

Relevant African Instruments (continental, regional and national): United Nations Declaration on the Right to Development, African Charter for Popular Participation in Development (1990)

- 6.1 Increase participation of stakeholders at the grass roots

Annex 2.2 Socio-economic Development: INDICATORS MATRIX

OBJECTIVE ONE: Promote self-reliance in development and build capacity for self-sustaining development

National Governance Challenges: Inadequate consultations with stakeholders to ensure effective participation in development programmes, Lack of effective stakeholder participation in the national budget preparation process, Lack of effective stakeholder/community participation in the district budget and planning process, Reliance on budget support for funding national budget and High aid dependency for development budget

Relevant African Instruments (continental, regional and national): African Charter for Popular Participation in Development (1990), United Nations Declaration on the Right to Development, World Summit on Social Development Plan of Action (1995)

1.1 Ensure ownership of the orientation of National Development Programmes: Ratio of programmes initiated by donors National Development Programmes managed by Domestic actors

1.2 Ensure effective ownership of the Design of National Development Programmes: Steps in place for National Stakeholders Involvement in the Design of National Development Programmes Training and other measures taken to maintain capacity needed to sustain ownership of National Development Programmes Monitoring and Evaluation system put in place to sustain ownership of National Development Programmes

1.3 Ensure effective ownership of the implementation of National Development Programmes. Indicators: Reduction in the share of budget support from donors to national budget Increased domestic revenue collection, Increased investment rate.

1.4 Domestic revenue generation. Indicator: Increase in domestic revenue

1.5 Women's participation in national development processes.

OBJECTIVE TWO: Accelerate socio-economic development to achieve sustainable development and poverty eradication

National Governance Challenges: Lack of adequate progress monitoring national planning process; Lack of funds to support identified priorities in national development plans; Poor infrastructural facilities to stimulate private sector investment and employment; Low productivity of agriculture because of lack of mechanized farming and reliance on rainfall; Limited storage facilities and lack of processing skills and tools of agricultural products; Limited access to land for agricultural purposes; High informal sector activities with constraints to business expansion; Under developed financial market with high cost of credit for private sector development; Reduction of high poverty rates, lack of effective implementation of socio-economic development and poverty reduction programmes

Relevant African Instruments (continental, regional and national): World Summit on Sustainable Development (WSSD) Johannesburg (2002)

2.1 Create an enabling environment to achieve socio-economic objectives. Indicators: Number of impact surveys and progress reports with consistent data and measurable indicators undertaken by government, Number of socio-economic policies designed, Government institutions (excluding ministries) specifically formulated for sustainable development and poverty eradication

2.2 Increase agricultural productivity and ensure sustainable development. Indicators: Improved crop production technologies, Increase in the percentage of land under irrigation % of food produced that is processed, Reduction in post harvest losses Increase in farmers receipt/income for agricultural activities, Significant improvement to access to land for the poor and women

2.3 Monitor policy outcome in making progress on social development targets in poverty, education, HIV/AIDs, and other communicable diseases. Indicators: Growth rate of employment GDP growth rate, Annual percentage reduction in poverty rates

2.4 Capacity building for implementation of development plans at local and national level. Indicators: Capacity building plan for the implementation of national and local development plans, Recruitment of qualified and experienced staff

2.5 Private sector development and support for infrastructural development. Indicators: Number of private sector led infrastructural projects

OBJECTIVE THREE: Strengthen policies, delivery mechanisms and outcomes in key social areas including education and combating of HIV/AIDs and other communicable diseases

National Governance Challenges: Reversing the spread of HIV/AIDs through reducing risky behaviour and increased knowledge about the disease; Reducing malaria related deaths and other communicable diseases; Lack of incentives for health professionals especially in rural and remote areas; Low incentives for teachers and high teacher-pupil ratio; High levels of illiteracy rate school drop outs and poor quality of education, limited consultations in design of sectoral policies

Relevant African Instruments: United Nations Millennium Declaration (2000)

3.1 Design appropriate mechanisms for service delivery. Indicators: Number of service delivery institutions established, Number of studies to review service delivery mechanisms

3.2 Monitor policy outcome in making progress on social development targets especially progress on the MDGs. Indicators: Percentage annual reduction in HIV/AIDs prevalence rate, % of population (15-24 years) with adequate knowledge about the disease, Reduction in deaths caused by malaria, Reduction of deaths caused by other communicable diseases, Annual increase of Doctor-patient and nurse to patient ratio, % increase in health professionals' salaries, Provision of incentive package for health professionals in rural areas, Increased employment of teachers Appropriate daily wage for teachers, Increase in allowance for teachers in remote areas, Teacher-pupil ratio, Pass rate of BECE and WASCE with good grades, No of, or regularity of, social development reports per annum

3.3 Strengthen policy delivery mechanisms. Indicators: Number of social development policies adopted

3.4 Consultation in design of sectoral policies. Indicators: Number of consultations in the design of sectoral policies, Composition of participants in consultation for sectoral policies

OBJECTIVE FOUR: Ensuring affordable access to water, sanitation, energy, finance (including micro-finance), markets, ICT, shelter and land to all citizens, especially the rural poor

National Governance Challenges: Limited access to finance; Inadequate goods market and market information; Poor road network, Limited access to ICT; Limited access to sustainable drinking water source; Poor sanitation facilities; Lack of and limited access to energy supply

Relevant African Instruments: World Summit on Social Development Plan of Action (1995)

4.1 Provide access to finance, adequate goods market and market information. Indicators: Number of rural banks established per annum, % of total credit to private sector, reduced cost of credit

