

**FOR
AGENDA**

EBD/08/67

June 26, 2008

To: Members of the Executive Board

From: The Secretary

Subject: **Sierra Leone—Poverty Reduction Strategy Paper—Progress Report**

Attached for the **information** of Executive Directors, in the context of the forthcoming discussion on the second review under the three-year arrangement under the Poverty Reduction and Growth Facility for Sierra Leone, the financing assurances review, and Sierra Leone's request for waivers of nonobservance of performance criteria, extension of the arrangement, and rephrasing of disbursements, which is tentatively scheduled for **Monday, July 7, 2008**, is the 2005-2007 progress report on the poverty reduction strategy paper prepared by the government of Sierra Leone. At the time of circulation of this paper to the Board, the Secretary's Department has received a communication from the authorities of Sierra Leone indicating that they consent to the Fund's publication of this paper.

Questions may be referred to Mr. Toé (ext. 36557), Mr. Nsengiyumva (ext. 36088), and Mr. Kalonji (ext. 37306) in AFR.

Unless the Documents Section (ext. 36760) is otherwise notified, the document will be transmitted, in accordance with the procedures approved by the Executive Board, to the WTO Secretariat, the African Development Bank, the Economic Community of West African States, the European Commission, the Food and Agriculture Organization, the Islamic Development Bank, and the United Nations Development Programme.

This document will shortly be posted on the extranet, a secure website for Executive Directors and member country authorities.

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Sierra Leone

Poverty Reduction Strategy

Progress Report

2005-2007

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Acronyms

ACC	Anti Corruption Commission
ACT	Artesunate Combination Therapy
AFDB	African Development Bank
AIDS	Acquired Immune Deficiency Syndrome
ANC	Antenatal Care
BKPS	Bo-Kenema Power Supply
BRIDGE	Building Resources in Democracy, Governance and Elections
CAP	Common Action Plan
CBOs	Community Based Organizations
CED	Custom and Excise Department
CORAD	Consortium for Rehabilitation and Development
CPI	Consumer Price Index
CRIS	Country Response Information System
CRS	Catholic Relief Services
DACO	Development Assistance Coordination Office
DECSEC	Decentralisation Secretariat
DFID	Department for International Development
DISECs	District Security Committees
DTIS	Diagnostic Trade Integration Study
ECOWAS	Economic Community of West African States
EU	European Union
FAO	Food and Agriculture Organization
FELDA	Federal Land Development Authority
FSAP	Financial Sector Assessment Programme
GDP	Gross Domestic Product
GoSL	Government of Sierra Leone
HIPC	Highly Indebted Poor Countries
HIV	Human Immune Virus
IF	Integrated Framework
IFAD	International Fund for Agricultural Development
IFMIS	Integrated Financial Management Information System
IMF	International Monetary Fund
INGO	International Non-Governmental Organization
IPRs	Intellectual Property Rights
IPRSP	Interim Poverty Reduction Strategy Paper

IPT	Intermittent Preventive Therapy
IRCBP	Institutional Reform and Capacity Building Project
IT	Information Technology
ITD	Income Tax Department
ITNs	Insecticide Treated Bed Nets
JSS	Junior Secondary Schools
LGA	Local Government Act
M&E	Monitoring and Evaluation
MCH	Maternal and Child Health
MDAs	Ministries, Departments and Agencies
MDGs	Millennium Development Goals
MFMR	Ministry of Fisheries and Marine Resources
MMR	Ministry of Mineral Resources
MMR	Maternal Mortality Rate
MOF	Ministry of Finance
MOHS	Ministry of Health and Sanitation
MTEF	Medium Term Expenditure Framework
NAC	National HIV/AIDS Council
NaCSA	National Commission for Social Action
NAS	National Aids Secretariat
NASSIT	National Social Security and Insurance Trust
NCCT	National Coordinating Committee on Trade
NEC	National Electoral Commission
NEPAD	New Partnership for Africa Development
NERICA	New Rice for Africa
NGO	Non- Governmental Organizations
NPA	National Power Authority
NPSE	National Primary Schools Examination
NRA	National Revenue Authority
OAG	Office of the Accountant General
ONS	Office of National Security
PEFA	Public Expenditure and Financial Accountability
PETS	Public Expenditure Tracking Survey
PFM	Public Financial Management
PHU	Peripheral Health Care Unit
PLWHAs	People Living with HIV/AIDS
PRGF	Poverty Reduction and Growth Facility
PRS	Poverty Reduction Strategy

PRSP	Poverty Reduction Strategy Paper
PSC	Public Service Commission
RSLAF	Republic of Sierra Leone Armed Forces
SHARP	Sierra Leone HIV Response Project
SLEDIC	Sierra Leone Export Development and Investment Corporation
SLP	Sierra Leone Police
SLRA	Sierra Leone Roads Authority
SMEs	Small and Medium Enterprises
SSG	Strategic Situation Group
SSRR	Security Sector Review Report
STI	Sexually Transmitted Disease
TBA	Traditional Birth Attendants
TRC	Truth and Reconciliation Committee
UCI	Universal Childhood Immunization
UMR	under -5 Mortality Rate
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNFPA	United Nations Fund for Population Activities
UNHCR	United Nations High Commission for Refugees
UNICEF	United Nations Children's Fund
USAID	United States Agency for International Development
VAT	Value Added Tax
VCCT	Vocational Counselling and Testing Centre
VSAT	Very Small Aperture Terminal
WFP	World Food Programme

Chapter 1: Introduction

This report describes the progress made in implementing the Poverty Reduction Strategy Paper (PRSP) for Sierra Leone covering the period 2005 - 2007.

The Government of Sierra Leone adopted the PRSP in June 2005. Nationwide consultative processes ensuring the inclusion of all stakeholders in the form of Participatory Poverty Assessments (PPAs) and Focus Group Discussions (FDGs) were used in formulating the strategy. The resulting PRSP thus reflects the views and aspirations of the people in policy design as well as their experiences in dealing with poverty related issues.

Following the completion of the PRSP document, the government of Sierra Leone and its development partners held a Consultative Group (CG) meeting in London on 29th and 30th November 2005. The purpose of the meeting was to deepen the partnership between the Government of Sierra Leone and its Development Partners around the SL-PRSP, focusing on monitorable results and improving aid modalities.

The outcome of the CG was very successful, particularly as development partners pledged to provide an estimated US \$864 million to support the implementation of programmes articulated in the Activity Matrix and Medium Term Expenditure Framework (MTEF) for the period 2005-2007. This figure does not include the expected debt relief from the Highly Indebted Poor Countries (HIPC) and the Multilateral Debt Relief Initiatives (MDRI).

The SL-PRSP is constructed around three pillars: Good Governance, Peace and Security; Food Security, Job Creation and Growth; and Human Development. In turn these pillars incorporate the United Nations Millennium Development Goals (MDGs) as part of the goals of its development policy. Thus the indicators identified for monitoring the PRS are also closely linked to the MDGs.

The PRSP also includes a focus on reforming the public administration with the goal of increasing the efficiency, transparency and accountability in implementing government programmes, as well as improving the manner of governing over all public sector policies. The country still needs capacity for the efficient coordination of policies at the central level as well as the operational knowledge that would ensure the translation of the goals defined in program documents into concrete measures and activities.

Several factors have contributed to the somewhat limited impact analysis of the activities presented in this report. The lack of a comprehensive monitoring system during the initial stages of implementation and weak capacities in the various line ministries contribute to the difficulty of fully assessing the scope of the achieved results. In addition, the existing statistical data collection and dissemination system is predominantly focused on collecting quantitative rather than qualitative data. These issues are however being addressed gradually.

1.1 Framework for Implementation

The following principles have guided the implementation of the PRSP in Sierra Leone:

- (i) Mainstreaming poverty reduction efforts has become an integral part of the regular work of the Government of Sierra Leone (line ministries, central government institutions and bodies, local governments) and its development partners according to their respective mandates and responsibilities.
- (ii) Building strong ownership of the PRSP through an inclusive participatory process, emphasizing the active involvement of civil society, private and public sectors, and representatives of vulnerable groups in the implementation, monitoring and evaluation.
- (iii) Changing the way the Government “does business” by achieving transparency through a well-defined planning process (including more efficient coordination and prioritization).
- (iv) Engaging local-level PRS implementation through the participation and cooperation of representatives of local governments, the NGO and private

sectors and donors. This is part of the public administration reform and the decentralization process.

(v) Building partnerships during the PRSP implementation in order to improve coordination and information sharing.

The implementation framework for the PRSP comprises a) Policy Committees {Inter- Ministerial Committee and DEPAC} and b) Technical Committees i.e. National Technical Committee (NTC), Pillar Working Groups, Local Council M&E Committees and Civil Society Monitoring Groups, and c) a coordinating body. The Development Assistance Coordination Office (DACO) serves as the secretariat responsible for the coordination of the implementation and monitoring of the PRSP.

Monitoring and evaluation of the PRSP was done in line with the implementation framework highlighted above. To coordinate the monitoring and evaluation of the PRSP, a monitoring and evaluation unit in DACO coordinates the collection and collation of all poverty related data and facilitates the analysis of such data by the sector and pillar.

An M&E readiness assessment was conducted to ascertain the M&E situation at central and district level. The findings from this assessment led to the development of an M&E Plan. To ensure consistency in the indicators identified in the PRSP Results Framework, Health, Education and Agriculture and WATSAN indicators were reviewed by the pillar working groups. In addition new indicators were identified for justice sector and human rights activities.

Constraints to Implementation

Financing the PRSP: The cost of implementing the PRSP was estimated at US \$1.624 billion while the MTEF poverty related expenditures was US \$ 683 million. The additional amount required to fully implement the PRSP was estimated at US\$ 941 million. Given competing demands for resources from other countries, development partners requested that the Government re-prioritise and thereby reduce the gap to US 368.4 million. In effect, the actual funding gap of US\$ 573 million was not presented to development partners at the CG meeting.

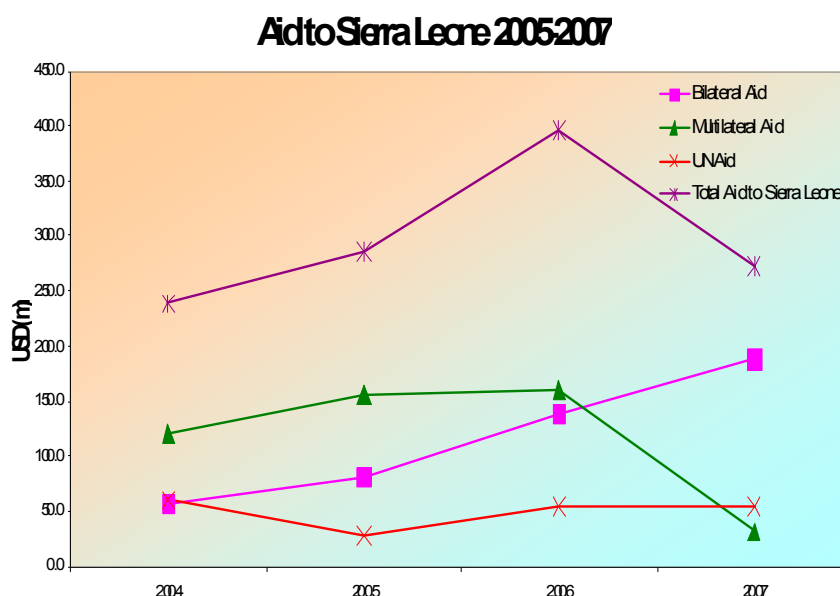
At the CG meeting in November 2005, pledges made in support of the PRSP for the period 2005 – 2007 amounted to US\$ 874 million. These pledges however were mostly reconfirmation of commitments already reflected in the MTEF budget. Therefore, the additionality from the commitments made at the CG was only US\$ 246 million.

In essence, out of the US\$1.624 million required to fund the PRSP, commitments were only US\$ 929 million creating a funding gap of US\$695 million. Table one below shows disbursement by donors for the period 2005-2007.

Table: **Donor Disbursement for PRSP**

Year	2005	2006	2007	Total
Amount (mn US\$)	336.60	361.3	277.2	975.10

The total disbursements for 2005-2007 were estimated at US\$ 975.1 exceeding the commitments made at the CG meeting by US\$ 101 million. The extra resources could be attributed funds from Global Funds that were not part of the programmes highlighted in the PRSP.



Weak or Non existence of required capacity

The effective implementation of the PRSP depended largely on the capacity of the line ministries to develop implement and monitor development programmes within their respective ministries. The weak capacity in line Ministries affected the implementation of programmes. In addition, there is also a paucity of capacity within the development partners' offices. Sierra Leone being a post conflict country and a non family station do not attract the highly qualified in our development partners' organizations. As a result, decisions are mostly made at the regional or head quarter levels delaying implementation of programmes.

The Civil Society Organisations (CSOs) and Parliaments are supposed to monitor progress and provide the checks and balances required for effective implementation of programmes. However, due to capacity constraints, Parliamentarians as well as CSOs were unable to effectively monitor the PRSP.

The PRSP promotes the development of the private sector as a prerequisite for growth. This was difficult to achieve as most Sierra Leoneans do not have the know-how or capital to effectively participate in private sector development.

Internalising the PRSP

In most cases, MDAs and local councils could not internalise the PRSP. The PRSP was largely viewed as a separate project which was completely different from their routine programmes. This clearly impacted negatively on the implementation of the PRSP

Lack of Timely and Reliable Statistics

The lack of timely and reliable statistics makes determination of baseline information and setting of targets unrealistic. It also prevented regular reporting and makes country comparison difficult.

1.2 Lessons Learnt

Targets too ambitious given the available resources

After the development partners proposed that the Government should reprioritise which led to reducing the funding gap from US\$941 million to US\$ 368 million,

the targets were not revised accordingly. The Government should have revised targets based on the projection of available resources. Government was monitoring progress on the implementation of programmes for which funds were not available nor expected. This weak coherence between available resources and targets is partly responsible for the non achievement of some of the goals and targets outlined in the PRSP.

Weak intersectoral linkages

Although the PRSP underscore the need for strong inter sectoral linkages between the programmes identified, during implementation sectors tend to focus primarily on activities that fall within their respective sectors. No strong collaboration was realised between the various units in the different sectors that were responsible for implementing the programmes.

Implementation was not dictated by national priorities

Based on the analysis of resource inflows, funding was easily provided for programmes that development partners have a preference for as opposed to other national priorities. A case in point is that funds are quickly provided for provision of Technical assistance while donors shy away from implementing the SES programme. Also funds are quickly provided to support CSO or related activities but were not adequately provided to support the energy sector.

Need for a resource mobilisation strategy and an Aid Policy

Mobilising resources was primarily based on CG meetings and bilateral ad hoc meetings with partners. There was no clear strategy as to how and when to mobilise resources to close the funding gap. In order to ensure that adequate resources are available for the implementation of the next PRSP, there is a need to develop and adopt a resource mobilisation strategy. This strategy should focus on mobilising resources not only through CG meetings but also through Round table discussions based on specific sector support. The donor base should also be broadened to encourage new donor partners to support Sierra Leone. In addition, an Aid Policy should be developed to clearly define roles and responsibilities of Government and development partners, and also to provide clear guidelines on the all aid management issues. The current situation leaves to country to act on the dictates of the various development partners.

Need to strengthen capacity across board

The lack of capacity of the line ministries and development partners' offices influenced the implementation, monitoring and evaluation of the PRSP. The Government needs to develop a comprehensive capacity building programme that will address capacity requirements across board.

Need to streamline priorities and rank these priorities

The PRSP was viewed by some of our development partners as wanting to do everything even after reprioritisation. The next PRSP needs to be streamlined and priorities clearly defined for the next three years. In addition, these priorities need to be ranked to ensure that sequencing of implementation will lead to implementing programmes or activities that have positive effects on other sectors

1.3 Key Findings

This section summarise the key finding from the review of the PRSP. The progress made in achieving targets and remaining challenges are summarised for each pillar.

Pillar one focused on improving public sector governance, consolidating the peace and strengthening national security. Improving public sector governance involved; reforming the public sector, improving Public Financial Management (PFM) and Procurement, strengthening the decentralisation process, fighting corruption, peace consolidation and reforming the security sector.

Efforts to reform the public sector were not very successful. Management and Functional Reviews were conducted for several MDAs but the recommendations were not implemented. A Senior Executive Service (SES) programme was also developed but Government and development partners could not agree on an implementation strategy and therefore the funds required for implementation were not provided. However, a 90-day review of the architecture of the Civil Service was conducted and the ESO was converted into a HRMO. The lack of a comprehensive civil service reform continue to pose a serious challenge to Government as the required capacity to implement, monitor and evaluate programmes is still lacking in line ministries.

PFM has improved significantly over the years as the MTEF budget process has been strengthened. All MDAs now prepare strategic plans that are aligned to the PRSP objectives. An Integrated Financial Management Integrated System (IFMIS) have been installed and implemented in key MDAs. Internal Audit Units have been established in 14 MDAs. In the area of procurement, the National Public Procurement Authority (NPPA) secretariat is now fully operational with an Independent Review Panel and procurement units have been established in all procuring entities. The Public Expenditure Tracking Survey (PETS) and related Public Perception Surveys are regularly conducted and plans of actions developed and implemented based on the recommendations from PETS.

In the area of decentralisation, implementation of the devolution plan is on-going. 19 out of the 34 functions have been devolved to local councils and 14 out of the 19 elected councils have met the transparency and financial management accountability requirements. A Chiefdom Governance Act has been developed and approved by Parliament.

The fight against corruption continues to be a key component in promoting Transparency and Accountability. Anti corruption cases were fast tracked through a Fiat mechanism but the arrangement has been repealed. The National Anti Corruption Strategy (NACS) has been revised and is now being implemented.

As a first step to ensuring the availability of timely and reliable statistics, the Central Statistics Office was reformed, strengthened and converted in Statistics Sierra Leone. In collaboration with other key institutions, SSL conducted a MICSIII and CWIQ. A DHS is on going while a SLHIS is planned for 2009. In addition, the Ministry of Finance and the Ministry of Agriculture and Food Security conducted a PSIA while an independent consulting firm CESPA conducted a Public Perception Survey in collaboration with key stakeholders. The annual PETS and VAM were also conducted by MOF and MAFS respectively.

Consolidating Peace and Peace Education is critical for Sierra Leone, so the TRC recommendations were gradually being implemented with the Government's

White Paper on the recommendations as well the establishment of a Human Rights Commission. Peace education programmes were implemented by the National Commission for Democracy (NCD). The NEC was strengthened and as a result was able to conduct peaceful and credible general and parliamentary elections in 2007.

To facilitate the judicial reform process, a comprehensive and integrated Justice Sector Strategy was developed and implemented. This strategy promotes capacity building initiatives that ensure that justice is delivered to the less fortunate and the vulnerable.

In disseminating public information and awareness raising, the Government implemented an ENCISSE programme that creates a forum for constructive dialogue between Civil Society and the State. A communications strategy was also developed and implemented.

In promoting security, the Police and Military were restructured and retrained to improve on their efficiency. Security intelligence was also strengthened through the Office of National Security which is mandated to coordinate all security related issues.

Remaining Challenges

Although the PRSP reiterated the need for a speedy and sustainable Public Service Reform, reform measures in the Civil Service were not implemented. Consequently, the Government is still faced with paucity of required capacity in the all MDAs. This needs to be addressed as the successful implementation of all development programmes largely depends on the capacity of the Civil Service to implement, Monitor and evaluate progress.

Further improvement in the PFM is still required. The preparatory process of the budget needs to be strengthened to ensure that it is laid in Parliament as per the provisions of the GBBA. Also IFMIS needs to be installed and operationalised in all MDAs.

In the area of procurement, concrete steps need to be taken to ensure that procurement rules and regulations are adhered to. Procurement awards need to be made public on a regular basis through publication in accordance with national procurement law.

To intensify the fight against corruption, the NACS should be endorsed by Parliament and adequate funds provided to ensure its effective implementation. Implementation of the devolution plan needs to be intensified. The existing Acts that conflict with the devolution Act should be reviewed. In addition, the capacity of the local councils should be developed so that the local councils can effectively coordinate and supervise programmes at the district level.

Pillar Two focussed on promoting Food Security and Job Creation; Investment in Supportive Infrastructure; Improving the climate for Private Sector Development (PSD); Investment in Mining; promoting Tertiary Sectors; Promoting Youth Employment and Development.

Promoting food security and job creation was centred on increasing domestic food production. It was observed that there were increases in the production of Rice, Coffee, Cocoa, Cattle, Goats and Sheep although in some cases the increases observed were not significant. Rice production increased from 526,619 in 2004 to 637,983mt in 2007. Earnings from Cocoa and Coffee increased from US\$503,800, US\$5,659,100 in 2004 to US\$1,854,700 and US\$11,368,100 in 2007 respectively. Cattle, Sheep and Goats production also increased from 150,000, 300,000, 350,000 heads to 345,000, 540,000 and 630,000 heads in 2007 respectively. Similarly domestic fish production also increased during the period.

Providing supportive infrastructure aimed at improving energy supply, improving the road and transport network and building Information Communications Technology (ICT). Attempts to improve electricity supply were not successful. The Bumbuna Hydroelectric Project did not come on stream as expected and arrangements to provide short term electricity supply for Freetown were only implemented until late 2007.

The road network improved slightly as about 500 km of gravel roads were rehabilitated and over 1200km of trunk roads constructed and maintained.

Access to ICT products improved significantly after the liberalisation of telecommunications industry which led to the establishment of five mobile companies. Mobile network was extended to 80 percent of the country with investments estimated at over US\$125 million. VSAT connections increased thereby reducing the dependence of national carriers on international bandwidth.

As a result Sierra Leone is now integrated into the global economy through ICT. Improving the climate for Private Sector Development was the corner stone for growth and Job Creation. To facilitate PSD, a Diagnostic Trade Integrated Study (DTIS) was conducted and an Action Matrix developed to implement the recommendations. To simplify administrative procedures, and reduce the cost of doing business in Sierra Leone, legislations on General Law and Business Registration were enacted. Public –Private Partnership schemes were also promoted and agro businesses were supported through the establishment of skills and food processing centres.

Youth Employment and Empowerment was promoted through the establishment of Agricultural Farms for Youth, Youth Enterprise Development Schemes and employment in Public Works.