4.2 Provide business related infrastructure. Indicators: Number of effective markets created annually, Increase in % of urban roads paved, Increase in % of feeder roads made motorable, Internet access increased, Mobile phone coverage increased in rural areas, Increased annual budget for science and technology, Increased generation of electricity, The energy sector resourced to minimize waste and control illegal connections

4.3 Provide affordable access to basic services. Indicators: % of urban population with access to improved water source, % of rural population with access to improved water source, % of urban population with access to sanitation facility, Increase to access to waste disposal facilities in urban areas, % of rural population with access to sanitation facility, Efficient collection of electricity bills

4.4 Increase formalization of businesses. Indicators: No of businesses registered proportion of bank credit to pro-poor sector, Reduced interest rate spread

OBJECTIVE FIVE: Progress towards gender equality in all critical areas of concern, including equal access to education for girls at all levels

National Governance Challenges: Lack of proper implementation of gender programmes and monitoring; Limited funding for gender programmes; Lack of proper monitoring of gender programmes and timely reporting on gender related international treaties; Limited representation of women in politics and decision making positions, patriarchal system and stereotypes, gender-based violence, lack of self empowerment, girl child labour, high girls school drop outs, teenage pregnancy, girl child harrasment

Relevant African Instruments (continental, regional and national): Convention on the Elimination of all forms of Discrimination against Women (Beijing Platform for Action)

5.1 Reduce gender inequality in access to education. Indicators: Gender parity in primary school, Gender parity in secondary school, Increase in % of budget allocation for gender programmes

5.2 Increase gender mainstreaming measures. Indicators: Gender focal persons in all Ministries, Timely preparation and submission of the CEDAW report, Preparation of nation gender reports

5.3 Increase the representation of women in politics and decisionmaking positions. Indicators: Increase proportion of women in parliament to at least 30%, Increase proportion of women appointed to ministerial positions A quota system designed and implemented for women's representation in politics

5.4 Design and implement gender equality policies. Indicators: No of policies designed for the promotion of gender equality

OBJECTIVE SIX: Encourage broad-based participation in development by all stakeholders at all levels

National Governance Challenge(s): how much of domestic influence on design of obj 1: inclusion/exclusion in development planning process, local consultations, gender balance, community monitoring of development programmes

Relevant African (continental, regional and national) Instruments: United Nations Declaration on the Right to Development, African Charter for Popular Participation in Development (1990)

6.1 Increase participation of stakeholders at the grass roots. Indicators: NA

Annex 2.3 Socio-economic Development and Governance: BASELINE DATA

Issue	Indicator/Target	Data (Year)	Comments
OBJECTIVE ONE: Promote self-reliance in development and build capacity for self sustaining development			
1.1 Ensure ownership of the orientation of National Development Programmes	Ratio of programmes initiated by donors National Development Programmes managed by Domestic actors	No baseline data	
1.2 Ensure effective ownership of the design of National Development Programmes	Steps in place for National Stakeholders Involvement in the Design of National Development Programmes	The design and implementation of the district development plans are been done by stakeholders at central, local and other levels. Central Level Ministry of Local Government, Ministry of Finance, Ministries, Department and Agencies that devolve with the local council, Parliament, Judiciary, Auditors National Decentralization Policy February 2010 (Draft) Generals Office, Commissions and Committees, Local Level Local Councils, Traditional Authorities Others Private sector, Civil Society Organization Committees, Local Level Local Councils, Traditional Authorities Others Private sector, Civil Society Organization Training and other measures taken to maintain capacity needed to sustain ownership of National Development Programmes Monitoring and Evaluation system put in place to sustain ownership of National Development Programmes	
1.3 Ensure effective ownership of the implementation of	Reduced share of budget support from donors to	The share of budget support from donors to national budget reduced from 40% to 30% 2008	

National Development Programmes	national budget Increased domestic revenue collection Increased investment rate	-29% 2009-39% 40.2% Sierra Leone National Budget for 2008-2012 Increased investment rate (% of GDP) 2008-39 % 2009-41% 23% Sierra Leone National Budget for 2008-2012.	
1.4 Domestic revenue generation	Increase in domestic revenue	% of GDP 2008: 11.4% 2009: 11.3%-11.6% (Sierra Leone National Budget for 2008-2012)	
1.5 Women's participation in national development processes	NA	NA	
OBJECTIVE TWO: Accelerate socio-economic development to achieve sustainable development and poverty eradication			
2.1 Create an enabling environment to achieve socio-economic objectives	Number of impact surveys and progress reports with consistent data and measurable indicators undertaken by government Number of socio-economic policies designed Government institutions (excluding ministries) specifically formulated for sustainable development and poverty eradication	Poverty Alleviation Strategy Coordinating Office (PASCO), Development Assistant Coordinating Office (DACO), Enhancing the Interaction and Interface between Civil Society (ENCISS), Campaign for Good Governance (CGG), Anti-Corruption Commissions (ACC), National Commission for Democratisation (NCD), National Revenue Authority (NRA), National Social Security and Insurance Trust (NASSIT), Sierra Leone Environmental Protection Agency, Poverty Reduction and Development Assistance Co-ordination Office (PRADACO-now closed), Social Action and Poverty Stakeholder interviews Alleviation Program (SAPA now closed), National Commission for Social Action (NACSA), Political Party Registration Commission, National Commission for	

		Privatization (NCP), Public Service Reform, Human Right Commission of Sierra Leone (HRC), Human Rights Secretariat established August 2010 under the Ministry of Foreign Affairs, National Public Procurement Authority (NPPA) program, National Commission for Social Action (NACSA), Political Party Registration Commission, National Commission for Privatization (NCP), Public Service Reform, Human Rights Commission of Sierra Leone (HRC), Human Right Secretariat established August 2010 under the Ministry of Foreign Affairs	
2.2 Increase agricultural productivity and ensure sustainable development	<p>Improved crop production technologies</p> <p>Increase in the percentage of land under irrigation</p> <p>% of food produced that is processed</p> <p>Reduction in post harvest losses</p> <p>Increase in farmers receipt/income for agricultural activities</p> <p>Access to land for the poor and women</p>	<p>5% increase in the percentage of land under irrigation (2008-2010)</p> <p>Increase in the % of food produced that is processed: 10% (2008) 12% (2009) 17%</p> <p>No post harvest losses</p> <p>Increase in farmers receipt/income for agricultural activities: Figures not available but government gives seed rice and 10% subsidies to agricultural inputs</p> <p>Significant improvement to access to land for the poor and women</p> <p>[Source for all above: Mr F. Bundu Agricultural Extension]</p>	
2.3 Monitor policy outcome in making progress on social	Growth rate of employment GDP growth	From 2004-2008, a steady employment ratio of 42%	

development targets in poverty, education, HIV/AIDS, and other communicable diseases	rate Annual percentage reduction in poverty rates	GDP growth rate 7% (2007) 5.5% (2008) 4.5 % (2009) Annual percentage reduction in poverty rates: 70% (2004) 60% (2006) Estimated at 40% in 2010 [Min of Labour/ S/L MDG Report 2010]	
2.4 Capacity building for implementation of development plans at local and national level	Capacity building plan for the implementation of national and local development plans Recruitment of qualified and experienced staff		
2.5 Private sector development and support for infrastructural development	Number of private sector led infrastructural projects	No baseline data	
OBJECTIVE THREE: Strengthen policies, delivery mechanisms and outcomes in key social areas including education and combating of HIV/AIDS and other communicable diseases			
3.1 Design appropriate mechanisms for service delivery	Number of service delivery institutions established Number of studies to review service delivery mechanisms Policies designed to ensure the provision and delivery of basic services	Number of service delivery institutions established: Sierra Leone Water Company (SALWACO), Guma Valley Company, National Power Authority/ Bumbuna, Sierra Leone Broadcasting Co-operation, Sierra Leone Telecommunication Company Limited (SIERRATEL), Sierra Leone Road Transport Cooperation (SLRTC), Sierra Leone Roads Authority (SLRA), Sierra Leone Health Commission, National Power Authority	

		<p>(NPA),Sierra Leone Postal Services (SALPOST), Sierra Leone Airport Authority (SLAA, Sierra Leone Postal Services (SALPOST), Sierra Leone Airport Authority (SLAA)</p> <p>Number of studies to review service delivery mechanisms: NA</p> <p>Policies designed to ensure the provision and delivery of basic services: The Bumbuna Watershed Authority and the Bumbuna Conservation on Area Act 2008 (No.6) The Environment Agency Protection Act, 2008 (No.11) Telecommunication Act 2007 (Amended) (No.11) The National Power Authority Act, 2006(amended) (No.4) The Education Act 2004 (No.2) The Public Health Act 2004(Amended) (No.8) The Sierra Leone Water Company Act 2001 (No.6) Tertiary Education Commission Act 2001 (No.8) The Banking Act 2000 (No.11) Independent Media Commission Act 2000 (No.12) Road Transport Authority Act 1996 (No.4) The Education Act 2003, Procurement Act 2004, Procurement Regulation 2007, Public Financial Management regulation 2007, Government Budget Accountability Act 2005 Sierra Leone web, Laws of Sierra Leone www.sierraleone.org/laws</p>	
3.2 Monitor policy outcome in making progress on social development targets especially progress on the MDGs	<p>Percentage annual reduction in HIV/AIDS prevalence rate</p> <p>% of population (15-24 years) with adequate knowledge about the</p>	<p>Progress on social development targets especially progress on the MDGs: 1.49% (2008) 1.51% (2007)</p> <p>Percentage annual reduction in HIV/AIDS prevalence rate: 0.02% (2007), % of population (15-24 years) with adequate knowledge about the</p>	