Remaining Challenges

Even though tourism was highlighted as key to Job Creation and Growth, there were no programmes developed or implemented to promote the sector. The tourist sector therefore needs to be supported so that the potential to promote private sector is tapped. Promoting tourism will also create the opportunity of rehabilitating and preserving the country's historic land marks and sites.

Youth employment programmes needs to be coordinated and integrated into a single strategic framework.

Efforts to promote private sector development needs to be strengthened through the provision of the requisite infrastructure. Energy supply needs to be improved and maintained at an affordable rate. The roads network needs proper

rehabilitation and continuous maintenance. Efforts to rehabilitate feeder roads that lead to agricultural productive areas should be intensified.

Diamond exports increased from US\$126.65 million in 2004 to US\$ 141.50 million in 2007. Despite this increase the mining sector needs to be streamlined. This will ensure that activities in the sector will provide maximum possible benefits to the Government in terms of revenue generation and also in terms of community development in the mining areas.

Pillar Three focussed on promoting human development which includes expanding quality basic Education and Training; expanding access to Health and Nutrition Services, increasing access to Water and Sanitation, providing affordable Housing for the Poor, improving the quality of life for the vulnerable, promoting Child's First Policy; HIV/AIDS Prevention and Control, Gender Equality and Empowerment; Better Environment Management.

Universal access to education increased over the period as the NER increased although the ratio of girls to boys remained constant. Due to the focus on the Girl Child on education, the number of girls accessing secondary schools increased significantly. The pupil teacher ratio target was not achieved largely due to the ceiling placed on recruitment of teachers. However, passes for the BECE and NPSE increased steadily over the period.

Similarly, access to health facilities increased as a total of 867 Public Health Units were fully operational. Infant, Child and Mortality ratios reduced slightly but remains amongst the worst in the world. Malaria treatment and prevention was intensified with the supply of over 300,000 treated bed nets and the provision of affordable treatment drugs. The HIV/AIDS pandemic is being addressed through the continuous provision of condoms, establishment of VCCT sites and provision of ARVs and other support to PLWHA.

Access to safe drinking water and sanitation improved slightly at 49 percent and 35 percent. Managing the environment receives a boost through the establishment of the NaCEF.

Remaining Challenges

Although NaCEF was established, its impact has been limited due to lack of basic logistics and funds to operate. NaCEF needs to be supported so that the environment can be effectively managed.

Access to safe drinking water and health facilities need to be improved upon within an integrated framework.

In the area of education, focus should also be on quality. Capacity of higher institutions of learning needs to be strengthened so that the standard of education will not continue to drop. International standard Post Graduate programmes should be introduced. The educational system should also focus on ensuring that the needs of the country are being addressed. Issues of provision of adequate education for those with special needs should also be addressed.

In addition, Affordable housing for the poor, Child's First policy and Gender Empowerment were highlighted in the PRSP but no meaningful efforts were made to address these issues.

Chapter 2: Macroeconomic Developments -2005-07

2.1 Introduction

With support from its development partners, Sierra Leone has made significant progress in the pursuit of macro-economic stability in recent years. Following the successful implementation of the first Poverty Reduction and Growth Facility (PRGF I) arrangement (2001-2005), Government entered into negotiations for a successor PRGF arrangement with the IMF. Given 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 the PRSP I, Sierra Leone achieved a relatively stable macroeconomic environment with strong economic growth, moderate inflation, declining albeit high 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 Multi-lateral Debt Relief Initiative (MDRI).

However, program implementation ran into difficulties owing to fiscal slippages (mainly shortfalls in domestic revenue collection) in the second half of 2006 and in 2007. The situation was exacerbated by the delays and non-disbursement of some programmed budget support in 2007 on concerns over fiscal slippages and fiduciary issues. The shortfalls in domestic revenue, combined with the delays in external budget support, complicated budget execution and derailed program implementation during the period. In order to preserve macroeconomic stability in the face of revenue shortfalls and delays in donor disbursements, Government adopted a cash-budget management system in April 2007. The implementation of the cash budget management system resulted in improved program performance and the attainment of all the quantitative performance criteria under the PRGF for end June and end December, 2007. However, the indicative targets on domestic revenue and poverty reducing expenditures were missed at all test dates. The cash budget system resulted in the build up of domestic

payment arrears and deprived Government of the fiscal space to meaningfully implement its poverty reduction strategy.

2.2 Real Sector Performance

The strong economic recovery, which began in the immediate post conflict period continued during the implementation of PRSP. Real GDP, grew by 6.8 percent in 2007 after growing by 7.3 percent 7.4 percent in 2005 and 2006 respectively compared to the PRS targets of 6-7 percent. Economic growth during the period was driven mainly by buoyant activities in agriculture, mining, construction and services sectors.

Figure 1 presents the composition of domestic output. Agriculture and services have contributed the vast majority of GDP since the end of the war, followed by mining, construction and manufacturing.

Fig. 1 - Sectoral Composition of GDP 2005-07

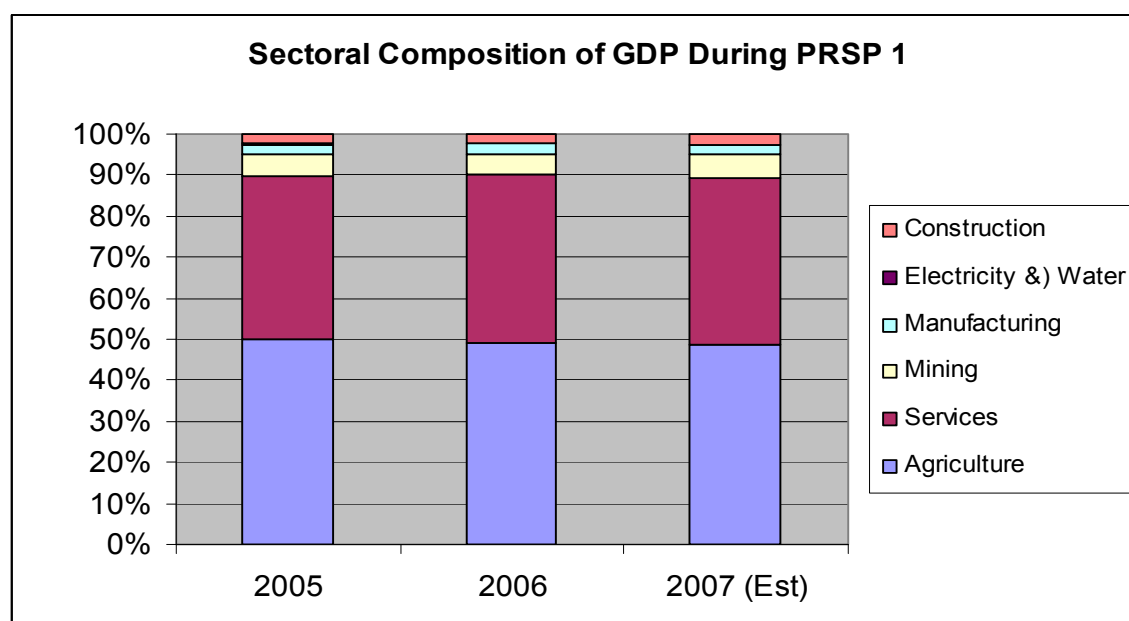
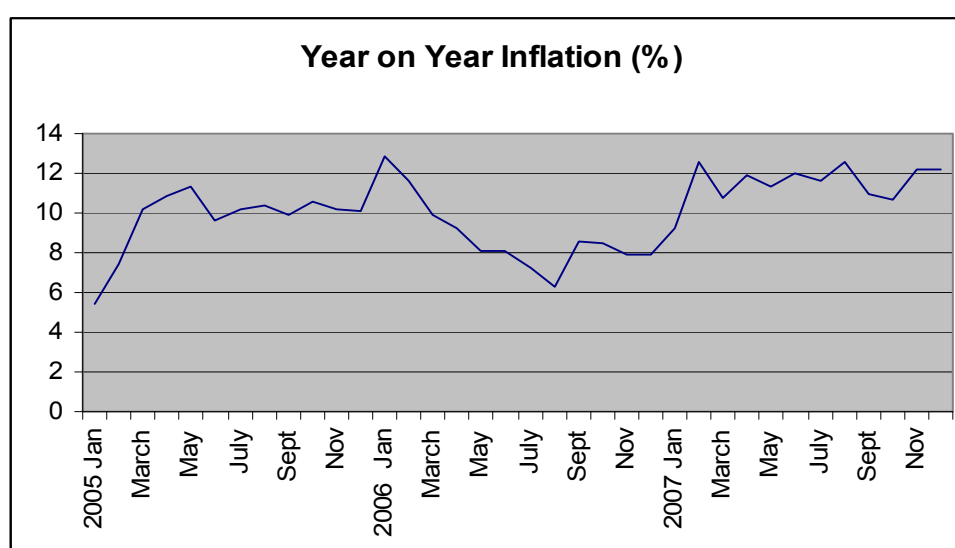


Table 2.1 - Percentage Contributions to GDP Growth by Sector, PRSP

	2005	2006	2007 (Proj)
Agriculture	72.1	37.4	41.2
Services	26.0	57.7	33.0
Mining	-3.4	0.2	17.2
Manufacturing	1.1	4.2	1.0
Electricity and Water	-1.0	-0.3	-0.9
Construction	5.1	0.8	8.5

Prudent fiscal and monetary policies were largely successful in reining in inflation during the first two years of the PRSP. Annual average consumer price inflation fell to 9.5 percent in 2006 from 12.0 percent in 2005. Inflation reverted to double digits reaching 11.6 percent in 2007. The disruptions in the supply of essential goods as a result of the political crisis in Guinea in the first quarter of 2007, and the slowdown in business activities and speculative buying of goods prior to the national elections in August and September 2007, contributed to the rise in inflation in 2007. Increase in money supply during the first half of the year and the rise in oil prices towards the end of the year also contributed to inflationary pressures.

Fig. 2 – Year-on-year Inflation during the PRSP

2.3 Fiscal Performance

The main objective of fiscal policy during PRSP was to enhance domestic revenue collection and improve expenditure management and control systems, and phase out bank financing of the budget deficit, whilst channelling resources to the poverty reduction activities.

Fiscal performance during 2005 - 2007 was not as strong as envisaged due mainly to fall in domestic revenues, higher-than budgeted expenditure and delays in the disbursement of external budgetary support. As a result, even though the overall budget deficit, excluding grants, declined from 12.8 percent of GDP in 2005 to 6.8 percent in 2007, the outcome was above programme ceilings for the respective years. Similarly, the domestic primary budget balance declined from 3.1 percent of GDP in 2005 to 1.9 percent of GDP in 2007 but exceeded programme ceilings for the period.

Domestic revenue fell from 11.9 percent in 2005 to 11.8 percent in 2006 and 10.8 percent in 2007 compared to the PRGF targets of 12.2 percent, 12.5 percent and 13.2 percent, respectively. The weakening in revenue performance can be attributed to several factors:

- Trade diversion resulting from relatively higher import duties, freight charges and other administrative charges than in the neighbouring countries. This has a major impact on the collection of import and excise duties, which constitute roughly half of domestic revenue.
- The continued granting of discretionary duty waivers to some importers.
- Reductions in excise tax on petroleum products in both 2006 and 2007.
- The uncertainty associated with the 2007 general elections, which made businesses to adopt a 'wait and see' attitude.

- The negative impact of the disruptions in power and water supply on the profitability of businesses in 2006 and 2007
- Under-assessment of most taxpayers, and weak enforcement against defaulters.
- Arrears accumulation by parastatals and private companies.

Total grants including HIPC Debt Relief decreased from 10% of GDP in 2005 to 7.9% in 2006 and 4.9% in 2007, partly reflecting the shortfalls in the disbursement of budget support. In 2007, out of \$66.56mn expected to be disbursed as external budgetary support for the entire year, only \$42.58mn was disbursed.

Total Expenditure and Net Lending declined as a percentage of GDP during each year of the PRSP 1, from 24.6 percent in 2005 to 22.7 percent in 2006 and 17.7 in 2007 but exceeded the programme ceilings. Recurrent expenditure declined during the period but exceeded the programme ceilings in 2005 and 2006. Recurrent expenditure was less than budgeted in 2007 mainly due to the curtailment of expenditure following the adoption of the cash budget management system.

Capital expenditure also declined from 5.9 percent of GDP in 2005 to 5.0 percent of GDP in 2006 and down to 2.8 percent of GDP in 2007 due to lower than budgeted disbursement of project loans and grants.

The overall budget balance, on a commitment basis including grants and MDRI debt relief resources was in deficit estimated at 2.7 percent of GDP in 2005. The overall balance moved to a surplus of 9.3 and 25.2 percent of GDP in 2006 and 2007, respectively.

The budget deficit was financed by both domestic and foreign sources during the review period. Domestic financing of the budget deficit in 2005 was estimated at 1.0 percent of GDP compared to the programme ceiling of 0.7 percent of GDP. In 2006, Government made a repayment to the banking system estimated at 10.4

percent of GDP. Domestic financing amounted to 1.7 percent of GDP and exceeded the programme ceiling in 2007.

Total poverty-related spending remained at 4.4 percent of GDP in 2006 and decreased to 3 percent of GDP in 2007. This less than budgeted poverty expenditure in 2007 was attributed mainly to the shortfall in domestic revenues and the non-disbursement of external budget support. An indicative breakdown of poverty-related expenditure is included in table 2.2. The bulk of expenditure was directed to education and health, with further funding for functions devolved to local councils: largely primary & secondary education services, primary health services and solid waste management.

However, it should be noted that strenuous efforts were made to protect poverty expenditure in the face of shortfalls in domestic revenues and delays in donor disbursements. In absolute terms, discretionary government expenditure was concentrated in poverty –related programmes. After adjusting for statutory transfers to the Road Fund and the National Revenue Authority, poverty expenditure accounted for 67 percent of actual total (adjusted) non-salary, non-interest recurrent and domestic capital expenditure.

Table 2.2: Poverty Expenditures 2005-07

	2005		2006		2007	
	Target	Actual	Target	Actual	Target	Actual
Total Poverty-Targeted Expenditure	154,000	151,724	208,058	186,017	240,600	153,553
Recurrent Poverty-Targeted Expenditure:	N/A	139,780	179,335	155,820	212,902	126,635
<i>Defence</i>	0	0	7,989	2,560	8,346	2,867
<i>Education, Science & Technology</i>	50,362	50,615	46,448	48,824	52,117	42,118
<i>Youth and Sports</i>	N/A	1,066	1,454	1,305	1,437	445
<i>Health and Sanitation</i>	25,603	25,320	29,843	26,532	35,554	11,068
<i>Social Welfare, Gender & Children's Affairs</i>	N/A	856	1,037	746	1,134	294
<i>Agriculture and Food Security</i>	N/A	14,330	13,339	12,145	13,880	4,043
<i>Functions Devolved to Local Councils</i>	16,594	14,133	36,089	24,310	45,798	15,050
Development Poverty-Targeted Expenditure	N/A	11,943	28,723	27,346	46,010	26,918

Source: Budget Bureau, Ministry of Finance and Economic Development

2.4 Monetary and Financial Sector Developments

Monetary policy during the PRSP was aimed at subduing inflation to single digit and maintaining positive real interest rates in order to promote domestic savings and ensure efficient allocation of financial resources. Monetary policy during the period was conducted via open market operations, specifically the sale and purchase of treasury bills in the primary market. The growth of reserve money was the key challenge for monetary policy operations. Government borrowing from the banking system to finance the deficit was the key source of reserve money growth. Another challenge was the high inflationary pressures emanating

from high oil and food prices in the international market, which translated into high domestic prices.

Several measures were put in place to improve the effectiveness of monetary policy. In 2006, to enhance the Bank's menu of securities for active open market operations, the Ministry of Finance and Bank of Sierra Leone (BSL) signed a Memorandum of Understanding for the conversion of non interest bearing securities into interest bearing and marketable securities. Le 50 billion worth of non-interest securities were converted into marketable securities in 2006 and an additional Le2.5bn in 2007. Furthermore, the BSL reviewed the secondary market pricing to provide a wider corridor to stimulate inter-bank trading. Finally, a liquidity forecasting framework was introduced and a unit established to collect data on government transactions, currency movements and maturities of securities. These are utilized in the forecast of liquidity, on a weekly basis with the objective of mopping up excess liquidity in the system.

Growth in monetary aggregates during PRSP 1 was higher than program targets during the period, reflecting an increase in government borrowing from the banking system to finance the deficit as well as an increase in net foreign assets. Broad money growth (year- on- year basis) declined from 32.8 percent at end 2005 to 18.9 percent in 2006 and rose again by 25.9 percent at end 2007. The increase in money supply in 2007 was due mainly to the increase in net foreign assets during the period. Similarly, reserve money growth slowed down to 10.6 percent in 2006 from 24.3 percent in 2005 before rising to 26.0 percent in 2007. The three month Treasury bill rate fell to 14.2 percent in 2006 from 19 percent in 2005. The interest rate rose to 21.3 percent in 2007 following the conversion of non-interest bearing securities into interest bearing securities and the subsequent roll over of these securities for monetary policy operations.

Commercial banks' lending to the private sector increased by 15.4 percent in 2005; 22.9 percent in 2006 and 37.8 percent in 2007. The bulk of bank credit in recent years was extended to the Services sector followed by Commerce and Finance and Construction. Commercial banks' lending rate rose to 25-31 percent in 2007 from 24-30 percent in 2005 and 2006.

During the PRSP, Government implemented a number of measures to improve financial intermediation and the operation of the financial sector. Four community banks have been established with the support of the Central Bank to promote rural financial intermediation. These banks operate as commercial banks but with financial products suitable for rural areas, including a micro-finance window. In a bid to enhance medium to long term finance and facilitate the development of the private sector, an interim stock exchange was officially opened in July 2007, though it is yet to commence operations. In addition, bills have been drafted to facilitate the establishment of a fully fledged capital market in Sierra Leone and provide for the establishment, operation and supervision of electronic payments and clearing & settlements.

In addition to the anti-money laundering act (2005), currency reporting forms for completion by people moving to and from Sierra Leone in possession of currencies or negotiable instruments in excess of US\$10,000 have been approved. The National Revenue Authority has been charged with the responsibility of implementing these forms at various entry points.

In 2006, to ensure the stability of the financial system, BSL increased the minimum capital requirements for all financial institutions. The minimum capital has been increased from Le 800 million to Le 15 billion for commercial banks, from Le2.5 billion to Le15 billion for development and investment banks, and from Le 600 million to Le 6 billion for discount houses. These requirements are being implemented on a graduated basis, and are to be fully in place by end 2009.

2.5 External Sector Performance

Sierra Leone's external sector continued to expand in the midst of many challenges. Exports grew strongly during the review period buoyed by increased activities in the mining sector. The total value of exports grew by 15.4 percent in 2005, to a total value of US\$159 million and continued to register impressive growth rates of 28.3 percent in 2006 increasing to US\$231 million. Growth in exports slowed to 3.9 percent in 2007 (increasing to US\$245.2 million) mainly due to the temporary closure of Koidu Holdings diamond mining company.

Mineral export were dominated by diamonds, which amounted to US\$142 million in 2005, declined to US\$125 million in 2006, then jumped to US\$142 million again in 2007. Rutile and bauxite mining resumed in early 2006 and has been contributing significantly to mineral exports. Agricultural exports have been moderate but growing.

Imports remained high during the period partly on account of the increase in reconstruction and rehabilitation activities, as well as the rise in international oil and food prices. After growing sharply by 31.9 percent in 2005, import growth slowed to 1.9 percent in 2006 and 4.6 percent in 2007. Imports of food, mineral fuel and lubricants, animals & vegetable oil, machinery & transport equipment and chemicals all increased during the period.

Reflecting the strong growth in exports, the current account deficit, excluding official transfers, narrowed from 14.2 percent of GDP in 2005 to 8.8 percent in 2006 to 7.3 percent in 2007.

Gross foreign reserves at the Bank of Sierra Leone strengthened to record US\$208 million (about 4.5 months of goods imports) as at end December 2007, from US\$124 at the beginning of the PRSP I. The increase in gross foreign reserves was mainly as a result of donor inflows and to some extent the increase in mineral and agricultural exports. The nominal exchange rate of the Leone against the US dollar remained relatively stable during the implementation period of PRSP I.

The Central Bank's weekly foreign exchange auction to supplement the supply of foreign exchange in the market, improve market based allocation of foreign exchange and stabilize the exchange rate in a competitive, transparent and consistent manner. The auction has helped to moderate the fluctuation of the Leone since its inception in 2000. The market perception of regular available cushion of foreign exchange may have contained depreciation expectations and possible speculative pressure, facilitated by the broad equilibrium demand-supply situation in the foreign exchange market.

Sierra Leone adopted the ECOWAS Common External Tariff (CET) in 2005 with a three year transition period to full implementation in 2008.¹ The CET has been fully implemented in Sierra Leone, but not in non-UEMOA ECOWAS countries. This is a cause of the trade diversion noted as a challenge in domestic revenue mobilisation.

2.6 Public Debt Management

Given the track record of macroeconomic performance following the successful implementation of PRGF I and the first year of PRSP I, Sierra Leone attained the Completion Point under the enhanced HIPC Initiative and qualified for debt relief under the Multilateral Debt Relief Initiative.

Prior to reaching the HIPC Completion Point, total external debt stock stood at about US\$1.7 billion. Of this amount, multilateral and bilateral creditors accounted for 55 percent and 26 percent respectively, while the residual balance of about 19 percent was owed to commercial creditors. Debt relief to Sierra Leone under the Multilateral Debt Relief (MDRI) and enhanced HIPC initiatives will amount to approximately US\$609.9 million and US\$994 respectively, reducing Sierra Leone's external debt by approximately US\$1.603 billion over time. The debt relief will be delivered over a period of 15 to 20 years. The estimated annual debt relief is around US\$40 million and it will be received as and when the debt service falls due. The Government of the People's Republic of China has also cancelled substantial part of the debt owed by the Government of Sierra Leone in an amount of US\$24 million. The Governing Board of the Kuwait Fund is expected to endorse a modality negotiated with Government in late 2007 which would lead to rescheduling the debt owed to them. As a result of the implementation of the debt relief by the World Bank, IMF, ADB and Paris Club and non-Paris Club bilateral creditors, the outstanding total external debt as at end December 2007 was about US\$523.8 million.