	<p>disease</p> <p>Reduction in deaths caused by malaria</p> <p>Reduction of deaths caused by other communicable diseases</p> <p>Annual increase of doctor-patient and nurse to patient ratio</p> <p>% increase in health professionals' salaries</p> <p>Provision of incentive package for health professionals in rural areas</p> <p>Increased employment of teachers</p> <p>Appropriate daily wage for teachers,</p> <p>Increase in allowance for teachers in remote areas</p> <p>Teacher-pupil ratio,</p> <p>Pass rate of BECE and WASCE with good grades</p> <p>No of, or regularity of, social development reports per annum</p>	<p>disease: female 72.7%, male: 81.2% [NAS/HIV Secretariat]</p> <p>Reduction in deaths caused by malaria: 0.16% (2007) [S/L MDG Report 2010]</p> <p>Reduction of deaths caused by other communicable diseases: NA</p> <p>Annual increase of doctor-to-patient ratio: 1 doctor to 44,776 patients</p> <p>Annual increase of nurse-to-patient ratio: 1 nurse to 1,727 patients</p> <p>% increase of health professionals from 2008-2010 is estimated to be 37.5% [Source: Dr. Sandy, Human Resource Dept., Ministry of Health]</p> <p>Provision of incentive package for health professionals in rural areas: Increase in pay and allowances,</p> <p>Increased employment of teachers 31,000 (2008) 33,000 (2009) 35,000 (2010)</p> <p>Appropriate remuneration for teachers TC: 291,034, HTC: 318,984, Degree: 377,242 (Education) 277,984 plus allowance</p> <p>Increase in allowance for teachers in remote areas: TC holders: Le 10,000 (\$2.5) HTC holders: Le 15,000 (\$3.75) Degree: Le 20,000 (\$5) [Mr Harold Kamara, Payroll Office, Ministry of Education]</p> <p>Teacher-pupil ratio Primary 1:50 Secondary JSS 1:30 SSS -1:25 [Mr Harold Kamara Payroll</p>	
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		Office] These are officially stipulated figures and may not reflect the reality. Pass rate of BECE with good grades: 52% (2007-2008), 55% (2008-2009) Pass rate of WASCE with good grades: 20% (2007-2008) 19% (2008-2009) No of, or regularity of social development reports per annum: NA	
3.3 Strengthen policy delivery mechanisms	Number of social development policies adopted	No baseline data.	
3.4 Consultation in design of sectoral policies	Number of consultations in the design of sectoral policies Composition of participants in consultation for sectoral policies	No baseline data.	
OBJECTIVE FOUR: Ensuring affordable access to water, sanitation, energy, finance (including micro-finance), markets, ICT, shelter and land to all citizens, especially the rural poor			
4.1 Provide access to finance, adequate goods market and market information	Number of rural banks established per annum % of total credit to private sector Reduced cost of credit	No baseline data.	
4.2 Provide business related infrastructure	Number of effective markets created annually, Increase in % of urban	Number of effective markets created annually: NA, Increase in % of urban roads paved: 9% [SLRA Strategic Plan 2007-2010] Increase in %	

	roads paved, Increase in % of feeder roads made motorable, Internet access increased, Mobile phone coverage increased in rural areas, Increased annual budget for science and technology, Increased generation of electricity, The energy sector resourced to minimize waste and control illegal connections	of feeder roads made motorable: 57.4% [Sierra Leone Roads Authority Strategic Plan 2007-2010] Internet access and ICT coverage increased: There are 5 mainline telephone lines and 181 cellular subscribers per 1,000 people. Internet use is 2 per 1,000 people. There are 9 televisions per 1,000 people and 191 radios per 1,000 people [Forum Financial Standards Foundation, Country Brief: Sierra Leone], 2009 Mobile phone coverage: increased in rural areas, Increased annual budget for science and technology: NA, Increased generation of electricity: NA, The energy sector resourced to minimize waste and control illegal connections: NA, % of population with access to electricity: 79% use kerosene and 16% use electricity for lighting purposes [GoSL, Sierra Leone Integrated Household Survey (SLIHS) 2003/2004 Final Statistical Report November 2007]	
4.3 Provide affordable access to basic services	% of urban population with access to improved water source, % of rural population with access to improved water source, % of urban population with access to sanitation facility, Increase to access to waste disposal facilities in urban areas, % of rural population with access to sanitation facility, Efficient collection of electricity	% of urban population with access to improved water source: 84% (2007), % of rural population with access to improved water source: 30% (2007), % of urban population with access to sanitation facility: 13% (2008) [S/L 2010 MDG report quoting MICS 3], Increase in access to waste disposal facilities in urban areas: NA, % of rural population with access to sanitation facility: NA Efficient collection of electricity bills: A banking system has been instituted for payment of bills which ensure accountability. Additionally the pre-paid meter system ensures that customers pay for	

	bills	exactly what they consume	
4.4 Increase formalization of businesses	No of businesses registered proportion of bank credit to pro-poor sector, Reduced interest rate spread	No baseline data.	
OBJECTIVE FIVE: Progress towards gender equality in all critical areas of concern, including equal access to education for girls at all levels			
5.1 Reduce gender inequality in access to education	Gender parity in primary school, Gender parity in secondary school, Increase in % of budget allocation for gender programmes	Gender parity in primary school 2008/2009: 58% male and 42% female (Min of Gender and Children's Affairs, S/L MDG Report 2010) Gender parity in secondary school (ratio of girls to boys): 78% (2005), Increase in % of budget allocation for gender programmes: 0.163% (Sierra Leone National Budget for 2008-2012)	
5.2 Increase gender mainstreaming measures	Gender focal persons in all Ministries, Timely preparation and submission of the CEDAW report, Preparation of nation gender reports	Gender focal persons in all Ministries Timely preparation and submission of the CEDAW report Preparation of national gender reports	
5.3 Increase the representation of women in politics and decisionmaking positions	Increase proportion of women in parliament to at least 30% Increase proportion of women appointed to ministerial positions A quota system designed	Increase proportion of women in parliament: 14% (2010) (up from 6% in 1995) [S/L 2010 MDG report], target of at least 30% women in politics and decisionmaking: 15% (2005) 14.5% (2008). Increase proportion of women appointed to ministerial positions: 8.3% (2007) 2 ministers and 4 deputy ministers in 2010 (Castillejo Clare, June 2009) A quota system designed and implemented	

	and implemented for women's representation in politics	for women's representation in politics: Campaign for Good Governance in collaboration with the women's solidarity support group and UNDP are advocating for this to be enacted into a law	
5.4 Design and implement gender equality policies	No of policies designed for the promotion of gender equality	No baseline data.	
OBJECTIVE SIX: Encourage broad-based participation in development by all stakeholders at all levels			
6.1 Increase participation of stakeholders at the grass roots	NA	No baseline data.	