¹ In conformity with the CET, the NRA adjusted 791 tariff items as follows: on raw materials rates were adjusted from 0 to 5 % for 10 tariff items; on semi-finished goods, rates were revised from 5 to 10 percent for 68 tariff items; on food and social goods, rates were revised from 30% to 20% for 713 tariff items; on finished goods (except beer and soft drinks, rates were revised from 30 % to 20%.

Table 2.3 - Selected Economic and Financial Indicators-2005-07

		Target	Actual	Target	Actual	Target	Actual
<i>In Annual % Change</i>	2004	2005	2005	2006	2006	2007	2007
Real GDP	7.4	7.0	7.3	7.4	7.4	6.6	6.8
Nominal GDP	24.6	11.7	21.1	10.1	20.0	10.1	17.9
Consumer Prices (End of Period)	14.4	3.5	13.1	3.5	8.3	3.5	13.8
Consumer Prices (annual average)	14.2	4.7	12.0	3.5	9.5	3.5	11.7
Broad Money	18.9	15.1	32.8	13.3	18.9	14.2	25.9
Reserve Money	12.6	11.9	24.3	11.0	10.7	12.2	26.0
Exports (\$US, FoB)	13.1	33.3	15.4	23.7	28.3	8.4	3.9
Imports (\$US, CIF)	-11.7	4.6	31.9	6.5	1.9	7.7	4.6
<i>In % of GDP</i>							
Gross Domestic Savings	11.1	8.4	12.7	14.8	7.8	15.0	6.1
Gross Domestic Investment	24.2	22.8	17.4	22.7	15.5	22.8	13.4
Current A/c Balance (inc. off. transfers)	-5.8	-10.1	-7.1	-7.9	-3.5	-7.8	-3.8
Current A/c Balance (exc. off. transfers)	-13.1	-23.6	-14.2	-19.0	-8.8	-18.2	-7.3
Overall Balance of Payments	-0.5	-3.4	1.0	-3.5	10.2	-3.0	1.4
Domestic Revenue	12.3	13.1	11.9	14.6	11.8	15.7	10.8
Total Expenditure & Net Lending	24.8	26.5	24.6	26.9	22.7	27.0	17.7
<i>o/w current expenditure</i>	20.1	20.0	18.7	19.5	17.6	19.1	13.3
Overall Fiscal Balance (commitment basis, exc. Grants & MDR)	-12.4	-13.5	-12.8	-12.3	-11.0	-11.2	-6.8
Overall Fiscal Balance (commitment basis, inc. Grants & MDR)	-3.5	-5.1	-2.7	-4.3	9.3	-3.2	25.2
Domestic Primary Fiscal Balance	-2.8	-3.1	-3.1	-2.8	-3.1	-2.3	-1.9
Domestic Financing	-0.1	0.8	1.0	0.3	-10.4	-0.3	1.7
Gross International Reserves	124.9	107.7	168.3	137.7	184.2	177.7	207.7
GDP (US\$ millions)	1,073	1,128.0	1,214.8	1,225.3	1,422.6	1,331.7	1,663.5
GDP (Billions of Leones)	2,896	3,130.7	3,353.1	3,446.8	4,213.7	3,794.7	4,965.9

2.7 Challenges to Macroeconomic Stability

Despite the high GDP growth rates in the last few years, the Sierra Leonean economy continues to face serious challenges in its efforts to stabilize the economy. Economic management in the medium term will focus on maintaining macroeconomic stability and enhancing competitiveness to place the economy on a sustainable growth path. To achieve this, the following key issues need to be tackled by Government and its development partners.

2.8 Weak Revenue Performance

Weak domestic revenue collection in recent years worsened the situation. Slippages in domestic revenue collection also complicate budget execution and undermine macroeconomic stability. Shortfall in domestic revenue collection have led to severe cuts in critical government expenditures including poverty related and capital expenditures, thereby undermining economic growth and poverty reduction. These shortfalls combined with delays in donor disbursements increased Government's recourse to domestic bank financing, which in turn led to macroeconomic instability. Increasing domestic revenue collection is a top priority for the PRSP II. Government will put in place measures to improve tax administration and broaden the tax base. In particular, Government will introduce a broad-based Goods and Services Tax and implement the NRA Modernisation Plan. The institutional capacity of the NRA will be strengthened to undertake regular field audit, enforce tax payments and collection of tax arrears. Government will review all mining and other bilateral agreements entered into by MDAs with a view to minimizing tax exemptions. Measures will be put in place to eliminate discretionary tax waivers. To improve efficiency of tax collections, the NRA will install the ASYCUDA++ to improve customs valuation and introduce Tax Payer Identification numbers

2.9 Unpredictability of Budget Support:

The unpredictability of budget support disbursement is one of the key factors that undermined macroeconomic stability during PRSP I. Shortfalls and delays in the disbursement of budget support compelled Government to borrow from the

domestic banking system to finance the budget deficit. This often fuelled inflationary pressures, thereby undermining macroeconomic stability

2.10 External shocks

External shocks including increases in food and oil prices have significantly contributed to inflationary pressures in recent years. The situation is likely to continue during the implementation of PRSP II due to a number of factors including rising world energy demand and pressure on food prices from increasing bio fuel production. Prudent fiscal and monetary policies will help in containing inflationary pressures.

2.11 High Domestic Debt Burden

While the HIPC and MDRI initiatives have relieved Government of external debt burden, reducing the level of domestic debt remained a key challenge of government. Domestic debt stock as at end 2007 was estimated at Le1.2 billion. Domestic interest payments are estimated at nearly 20 percent of domestic revenue. High domestic debt servicing costs crowds out poverty spending and could cause a rise in domestic interest rates, thereby constraining private sector activity. Therefore, the management of domestic debt is crucial for macroeconomic stability and h in the medium-to-long term.

Chapter 3: Progress on Pillar I: “Promoting Good Governance, Peace and Security”

Pillar one of the PRSP is influenced by the fact that Sierra Leone emerged from a conflict that significantly reduced the capacity for state governance and security. The focus is therefore to strengthen institutional capacity for the delivery of basic services. In addition, Peace Consolidation and nationwide reconciliation are expected to provide the enabling environment for transition to medium term development.

Promoting good governance, peace and security is addressed through the following:

- Improving Public Sector Governance
- Consolidating Peace and Peace Education
- Strengthening National Security

Improving public sector governance involved; reforming the public sector, improving Public Financial Management (PFM) and Procurement, strengthening the decentralisation process, fighting corruption, peace consolidation and reforming the security sector.

3.1 Reforming the Public Sector

The Government has been embarking on reforming the public service in Sierra Leone with the main objective of improving effectiveness and efficiency in delivering services to the people.

In 2006, a 90-day review of the architecture of GoSL was completed and the implementation of the recommendations from the reviews have commenced. Towards rationalising structures, functions, procedures and staffing that promote efficiency in Ministries, fourteen Ministries have been reviewed and six reports approved by Cabinet². The Establishment Secretary’s Office has been converted into a Human Resource Management Office.

² Report approved by Cabinet are those of Education, Health, Agriculture, Defence, Trade and Local Government. Reports completed for MoF, MoDEP, Fisheries & Marine Resources

To put in place a modern records management system, efforts were made to reconcile Personnel Records to Staff PIN Code (used for payroll); and to decongest registries, Retention Schedules were developed and closed files removed to interim records centre and archives; draft Scheme of Service developed for proposed new cadre of records management staff. New records management team has been trained in the use of the Records Management Capacity Assessment System (RMCAS).

With funding from DFID, a training policy was developed and approved by government including its implementation plan. With funding from the World Bank, capacity building plans were designed for the Institute of Public Administration and Management and the Civil Service Training College (CSTC). However, there is still residual work on the building to house the CSTC. Work has already been undertaken on the new organisational structure and strategic mandate of the Training and Career Development Division of the HRMO including the management of the CSTC. Cabinet issued directive in February 2006 that CSTC and IPAM should be integrated and an appropriate curriculum be developed.

In terms of the creation of a performance-oriented and dedicated corps of senior civil servants who would be effective, efficient and responsive to the needs of the public, a Senior Executive Service Programme (SES) was pursued. SES Policy Document and Implementation Framework were circulated to all MDAs and development partners. Sensitisation meetings were held with civil service stakeholders and SES Implementation Unit was established with UNDP funding. Government continues to collaborate with its partners for the actualisation of the SES plan.

To boost the capacity for the coordination of implementation, monitoring and evaluation of the Sierra Leone Poverty Reduction strategy Paper (SL-PRSP), all

and Internal Affairs and were awaiting submission to Steering Committee on Good Governance (SCGG). Field work completed in Ministries of Social Welfare, Justice, Youth and Sports and reports released in June 2007.

vacancies in DACO have been filled and a comprehensive M&E Framework for the PRSP has been developed and is being implemented. Annual Progress Reports on the implementation of the PRSP were developed. Needs assessment was conducted for the establishment of functional M&E units in the ministries of Agriculture, Health, Education and all local councils. The M&E Unit in DACO has been made fully operational.

3.2 Strengthening Public Financial Management and Procurement

An efficient and strategic use of public resources to support restoration of public services is critical to fighting poverty in Sierra Leone. Weaknesses in governance over the years have been manifested in the low level of transparency and accountability in the use of public funds, low revenue generation capacity and lack of basic services for the poor. The collective effect has undermined confidence of the citizens in the public sector and its ability to meet the basic needs of the population. The goal of a PFM system is to support the achievement of *fiscal discipline*, strategic and efficient *allocation* and *use* of funds, *value* for money and *probity* in the use of public funds.

The expected outcomes of the PFM reform agenda are mainly to strengthen the MTEF budget process, improve internal audit system, establish a functional procurement system, and increase oversight role by Parliament.

MTEF Budget Process and Controls: Improving the MTEF budget process involves timely preparation of the budget as well effective and efficient execution. Budget preparation has improved significantly over the years. As a starting point, public policy hearings are held prior to developing the budget. These hearings ensure that all key stakeholders from the line Ministries to the Local councils participate fully in the budget process. MDAs are subsequently requested to develop strategic plans that are aligned to the PRSP objectives. In 2006, key MDAs³ were required to produce strategic plans that were aligned to the PRSP objectives. All six of these MDAs were able to produce their strategic plans. By end 2007, all MDAs produced strategic plans for the MTEF period 2008-2010. In addition to

3 The key MDAs are Health, Education, Agriculture, Transport, SLRA and Mineral Resources

ensuring that all key stakeholders are involved in the process, the annual budget is now presented and passed by parliament as per the Government Budgeting and Accountability Act (GBAA).

Budget execution has also improved significantly over the years. The variation between overall planned spending and actual expenditure is now within the variance of 10%. Poverty related expenditures are also now close to budget.

Table 3.1: Comparison of Original Budgeted and Actual Expenditures, 2004-2006

	2004	2005	2006
Budgeted primary expenditure			
(bn Leones)	468,764	495,464	617,815
Actual primary expenditure			
(bn Leones)	432,951	522,722	624,729
Difference between actual & budgeted primary expenditure			
(bn Leones)	35,814	-27,257	-6,914
Difference as % of budgeted primary expenditure (%)	7.60%	-5.50%	-1.10%

GOSL has also adopted a Fiscal Priority Framework to ensure that realistically set poverty targets are met even in the event of shortfalls in domestic and foreign revenue.

In relation to the preparation of Annual Accounts, there have been significant backlogs in the past years. However, significant strides have been made to clear the backlogs since 2006 with the appointment of a qualified Accountant General and a Deputy Accountant General together with qualified Local Technical Assistants. To date, the Accountant General has issued Annual Statements of Public Accounts for up to 2007.

With improvements in the timeliness of bank reconciliation, information from the general ledger is now credible enough and the Accountant General is now publishing information on receipts into and payments from the Consolidated fund

on a half yearly basis in the gazette; efforts are being made to ensure that on receipt and payment are published on a monthly basis as required by Law.

Budget variance reports and detailed expenditure analysis up to line item is submitted quarterly and on request to Vote Controllers for reconciliation with their VSLs.

Installation of the Integrated Financial Management Information System (**IFMIS**) is one of the key tools introduced to strengthen public financial management. Modules of IFMIS have been installed in the Accountant General's Department, SLP, Ministries of Education, Health, Agriculture, Works and the Auditor General's Department.

Internal audit units have been established in Thirteen (13) MDAs: The Ministry of Finance, Ministry of Health, Ministry of Education, Ministry of Agriculture, SLRA, Ministry of Defence, Sierra Leone Police, Ministry of Works, Housing and Technical Maintenance, National Electoral Commission, Statistics Sierra Leone, Immigration Department, Ministry of Mineral Resources, Ministry of Foreign Affairs and International Cooperation. In addition, Internal Audit Charter, Handbooks and Manual have been developed to provide continuous hands on structured classroom training for internal auditors. An audit committee has been set up in the Ministry of Finance to help ensure proper management follow up of audit recommendations.

In the area of procurement, a Public Procurement Act was enacted in 2005. By end 2006, the target of making NPPA operational and establishing an Independent Procurement Review Panel (IPRP) was met. To date there are procurement committees in all procuring entities and 29 of these entities have developed procurement plans.

In addition, Sierra Leone was selected to field test the OECD-DAC baseline indicator set for procurement. The indicators cover the legal and regulatory framework, the institutional framework and capacity, procurement operations, and the integrity and transparency of the public procurement system.

Conducting Public Expenditure Tracking Surveys (PETS) continues to be a key tool to monitor service delivery. Committees have been set in line ministries to follow up on the recommendations of the PETS reports. Government is committed to implementing the recommendations from the PETS Reports.

On the implementation of the Common Action Plan (CAP) for Public Financial Management (PFM), the PFM Oversight Committee has been meeting regularly and there have been annual internal assessment of PEFA. The CAP has been transformed into a National Action Plan (NAP) to consolidate all benchmarks related to monitoring progress on PFM related issues.

3.3 Strengthening the Decentralization process

Government has strongly been pursuing a decentralisation programme after the restoration of District Councils through the enactment of the Local Government Act 2004. This has been tightly linked to the process of fiscal decentralisation, seeking to provide funds to local communities for financing devolved functions, thus ensuring independence and provision of adequate response mechanism to the needs of citizens in local communities. In this regard, deepening the devolution process to empower grassroots communities was the underlying decentralisation policy for Sierra Leone in the PRSP. The sectoral policy focus of Decentralisation was to support the full development and functioning of nineteen (19) Local councils to assume devolved functions for efficient service provision and delivery in an affordable and efficient manner involving policy, legal/regulatory, institutional development and capacity building to both Local councils and devolving MDAs.

Regarding devolution of functions, by end 2005, twelve (12) functions were devolved to the local councils. This number increased to 23 by end 2006 above a target of 18 functions. By end 2007, all functions were devolved to the councils but some awaits official pronouncements by the line ministries.

In 2006 10 out of 19 elected councils meet the target transparency and financial management accountability requirement. Similarly, in 2007, 14 out of 19 councils meeting the transparency and financial accountability requirement. A

task force has been set up to facilitate the amendment of the Hospital Act and Education Boards Act.

The progress made in the implementation of the devolution plan could be attributed to the sustained political commitment through the work of the Inter-Ministerial Committee (IMC) on the implementation of the decentralisation strategy as well as the adoption of the Decentralisation Policy and the regulatory frameworks by the government. The Inter-Ministerial Committee met quarterly during the review period to accelerate and monitor devolution of functions of the central ministries to the Local Councils consistent with the Local Government Act (LGA). The mandate for committee was later expanded to include the discussions of all issues relating to the coordination of the implementation, monitoring and evaluation of the PRSP. The main challenge the IMC faced was the resolution of the inconsistencies between the LGA 2004 and existing laws. To address this, a task force was set up to identify the laws that were inconsistent with the LGA 2004. Work had started for the development of a policy for the legislative review of these laws to make them consistent with the LGA 2004.

3.4 Strengthening the Anti Corruption Agenda

To promote transparency and accountability, the Government established the Anti-Corruption Commission (ACC) with a mandate to prevent corruption primarily in the Public Sector through institutional strengthening; educating the public against the ills of corruption, and facilitating the prosecution of corruption offences. The implementation of this mandate has been challenging due to several limitations both in the legal framework and the operational environment. Consequently, the Anti-Corruption Act is currently being reviewed in order to make the ACC independent of the Office of the Attorney General (AG) and Minister of Justice by giving it powers to prosecute its own cases.

To improve on the operational environment to fight corruption, a National Anti-Corruption Strategy (NACS) has been developed. The NACS, if implemented, will ensure improvement in the delivery of social services while preventing and confronting corruption without compromising peace and security.

The Anti-Corruption strategy represents a change of direction in that it proposes to focus much more on prevention and education so as to take a more proactive approach to combating corruption.

Progress made in the fight against corruption for the period 2005-2007 is summarised as follows. In 2007, 33 corruption cases were investigated. This includes backlog cases from 2006. The status of these cases is as follows: 5 were sent to the Attorney General's Office in the form of prosecution Dockets; 10 were closed due to lack of prima facie evidence or otherwise; 20 were uncompleted; 1 charged to court by the Attorney General's Office and 1 conviction.

The Statutory Instrument and the Fiat Mechanism developed in 2005 between the ACC and the AG's Office in order to address the undue delay in reviewing and prosecuting ACC cases proved counter-productive. Eleven (11) ACC cases were either thrown out of court, or had their convictions overturned due to the fact that the Special Prosecutors did not obtain a written Fiat from the AG as provided for in the Criminal Procedure Act. To address the problems created by the Fiat Mechanism and the delays in the judicial process, the Anti-Corruption Act has been revised and the draft bill contains provisions which grant the ACC the power to prosecute without reference to the AG's Office. Once the ACC overcomes this obstacle, it hopes to increase the number of prosecutions and convictions in the succeeding years.

3.5 Empowerment with Statistics

Availability of relevant and timely statistics is critical to enabling conditions for policy development and assessment that allows measuring inputs, outcomes, and impacts. Government was committed to enhancing transparency and accountability through supporting the adequate production of quality data in a timely manner. Statistics was noted to be a tool to empower the public to effectively participate in the policy-making process, to hold government accountable in the delivery of public services and to ensure evidence-based outcome in the overall process of national development.

Over the review period, significant progress has been made in improving the statistical system of the country for accurate reporting on development results. Various statistical products were produced to inform the public on progress including Multiple Indicator Cluster III Survey 2005⁴, the Vulnerability Analysis and Mapping Survey 2005, 2007⁵, the Core Welfare Indicator Questionnaire Survey 2007⁶, the Service Delivery and Perception Surveys 2006, 2007, the Public Expenditure Tracking Surveys, and routine sectoral data. In addition, the Poverty and Social Impact Analysis of changes to Agricultural Policies in Sierra Leone⁷, the Impact of Wage Bill Cap and Teacher Ceiling on the Educational System in Sierra Leone⁸, and Research on Poverty Reduction Strategy Projects in the Context of addressing Gender Issues⁹ were conducted. These studies provide qualitative information on progress in reducing poverty. These information sets were disseminated to the public and widely used in policy advocacy by Civil Society Organisations.

3.6 Consolidating Peace and Peace Education

The objective of the Government's Peace Building efforts is to consolidate peace and facilitate nationwide reconciliation in order to avert reoccurrence of any form of civil conflict. While the Truth and Reconciliation Commission and the Special Court contributed to Peace Building, continuous efforts and specific actions are required to provide a peaceful enabling environment needed for the implementation of programmes that addresses the immediate causes of the war. These programmes include promotion and deepening Democratic and Human Rights institutions, Judicial Reforms, and strengthening Civil Society.

⁴ This survey was conducted by Statistics Sierra Leone and United Nations Children's Fund.

⁵ These surveys were conducted by the Ministry of Agricultural and Food Security with support from the World Food Programme and Government.

⁶ This survey was conducted by Statistics Sierra Leone with support from the Department from International Development and Government.

⁷ This study was carried out by the Ministry of Finance in collaboration with the Ministry of Agriculture and Food Security. See **Annex** for a summary of main findings of the study.

⁸ This study was carried out by Action Aid Sierra Leone. See **Annex** for a summary of main findings of the study.

⁹ This Study was carried out by Women's Forum Sierra Leone with Support from ENCISS. See **Annex** for a summary of main findings of the study.

In particular, the National Electoral Commission (NEC) and National Commission for Democracy (NCD) have been undertaking peace consolidation activities. To ensure that the 2007 presidential and parliamentary elections were conducted in a free and fair environment, the Government devoted substantial efforts to (a) restructuring (and rebuilding) of the National Electoral Commission, (b) developing the commission's staff capacity, (d) establishing an Information Technology (IT) System within the Commission, (e) reviewing of Electoral Laws and Regulations, (f) carrying out Electoral Boundary Delimitation of constituencies and local council wards, and (g) establishing permanent voters' register and massive sensitisation of all Sierra Leoneans. These efforts led to successful and internationally acclaimed free and fair Presidential and Parliamentary Elections in August and September 2007.

The work of the National Commission for Democracy has been focused on the reduction of violence in the country, good citizenship, good governance, respect for law and Order, and peaceful electoral process through the conduct of sensitisation programmes, training and other peace consolidating activities. The following activities of the Commission were noted:

- The Commission conducted various workshops in school and tertiary educational institutions on anti-violence.
- It established anti-violence youth corps in schools to sensitise peers.
- It conducted regional seminars & district community meetings.
- It produced and disseminated civic education materials nationwide.
- It coordinated public lectures, press conferences to popularise the concept of good citizenship.
- It coordinated the propagation of the African Peer Review Mechanism (APRM) concept.
- It raised awareness among the citizenry in monitoring & improving service delivery.
- It engaged MDAs on their service delivery performance through critical interviews and radio/TV discussions and seminar panels.

- It facilitated media programmes & interactive sessions with schools, tertiary institutions & communities to improve conformity with the law & order.
- It conducted collaborative seminars with law enforcement agencies.
- It collaborated with NEC, PPRC, CSOs, and Security Agencies to forestall and address electoral problems.

3.7 Strengthening National Security

Meaningful reduction of poverty in Sierra Leone is predicated on a strong and effective security system that is capable of defending the State and protecting its people. Therefore, the Government's focus under the period of review was to ensure that the capacity of the Sierra Leone security forces are strengthened so that they can promote internal security as well as adequately respond to internal and external security threats. Security objective was pursued against the background that Sierra Leone was emerging from a war with a web of complexities. Attention was mainly paid to enhancing military intelligence through a coordinated approach and ensuring that the Police and Military are fully equipped and operational.