Annex 3.1 Economic Governance and Management: MONITORING FRAMEWORK

OBJECTIVE ONE: To promote macroeconomic policies to support sustainable development

National Governance Challenges: political commitment to put in place and maintain sound macroeconomic policies; Excessive influence by International Financial Institutions and Multilateral Development Organisations in formulation of macroeconomic policies; Low levels of domestic expert contribution in macroeconomic policy formulation; lack of adequate policies at sectoral level to support national economic growth and development; low levels of public investment in infrastructure and other prerequisites for balanced and sustained economic growth

Relevant African Instruments (continental, regional and national): NA

1.1 Achieving macroeconomic stability (price stability, exchange rate stability, Interest rate stability, sustainable public debt and balance of payments)

1.2 Ensure effective participation of domestic expertise in national economic policy formulation and implementation

1.3 Promoting infrastructure investments and private sector development

1.4 Increasing the productivity of key sectors of the economy including agriculture and fisheries

1.5 Development of policies aimed at reducing income inequality and increasing employment and human development

OBJECTIVE TWO: To implement transparent, predictable and credible government economic policies

National Governance Challenges: Lack of commitment to a clearly defined long-term economic policy framework; Lack of clearly defined processes and methods in compilation of economic data and projections; lack of adequate participation at all levels in the formulation and implementation of key economic policies and programmes; lack of an effective public administration

Relevant African Instruments (continental, regional and national):

2.1 Sustained implementation of a long-term strategic vision and economic plan

2.2 Availability of timely and comprehensive dissemination of reliable economic data based on global data dissemination standards

2.3 Strengthening the capacity of key line ministries to ensure availability of adequate and reliable data and statistics

2.4 Ensuring all-round participation, coordination and implementation of a decentralised approach to policy formulation

OBJECTIVE THREE: To promote sound public finance management

National Governance Challenges: Lack of effective central government fiscal planning and management capacity; lack of effective administrative and legislative bodies in government budget management; high levels of public borrowing; slow fiscal decentralisation processes; weak monitoring and reporting on financial management outcomes

Relevant African Instruments (continental, regional and national): NA

- 3.1 Enhancing the budget and public expenditure management capacity at national and local government levels
- 3.2 Increasing domestic revenue collection at national and local government levels
- 3.3 Reducing domestic borrowing
- 3.4 Implementing a national policy for fiscal decentralisation

OBJECTIVE FOUR: Fighting corruption and money laundering

National Governance Challenges: Eliminating corruption at all levels; eliminating practices of money laundering within the financial system

Relevant African Instruments (continental, regional and national): NA

- 4.1 Enforcing adherence to the rule of law
- 4.2 Enhancing the capacity of legal authorities and law enforcement agencies
- 4.3 Enhancing ministerial performance
- 4.4 Enforcement of compliance to rules and regulations in financial sector operations

OBJECTIVE FIVE: Accelerating regional integration through participation in monetary, trade and investment policy harmonisations among member states

National Governance Challenge: Lack of meaningful implementation of regional economic treaties and protocols; lack of consistency between national and regional economic policies

Relevant African Instruments (continental, regional and national): NA

- 5.1 Increasing the country's adherence to sub-regional and regional economic and trade protocols
- 5.2 Facilitating movement of persons, goods and services within the region
- 5.3 Facilitating the implementation of the new West African Currency (ECO)
- 5.4 Strengthening the relevant institutions involved in implementing customs union.

Annex 3.2 Economic Governance and Management: INDICATORS MATRIX

OBJECTIVE ONE: To promote macroeconomic policies to support sustainable development

National Governance Challenges: political commitment to put in place and maintain sound macroeconomic policies; Excessive influence by International Financial Institutions and Multilateral Development Organisations in formulation of macroeconomic policies; Low levels of domestic expert contribution in macroeconomic policy formulation; lack of adequate policies at sectoral level to support national economic growth and development; low levels of public investment in infrastructure and other prerequisites for balanced and sustained economic growth

Relevant African Instruments (continental, regional and national): NA

1.1 Achieving macroeconomic stability (price stability, exchange rate stability, interest rate stability, sustainable public debt and balance of payments):

Inflation Rate

GDP Growth Rate

Total Debt/GDP

Debt Service Ratio (% of GNI)

Debt Service, total (% of exports of goods, services, & income

Domestic Revenue % of GDP

Expenditure % of GDP

Annual Broad Money Supply

1.2 Ensure effective participation of domestic expertise in national economic policy formulation and implementation: Steps and Process involved in policymaking, Participants and stakeholders involved in policymaking

1.3 Promoting infrastructure investments and private sector development: Number of infrastructural projects completed and in progress Institutions in place to promote investment and private sector development

1.4 Increasing the productivity of key sectors of the economy including agriculture and fisheries: Trend in the volume of fish and agricultural exports, Capacity to meet domestic consumption, Contribution of key sectors to output (agriculture, fisheries, Mining & Tourism)

1.5 Development of policies aimed at reducing income inequality and increasing employment and human development: Human Development Index, Life expectancy, Literacy level, % of girls enrolled at JHS, Primary School Enrolment rate, Population with access to the recently introduced free Health Care policy, % of deliveries attended by a skilled birth attendant, Ratio of population with access to safe drinking water and other social amenities, % of Households with access to electricity Distribution capacity, National unemployment rate, Growth of sectoral employment

OBJECTIVE TWO: To implement transparent, predictable and credible government economic policies

National Governance Challenges: Lack of commitment to a clearly defined long-term economic policy framework; Lack of clearly defined processes and methods in compilation of economic data and projections; lack of adequate participation at all levels in the formulation and implementation of key economic policies and programmes; lack of an effective public administration

Relevant African Instruments (continental, regional and national): NA

2.1 Sustained implementation of a long-term strategic vision and economic plan: Existence of Medium and Long-Term Economic Framework, Documents Institutions or Departments established to monitor the implementation of the Governments economic agenda