The size of the Sierra Leone Police (SLP) was targeted to increase to 9500 by end 2006 from 9,324 in 2005. The 9,500 target was only met in 2007. The size of the military personnel was targeted for reduction from 14,500 in 2005 to 10,500 by end 2007. This target was met. However, since security threat to the country is now purely internal, there is need for further reduction in the size of the military.

Government conducted a Security Sector Review (SSR) and a national security exercises to examine the capacity of the security agencies in 2005. This led to the development of a Security Sector Reform Programme that was being implemented to strengthen service delivery within the security sector. Protective Security Manual were prepared by the Office of National Security (ONS), outlining the principles of protective security in the public sector and mapping out strategies to mitigate threats and ensure that assets are properly safeguarded. Additionally, the Office of National Security prepared the Standard Response Guidelines of the National Security Architecture of Sierra Leone.

Government set-up a Disaster Management Department within the ONS, mandated to be 'Government of Sierra Leone's primary coordinator for the management of national emergencies including natural and man-made disasters. This was followed by the development of a National Disaster Management policy implemented through a *National Disaster Management Plan*.

At the provincial and district levels, disaster management committees were established and coordinated by the ONS, and were operated within the established provincial Security Committees.

Chapter 4: Progress on Pillar II: “Promoting Pro-Poor Growth for Food Security and Job Creation”

Pillar two emphasise the need for implementation of sound economic policies to attain macroeconomic stability and a more favourable environment for private sector development. Under this Pillar, Government focussed on: (1) promoting Food Security and Job Creation (2) Promoting investment in Supportive Infrastructure (3) improving the Climate for Private Sector Development.

4.1 Promoting Food Security and Job Creation

Achieving Food Security is at the heart of the PRSP as the majority of Sierra Leoneans defined poverty as being unable to afford the basic food and nutritional requirements. Efforts to promote food security starts with increasing domestic production particularly in agriculture and fisheries.

4.2 Support to Agriculture and Fisheries

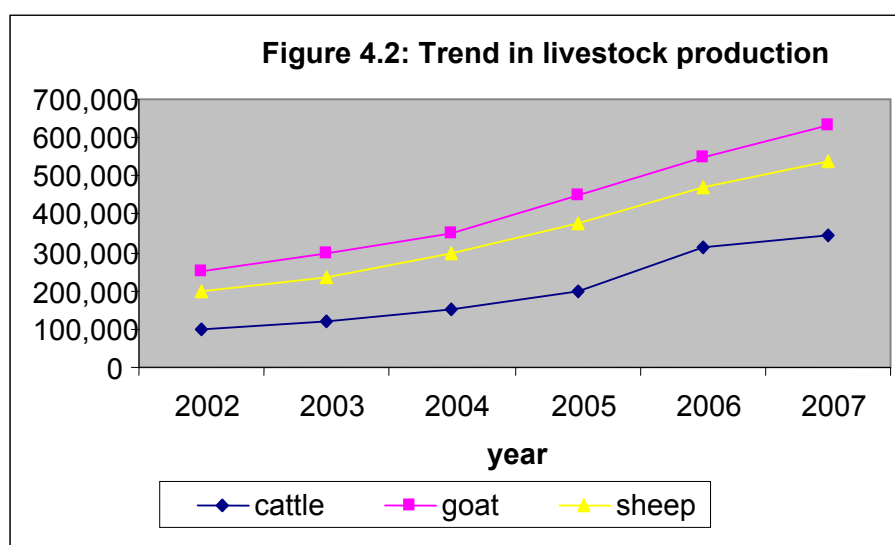
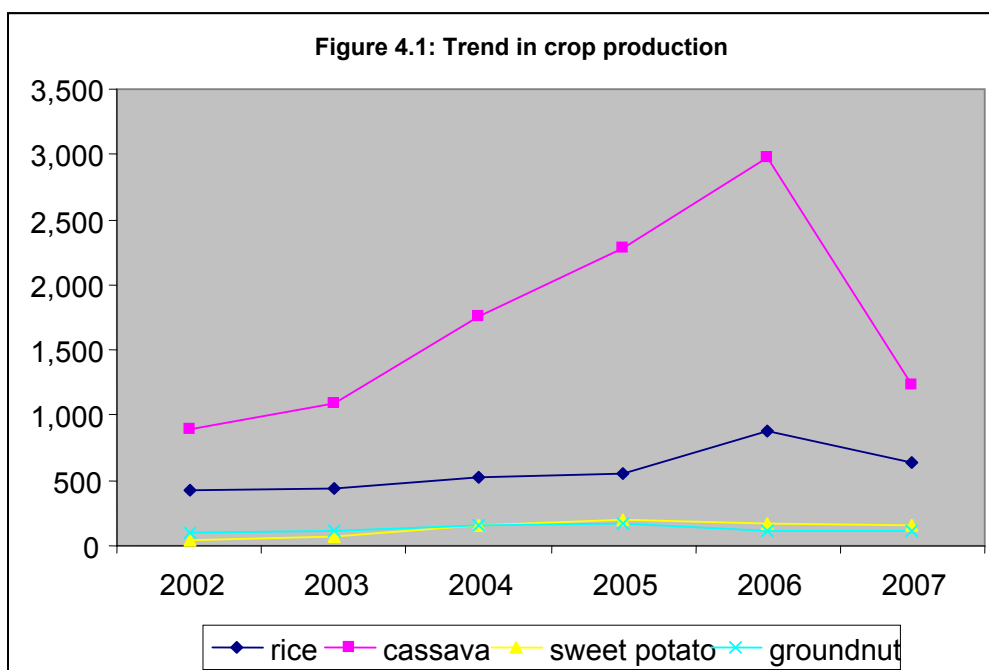
Agriculture is the biggest economic sector in the country, employing about two-thirds of the population. The government’s strategy is to increase productivity in food cultivation and promote export of tree crops, with the aim of improving food availability and increasing agricultural export earnings.

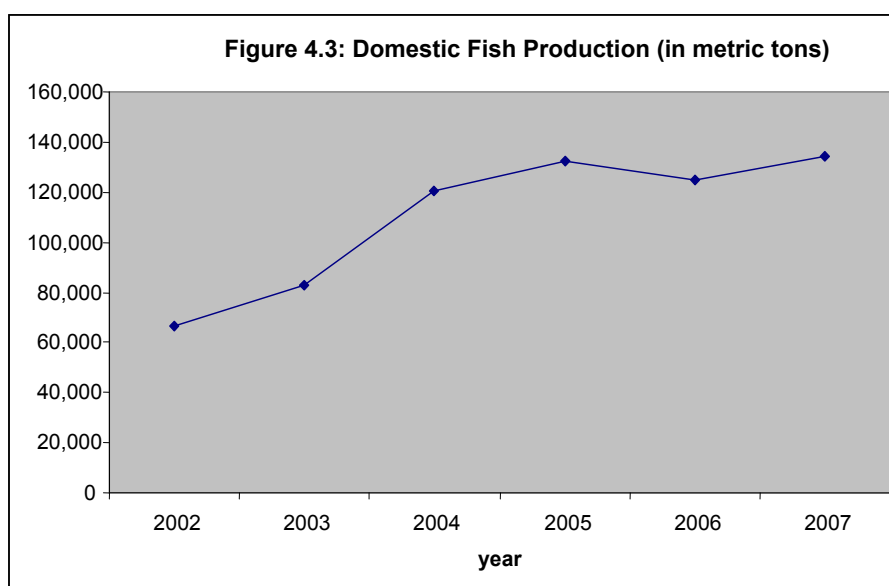
Table 4.1 and **Figures 4.1, 4.2 and 4.3** present trends in the PRS indicators under agriculture from 2002 to 2007. Generally, the production of the country’s major food crops (rice, cassava, sweet potato and groundnut), livestock (cattle, goat and sheep) and domestic fish rose from 2002 to 2007.

Table 4.1: Trends in major PRS agricultural indicators

Main PRS indicator	2002	2003	2004	2005	2006	2007
Crop						
Rice (Paddy) Production (Mt)	422,065	445,633	526,619	526,617	875,000	637,983
Cassava Production (Mt)	895,817	1,091,178	1,759,292	2,287,060	2,973,100	1,236,852
Sweet Potato Production (Mt)	45,450	74,446	153,198	15,3196	168,129	158,219
Groundnut Production (Mt)	98,400	117,000	152,000	56,557	115,203	118,849
Livestock						
Cattle Population (Head)	100,000	120,000	150,000	200,000	313,000	345,000
Goat Population (Head)	250,000	300,000	350,000	450,000	548,000	630,000
Sheep Population (Head)	200,000	235,000	300,000	375,000	469,000	540,000
Fishery						
Domestic Fish Production (Mt)	66,638	82,922	120,620	132,411	124,906	134,000
Fish Imports (Mt)				2,079	3,459	3,459
Fish Processors Trained (No)				125	2,500	2,500
Fish Ponds Constructed (No)				1,000	1,500	1,500
Number of Refrigerated Containers				6	23	23

Source: Ministry of Agriculture and Food Security





Rice production and self-sufficiency

Over the review period, the area cultivated under the country's staple food crop (rice) increased by 27.5% in 2007 in comparison to 2005 cropping seasons. This may have largely contributed to the increase in rice paddy production by 21.2% in 2007 from 2005¹⁰. "In general, progress in terms of expansion in the area cultivated is partly as a result of an increase in the number of farm families that cultivated rice in 2007 compared to 2005, and partly due to continuing government and donor inputs assistance to farmers, including mechanical cultivation services."¹¹

However, the performance in rice production remains insufficient to meet the total consumption requirements at the national level. The overall national self sufficiency level in rice was estimated at 69%¹², the same figure as in 2005/2006¹³. Hence, the overall food availability depends on the production

¹⁰ See the Vulnerability Analysis and Mapping Report, Ministry of Agriculture and Food Security, 2008

¹¹ See the Vulnerability Analysis and Mapping Report, Ministry of Agriculture and Food Security, 2008

¹² See the Vulnerability Analysis and Mapping Report, Ministry of Agriculture and Food Security, 2008

¹³ See Sierra Leone Poverty Reduction Strategy Annual Progress 2005/2006

of other crops such as tubers (including cassava and sweet potatoes) and import of rice to meet food needs.

Production of cassava, sweet potato and groundnut

Cassava and sweet potato are among the key substitutes for rice for many households in Sierra Leone¹⁴, especially in the rural settlements. Although cassava production increased from 2005 to 2006 (**Table 4.1**), on the whole its production decreased over the PRS implementation period from 2005 to 2007 by 46%; production of sweet potato and groundnut increased respectively by 3.3% and 110% from 2005 to 2007.

It is important to note that all reported crops above declined in production from 2006 to 2007 with the exception of groundnut that continued to register an increase from 2005. This suggests that efforts to promote the agricultural sector should be sustained to ensure continued positive trend in the sector's performance. The year 2007 is reported to have met a number of constraints including decline of government allocation to the agricultural Ministry. Although acreage in these crops increased in 2007 due to the application of tractorisation, it appears the effect of the reported fall in the use of fertiliser, herbicides and other important farm chemicals, and the decline in extension packages may have outweighed the effect of the application of mechanised farming. It is also noted that farm holdings reduced significant in 2007 from 2006.

Livestock

Generally, there has been continuous increase in the production of livestock (cattle, goats and sheep) from 2002 to 2007 (**Figure 4.2**). Over the PRSP I period, cattle production increased by 9.3% in 2007 from 2005; goat and sheep increased by 13.0% and 13.2% in 2007 from 2005 respectively. This increase could be partly explained by government's sustained effort at promoting livestock restocking programme after the war.

¹⁴ From the Vulnerability Analysis and Mapping Report 2008, while on average households eat rice 5.7 days a week, cassava products and other tubers are eaten 4.7 days a week; this shows the level of substitutability and importance of the latter crops for rice as staple.

Fishery

The fishery sector has also recorded appreciable performance in both artisanal and industrial fisheries. This has led to sustained increase in domestic fish production (**Figure 4.3**). This sector has been providing substantial livelihoods for a good proportion of the households. However, post-harvest loss in the Artisanal Fishery sector was reported and estimated at 15% in 2005, data for 2006 and 2007 not available. The loss was largely attributed to the inadequate capacity in fish handling and processing in this sector. In response, Government has been embarking on a massive training programme in fish processing---up to 2,500 people were trained in 2007 compared with 125 trained in 2005. This covered the entire country. Government also increased the refrigerated containers for fish preservation from 6 in 2005 to 23 in 2007 countrywide.

Performance against PRS Targets

From **Table 4.2**, all targets for rice, cassava, sweet potato and groundnut production were met in 2005; the production targets for these crops were also met in 2006 with the exception of sweet potato. In 2007, only groundnut target was met, the rest of the crops monitored fell below target. This is attributable to factors mentioned shortly such as decline in budget allocation to the agricultural sector in 2007 and reduction in farm holdings. For livestock production, all targets were successively met over the PRS period with the exception of cattle production at the beginning of the implementation period in 2005. The shortfall in cattle production target in 2005 could be expected at the beginning of the implementation period given the fact that the country was still in the post-conflict phase and the cost of restocking cattle was generally higher than other livestock species monitored (goat and sheep)¹⁵.

Data were not available on targets for fishery performance in 2005. In 2006 and 2007, all targets associated with fishery indicators were met with the exception of domestic fish production in 2006, falling below target by 4% (**Table 4.2**). Government has been importing fish species thought to be important for local consumption that the country cannot sufficiently harvest domestically. Target for the importation of these species were met as well as

¹⁵ See Sierra Leone PRS Annual Progress Report 2005/2006.

those for fish processors trained, fish ponds constructed and refrigerated containers.

Table 4.2: Performance against PRS Targets

Main PRS indicator	2005			2006			2007		
	Target	Actual	% achievement of Target	Target	Actual	% achievement of Target	Target	Actual	% achievement of Target
Crop									
Rice (Paddy) Production (Mt)	540,000	552,000	102	875,000	875,000	100	875,000	637,983	73
Cassava Production (Mt)	1,935,221	2,287,060	118	2,100,000	2,973,100	142	2,100,000	1,236,852	59
Sweet Potato Production (Mt)	160,856	191,498	119	185,368	168,129	91	168,129	158,219	94
Groundnut Production (Mt)	95,684	167,200	175	110,265	115,203	104	115,203	118,849	103
Livestock									
Cattle Population (Head)	250,000	200,000	80	313,000	313,000	100	313,000	345,000	110
Goat Population (Head)	438,000	450,000	103	548,000	548,000	100	575,400	630,000	109
Sheep Population (Head)	375,000	375,000	100	469,000	469,000	100	492,450	540,000	110
Fishery									
Domestic Fish Production (Mt)	Na	111,000	-	130,000	124,906	96	130,000	134,000	103
Fish Imports (Mt)	Na	2,079	-	2,500	3,459	138	2,500	3,459	138
No. Fish Processors Trained	Na	125	-	625	2,500	400	625	2,500	400
No. Fish Ponds Constructed	Na	1,000	-	1,500	1,500	100	1,500	1,500	100
Number of	Na	6	-	7	23	115	20	23	115

Refrigerated Containers									
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Agricultural Export Performance

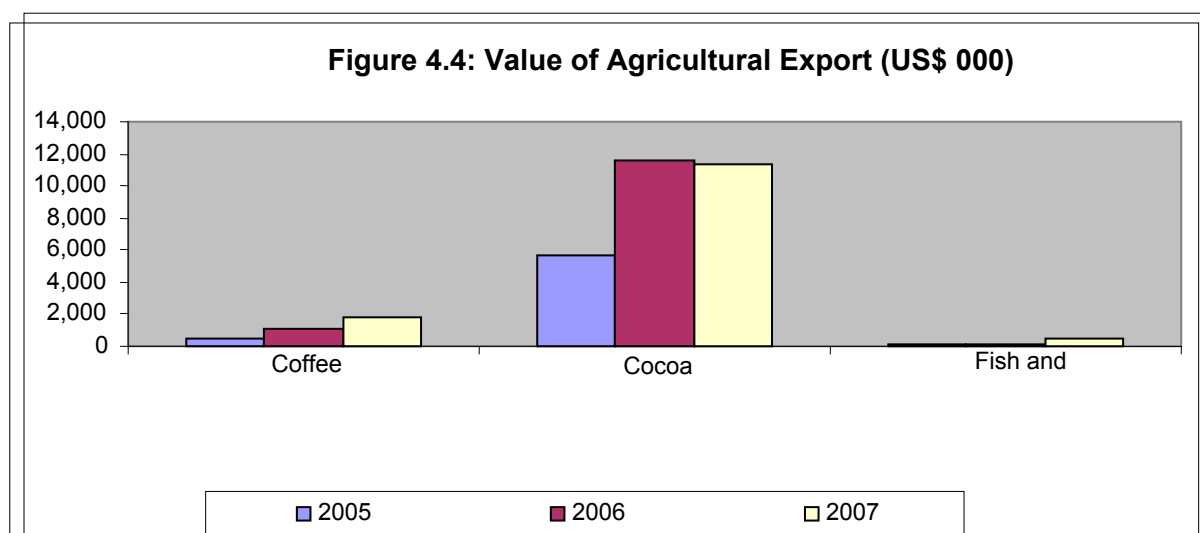
Modest increases were recorded from agricultural export earnings in PRSP I. Total earnings from the agricultural sector increased by 7.09 % to US\$ 13.67 mn in 2007 from US\$ 12.76mn in 2006¹⁶. Receipt from exports of coffee, cocoa and fish and shrimps mainly accounted for the increase in agricultural export over the PRS implementation period. Export earnings from coffee increased by 268.1% in 2007 from 2005; export earnings from cocoa increased by 100.9% in 2007 from 2005; and export earnings from fish and shrimps increased by 483.9% in 2007 from 2005 (**Table 4.3**). Sustained increase in coffee export from 2005 to 2007 was attributed to favourable world market prices which encouraged local production. Export earnings from cocoa were recorded to have marginally fallen by 1.8% in 2007 from 2006 due to a slight decrease in the volume of production from 13.94 thousand metric tons in 2006 to 13.72 thousand metric tons in 2007¹⁷.

Table 4.3: Value of Agricultural Export (US\$)

		2005	2006	2007	% change from 2005 to 2007
Coffee	Export	503,800	1,093,000	1,854,700	268.1
(US\$)					
Cocoa	Export	5,659,100	11,571,000	11,368,100	100.9
(US\$)					
Fish and Shrimps		76,000	97,000	443,800	483.9
(US\$)					

¹⁶ Bank of Sierra Leone Annual Report and Statement of Accounts 2007

¹⁷ Bank of Sierra Leone Annual Report and Statement of Accounts 2007.



4.3 Investment in Supportive Infrastructure

Government recognised the need to invest in supportive infrastructure for attainment of food security and job creation in the medium to long term. Thus priority has been given to roads and transportation, energy and power, and information and communication technology (ICT).

Improving the Roads and Transportation Network

The key objectives of the road and transport sectors are to: (a) improve physical access to rural and riverine communities and markets, through an improved and sustainable trunk and feeder roads system, and coastal and river transport networks; and (b) ensure access to affordable basic transport services for the movement of persons, goods and services, especially for the rural areas.

The public Roads Network of Sierra Leone totals about 11300km of which 8000km is the national Road System comprising Primary, Secondary and Feeder roads. The remaining 3300km are local and unclassified roads. The baseline figure for gravel roads constructed and maintained is 1350km in 2004. This increased to 1874km by end 2006. The number of all weather trunk roads constructed and maintained increased from 581 km in 2004 to 1774 km by end 2006. In terms of primary and secondary roads maintained, 375 km and 2722km of such roads were maintained by end 2006 nationwide. The figures for 2007 were not available.

Improving Energy and Power Supply

The government's overall objective in the energy sector is to expand the population's access to reliable supply of modern energy services. In the medium term, attention has been focused on increasing the number of district headquarter towns with electricity and ensuring minimum continuous electrical power supply for Freetown. In 2006, a 6 megawatts generating plant was installed to increase power generation in the Western Area; this increased the installed capacity in Freetown from 26.5 megawatts in 2004 to 31.33 megawatts in 2006. This, however, remained far below the overall energy requirement for Western Area estimated at 100 mw.

Towards the end of December 2007, Government stepped up efforts to reverse the declining trend in electricity generation in Freetown. Two Independent Power Providers were engaged: (1) The Global Trading Group (GTG) for the provision of 15 MW already installed at Kingtom for one year, and (2) Income Electrix Limited (IEL) for the provision of a total of 25 MW. With the installation capacity standing at 39.16mw and 10mw at the Kingtom and Blackhall Road Power Stations respectively, the available generation capacity by end 2007 came up to 31 MW.

Working towards sustainable power supply in the country, about 95% of the civil, hydroelectric and electromechanical works on Bumbuna were complete; dam crest and asphalt milling was complete, the tower controls work and installation of control cables were in progress, the power house civil structure was 95% complete, and the two turbines embedded and their control panels already positioned.

Regionally, the Bo-Kenema Power Station (BKPS) was rehabilitated for extension of power supply to towns and villages in and around Bo and Kenema. In Pujehun District, a 500KVA generating plant was installed and commissioned. Moyamba and Makeni were also provided with the necessary electrical power systems. However, there has been infrequent supply of electricity in these areas due to the unavailability of fuel.

Improving Access to ICT products

Government pursued a strategy to attract investment in telecommunications industry so as to provide and maintain quality services at affordable prices. The industry was liberalised, leading to the issue of eight (8) GSM licenses and the establishment of five (5) mobile phone companies. This led to the extension of the mobile phone network coverage to eight (8) out of twelve (12) districts of Sierra Leone. By end 2006, mobile companies were estimated to have invested over US \$125 million in the country. Within the same period, about 30 licenses were provided for two-way satellite Internet services using Very Small Aperture Terminals (VSAT), providing connection directly to the United States of America and European networks. This reduced the dependence on the national carrier for international bandwidth. New technologies were introduced by the Israeli Telecommunications Company Sierra-Com to ensure high speed broadband wireless internet and Voice over Internet Protocol (VoIP) communications in the country.