2.2 Availability of timely and comprehensive dissemination of reliable economic data based on global data dissemination standards: Institutions responsible for collating statistical data and publishing economic and financial reports, Ease of access to data

2.3 Strengthening the capacity of key line ministries to ensure availability of adequate and reliable data and statistics: Number of MDAs operating the Integrated Financial Management Information System, Number and frequency of statistical documents published

2.4 Ensuring all-round participation, coordination and implementation of a decentralised approach to policy formulation: establishment and empowerment of Local Councils, Number of devolved functions undertaken by the local authority, Number of elected councils that have met the transparency and financial management accountability requirements

OBJECTIVE THREE: To promote sound public finance management

National Governance Challenge: Lack of effective central government fiscal planning and management capacity; lack of effective administrative and legislative bodies in government budget management; high levels of public borrowing; low fiscal decentralisation processes; weak monitoring and reporting on financial management outcomes

Relevant African Instruments (continental, regional and national): Income Tax Act; Customs Tariff Act; Finance Bill 2010; The International Accounting Standards; The International Financial Reporting Standards

3.1 Enhancing the budget and public expenditure management capacity at national and local government levels: Actual Expenditure to Target of National Budget (variance), Systems and Institutions in place to track public expenditure and budget management, Extent to which government publicly accounts for, monitor and reports on yearly revenue and expenditure Quality of Budgetary & Financial Management Rating (1 = Low to 6 = High)

3.2 Increasing domestic revenue collection at national and local government levels: Public Expenditure (% of GDP), Domestic Revenue (% of GDP), Introduction of the GST & its contribution to GDP Tax Revenue as a % of GDP (Income Tax; Customs & Excise Duties)

3.3 Reducing domestic borrowing: Total Budget Deficit, Public Debt Overall budget deficit incl. grants (% of GDP), Overall budget deficit excl. grants (% of GDP)

3.4 Implementing a national policy for fiscal decentralization: Number of Local Councils that are fully operational, National Decentralization Policy

OBJECTIVE FOUR: Fighting corruption and money laundering

National Governance Challenge: Eliminating corruption at all levels; eliminating practices of money laundering within the financial system

Relevant African Instruments (continental, regional and national): African Union Conventions on Preventing and Combating Corruption B2003; The Banking Act 2000; The Other Financial Services Act 2001; The Banking Regulations 2003; The Anti-Money Laundering Act 2005;

4.1 Enforcing adherence to the rule of law: Laws in place to fight corruption, Corruption Perception Index (CPI)

4.2 Enhancing the capacity of legal authorities and law enforcement agencies: establishment of specialized institutions to fight corruption, Magnitude and rate of reported corruption cases, Rate of completion of prosecuted cases

4.3 Enhancing ministerial performance: Number of MDAs with functional Internal Audit Units, Implementation of and adherence to the terms of the Ministerial Performance Contracts, Rate of cabinet reshuffle

4.4 Enforcement of compliance to rules and regulations in financial sector operations: Acts and Policies in place, Independence and Capacity of Institutions mandated to regulate the financial sector

OBJECTIVE FIVE: Accelerating regional integration through participation in monetary, trade and investment policy harmonization among member states

National Governance Challenge: Lack of meaningful implementation of regional economic treaties and protocols; lack of consistency between national and regional economic policies; cost of participating in regional integration; the problem of being a member of different trading and regional blocs; the fear by smaller economies of dominance by the larger economy in the region;

Relevant African Instruments: ECOWAS Treaty (1975); Convention Regulating Interstate Road Transportation between ECOWAS member states (1982); Abuja Treaty establishing the African Economic Community (1991); Protocol BA/P.1/5/79 relating to Free Movement of Persons, Residence and Establishment; The Mano River Union Treaty

5.1 Increasing the country's adherence to sub-regional and regional economic and trade protocols: Sub-regional and regional policies in place, Membership in sub-regional and regional bodies

5.2 Facilitating movement of persons, goods and services within the region: Intra-regional trade volumes/values, Intra-regional investment flows ease of travel across regional borders

5.3 Facilitating the implementation of the new West African Currency (ECO): Number of member states in which currency is actively being used, usage of the ECO across borders

5.4 Strengthening the relevant institutions involved in implementing customs union: Number of relevant institutions established within the country, representation of locals in sub-regional and regional institutions

Annex 3.3 Economic Governance and Management: BASELINE DATA

Issue	Indicator/Target	Data (Year)	Comments
OBJECTIVE ONE: To promote macroeconomic policies to support sustainable development			
1.1 Achieving macroeconomic stability (price stability, exchange rate stability, interest rate stability, sustainable public debt and balance of payments)	<p>Inflation Rate</p> <p>GDP Growth Rate</p> <p>Total Debt/GDP</p> <p>Debt Service Ratio (% of GNI)</p> <p>Debt Service, total (% of exports of goods, services, & income)</p> <p>Domestic Revenue % of GDP</p> <p>Expenditure % of GDP</p> <p>Annual Broad Money Supply</p>	<p>Inflation rate: 11.62 (2007) 13.37 (2008) 12.2 (2009) 16.76 [BSLP]</p> <p>GDP Growth Rate: 6 (2012) 7.0 (2007) 5.5 (2008) 4.5 (2009) 4.7 (Est.) [PBSL]</p> <p>Total Debt/GDP: 46.9 (2007) 48.0 (2008) 58.2 (2009) [National Budget]</p> <p>Debt Service Ratio (% of GNI): 3.5 (2007) [WDI]</p> <p>Debt Service, total (% of exports of goods, services, & income): 10.9 (2007) [WDI]</p> <p>Domestic Revenue % of GDP: 12.0 (2011) 12.3 (2012) 10.8 (2007) 11.4 (2008) 11.3 (2009) 11.6 [National Budget 2008-2012]</p> <p>Expenditure % of GDP: 16.6 (2007) 21.0 (2008) 22.5 (2009) [National Budget, WDI]</p> <p>Annual Broad Money Supply: 19.7 (2007) 20.6 (2008) [BSL, WDI]</p>	
1.2 Ensure effective participation of domestic expertise in national economic policy formulation and implementation	Steps and process involved in policymaking, Participants and stakeholders involved in policymaking	No baseline data.	