As a result of the improved communication infrastructure in the country, the availability of internet services has increased. By end 2006, 25 Internet service providers were registered and over 1000 tele-booth operators were reported to have opened up tele-centres and telephone booths in Freetown and some provincial towns.

4.4 Promoting Private Sector Development

Private sector development was recognised as crucial in the fight against poverty in Sierra Leone. The policy focus over the implementation period has been on the creation of the enabling environment for private sector activities to bring about sustained growth, job creation and increased incomes. Specific focus over the medium term has been on the development and implementation of an Action Matrix on the Diagnostic Trade Integrated Study, addressing trade-related regulatory and policy issues, promoting public-private partnership, and developing agro-processing.

Action Matrix on the Diagnostic Trade Integrated Study

Under the Integrated Framework (IF), a Diagnostic Trade Integration Study (DTIS) was conducted and an Activity Matrix for the implementation of the recommendations of the study was developed. Following the development of the Activity Matrix, Funds have been committed by the IF Trust Fund Manager and implementation of a tourism project by the National Tourist Board has commenced. Another approved project under the IF relates to trade information network and trade capacity building for the Ministry of Trade and Industry. In addition, four priority projects on aquaculture, Cultural Heritage Ginger, Chilli and Cashew Nuts respectively were consideration by the Local Project Appraisal Committee (LPAC), with a view to submitting them for funding under the Enhanced Integrated Framework for implementation.

Trade-related regulatory and policy Issues

A national policy document on Intellectual Property Rights was produced and approved by the relevant stakeholders. A Legal Clinic was conducted for legal practitioners and other key enforcement agencies like the Police, Pharmacy Board and the National Revenue Authority. The country submitted its intellectual property rights needs assessment and financial cooperation document to the TRIPS Council of the World Trade Organization. Drafting of the appropriate legislation on copyright, trademark, patent and industrial designs has been in progress.

To simplify administrative procedures and reduce cost of doing business in Sierra Leone, two new legislations were enacted: The General Law Act (2007) and the Business Registration Act (2007). Public sensitisation was carried out on these new legislations. An Act was also passed on the establishment of SLIEPA to replace SLEDIC. A Board of Directors has been constituted and staff recruited for SLIEPA.

Public-private partnership

In an effort to showcase the existing investment opportunities in Sierra Leone, an Investors Conference was held in 2006 and a follow up mechanism for

interested investors was developed. Public-Private Partnership initiatives were promoted with assistance from donor partners. A joint programme for Private Sector and Youth Enterprise Development was developed by UNIDO, UNDP, UNIFEM and FAO, under which a Public-Private Consultative Mechanism would be established.

Agriculture/Agro-processing

Skills and Food Processing Centres destroyed and looted during the War were rehabilitated and re-equipped in various Growth Centres in the country including Pujehun, Kpandebu and Binkolo. A Business Plan was developed in August 2006 and an Agricultural Machinery Production Centre (AMPC) was established at the Ferry Junction in Freetown. The project aimed at establishing an Agricultural Machinery Training and Production Centre complete with facilities for an industrial park of metal work enterprises on the same site.

4.5 Promoting Youth Employment

Youth development was considered as a cornerstone for peace consolidation and promoting pro-poor growth in Sierra Leone. Government and development partners launched an elaborate programme for youth development over the implementation period to generate employment opportunities for the youth in both formal and informal sectors.

Agricultural Farms for Youth

With assistance from donors, government established 51 micro-farms, 41 macro-farms and 700 Agricultural Business Units for youth employment. Under animal husbandry, 12 farms for young women in all provision districts were established. More proposals were coming out from the Youth Employment Scheme and the Peace-building Fund for the employment of large proportions of youth countrywide.

Youth enterprise development programmes

A number of youth development enterprises were established over the PRS period 2005-2007. These include six enterprises in six districts targeting girls in the street, one medium size enterprise for palm kernel processing, and one medium size pottery enterprise. Additional proposals and initiatives were underway to promote youth employment in the country including those supported under the Peace-building Fund.

Employment in Public Works

Youth were employed under the Youth Action in Community Environmental Works Project of the Ministry of Education Youth and Sport, supported under the Youth Enterprise Scheme (YES). This project engaged 600 youth in the Western Area, 200 in Bo District, 150 in Kenema District, 200 in Makeni and 150 in Kono. This was supported by the YES. Youth were also employed under the Sierra Leone Roads Authority (SLRA) implemented public works, under the National Commission and Social Action (NaCSA) projects and as Peer Educators in 42 chiefdoms under a programme supported by the UK-Department for International Development. They were also employed as Lifeguards, Combers, Parking Assistants and Wardens in various Beaches in the Western Area of the Country.

Chapter 5: Progress on Pillar III: “Promoting Human Development”

Promoting Human Development is key to reducing poverty on a sustainable basis. Poverty is strongly related to low levels of education, poor health status and low access to clean water and sanitation. The Government was therefore focused on improving access and quality to basic education, provision of affordable health services, water and sanitation and addressing HIV/AIDS related healthcare.

5.1 Education

Government focused on the expansion of access to and quality of basic education over the implementation period 2005-2007 with special attention to the girl child education. It was recognised that the expansion in educational facilities and access should move in tandem with maintenance of quality of education. Thus, the government pursued reforms towards: (1) streamlining and reorganising the educational institution network at all levels, (b) implementing teacher training programmes, and (3) reviewing of school programmes.

Over the implementation period, progress was monitored with respect to increasing gross enrolment rate in primary and junior secondary schools, increasing net enrolment rate, increasing female enrolment rate, increasing passes in public examinations and improving pupil teacher ratio.

Primary Net Enrolment Ratio (NER)

The primary net enrolment rate was recorded at 101% by end 2007, in excess of the target of 67%. This could be attributed to the compliance by parents with the 2004 Education Act requiring that all children of primary school going age (6-11years) be sent to school. Parents in rural areas were reported to have been attaching younger children to primary school classes within their localities. There has been rising community consciousness of the importance of education. There are now a lot of community schools in several parts of the country.

Junior Secondary School (JSS) Net Enrolment Ratio (NER)

The target for this indicator was 21% by end 2007. There was a shortfall of this target by 8% compared to a shortfall by 2% of the 15% target by end 2006. The continued practice of early marriage for girls and commercial activities such as street trading and mining were the main factors suggested for the low net enrolment rate in JSS. However, Government's girl child support policy in the North and Eastern regions contributed to the slight increase of the NER above the baseline of 12% in 2004. This policy was extended to the Western Area and the Southern Province in 2007.

Ratio of girls to boys in primary education

Over the PRS implementation period, the ratio of girls to boys in primary school was targeted to remain the same as the baseline of 10:11 in 2004. This ratio was maintained from 2005 to 2007. However, there was a reasonable increase in the number of girls accessing education, as reflected in the National Primary School Examination (NPSE) results. In 2005, 20,064 girls passed the NPSE; in 2006 the number increased to 24,133; in 2007, the number increased to 30,000. The main reason for this increase was attributed to the 'free education' policy for government and government-assisted primary schools and community involvement in the establishment of new schools.

The free education policy can be enhanced if fees were paid to all primary schools at the beginning of every academic year. This would obviate the justification of some head teachers to demand fees from pupils when the fees subsidies are delayed. There is need to match the amount provided for each child with the rate of inflation.

Ratio of girls to boys in Secondary education

As in the case of primary education, the ratio of girls to boys in secondary school was targeted to remain the same as the baseline of 10:15 in 2004. This ratio was also maintained from 2005 to 2007. However, increases were recorded in the number of girls accessing secondary education as reflected in the BECE results of

5,096 girls passing in 2005, 7,340 in 2006 and 11,110 in 2007. This achievement can be attributed to the continued sensitization of the public on the importance of girl child education by the Ministry of Education, Youth and Sports (MEYS) and other development partners. There is need to raise the level of sensitisation and bye-laws are recommended to be passed by local councils in support of the government policy to increase girl education enrolment.

Pupil-Teacher Ratio (PTR)

The primary Pupil Teacher Ratio target of 50:1 was not achieved; the ratio remained at the baseline level 66:1¹⁸ throughout. While it was noted that children access to primary school significantly increased due to Government's intervention in terms of free tuition and payment of examination fees¹⁹, the policy of teacher ceilings has been an impediment to the target pupil teacher ratio. Thus, there is need to review the teacher ceiling to ensure that it is directly related to the target of 44:1²⁰ as required by the education policy. This may reduce overcrowded classes, hence enhancing effective teaching.

The teacher ceiling has also remained an impediment for the achievement of Pupil Teacher Ratio target of 28:1 for Junior Secondary School. Secondary schools do not have enough teachers to cover all the disciplines and hence some pupils are not taught some subjects. This also necessitates the review of the teacher ceiling to achieve the target of 28:1 as required by the education policy.

Examination passes

Although the target of 75% passes was not achieved for the National Primary School Examination (NPSE), there was an annual increase in passes over the

¹⁸ The baseline of 66:1 was established by the Country Status Report on education of 2006.

¹⁹ Government has been paying examination fees at the terminal point of primary education for pupils.

²⁰ It should be noted that the PRS target of 50:1 was above the Education Policy target of 44:1; the Policy target was not aimed at achieving over the first phase of the PRS implementation period (2005-2007).

period 2005-2007 which could be partly explained by the increase in enrolment of children into primary schools. The percentage passes over this period were 72%, 73% and 69% in 2005, 2006 and 2007 respectively. To increase the proportion of passes, there is need to increase support towards supplying more teaching and learning materials to the primary schools. There is also the need for regular In-service training for all teachers at this level.

For girl passing NPSE, the Government target for 2006 was 69% and it was surpassed slightly by 0.2% and above the baseline figure of 68% in 2005 by 1.2%. Teachers need to be motivated to teach in the rural areas where girls are mainly disadvantaged culturally. The provision of remote area allowances and staff quarters for teachers is a sine qua non for the enhancement of girls' education.

Slight improvement was also recorded in the Basic Education Certificate Examination (BECE) passes. The target of 53% for 2006 was exceeded by 2.3%, an improvement by 7.8% relative to the baseline figure of 47.5% in 2005. The pass trend continued to increase in 2007, recording excess of 3% above the 53% target. To maintain this improvement, it is recommended that regular in-service training for teachers at the JSS level be conducted.

Textbook-pupil ratio in the 5 weakest districts

The target of 1:4 was not achieved countrywide, except in areas like Bonthe and Moyamba Districts, especially the latter which is one of the districts of operations of the non-governmental organization, PLAN Sierra Leone. This ratio could be improved if books in stock (such as those under SABABU education project) are distributed to schools.

5.2 Health

In the PRSP I, the government's main objective regarding health was to reduce under five and maternal mortality rates by expanding access and quality of healthcare services. It focused on the construction and rehabilitation of health facilities nationwide, training of health workers and traditional birth attendants,

expanding immunization coverage, providing insecticide treated bed nets (ITNs) and addressing HIV/AIDS.

Peripheral Health Units

Substantial progress was made in the area of re-establishing peripheral health units (PHU) in the country after the war. By end 2006, a total of 867 PHUs were fully functional, exceeding the baseline of 668 in 2004 and target of 768 in 2006; data not available for 2007.

Mortality Rates

These indicators (Infant, Under-five and Maternal Mortality rates) are usually difficult to measure annually; they are practically measured at least every five years. The latest performance data on these indicators were obtained for 2005 relative to data reported by the National Population Census 2004 as baseline. The Infant Mortality rates reduced from 170/1000 in 2004 to 115/1000 live births in 2005; Under Five Mortality rate reduced from 286/1000 in 2004 to 203/1000 live births in 2005; and Maternal Mortality rate reduced from 1800/100,000 live births in 2004 to 1600/1000,000 live births in 2005²¹, data not available for 2006 and 2007 for reason already mentioned.

Births Attended by Skilled Health Personnel

The percentage of birth attended by skilled health personnel increased from 33% in 2004 to 42 % in 2005. This percentage (42%) remained unchanged up to end 2006, data not available for 2007. In 2006, about 526 Maternal and Child health aides (MCH Aides) were trained nationwide to increase the percentage of deliveries conducted by skilled staff and provide other services including Health talks, Growth Monitoring and Promotion, Immunisation, Treatment of Minor ailments, Outreach Services, and Referrals.

²¹ The 2005 data on mortality rate were obtained from the Multiple Indicator Cluster Survey 3 (2005) as reported by the Ministry of Health and Sanitation.

Vaccination coverage

Vaccination coverage through routine immunization has greatly increased. The coverage of DPT3 increased from 56% in 2004 to 96% in 2006, data not available for 2007. The Ministry of Health and sanitation introduced the five in one (Pentavallent) vaccine in 2006. This will help reduce dropout rates and improve DPT3 coverage.

Insecticide Treated Nets

In 2006, a total of 1,478,584 Insecticide Treated Bed Nets (ITNs) were distributed nationwide through public Health facilities, exceeding the number distributed in 2004 (60,000) and the target number of 180,000 in 2006. This included the nets distributed during the Measles-Malaria campaign. An additional 100,000 ITNs were distributed through social marketing. Data for 2007 were not available. The number of pregnant women sleeping under insecticide treated bed nets increased from 2% in 2004 to 10.3% in 2005, data not available for 2006 and 2007.

5.3 HIV/AIDS

In 2005, a National Strategic Framework was finalized and a Behavioural Surveillance Survey (BSS) was conducted. The government was able to enact "The Prevention and Control of HIV/AIDS Act 2007". A total of 2,649 PLWHAs are now on ARV. In the area of condom distribution, 2,835,767 condoms were distributed in 2007 through community condom distribution and social marketing by CARE. A total of 82 VCCT sites established in 2007. With regards to the Prevention of Mother to Child Transmission (PMTCT), a total of 163 PMTCT sites were established at peripheral health units and hospital facilities.

As a result of the increased level of sensitization, awareness raising and scaling up of services at PHU level, over 55,692 people underwent serological tests for voluntary HIV counselling and testing and prevention of mother to child transmission of HIV. With regards to the treatment of sexually transmitted infections (STI) 55, 035 people were diagnosed and treated for STIs.

The national HIV/AIDS prevalence rate still remains the same at 1.5% until another sero prevalence survey is carried out in 2009 to monitor and determine the HIV prevalence rate.

The Country Response Information System (CRIS) software which is used to store and analyse HIV/AIDS data and also report on all HIV/AIDS interventions was deployed in the Western area and replicated at national level. Also all district M&E staff in the regions have been trained in the use of the CRIS.

In summary, there is marked improvement in the HIV/AIDS programme implementation. For example, at the end of 2005 there were only 20 VCCT sites in the country but by the end of 2007, a total of 82 sites had been established. With regard to PMTCT sites, there were only 18 sites nationwide. By the end of 2007 the PMTCT sites had increased to 163. In the same vein, service delivery points that provide STI services according to national guidelines were 765 in 2005; by end 2007 they had increased to 850. Furthermore, the current number of people receiving ART is 2,649.

5.4 Water and Sanitation

The Government's overall priority in this sector is to provide safe drinking water and a healthy environment for all Sierra Leoneans with support from its development partners. However, while some positive progress was recorded during the PRSP 1, a lot remains to be done in the water and sanitation sector. Reporting on progress in this sector is challenging especially in the absence of strong leadership in the sector, weak institutional structure for co-ordination and the absence of systematic monitoring. Against this background, reporting on sector performance has only relied on administrative records derived from data collated by various stakeholders.

According to the Multi Indicator Cluster Survey 3 (2005) Report, Sierra Leone's water and sanitation coverage rate stands at 46% for improved drinking water supply and 30% for improved sanitation facilities. In rural areas, constituting about 70% of the population, only about 10.2% of the people have access to both improved water supply and sanitation facilities.

Through out the implementation period, none of the targets set under Water and Sanitation were achieved, with monitoring data available only for 2006 and 2007 (see **Figures 5.1 and 5.2**). In 2006, the target for household with access to safe drinking water was 50% while the status result was 49%; the target for households with improved sanitation facilities was 35% while the status result was 33%; the target for primary schools with water and sanitation facilities was 40.5% while the status result was 38%; and the target for PHUs with water and sanitation facilities was 67.5% while the status result was 66.5%. In 2007, the target for these indicators were 53%, 40%, 45% and 70% while the status results were 51.5%, 33%, 40% and 68% respectively. None of these targets was achieved although the shortfalls were not as alarming.

Figure 5.1: 2006 performances against target

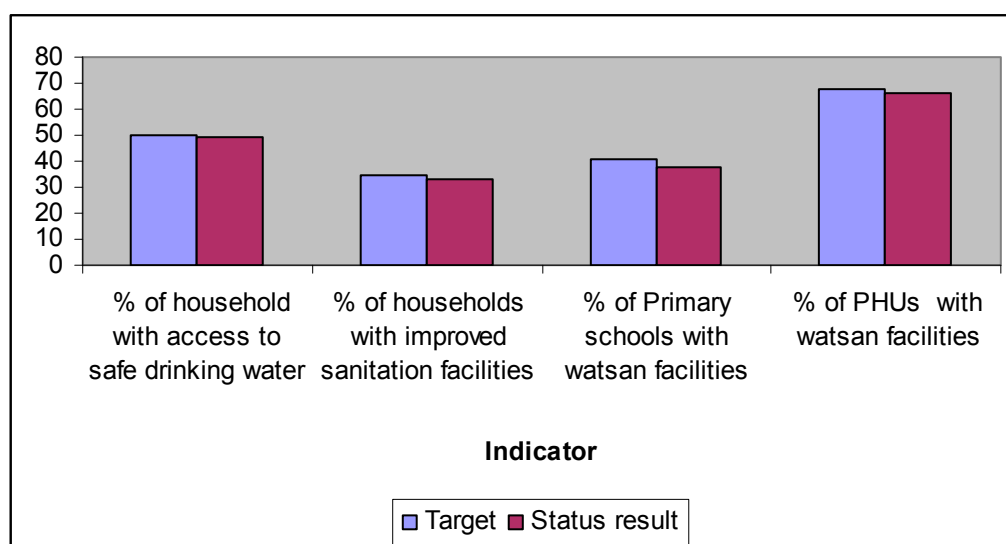
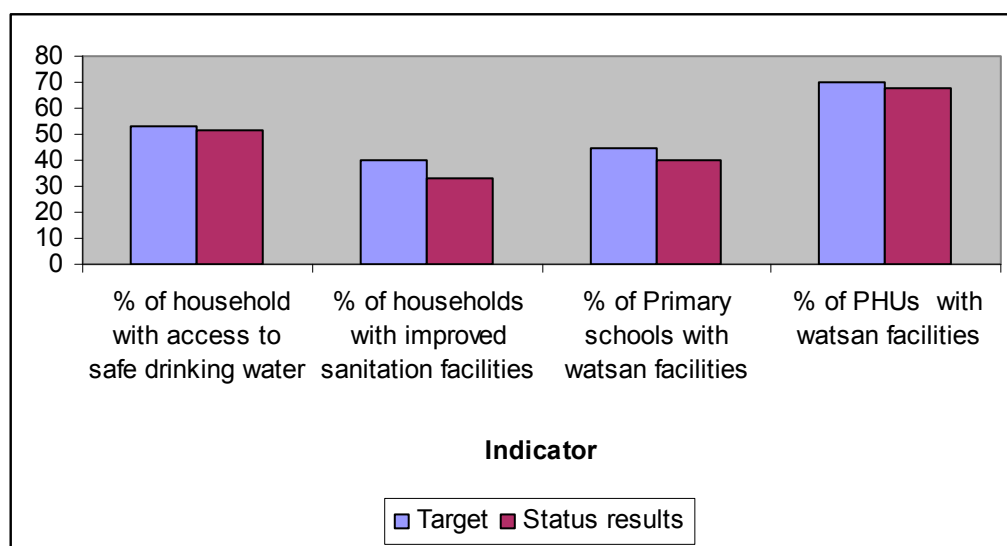


Figure 5.2: 2007 performances against target



5.5 Summary of Progress under Pillar III

The performance matrix in **Annex 4** summarises progress made towards achieving target set under Pillar III of PRSP I.

Chapter 6: Obstacles to Implementation and recommendation

This chapter summarises obstacles to the implementation of the PRSP I by Pillar and thematic areas to bring out the challenging facing each development sector as a successor PRSP (II) is being prepared. For each thematic area, recommendations are proffered to inform the implementation strategy for PRSP II.

6.1 Pillar I: Promoting Good Governance, Peace and Security

Public Financial Management:

Obstacles to Implementation

- Lack of a coordinated and integrated approach to public sector reform. The inter-linkages of various sectors make it difficult for PFM to succeed if areas such as judicial reform, transformation of ESO to HRMO, training policy and others are not resolved.
- The major challenge facing the reform is lack of sufficiently available and technically skilled/ qualified Officials at central and local government that are able to operate under present day environment.
- Alignment of budget to PRS – the present budget structure does not allow fully effective allocation of resources in line with PRS objectives because the budget is predominantly cost centre based.
- Reporting framework for donors, sub-vented agencies and other units of Government not fully respected

Recommendations

One lesson learnt during the implementation is that meeting benchmarks is sometimes difficult and unachievable as wide consultation with the technical people concerned is not always done in order to determine the practicality of implementing some of the tasks set in the indicators.

- We should move towards a common PFM assessment framework (PEFA) after the results of the internal and external assessments are accepted by Government and the donors. This should form the basis of dialogue between GoSL and DPs.
- Direct resources towards maintaining and development of institutional and individual capacity; supported by an open and fair appraisal system that rewards performance to attract and retain skilled and knowledgeable personnel.
- Civil Service Training School should be resuscitated and properly resourced (human and finance) and IPAM should focus on 'public' sector courses
- Attraction and retention policy – training policy, review of remuneration package.
- Capacity building to ensure that core competences required in managing public funds extensively are available in the public service.
- Establish a functioning Internal Audit Unit in the AGD.
- DACO/DecSec/LGFD/BB should conduct more training for budgeting agencies to link their activities with the PRSP activities in annex 2 of the PRSP. This will ensure that all budgets are directly linked to the PRSP and Budget Bureau should take leadership in this process.
- Put Public Sector Reform (PSR) at the top of the agenda with the aim of achieving a 'working' governance structure that will lead to effective public service delivery and accountability. The framework of most of the structures is in place but there is need for a coordinated strategic focus and real political support.
- The Governance Reform Secretariat could be the conduit to implement the PSR strategy.
- Other structures such as Decentralisation Secretariat, Public Financial Management Reform Unit, and HRMO should be given clearly communicated mandate and integrated into the PSR institutional arrangements.