1.3 Promoting infrastructure investments and private sector development	Number of infrastructural projects completed and in progress, Institutions in place to promote investment and private sector development	Number of infrastructural projects: About 500km 2000km of PRSP II investments and private sector completed and in progress of gravel feeder roads; development roads 25km of roads rehabilitated; streets in F/T, Over 1,200km of trunk roads constructed and maintained, 7% (road adequacy-% of paved roads, Institutions in place to promote investment and private sector development: Investment Promotion Public Private Partnership Act Development Act (2004); SLIEPA ACT 2010 (2007); Establishment of SLIEPA & the Private Sector Development Strategy Program; Development of the Private Sector Development Strategy 2009-2014	
1.4 Increasing the productivity of key sectors of the economy including agriculture and fisheries	Trend in the volume of fish and agricultural exports, Capacity to meet domestic consumption, Contribution of key sectors to output (agriculture, fisheries, Mining & Tourism)	Trend in the volume of fish and agricultural exports: 142,376 15,620.2 (2007) 133,207 19,850.3 (2008) 135,298, 26,751.2 (2009) [BSL, MoFED, Nationwide Agriculture Tracking Survey], Capacity to meet domestic consumption: 69% (2007) [Seed Multiplication PRSP II sufficiency level of rice Project; NERICA Rice Project] Contribution of key sectors to output: [MoFED] Agriculture: (Le million) Fisheries: Mining: Tourism: 1,410,239 343,887 230,187 17,956 (2007) 1,637,007.65 358,523.63 91,481.49 17,516.07	
1.5 Development of policies aimed at reducing income inequality and increasing employment and human development	Human Development Index, Life expectancy, Literacy level, % of girls enrolled at JHS, Primary School Enrolment rate, Population with access to	Human Development Index: 0.317 Life expectancy: 47.4 (2007) 47.7 (2008) [ADI] Literacy level: 38.1 (2007) [PADI] % of girls enrolled at JHS: 40.9 (2006/07) 42.5 (2009/10)	

	<p>the recently introduced free Health Care policy, % of deliveries attended by a skilled birth attendant, Ratio of population with access to safe drinking water and other social amenities, % of Households with access to electricity, Distribution capacity, National unemployment rate, Growth of sectoral employment</p>	<p>Primary School Enrolment rate: 1,135,000 (2003/04) 1,322,000 (2006/07)</p> <p>Population with access to the recently introduced free Health Care policy: NA</p> <p>Pregnant women, Lactating Mothers & Children under-five: NA</p> <p>% of deliveries attended by a skilled birth attendant: 43.2 (2005) 52 (2008) 55 [ADI]</p> <p>Ratio of population with access to safe drinking water and other social amenities: NA</p> <p>urban population with access to improved water source: 85%</p> <p>rural population have access to safe drinking water: 2% [UNDP Millennium development goal report Sierra Leone]</p> <p>% of population with access to electricity: 7% [PRSP II]</p> <p>Energy Distribution capacity: 15MW (2009) 100MW (Est.) [PRSP II]</p> <p>National unemployment rate: 6.5 (2007)</p> <p>Growth of employment rate: 42% (2004-2008) [MoL, S/L PMDG Report 2010]</p>	
OBJECTIVE TWO: To implement transparent, predictable and credible government economic policies			
2.1 Sustained implementation of a long-term strategic vision and economic plan	Existence of medium and long-term economic framework, documents institutions or departments established	<p>Long-Term Economic Framework 2025; Change economic plan</p> <p>Documents: MTEF; PRSP I; PRSP II (Agenda for Change)</p>	

	to monitor the implementation of the Government's economic agenda	Departments: MoFED established to monitor the implementation of the Government's economic agenda	
2.2 Availability of timely and comprehensive dissemination of reliable economic data based on global data dissemination standards	Institutions responsible for collating statistical data and publishing economic and financial reports Ease of access to data	Reliable economic data based on global data dissemination standards, government issues economic and financial reports Ease of access to data: Access to Public Information Bill	
2.3 Strengthening the capacity of key line ministries to ensure availability of adequate and reliable data and statistics	Number of MDAs operating the Integrated Financial Management Information System Number and frequency of statistical documents published	Institutional line ministries to ensure Integrated Financial Management Reform and availability of adequate and reliable data and statistics through the Information System Capacity Building Project Monthly & Annual Bulletins; Statistic Sierra Leones Monthly CPI Report, MoFED Yearly Bulletins Statistic Sierra Leones Monthly CPI Report, MoFED Yearly Bulletins	
2.4 Ensuring all-round participation, coordination and implementation of a decentralised approach to policy formulation	Establishment and empowerment of Local Councils, Number of devolved functions undertaken by the local authority, Number of elected councils that have met the transparency and financial management accountability	Establishment and empowerment of Local Councils: The Local Government Act (2004) National Decentralization Policy (Draft) Extent of participation of Local Councils in decisionmaking: NA Number of devolved functions undertaken by the local authority: 19 out of 34 [PRSP II] Number of elected councils that have met the transparency and financial management	