The Anti Corruption Commission

Obstacles to Implementation

- Lack of funds due to delay in disbursements
- Statutory Instrument and Fiat mechanism developed in 2005 proved to be counter productive
- Continued delay in the judiciary process

Recommendations

- Timely disbursement of funds
- Training for investigators
- Recruitment of prosecutors

Strengthening the Decentralisation process:

Obstacles to Implementation

1. Lack of cooperation from SLRA to support devolution in the Roads sector
2. Weak commitment from MDAs and LCs to execute Joint asset and personnel verification (required to complete the Devolution process) in all local council areas across the Country
3. Unbudgeted resources to support asset and personnel verification
4. MDAs identified unfunded mandates for devolution to LCs(functions without accompanying fiscal transfers)
5. For Youth and Sports and Social welfare, there were districts without Personnel to be assigned as technical / professional Staff to accompany the functions in the first year of devolution as was done for most other evolving Sectors.
6. Weak technical preparations for the IMC as well as lack of an effective mechanism for follow up on Actions and recommendations.
7. Poor coordination within certain MDAs(Energy and Power-SALWACO and WSD, SLRA and MWTM,MMR and field Mines Monitors etc)

8. MDAs whose mandates are supposed to be technical in orientation and operations have more administrative than technical personnel in post (Youth and Sports, Social welfare, Energy and Power etc)
9. The budget profile for most MDAs indicated that expenditures were more aligned to meeting administrative costs than professional costs (making computation of fiscal allocation to devolved functions quite difficult since allocation was skewed towards administration and less for technical services).
10. Controversy related to sharing of revenues between local councils and chiefdom authorities.

Recommendations

1. With support to Local Government Service Commission, the LCs are currently recruiting Staff in both the administrative and Technical categories. There is however a critical challenge which is that of attracting the right skill sets with appropriate competencies especially in Financial management, Development planning and policy support.
2. Recommendations to the Chairman of IMC (Hon. Vice President) to authorise the establishment of a Technical sub-committee's of the IMC. The Sub-committees will be charged with the responsibility of considering technical issues/ matters and supporting the preparation of agenda for IMC Meetings, as well as, leading on follow up actions and especially reviewing bottlenecks for smooth and effective devolution of functions.
3. Facilitating review of MDA Sectoral policies with a view of aligning them with the devolution of functions and review of Legislations. Aligned sector policies will also clearly define the post devolution responsibilities of MDAs.
4. Intensify capacity building support to LCs as well as devolving MDAs to lead the devolution process.
5. Working with devolving MDAs to cost previously unfunded (mandates) functions which are to be devolved to LCs in 2007 and 2008.
6. The need for a policy on Chiefdom Governance to resolve controversy regarding the relationship between Chiefdom Councils and Local councils in terms of roles, responsibilities and fiscal management.

Consolidating Peace and Peace Education

Obstacle to Implementation

- Limited financial and logistical resources for implementation.

Recommendations

- Government subvention to the NCD should be substantially increased to facilitate its work. The renewed emphasis on attitudinal change as a national policy places upon us, more than any other institution a unique mandate for promoting good citizenship through nationwide civic sensitisation. The need for basic resources is thus more evident and more urgent.
- Resources authorised under the Peace building Fund for building the capacity of the National Commission for Democracy should be speedily released before the Fund is totally expended to ensure that the Commission benefits as intended in the PBC-GOSL Agreement.
- Transportation and equipment as well as programme funding if supplied with funds under (1) and (2) above, will maximise our output and will undoubtedly benefit and deepen our democracy.

6.2 Pillar II: Promoting Pro-Poor Growth for Food Security and Job Creation

Promoting Private Sector Development

Obstacles to Implementation

- The Ministry of Trade and Industry (MTI) is severely constrained by a lack of human and technical capacity. The Policy, Planning and Research Division (PPRD) which currently implements most of the more active programmes in the Ministry has only two full time staff, who are in the Ministry as part of technical assistance provided by development partners.
- PPRD is not included in the MTI annual budget and therefore is constrained in terms of logistics.
- The Trade and Industry wings of MTI suffer from a lack of technical knowledge and skills in trade, investment and private sector issues.

- The lack of regular power supply and telephone connection affects regular internet access and routine work, which militates against efficiency.
- Untimely disbursements of funds due to dependence on donors, as well as inadequate funding from government also affect the implementation of the Ministry's programmes.
- The non implementation of the recommendations of the Functional Review of MTI is also a hindrance to the timely implementation of projects
- Slow response and lack of policy synergy amongst MDAs

Recommendations

- Concerted efforts need to be made to build the Ministry's technical, human and logistical capacity, in order to enable it to respond to the challenges of the modern global trading system, and to fulfil its role in supporting private sector development.
- To improve aid coordination, it would be advisable for development partners to enter into joint programming to support trade and private sector development such as the UNDP/UNIDO/FAO joint programme on Private Sector and Youth Enterprise Development.
- To improve effective coordination amongst MDAs as well as the private sector
- The government should upgrade its salary structure to attract highly trained personnel into MTI.

Promoting Youth Employment

Obstacles to Implementation

- Poor enabling environment for investment inhibit private sector growth and expansion of businesses and job opportunities for youth
- Limited skills profile for youth reduces their employability
- Data unavailability particularly on the labour market demands
- Poor inter-institutional programming coordination
- Young people's attitudes to work not encouraging (mismatch between the jobs youths want and what is available).

Recommendations

Access to Funding:

- The CG Meeting in London generated donor interest in the youth sector. The positive note from the CG was followed by the preparation of the Youth Employment Programme. However, no specific pledges were made for promoting youth employment. The EU, Germany and the UNDP did express interest. Donor funding for youth employment is still at a creeping level. Also government budgetary allocation for youth development programme should be increased

Data on Youth Employment:

- Data unavailability is a major obstacle in programming for youth employment in the country principally because labour statistics are hard to come by and there have only been few uncoordinated surveys that did not give the full picture. Apart from the surveys presently commissioned by the World Bank and Government and by GTZ/Ministry of Labour, there is need to establish a data bank on employment statistics and to set up mechanisms for periodic publication of employment information from both the public and private sector.

Coordination of Interventions

- A lot of interventions are taking place in the youth sector relating to the promotion of youth employment. However, these are done without or with little reference to each other. This is why it is difficult to gauge the impact of such interventions, giving the impression as if nothing is being done. There is need therefore to coordinate all interventions aimed at promoting youth employment, whether they are implemented by the Government (central and local), UN Agencies, INGOs, NNGOs, Private Sector operatives, etc.
- Improve monitoring and evaluation of youth employment programmes

Agriculture

Obstacles to Implementation

- Delayed disbursement of funds;
- Inadequate funds for food security activities;
- Lack of credit facilities for farmers and entrepreneurs (male and female) engaged in promoting food security activities;
- Non existence of irrigation systems, hence heavy reliance on rain fed agriculture;
- Limited Post-harvest facilities such as rice mills, smoke houses, refrigerator/cold rooms, drying floors and stores;
- Poor feeder road network;
- Poor fisheries infrastructure (lack of centralized fish harbour, poor out-station facilities, absence of fish landing ports in the artisanal sector);
- Inadequate monitoring of activities on high seas due to poor logistics (boats, communication equipment);
- Weak rural infrastructure (road, vehicular and river transport, markets) energy and power;
- Poor remuneration and inadequate support for capacity building causing a weak extension system;
- Lack of adequate support for Data Collection and Processing, monitoring and evaluation;
- Non-existence of rural electrification;
- Low participation of the private sector in value adding processes (processing, storage and marketing) for food security products.

Recommendations

- Government and development partners to increase funds for food security activities in Line with the Maputo Declaration for the Development of the Agriculture Sector, which states that, African Governments should allocate at least 10% of the National budget to the agriculture sector;
- Encourage private sector investment in fisheries surveillance;
- Construct fish harbour and facilities for fish handling and discharge;

- Improve access to production areas and markets (feeder roads and bridges);
- Improve access to affordable credit for farmers and entrepreneurs (male and female) engaged in food security promotion activities;
- Invest in Post-harvest technologies for food security products;
- Develop and maintain water control structures (irrigation and drainage systems);
- Develop rural electrification;
- Provide adequate support to data collection and processing, monitoring and evaluation systems;
- Establish and support quality control laboratory
- Support refrigerated storage facilities
- Product diversification through encouragement of diversified Agricultural production.

Investing in Supportive Infrastructure

Obstacles to Implementation

Roads Network

- Most of the feeder road projects are donor funded and there have been delays in procurement procedures from Donors/Development partners (EU, IDB)
- The road user levy from the price of petroleum products is extremely small.

Electrical Power Supply

The National Power Authority [NPA] was in serious financial crisis. Despite the availability of a certain generating capacity, the generation and supply of power is contingent on the availability of fuel and others factors. The following are some of the major obstacles faced by NPA in supplying power to Freetown and its environment:

- Though the electricity tariff is one of the highest in the world, the current tariff is below the generation cost;

- The technical and commercial losses are extremely high - they are in the region of 40%;
- NPA workforce is about 200% overstaffed;
- Non payment of electricity bill by most government and domestic customers;
- The most use base load generators have outlived their economic lives and unavailable generating capacity was 85%;
- Little or no budgetary allocations to accelerate the implementation of provincial town electrification. Provision of power systems to the district headquarter towns was due to donor (Pujehun), philanthropic (Makeni), and community (Moyamba) interventions.

Freetown Water Supply

Guma Valley water Company [GVWC] is supplying water from one major dam [Guma] and three other small catchments [Kongo, Allen Town, and Thunder Hill-Mamba Ridge]. The obstacles faced by GVWC are as follows:

Technical:

Existing dam capacity is far below the demand due to population growth and expansion of the city. The Guma dam and the treatment plant at Guma have reached their maximum operating capacities. An attempt to increase the capacity of the dam will affect the foundation of the dam;

The Congo catchment is small and older than Guma. Technically nothing can be done to increase its capacity;

Financial:

The average water tariff was Le 7.84/gallon, which is below the production cost of Le 9.8/gallon; the average domestic and commercial tariffs were Le 2.68/gallon and Le 13/gallon respectively. These tariffs are about 30% of the sub-Saharan Africa's average tariff;

- Illegal connections
- Non payment of bills
- Lack of funds to upgrade Allen Town catchment
- Removal of water meters.

Environmental:

- Interference of human activities [development of settlement] hinder the development of new sources;
- Volume of water from the Thunder-Hill and Mamba Ridge is reducing due to deforestation.
- Obsolete water Act [1961]

Recommendations

Roads Network:

Government to consider increasing the roads user cost levy in the price of petroleum products.

Electrical Power Supply:

- Stabilize and turn around the current power crisis through:
 - Earliest possible repair of existing thermal units and Government's intervention through fuel supply subsidies;
 - Upgrade as quickly as possible the transmission network in Freetown and major towns
 - Adjust power tariffs to reflect production costs under reasonably efficient production and distribution assumptions;
 - National introduction of pre-payment meters that will greatly enhance revenue collection, leading to a more efficient NPA operation and hence greater supply reliability.
- Increase the generating capacity of Freetown to at least 100 MW and also add generation capacity in selected towns and continue improvements of the distribution systems;
- Completion of the Bumbuna hydropower project and associated transmission line; develop new hydroelectric power projects through independent power producers; further analyse and develop the potential for mini-hydropower schemes, solar power schemes, biomass schemes, and other such opportunities for bringing electricity to rural areas.
- There is a great need for reform and restructuring of NPA; to negotiate a management contract with a qualified firm to take over NPA management

and resurrect its operational status. Complete downsizing of staff with the associated termination benefits.

- Prepare a comprehensive energy sector policy document.

Freetown Water Supply:

- To develop another dam, preferably in the eastern part of Freetown, with the right conventional treatment plant;
- To have a more realistic tariff that will enable the company to be in a better financial position to develop other sources to enhance water supply - GVWC has prepared a Corporate Development Plan under the current Power and Water Project Technical Assistance Programme, funded by the World bank, to ensure a financial breakeven by the year 2008. The Plan assumes a tariff increase of twenty seven percent in July 2006. Without this increase Guma Valley Water Company will continue to suffer deficits which will inevitably lead to very poor service delivery. Government approval to apply proposed tariff adjustment is vital to the survival of the company and the development of the city's water supply system.
- Government consumers should consider making payments of arrears for water charges to make it possible for capital works to be undertaken.
- Solicit support from the Law enforcement department to combat illegal connections;
- Encourage the public to pay for water fetched from public standpipes
- To update the 1961 Act on Water Supply and Usage.
- Expansion of the city is leading to deforestation of some catchment areas. Therefore, there is an urgent need for all forest reserves and catchment areas to be clearly demarcated and any clearing or construction prohibited within such areas.

6.3 Pillar III: Promoting Human Development

Education

Lessons learnt in Implementation

- Migration of qualified teachers from rural to urban areas.
- Boys and their parents are unhappy that only girls are given support in the Northern and Eastern regions.
- Parents of girls in the Southern region and Western Area are likewise unhappy with government support only restricted to the Northern and Eastern regions.
- Some proprietors and even education secretaries claim a percentage of the fees subsidies given by government to manage primary schools, instead of them complementing the effort of government.
- Some contractors involved in school construction take on too many contracts for which they do not have the required number of staff as they usually rotate them on different building sites.
- School feeding enhances the attendance rates of pupils in primary schools

Obstacles and Recommendations

- The need to recruit more teachers is as evident in 2006 as it was in 2005. Many more girls are accessing education than ever before as shown in the figures and also reflected at the terminal primary and examination levels when they attempt the national examinations of NPSE and BECE. Increasing enrolment rates are recorded every year for girls as well as for boys at both levels, though the ratios for the comparable years 2005 and 2006 do not show any significant change.
- There is need to ensure equitable distribution of textbooks and other learning materials nationwide.
- The activities undertaken under the PRSP I did not focus on Post Basic Education. The PRSP II should lay more emphasis on this level of education especially to meet the quality of the graduates that would be required to effectively implement the civil service reform programme.

Health

Obstacles to implementation

- Delay in the release of funds by the Ministry of Finance for implementation of planned activities.
- Insufficient financial resources in implementation of activities.
- Insufficient and poorly motivated personnel for providing health care services.
- Lengthy procurement procedures in acquiring medical supplies and logistics.

Recommendations

- Additional resources are allocated by Government for implementing Health Sector activities.
- The Ministry of Finance release the funds for implementation of Sector activities.
- Conditions of services for health care staff be improved.
- Provision of resources to conduct a maternal mortality assessment survey to determine the current maternal mortality rate.

HIV/AIDS

Obstacles to Implementation

- The slow disbursement and replenishment of funds due to the moratorium imposed by the World Bank. This situation brought the implementation of activities to a stand still.
- The fear of stigma and discrimination still prevent people from taking up Voluntary Confidential Counselling and Testing services. Also, denial that HIV/AIDS does not exist is preventing people translating HIV/AIDS knowledge into behavioural change practices such as use of condom and uptake of VCCT services.

- The existence of traditional and cultural practices that contribute to the transmission of HIV/AIDS
- Although the scaling up of access to services is ongoing, coverage is still low. As a result, there is limited access to services for majority of the people because of the poverty level in the country. Most people are unable to pay to travel longer distances to access services.
- Lack of adequate human resources such as counsellors to counsel people to take up VCCT services.
- There was very little coordination between the National HIV/AIDS Secretariat and development partners and other stake holders in the HIV sector because the previous administration did not consider it as necessary. This resulted in withholding of technical and financial support to the Secretariat.

Recommendations

- Advocate for enactment of law to protect the rights, duties and responsibilities of PLWHAs
- Intensify the IEC/BCC and also make it more strategic
- Advocate for changes of negative socio-cultural practices that promote HIV transmission
- Enhance the involvement of PLWHAs in Programme implementation
- Advocate for HIV/AIDS workplace policy
- Decentralize HIV/AIDS implementation
- Strengthening human resource capacity

Water and Sanitation

Obstacles to implementation

- Obtaining accurate and consistent baseline data on the water and sanitation status remains problematic- this has been a major challenge.

- Completion of sector policy to guide activities in operations, financing, institutional linkages, capacity building, etc. - remains a major challenge.
- Human resources constraints at both central and at decentralized levels
- Limited financial support to the sector by Government and ESA
- Devolution to Councils with limited capacities and with no program for capacity development for the sector at the various levels.

Recommendations

- Decentralized management structures are needed for Rural Water Supply and provision of Sanitation services.
- Adoption of sector policy and implementing recommendations therein
- Capacity building at all levels.
- Sustainable water supply and sanitation systems and services are required for rural water supply and sanitation services provision.
- TA required for development of programs and action

Chapter 7: Monitoring and Evaluation of the PRSP

7.1 Objective of Monitoring and Evaluation of the PRSP

It is imperative to set up an effective M&E systems to inform decision makers about the effects policy actions may have on the welfare of the people over the PRS implementation period. Monitoring brings about informed decisions; it enables policy makers to revisit actions where progress is stalled and strengthen them where positive effects have been realised. The process provides information on the progress made in achieving planned objectives and targets towards reducing poverty in the country. The overall purpose of M&E is the measurement and assessment of performance in order to more effectively manage the outcomes and outputs known as development results.

7.2 Status of the PRS Monitoring and Evaluation System

The Institutional Framework: Significant progress has been made in developing a robust system for monitoring and evaluation of the PRSP in Sierra Leone. The current framework supporting the M&E system includes many institutions to reflect the broad interest generated by the PRS process since its inception in 2004. The Development Assistance Coordination Office (DACO) has been taking the lead in coordinating the monitoring of activities. To achieve this, an M&E unit has been established within DACO as the focal point for poverty monitoring. This Unit closely works with sector ministries to develop data collection mechanism for monitoring the PRSP. It assists the sector ministries to develop and achieve work plans for M & E activities.

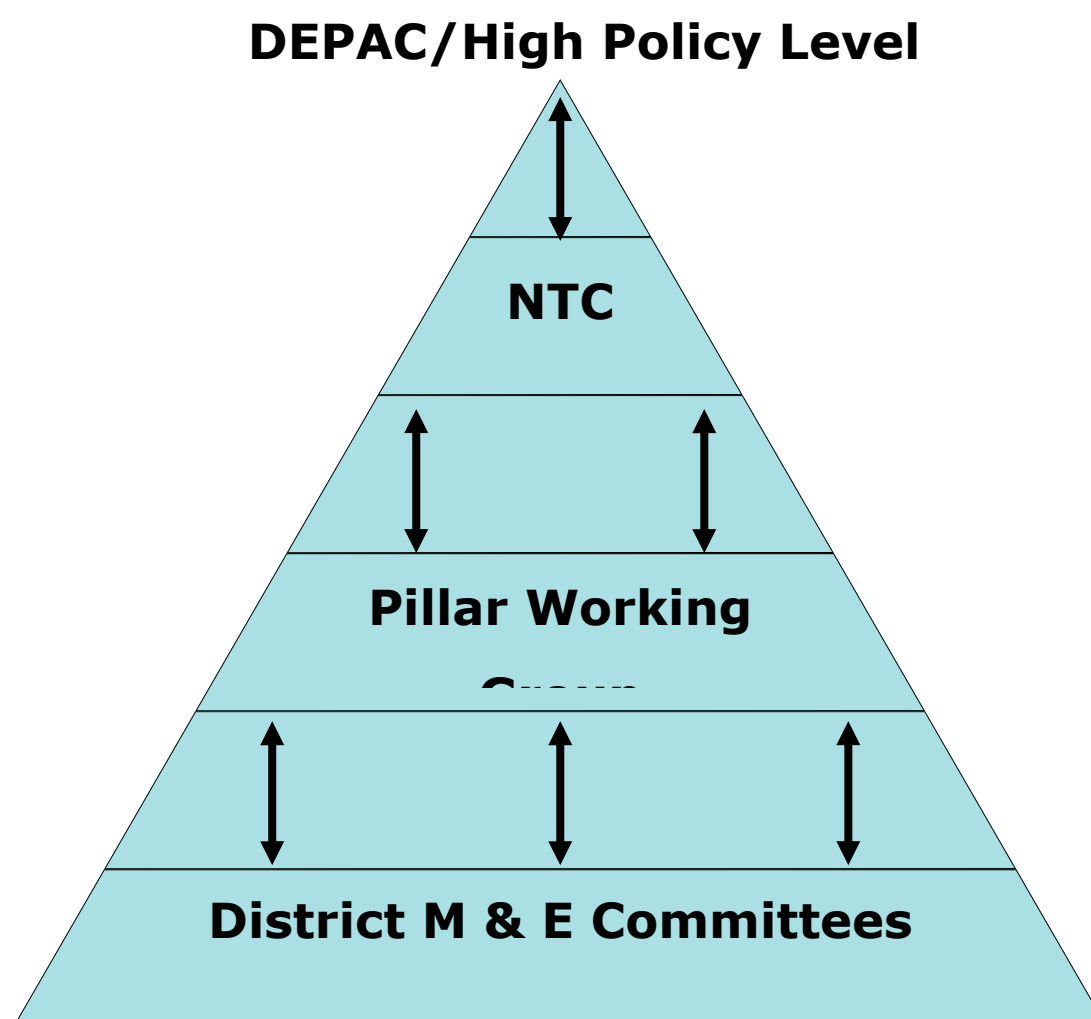
To facilitate the routine monitoring of policy actions, the mandate of the Pillar Working Groups (within the PRS implementation framework) includes regular reporting of progress made on the indicators. Each Pillar Working Group (PWG) is sub-divided into Sector Working Groups (SWGs) on various thematic areas as related to the work of MDAs. Membership of the Working Groups is drawn from Government, Donors and Civil Society.

The National Technical Committee (NTC) is informed about progress in each Pillar for further review and advice. Ultimately, at the highest level, progress results are discussed at the Development Partnership Committee (DEPAC) and the Inter-

Ministerial Committee (IMC), which is the highest policy and political level within the PRS implementation framework. At this top level, policy and budget reviews take place most effectively in relation to progress made in the implementation process. This has been informing the development of new actions and the need for modifications in the existing projects and programmes for better results.

Figure 7.1 depicts the institutional framework for Monitoring and Evaluation of the PRSP with four levels.

Figure 7.1: Institutional Framework for M&E



The roles and responsibilities at the first three levels (from the top) have been highlighted above. The last level at the bottom of the pyramid is the District M&E Committees (DM&ECs), which have been formed all over the country through the

joint effort of DACO and the Decentralisation Secretariat (DECSEC). Each DM&EC comprises the following.

- Local Council representative
- District PRS Focal Point
- Decentralization Secretariat M & E Officer/Coach
- Statistics Sierra Leone (SSL) District Representative
- Sector Representatives (health, education, agriculture, etc)
- Civil Society Representative
- Other members can be included as the committee deems necessary

The main responsibilities of the District M&E Committees are:

- Monitoring progress in the implementation of programmes at the district level.
- Overseeing the collection and collation of PRS related data at the district level.
- Conducting preliminary validation of data before reporting to DACO

The Local Councils have been leading the overall M&E process at the districts. PRS Focal Persons (FPs) have been deployed in all 12 provincial districts, serving as the main anchor for direct reporting to DACO on PRS progress at the district level. The FPs are specifically responsible for facilitating and coordinating the collection and collation of poverty related data at the districts in collaboration with relevant district development stakeholders including sectoral M&E officers, SSL Officers, DECSEC Coaches and Civil Society Organisations.

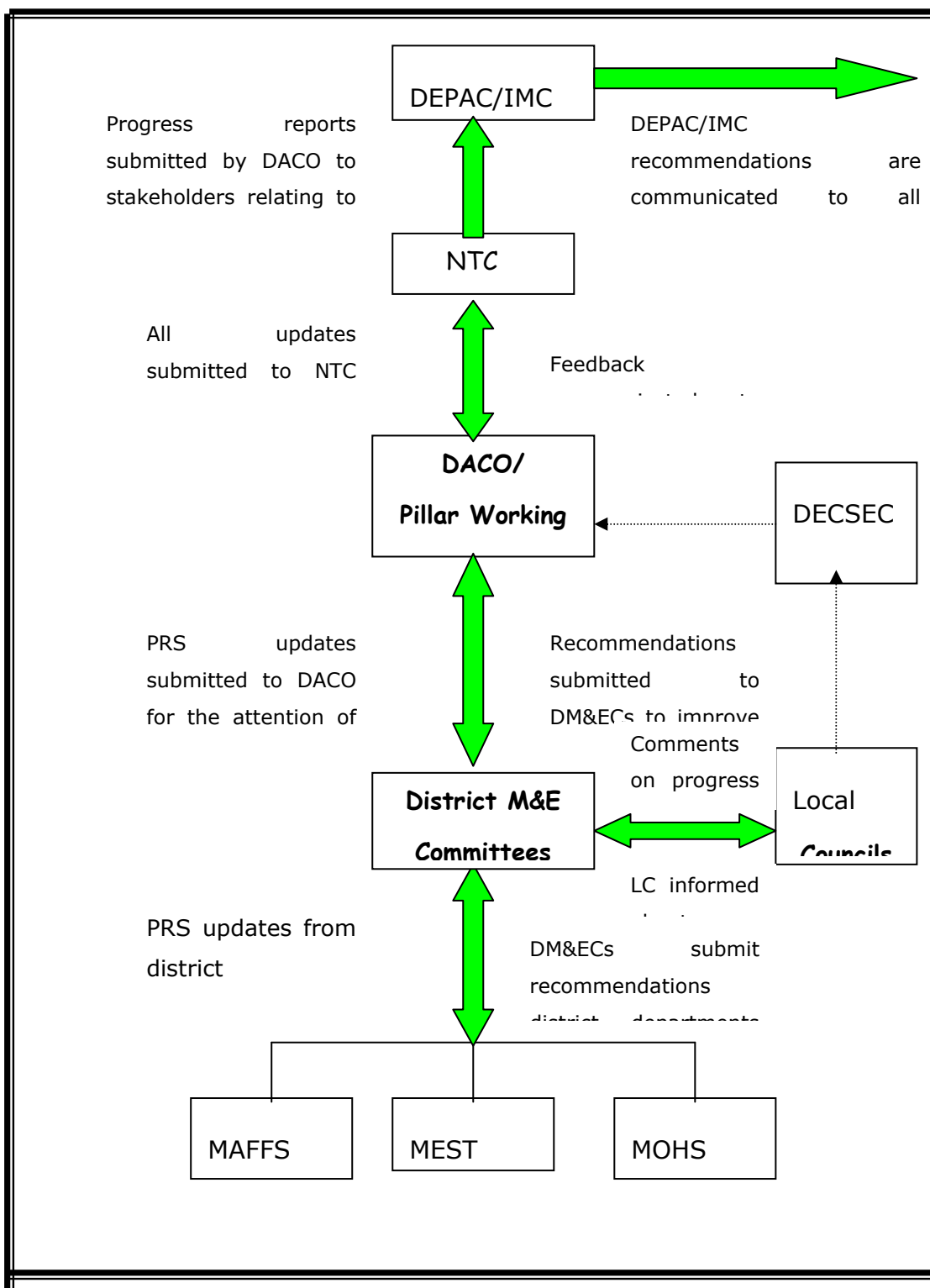
The effectiveness of District PRS monitoring hinges on the M&E system designed for Local Councils by the Decentralisation Secretariat. This system significantly reflects the PRS Result Framework and has been providing a basis for reporting progress made on the implementation of poverty reduction activities at the district level.

Information Flow: Information on the PRS progress flows from bottom (the districts) through to top policy level (DEPAC/IMC), with feedback coming in the reverse direction, noting that the actual operationalisation of

programmes/projects takes place at the district level while effective policy actions take place at the top.

Figure 7.2 depicts the information flow. The key sectors in the district are the Ministry of Agriculture, Forestry and Food Security (MAFFS), the Ministry of Education, Science and Technology (MEST) and the Ministry of Health and Sanitation (MOHS). The PRS Focal Points liaises with each of these sectors, the M&E Units in particular, to provide sector updates. The FPs compile these updates for submission to the District M&E Committees. The Committees review these reports and make recommendations to sectoral departments to improve the implementation of activities. The Committees forward finalised progress reports to DACO on a regular basis through the FPs, copying the Local Councils and Decentralisation Secretariat. DACO distributes these reports to the respective Pillar Working Groups. These reports are synchronised with PRS updates from central sector working groups to produce a comprehensive progress report for the attention of NTC, hence DEPA/IMC. The latter will review the overall progress on the PRS implementation and provide policy guidelines on the way forward. Recommendations emerging from this high policy level forum are communicated back to all stakeholders at national, district and community level through DACO.

Figure 7.2: M&E information flow chart



Reporting Mechanism at Central Level: Reporting formats have been developed for central MDAs. The Pillar/Sector Working Groups have been using these formats to provide regular updates on the PRS implementation. The formats carry the following elements: policy objectives; expected outcomes; indicators; baselines; yearly targets; progress; obstacles to implementation; and recommendations. Progress updates are collated into one document for quarterly reporting, forming the basis for the discussions of the PRS progress at DEPAC and IMC meetings.

Reporting Mechanism at Local Level: The Decentralisation Secretariat has developed series of reporting formats for tracking progress relating to the activities implemented by the Local Councils. Tracking progress on the PRS implementation at the district level anchors in these reporting formats within the broad framework. Since there is yet to be a clear district Results Framework ², reporting at district level has been limited to tracking activity implementation. Work has been underway towards the preparation of a comprehensive district Results Framework targeting mainly the devolved functions especially relating to Health, Agriculture and Education. When the decentralisation programme is fully implemented and all Local Council departments are operational, a more comprehensive Results Framework shall be put in place for the District M&E.

Challenges facing the M&E

The main challenge faced in the implementation, monitoring and Evaluation of the SL-PRSP is the weak M&E capacity of the various stakeholders involved in the PRS process. These include MDAs, District Councils and CSOs. Capacity development challenges have been more evident in the recently elected district councils. This makes monitoring at the community more difficult.

Although M&E structures exist at the districts, there is a need to strengthen these structures through providing adequate training and required logistics and

² What we have currently is an aggregated Results Framework that was submitted to the 2005 CG. There is need to develop a district Results Framework for effective M&E and progress reporting at the local level.

equipment. While there are district development and annual work plans, there are no clear M&E guidelines thus, making routine data collection and reporting a serious challenge. Coordination is another challenge. There are reports that some NGOs operate within some districts without the knowledge of the relevant local authorities and sectoral departments who are supposed to keep track of their activities. This situation undermines the quality and quantity of data collected at the district level. Consequently there is an urgent need to provide support for Human resource training and the provision of relevant equipment and logistics.

7.3 Strategy for Strengthening the M&E System

Towards addressing the above challenges, three components have been identified to enhance the capacity for monitoring and evaluation of the PRSP:

- A. Institutionalising M&E system in MDAs, Local Councils and CSOs.
- B. Strengthening capacity of M&E Units in MDAs, Local Councils and Civil Society.
- C. Enhancing participation of the general public in the M&E process.

Institutionalising M&E system: Institutionalising M&E in MDAs, Local Councils and CSOs will promote adherence to M&E principles and thus improve accountability and transparency in the delivery of public services. To achieve this, an M&E policy will be developed to clearly define roles and responsibilities of all stakeholders. The implementation of this policy will also be accompanied by the development of M&E manuals and guidelines to ensure the effective application of principles and concepts. The following are planned activities to address this component.

1. Develop and enact M&E policy.
2. Produce M&E training manuals and guidelines.
3. Develop and operationalise national and district level M&E databases.

Strengthening capacity of M&E Units: The M&E practitioners in the MDAs, Local Councils and Civil Society require continuous training on basic M&E concepts, data collection techniques and management. This should be accompanied by the provision of data storage equipment and improving the analytical skills of the relevant officers.

District Offices lack the required equipment to facilitate data collection, analysis, storage and dissemination. Additionally, the need to share experiences with PRS success countries cannot be compromised to learn best practices and replicate lessons to improve the national M&E system. The following are planned activities to address this component.

1. Train DACO staff, Pillar Working Group members and M&E staff in line ministries, and Local Councils.
2. Facilitate the development of capacity of CSOs so that they can effectively participate in the monitoring and evaluation of the PRS.
3. Conduct relevant study tours.
4. Provide computer equipment and other accessories to M&E practitioners in line ministries and district councils.
5. Provide vehicles and motor bikes for DACO staff and PRSP focal points in each district.

Participation of the general public in the M&E process: There is need to enhance the participation of the public in the M&E process through strengthening dissemination of M&E output nationwide on a regular basis using the most suitable media. The dissemination techniques will take into consideration the sociological and educational background of the general populace. Addressing this component is important in that increasing public awareness is critical to the general accreditation of progress made by the government in reducing poverty. Thus, the annual progress reports (APRs) shall be disseminated down to chiefdom level and made reader friendly by producing different versions for all audiences. The following are planned activities to address this component.

1. Production of quarterly M&E Bulletin.
2. Printing and dissemination of M&E reports through various media.
3. Organising regional focus group discussions on M&E results.
4. Organising weekly/monthly radio/TV discussions on PRS progress.

7.4 The Role of Statistics Sierra Leone

Statistics Sierra Leone will continue to play the lead role in the production of reliable data for poverty analysis and monitoring. SSL conducted the Sierra Leone Integrated Household Survey (SLIHS) of 2003/04 which was used in the

preparation of the country's first generation PRSP (2005-2007). It carried out the Core Welfare Indicator Questionnaire Survey (CWIQS) in 2007 which provided useful statistics on the progress made in the implementation of the PRSP. Another important poverty monitoring survey in the pipeline is the Demographic Health Survey to be conducted in 2008. The introduction of Geographical Information System (GIS) in Sierra Leone's data system has been extremely useful. It has increased the effectiveness and efficiency in tracking spatial development through the production of improved maps, enhancement of data storage facilities, analysis, better targeting and coordination of services, etc. The Sierra Leone Information System (SLIS) based in DACO and SSL have been instrumental towards integrating GIS in the national development processes.

To ensure the effective discharge of data production and coordination role, SSL would need sustained support to increase its capacity in the process. To improve the National Statistical System (NSS), a National Strategy for the Development of Statistics (NSDS) has been recently launched, covering 2008-2012. Implementation of the activities identified in the NSDS over this period is expected to boost the capacity NSS, hence SSL's role in poverty monitoring and evaluation.

The NSDS articulates the need to improve routine data system in key service delivery Ministries. It is crucial to support efforts in this direction especially as related to Health, Education and Agricultural statistics which form the main devolved functions to District Councils. SSL is working strategies to establish Statistical Units in Ministries that had not got one. This is important towards strengthening the overall national M&E system for monitoring poverty and development.

7.5 The Role of Research

There is need to strengthen the involvement of research institutions and the academia in the M&E process. To ensure a more informed policy response in the PRS process, specialised studies will be planned and conducted in the various poverty sectors. Research will enhance performance measurement through benefit incidence analysis, poverty mapping, poverty and social impact analysis, etc. Some policy research studies were conducted during the first phase of the

PRSP. The Ministry of Agriculture in collaboration with the Ministry of Finance conducted Poverty and Social Impact Analysis of agricultural policies in the country. Some Civil society organisations also conducted poverty related policy analysis including Action Aid Sierra Leone, Women's Forum, and Network Movement for Justice and Development.

7.6 Participatory Poverty Appraisals (PPAs)

Participatory Poverty Appraisal methods will continue to be employed. These have the advantage of revealing development status more deeply using mostly qualitative research approaches. Established as a key tool for poverty monitoring, PPAs can be adapted to elicit information on almost any number of issues at the grassroots level. They will be useful in determining people's perceptions of government service delivery in a broad manner, which may include attitudes of government service providers and assessments of their capacity; they will be useful in providing information on people's perceptions regarding governance issues, including quality of service delivery and corruption at the local level.

Over the PRSP I period, two major National Public Service Delivery and Perception Surveys were conducted in 2006 and 2007 by the Centre for Economic and Social Policy Analysis (CESPA). The surveys helped the Government to review its policies where it was necessary and strengthen its focus where successes were recorded in delivering services to the people. A mini survey was also conducted on service delivery user fee in the Health and Education sectors. This was to inform the Government regarding the extent of the effectiveness of implementing user fee policy in the provision of public services. These surveys are important for poverty monitoring and measurement of development performance.

The Public Expenditure Tracking Survey (PETS) Secretariat in the Ministry of Finance and Economic Development will be strengthened. PETS Surveys have been useful source of information on the distribution and utilisation of the public resource since 2001. The Surveys have been tracking the flow of public resources from the point of budget allocation to their end use. This exercise has

positively impacted on the public financial management and poverty reduction, as recommendations from the surveys have been implemented to improve use of public resources.

7.8 Linking M&E to Result Based Management

Towards strengthening management of results and enhancing the achievement of PRS targets, the Government has further developed a Performance Tracking Table (PTT). This tool (PTT) goes beyond tracking progress on poverty related activities to include non-poverty related activities on a quarterly basis. The tool is intended for summoning all MDAs to report to Government (at the end of each quarter) what progress that has been made so far towards achieving end targets in each implementing year. This tool helps management in each MDA to hold accountable their subordinates under its supervision and report problems encountered more regularly and accordingly. The PTT requires that each MDA looks through its plan for the year and defines policy outcomes, sub-policy outcomes/output, baselines, end-year targets, planned quarterly results (progress indicators), departments/units responsible for carrying out relevant actions, location of expected results (district, chiefdom, etc.), and remarks. This tool has been helpful in updating the PRS Result Framework.

7.9 Results Framework

Going into the next PRSP (II), the first generation PRS Results Framework shall be reviewed to reflect emerging development issues. New priorities shall be captured in line with the new PRSP.

Annex 1

Prospect for the Poor in the Face of National Agricultural Reforms

A Poverty and Social Impact Analysis of Changes to Agricultural Policy in Sierra Leone

Economic Policy and Research Unit, Ministry of Finance

Government of Sierra Leone

May 2007

Summary of Main Findings

On Extension Services

- A genuinely effective and revitalized extension effort can make a significant difference to the productivity of both rural labour and land. Evidence from the household models suggests that an average rise in yields of rice of just 15 percent across the country would lead to over 80,000 people being raised out of food poverty, and almost 50,000 being raised out of poverty.
- Most farmers however do not currently interact with extension workers, and where they do, they frequently interact more with NGO than with MAFS staff. Provided more resources are given to extension, the farmer field school model shows promise.
- Input supply is a particular bottleneck: most farmers do not use any external input other than locally made hand tools and bags. Given the substantial gains from improved seed and even small amounts of fertilizer by farmers, dealing with this problem will be critical to progress on agricultural productivity in general.

On Feeder Roads

- Most communities have good access to some form of road, but the quality of the road and in particular the number of months in each year during which the road is impassable remains a serious constraint to rural production.
- Poor quality of access roads contributes directly to increased costs of transport, and to existing transport operators being reluctant to use whatever motorable roads may exist; in particular the cost of

transporting goods rises significantly as the quality of roads declines.

- If the feeder road programme led to a 15 percent increase in farm output, then it would reach break-even point relative to its construction costs. Given improved access to inputs as well as potentially to marketing opportunities, this is not unreasonable to expect.
- Given, however, the limitation of current extension, input supply and marketing systems, complementary efforts are needed to reap the benefits of improved roads.

On the Rice Tariff

- The change in the rice tariff can be expected to have modest welfare benefits amongst net buyers of rice who are mainly the urban poor.
- Given the current price differentials between local and imported rice in Freetown and upcountry, we do not predict major competitive effects to occur as a result of the projected reduction in the rice tariff. We would not therefore expect the reduction in the tariff to have major effects on the food security pledge made by HE the President.
- The need of urban consumers must therefore be balanced against the projected fiscal loss from the tariff

Annex 2

Follow-on Study on the Impact of International Monetary Fund (IMF) Policies on the Achievement of The Education Millennium Development Goals (MDGs) in Sierra Leone

The Impact of Public Wage Bill and Caps on Teachers

ActionAid Sierra Leone

August 2007

Summary of Main Findings

A consistent theme of the report is the view that as a post-conflict country, Sierra Leone faces numerous challenges in its efforts to achieve the education MDGs. Some of these challenges include the acceleration of the rehabilitation and reconstruction of war damaged educational infrastructure, recruitment of more trained and qualified teachers, increasing budgetary support for teaching and learning materials. It is also confronted with the task of modifying and restructuring curricular to reflect the current realities of the need for human rights and peace and reconciliation education in the country. Unfortunately, this huge task demanding the injection of serious financial and other resources is stymied by the realities of the tight fiscal policies of the World Bank/IMF. It is clear for example that the teacher needs of schools relative to the number of teachers than can be employed according to IMF/World Bank ceilings continue to be a major problem. This study also reveals that very few civil society groups in the country are readily involved in championing serious advocacy geared towards the review and if possible the removal of IMF/World Bank policies that adversely affect the achievement of the education MDGs. It is clear that the Education and Health sectors are in dire need of attention in the form of massive investment if the goals of the PRSP, Vision 2025 and MDGs are to be achieved. Accordingly, the following recommendations could be helpful in efforts towards achieving the education MDGs in Sierra Leone.

International Monetary Fund

- Urgent need for the removal or review of IMF/world Bank policies that adversely affect the achievement of the educational MDGs. The IMF is to give consideration to what had been lost over the conflict years and calculate the growth rate that could reduce poverty to a meaningful level.
- IMF should cancel the wage bill cap in Sierra Leone and design new monitoring mechanisms that are consistent with the goals and aspirations of the people of Sierra Leone based on future returns and economic development.
- IMF mission to have forum with the Government of Sierra Leone, Civil Society Organisations/Academics/Parliamentarians and a cross-section of the public spelling out the implication of their macroeconomic policies.

Ministry of Education, Science and Technology

- Provide a comprehensive list of teacher requirements in the country and financial implications as had been done for the funding gap (ESP, July 2007) to achieve the MDGs.
- Put in place a strategy to encourage the engagement of civil society groups in the country to advocate for the review and or removal of adverse IMF policies especially as they relate to the realization of the education MDGs. This could be done through networking, awareness building and capacity building programmes.
- Set up a database for teachers in and out of the employ of MEST
- speed up the rehabilitation and reconstruction of educational infrastructure nationwide
- Build staff quarters for teachers and ensure attractive conditions of service and salaries
- Address traditional and social practices that impede the education and advancement of the girl-child
- make the decentralization of education a reality in the country. Build the capacity of the District and Local Council Authorities, Devolve Roles and Finances and empower communities to control ownership of local resources.

Ministry of Finance

- Judicious use of resources including resources accruing from diamonds, rutile, marine and gold to benefit Sierra Leone.
- Contract more confessional loans and encourage donors to contribute affectively to the improvement in the quality of education, water and sanitation, road network and electrification programme in Sierra Leone.
- Advocate/lobby for the Operationalisation of the G8 African Action Plan pledge of support to African countries in efforts to improve the quality of education at all levels.
- Put Team together to develop a macroeconomic model that would be used to explain the workings of the Sierra Leone economy,

clearly highlighting the constraints and the multiplier effect of the linking variables.

- Provide the enabling environment for MEST fully participate in the IMF discussions, EFA-FTI in order to derive the benefit it possesses.

Donors

- To harmonise Aid to Sierra Leone to avoid wastage and duplication for greater impact on the population.
- Build the capacity of DACO to effectively monitor Aid disbursement and use in Sierra Leone.
- Emphasise improvement in education and health and add their voices to the inimical nature of some IMF policies.
- The African Development Bank (AfDB), Department of International Development (DfID, Fast Track Initiative (FTI), German Technical Cooperation (GTZ), International Development Assistance/World Bank (IDA/WB), United Nations Education, Scientific and Cultural Organisation (UNESCO), UNESCO Institute for Statistics (UIS), United Nations Children's Fund (UNICEF), World Food Programme (WFP) and World Health Organisation (WHO), should collaborate with the Government of Sierra Leone, particularly with the Ministry of Education, Science and Technology to fund the gap in financing education in Sierra Leone to meet the goals of the SLPRSP Pillar Three—Achievement of Pro-Poor sustainable development through Human resources.
- Work in concert with the GoSL to development the infrastructure and the provision of sustainable Electricity in the entire country.