	requirements	accountability requirements: 14 out of 19 [PRSP II]	
OBJECTIVE THREE: To promote sound public finance management			
3.1 Enhancing the budget and public expenditure management capacity at national and local government levels	Actual Expenditure to Target of National Budget (variance), Systems and Institutions in place to track public expenditure and budget management, Extent to which government publicly accounts for, monitor and reports on yearly revenue and expenditure Quality of Budgetary & Financial Management Rating (1 = Low to 6 = High)	Actual Expenditure to Target of 8.77% (2009) [MoFED expenditure management capacity, National Budget]. Systems and institutions in place to track public expenditure and budget management: Establishment of the Office of the Auditor-General, the Public Accounts Committee (PAC), The National Public Procurement Authority, Public Expenditure Tracking (PET), Income & Expenditure Household Surveys General Extent to which government publicly accounts for, monitors and reports on yearly revenue and expenditure: Integrated Public Management Reform Programme; Quality of Budgetary & Financial Management Rating (1 = Low to 6 = High) 3.5 (2008) [PADI]	
3.2 Increasing domestic revenue collection at national and local government levels	Public Expenditure (% of GDP), Domestic Revenue (% of GDP), Introduction of the GST & its contribution to GDP Tax Revenue as a % of GDP (Income Tax; Customs & Excise Duties)	Public Expenditure (% of GDP): 16.8 (2007) 21.0 (2008) 22.6 (2009) 24.4 (2010) [MoFED 2010] Domestic Revenue (% of GDP): 12.0 (2011) 10.8 (2007) 11.4 (2008) 11.7 (2009) 11.6 Administration System, Introduction of the GST & its contribution to GDP: GST Introduced, 0.1% contribution to GDP Tax Revenue as a % of GDP: NA Income Tax: NA	

		Customs Duties: 3.4 (2008), 3.3 (2009), 3.2 (2011) 3.5 (est. 2012); Excise Duties: 7.1 (2011), 6.3 (2009), 6.2 (2008), [Government Budget 2010, MoFED]	
3.3 Reducing domestic borrowing	Total budget deficit, public debt overall budget deficit incl. grants (% of GDP), Overall budget deficit excl. grants (% of GDP)	Total Budget Deficit (Le Million): 260,591 (2009) 77,407 (Current) Public Debt (US\$ Million): 554.5 (2007) 620.2 (2008) 692.6 (2009) Overall budget deficit incl. grants (% of GDP): 5.3 (2011) 5.2 (2012) 5.1 (2008) 4.4 (2009) 5.0 (Est.) Overall budget deficit excl. grants (% of GDP): 13.0 (2011) 9.6 (2008) 11.8 (2009) 12.8 (Est.) [Source: Government Budget 2010, MoFED]	
3.4 Implementing a national policy for fiscal decentralization	Number of Local Councils that are fully operational, National Decentralization Policy	Draft National Decentralization Policy	
OBJECTIVE FOUR: Fighting corruption and money laundering			
4.1 Enforcing adherence to the rule of law	Laws in place to fight corruption, Corruption Perception Index (CPI)	Laws in place to fight corruption: Anti-Corruption Law 2008, Act No. 12, Anti-Corruption Commission. Corruption Perception Index (CPI): 2.1 (2007) 1.9 (2008) 3.8 (2009) [Transparency International]	
4.2 Enhancing the capacity of legal	Establishment of specialized institutions to	Establishment of specialized institutions to fight corruption: There are authorities and law	

authorities and law enforcement agencies	fight corruption, Magnitude and rate of reported corruption cases, Rate of completion of prosecuted cases	enforcement agencies to fight corruption, including the Anti-Corruption Commission. Magnitude and rate of reported corruption cases: NA Rate of completion of prosecuted cases: NA	
4.3 Enhancing ministerial performance	Number of MDAs with functional Internal Audit Units, Implementation of and adherence to the terms of the Ministerial Performance Contracts, Rate of cabinet reshuffle	Number of MDAs with functional Internal Audit Units: 8 (2009) 16 (2010) [Government Budget] Implementation of and adherence to the terms of the Ministerial Performance Contracts: NA Rate of cabinet reshuffle: NA	
4.4 Enforcement of compliance to rules and regulations in financial sector operations	Acts and Policies in place, Independence and capacity of institutions mandated to regulate the financial sector	Acts and Policies in place: Anti-Money Laundering Act (2005), which allows importation of \$10,000 only in cash. Independence and capacity of institutions mandated to regulate the financial sector: Bank of Sierra Leone	
OBJECTIVE FIVE: Accelerating regional integration through participation in monetary, trade and investment policy harmonization among member states			
5.1 Increasing the country's adherence to sub-regional and regional economic and trade protocols	Sub-regional and regional policies in place, Membership in sub-regional and regional bodies	Sub-regional and regional policies in place: NA, Membership in sub-regional and regional bodies: MRU; ECOWAS	
5.2 Facilitating movement of persons,	Intra-regional trade volumes/values, Intra-	Intra-regional trade volumes/values:	

goods and services within the region	regional investment flows ease of travel across regional borders	Establishment of ECOWAS Depot Intra-regional investment flows: NA Ease of travel across regional borders: Introduction of the ECOWAS Passport	
5.3 Facilitating the implementation of the new West African Currency (ECO)	Number of member states in which currency is actively being used, usage of the ECO across borders	Membership in the West African Monetary Zone (WAMZ)	
5.4 Strengthening the relevant institutions involved in implementing customs union	Number of relevant institutions established within the country, Representation of locals in sub-regional and regional institutions	No baseline data.	

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