Civil Society Organisation

- Promote advocacy debate and Networking on the activities of IFIs especially the IMF so as to build consensus as to which policy framework would likely lead to the development of Sierra Leone.
- Monitor IMF Mission Teams so as to create a forum for discussion with them whenever they visit Sierra Leone.
- Create a forum for debate with grass root people for them to have some basic understanding of economic issues and their implications.
- Partner with the Sierra Leone Teachers Union (SLTU) in advocating for improved conditions of service for Teachers and the creation of an enabling environment for quality learning and quality teaching.

Annex 3

Research on the Poverty Reduction Strategy Projects

In Bo, Bonth, Bombali, Kenema, Kono Districts and the Western Area

Women's Forum (Sierra Leone)

With Support from ENCISS

November 2007

Main Findings

- Even though gender issues were included in the planning process of the PRSP, they were approached in a fragmented manner in the body of the PRSP which deals with priorities and budgetary commitments. Women will feel a sense of belong to the PRSP process if gender is mainstreamed.
- There is insufficient disaggregation of data in terms women's incomes, livelihoods and constraints. This makes it difficult to address their concerns adequately through gendered poverty analysis and gendered policy solution. The use of sex-disaggregated data would determine the number of women who actually benefit from the projects.
- Several projects benefit women in the current PRSP. These are however of a generic nature e.g. markets, schools and health centres. There are no specially designed programmes for women.
- Even though many clinics and other health facilities exist which women stand to benefit from, there are still barriers in the form of user fees, proximity of facilities, training of practitioners, customs and traditions and even inadequate funding for some of the priorities.
- It is doubtful whether the PRSP projects have really contributed to addressing women's longer-term poverty needs. This is because of inadequate provision of funds to serve the majority of poor women. With regard to micro-credit, interest rates are high and many women do not access the funds. Some beneficiaries spend the money on maintaining the households and end up with no capital, unable to repay the loan which leaves them far worse than they started. Proceeds e.g. seed rice from harvest are equally ploughed back into the household. By the next planting season, they do not have any seed rice left.

- Women and women's groups require specific help to overcome traditional and institutional barriers so that they can become involved in policy-making and implementation, particularly on economic issues. There is a need for greater advocates to develop the skills to analyse budgets in terms of their differential impact on women.
- There is a need to conduct analysis of why people, especially women, are poor. This will ensure that gender relations are taken into consideration for explanation of women's poverty.

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
MTEF Budget process Strengthened		Strategic Plans developed for six key MDAs by June 2006 ²²	By June 2007 all MDAs have strategic plans	Target met	Target met
	2006 budget presented to parliament in the last quarter of 2005	End October for 2007 budget	End October for 2008 budget	2007 Budget was presented to Parliament on the 27 th October 2006 and was passed by Parliament on the 18 th December 2006.	2008 Budget was laid before Parliament on 21 st December 2007.
	All quarterly allocations, revenue and expenditure were published in 2005	Publication of Governments allocation at most a month after each quarter.	Publication of Governments allocation at most a month after each quarter	Target not met.	Target not met.

²² The six key are Health, Education, Agriculture, Transport, Sierra Leone Roads Authority and Mineral Resources

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
	Variation between overall planned spending and actual expenditure in 2004: 14.6%	Variation reduced between overall planned spending and actual expenditure.	Variation reduced between overall planned spending and actual expenditure	1.1% Based on domestically financed discretionary expenditures	19.3% Based on domestically financed discretionary expenditures
MTEF Budget process Strengthened		Variation reduced between planned spending and actual expenditure in key pro poor sectors.	Variation reduced between planned spending and actual expenditure in key pro poor sectors.	Actual spending on Health and Education closely matched the budget by 98.4% in 2006.	Variation increased in 2007 as actual spending on Health and Education only matched the budget by 52.3 % in 2007.

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
MTEF Budget process Strengthened		Publication of Public Accounts for the financial years 2000-2002 by end of 1 st quarter 2006 and Public Accounts for financial years 2003 and 2004 by end 2006.		Target not met but the first volume of the 2000-2002 reports published by parliament; the accounts for 2003 and 2004 drafted and circulated by August 2006.	
MTEF budget process strengthened	Foundation of modules of IFMIS installed in accountant general's department in 2005	IFMIS installed in six key MDAs by end 2006 ²³	IFMIS installed in all MDAs and operational in local councils by end-2007	Target met	NA

²³ The six key MDAs are: Education, Health, Agriculture, Police, Accountant-General and Works

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
Internal Audit Strengthened	Internal Audit Established in 6 MDAs in 2005 ²⁴	Seven MDAs have internal Audit units by end 2006	13 MDAs having Internal Audit Unit	Fell short of target by one Thirteen MDAs ²⁵	Target exceeded by one MDA ²⁶
Increased oversight role by Parliament		Recommendations of the 2000-2 PAC Implemented by end 2006.	Recommendation of 2003 PAC published and implemented (end 2007)	Cases relating to the six largest losses forwarded to the Attorney General for legal proceedings.	Target not met
		PAC to review the 2003 Auditor General's report by June 2006.	PAC to review 2004 Auditor General's report by April 2007	Target not met	PAC laid before Parliament 2001-03 (vol 1) reports PAC reviewed 2003 (vol 2) , 2004 and 2005

²⁴ The MDAs are: Education, Health, Defense, SLP, SLRA and MOF.

²⁵ The MDAs are: Education, Health, Defence, Police, SLRA and Finance.

²⁶The MDAs are: Education, Health, Defense, Police, SLRA, Finance, Agriculture, Works, NEC, SSL, Immigration, Mineral Resources, and Foreign Affairs

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
		Recommendations of 2003 PAC report published and implemented.	2004 PAC recommendation published (end 2007)	Target not met	Target not met
Functional Procurement Units in MDAs Established		By April 2006, The National Public Procurement Authority and its Secretariat and the Independent Review Panel are staffed and operational	By April 2007, regular meetings of the NPPA and Appeal Tribunal, and transparency requirements of the Act fully met	Target met	Target met ²⁷
Functional Procurement Units in MDAs Established		Eight key MDAs to have procurement plans for MOF approval end 2006.	All MDAs and Local Councils	Target exceeded ²⁸	18 MDAs produced procurement plans which were approved by MoF

²⁷ Independent Procurement Review Panel is in place and two complaints handled within the timeline of 10 days stipulated in the Public Procurement Act 2005.

²⁸ The MDAs are: Agriculture, Health, Defence, Education, Works, Mineral Resources, Transport, SLRA and SLP.

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
		Quarterly publication of all awards in accordance with the National Public Procurement Act 2005.	Quarterly publication of all awards in accordance with the National Public Procurement Act 2005.	Target not met though NPPA compiled the list of all contracts awarded that exceeded Le.300m for goods and services and Le.600m for works.	Publications were only made on the NPPA website. A report on all contracts awarded in 2007 has been prepared by NPPA but not yet gazetted
Functional Procurement Units in MDAs Established		Procurement conducted annually on about 10 procuring entities.	Procurement conducted annually on about 10 procuring entities	Target not met but Review of procurement practice carried out	Target not met but procurement reviews conducted
PETS and related perception surveys conducted regularly and recommendations		PETS report for 2003 and 2004 Published	PETS report for 2005 published	Target partially met with report for 2003 published.	Target not met
		Action Plan for 2003 PETS report implemented by end	Action plan for 2005 PETS developed (end 2007)	Target met	

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
implemented.		2006.			
Common Action Plan for PFM reform (CAP) successfully implemented	Two meetings held in 2005	Regular meetings	quarterly	Target met	Target met
ACC national Strategy fully Implemented.		2005 National Corruption Reviewed	Anti-Corruption Strategy	Review process started in November 2006	The Review process completed in June 2007 and presented to Government for adoption.
		80% of ACC cases lodged are prosecuted and or completed.	80% of ACC cases lodged are prosecuted and /or completed.	64% ACC cases lodged and completed	3% conviction out of 33 ACC cases investigated and/or prosecuted.

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
Devolution plan fully implemented.	Administrative functions fully devolved in 2005: 12	Increase the number of devolved functions to 18 (by 50 %) by end 2006.	All 34 scheduled functions devolved	23 out of the 34 functions scheduled devolved ²⁹	
Devolution plan fully implemented.		10 out of 19 elected local councils meet the transparency and financial management accountability requirements.	14 out of 19 elected LCs meet the transparency and the financial management accountability requirement as per LGA 2004 (Section 107, 81, 105)	As at November 2006(first CLoGPAS ³⁰), 10 out of 19 Local Councils met transparency and financial accountability requirements.	

²⁹ The functions devolved are associated with the following sectors: Health, Education, Agriculture, Solid Waste Disposal, Rural Water Supply and Sanitation.

³⁰ CLoGPAS- Comprehensive Local Government Performance Assessment- Focuses on PM (Performance Measures- Organisational and institutional effectiveness) and MCs (Minimum Conditions (Compliance with Statutory roles, responsibilities, mandates and obligations). This assessment presents a total picture of Decentralisation as it also assessed the degree and level of support MDAs provide to LCs and the decentralization programme.

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
		Amend the Hospital Act and Education Boards Act by end 2006.	New Chiefdom Governance Act approved	Task force set up to amend these acts and work was ongoing.	
		The IMC to meet quarterly.	The IMC to meet quarterly.	Target met	
	Fully operational National Electoral Commission (NEC).	Constituency delimitation exercise completed by end 2006.		Constituency delimitation exercise completed by end 2006.	
Fully operational National Electoral Commission (NEC).		Voter registration modalities agreed and well prepared by end of 2006	Voter registration conducted successfully	Target met	Target met

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
Reduced Violence Among Youth with a view to minimising major threats to peaceful electoral process	Widespread youthful violence especially in educational institutions up to end 2005	4 school and 1 tertiary educational institution workshops conducted	4 school and 3 tertiary educational institution anti-violence workshops conducted	This target was met	The target for 2007 was not fully met due to lack of funds.
		4 regional and 1 national seminars conducted	Anti-violence youth corps strengthened and multiplied in schools to sensitise peers.	This target was partially met--- the national seminar was held	The target was achieved
		1 youth corp. established to sensitise their peers		This target was met	

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
Good citizenship promoted as basis for democratic culture, peace enhancement & supplement to good	Negative attitudes towards peace and development up to end 2005; this was reflective of post conflict	4 regional seminars & 14 district community meetings conducted	4 regional seminars & 14 district community meetings conducted	This target was partially met with all planned regional seminars conducted.	This target was partially met with all planned regional seminars conducted.
		Civic education material produced and disseminated for all 4 regions in the country	Civic education material produced and disseminated for all 4 regions in the country	Target not met ³¹	Target not met ³²

Annex 4: Result Matrix

Expected Outcome	Baseline situation	Target		Results	
		2006	2007	2006	2007
governance		Civic education material produced and disseminated for all 4 regions in the country	Civic education material produced and disseminated for all 4 regions in the country	Target not met ³¹	Target not met ³²
		Press conferences held and press releases issued to popularise the concept of good citizenship	Public lectures, press conferences held and press releases issued to popularise the concept of good citizenship	Target met	Target met
			Propagation of APRM concept		Target met

³¹ No new material was produced but old ones were updated and disseminated to all regions.

³² No new material was produced but old ones were updated and disseminated to all regions.

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
Equitable delivery of goods and services to citizens as a factor of good governance	Widespread public dissatisfaction over inadequate and inequitable delivery of goods and services by MDAs in 2005	Awareness raised nationwide among the citizenry in monitoring & improving service delivery.	Awareness raised nationwide among the citizenry in monitoring & improving service delivery.	Target met	Target met
		MDAs engaged on their service delivery through performance critical interviews and radio/TV discussions and seminar panels.	MDAs engaged on their service delivery through performance critical interviews and radio/TV discussions and seminar panels.	Target met	Target met
		Investigative/evaluative meetings with councils		Target met	

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
Respect for law and order established as a component of the rule of law & strengthening of peace building through citizens' participation	Widespread lawless behaviour and social unrest up to end 2005	Media programmes & interactive sessions conducted with tertiary schools, institutions & communities to improve conformity with the law & order	Media programmes & interactive sessions conducted with schools, tertiary institutions & communities to improve conformity with the law & order	Target met	Target met
Peaceful electoral process and greater popular participation	Political activities increased with potential for electoral conflict by end 2005	Meetings held with political parties, the press, youth and district communities	Collaboration with NEC, PPRC, CSOs, Security Agencies to forestall and address electoral problems.	Target met	The target met.

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
Public Private Business Partnership forum established for policy discussions & to facilitate public private interaction to promote good governance and development	Popular participation recognised as a fundamental need for a successful political process	Electoral issues competition conducted in all regions		Target met	
	No such forum existed up to end 2005, thus public private partnership was at low ebb	Issue briefs prepared and 5 seminars (4 regional & 1 national) held to examine and agree on plan of action on the formation of the forum.	Issue briefs prepared and 5 seminars (4 regional & 1 national) held to examine and agree on plan of action on the formation of the forum.	Target partially met with 5 issue briefs prepared	Target partially met with 5 issue briefs prepared.

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
Enhanced capacity of NCD to coordinate the advancement of democracy, peace, security & good governance in Sierra Leone	The Commission was understaffed up to end 2005	5 support staff recruited & 1 VSO acquired	1 VSO replaced.	Target met	Target not met.
		Increased interaction with external expertise for experience sharing	Increased interaction with external expertise for experience sharing.	1 VSO was acquired and has been working with local staff	
Enhanced capacity of NCD to coordinate the advancement of democracy, peace, security & good governance in	Inadequate logistical support (outdated & absolute vehicles & equipment such as computers, copiers, etc)	11 new vehicles procured (2 per region, 1 for Chairman of NCD, 1 utility, 1 for Executive Secretary), and 5 new motorbikes procured.	11 new vehicles procured (2 per region, 1 for Chairman of NCD, 1 utility, 1 for Executive Secretary), and 5 new motorbikes procured.	Target not met	Target not met

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
Sierra Leone	The Commission's Offices were not in favourable condition	Regional Offices upgraded and Headquarter Office relocated	Regional Offices upgraded and Headquarter Office relocated	Target not met	Target partially met.
A comprehensive Civil Service Reform programme agreed and implemented.		Undertake a 90-day review of the architecture of the Public Service by end April 2006.		Target met	
		Restructure 60% of MDAs by end 2006 based on the recommendations of the 90-day review.		Target not met	
A comprehensive Civil		Convert the ESO into a HRMO.		Cabinet approval on the strategy to convert the ESO to HRMO was received	

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
Service Reform programme agreed and implemented.				in July 2006.	
Capacity Developed for the Coordination, implementation, monitoring and Evaluation of the PRSP		All vacancies in DACO filled by mid 2006.			
		A Monitoring and Evaluation Framework for the PRSP developed by end 2006.		Target met	
		The first Annual Progress Report on PRS implementation by mid 2006.		Target met	

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
		Functional planning and M&E Unit established in four key MDAs by end 2006.		Target partially met ³³	
Fully operational SLP		Increase the number of police to 9500 by end 2006.		Target not met; number of SLP increased to 9324.	
Fully Operational RSLAF		Reduce military personnel by end 2006.		Troop's strength was dropped from 14,500 to 10,500.	
Strengthened Security Intelligence		Effective security coordination mechanism put in place by end 2006.		A system of security committees at National, Regional and District levels has been established.	

³³ An M&E needs assessment was conducted for the establishment of functional M&E units in the ministries of Agriculture, Health, Education and all local councils. The M&E Unit in DACO is now fully operational.

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
White paper on TRC Implemented.		Develop an Action Plan for the implementation of the recommendations of the TRC report.		Target not met	
Implementation of the Action Matrix under the integrated framework.		Conduct a DTIS by Mid 2006.		Target met	
		Develop and approve Action Matrix for DTIS by end 2006.		Target met	

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
		Formulate a SME policy by end 2006.			
		Partnership designed by end 2006.	Law	Target met	
	Implementation of the Action Matrix under the integrated framework.	Competition policy formulated by end 2006.		Consultations held with development partners on the process for the development of a competition policy.	
Implementation of the Action Matrix under the		Quarterly Private Dialogue held.	Public	Target not fully met; an Investors Conference held in March 2006.	

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
integrated framework.		Implement the recommendations from the Administrative Barriers to Trade study.		Target met	
		Consolidated Mines and Minerals Act legislated by end 2006.		The draft consolidated Mine and Minerals Act finalised by the Laws officers department.	
Increased domestic food Production.	Rice produced in 2004 (mt): 526,619	875,000	870,000	875,000	637,983
	Cassava produced in 2004 (mt): 1,759,292	2,100,000	2,100,000	2,973,100	1,236,852

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
	sweet potato produced in 2004 (mt): 153,198	185,368	168,129	168,129	158,219
	Groundnut produced in 2004 (mt): 152,000	110,265	115,203	115,203	118,849
	Cattle in 2004 (head count) 150,000	313,000	328,650	313000	345,000
Increased domestic food Production.	Goats in 2004 (head count) 350,000	548,000	575,400	548,000	630,000
	Sheep in 2004 (headcount) 300,000	469,000	492,450	469,000	540,000

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
	(Domestic Fish Production (Mt)) 111,000	130,000	130,000	124,906	134,000
	(Fish Imports (Mt)) 2,079	2,500	2,500	3,459	3,459
Increased domestic food Production.	(Fish Processors Trained (No) 125	625	625	2,500	2,500
	Coffee export (in US\$) in 2005: 874,000	US\$554,765		US\$1,093,000	
	Primary Net Enrolment Rate in 2004: 64%	67%	67%	65%	101%

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
primary and Junior secondary schools					
Increased gross enrolment rate in primary and Junior	JSS Net enrolment Rate in 2004: 12%	15%	21%	13%.	13%.
	primary pupil teacher ratio in 2004: 66:1	50:1	50:1	66:1 ³⁴	66:1 ³⁵

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
secondary schools	JSS pupil Teacher ratio in 2004: 30:1	28:1	28:1	30:1 ³⁶	30:1 ³⁷
Increase female enrolment rate	Ratio of girls to boys in primary education in 2004: 10:11	10:11	10:11	10:11	10:11
	Ratio of girls to boys in JSS education in 2004: 10:15	10:15	10:15	10:15	10:15

³⁴ Source: Country Status Report (CSR) for Sierra Leone, June 2006

³⁵ Source: Country Status Report (CSR) for Sierra Leone, June 2006

³⁶ Source: Country Status Report (CSR) for Sierra Leone, June 2006

³⁷ Source: Country Status Report (CSR) for Sierra Leone, June 2006

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
Increase passes in Public Examinations	number of NPSE passes in 2005: 72%	75%	75%	73% ³⁸	69% ³⁹
	Girls passing NPSE in 2005: 68%	69%	69%	69.2% ⁴⁰	
	BECE passes in 2005: 47.5% ⁴¹	53%	53%	55.3%	56%
Increase passes in Public Examinations	text book pupil ratio in 2004: 1:5	1:4	1:4	Target not achieved	Target not achieved

³⁸ Source: West African Examinations Council

³⁹ Source: West African Examinations Council

⁴⁰ Source: West African Examinations Council

⁴¹ Source: West African Examinations Council

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
Pillar Three: Promoting Human Development					
Key Result Area Two: Health					
Fully functional PHUs established.	Number of PHUs in 2004: 668	768		868	
Reduced Mortality Rates	Infant mortality rate in 2004: 170/1000 ⁴²	Reduce Mortality.	Infant	These three indicators are not measured on quarterly or annual basis, but at least every five years. The National Census Report 2004 provides baseline for Infant and Under Five. The baseline for maternal	
		Reduce Infant Mortality.			

⁴² Source: National Census Report 2004

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
	Under Five Mortality rate in 2004: 286/1000 ⁴³	Reduce Infant Mortality.	Reduce Infant Mortality.	mortality rate is for 2000. The Multiple Indicator Cluster Survey (MICS) 2005 gives the status of these indicators for 2005.	
	Maternal mortality rate in 2004: 1800/100,000 ⁴⁴	Reduce Maternal Mortality.	Reduce Maternal Mortality.		
	% of one year olds receiving DPT in 2004: 56%	65%		96%	
	pregnant women sleeping under Long lasting insecticide Treated Bed nets in 2004: 2%				

⁴³ Source: National Census Report 2004

⁴⁴ Source: National Census Report 2004

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
	Insecticide Treated Bed nets in 2004: 60,000	400,000		1,478,584	
	% of births attended by skilled health personnel in 2004: 33%	50%		42%	
Reduce the spread of HIV/AIDS and provide support for PLWHAS	7,883,536	No of condoms distributed in the last 12 months (13,000,000)	13,000,000	628,944 condoms were distributed in the last 12 months. Cumulatively, a total of 8,418,909 pieces of condoms have been distributed by the Community condom network through the district health management teams, However, social marketing of con	21,880,559

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
Reduce the spread of HIV/AIDS and provide support for PLWHAs	Percentage of pregnant women attending ANC who are HIV infected in 2003: 2.9%	2.2%	2.2%	4.1%.	4.4%
	Prevalence rate of STIs amongst adults in 2005: 5.3%	4.0%	4.0%	NA	6.2%
Reduce the spread of HIV/AIDS and provide support for PLWHAs	Number of adults diagnosed and treated for STIs in 2005: 54,415	40,811	40,811	74,186	55,035
	% persons 15-49 years infected with HIV in 2005: 1.53%	1.3%	1.3%	1.53%	1.53%
Reduce the spread of HIV/AIDS and provide	Percentage of persons by sex who know a healthy looking	F=65%; M=75%	F=65%; M=75%	NA	55.2% for all sexes. Data not available by sex.

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
support for PLWHAS	person can have HIV/AIDS in 2005: F=54.2%; M=65.1%				
	% of HIV positive pregnant women receiving a complete course of ARV therapy in 2005: 24%	74%	74%	71.8%	85.6%
	Number of people by sex with advanced HIV infection who received ART in the last 12 months in 2005: 475	2,000	2,000	1,416 people with HIV/AIDS received ART. Data not available by sex.	2,649. Data not available by sex.
Reduce the spread of HIV/AIDS	Number of PLWHA	850	850	993	1,204.

households

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
and provide support for PLWHAS	receiving food and nutritional support in the last 12 months in 2005: 737				
	Number of organisations and support groups providing counselling to PLWHA families as well as orphans and vulnerable children in 2005: 0	20	20	12	15

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
Improved rural & urban solid waste disposal	Clean waste disposal sites in 2004: 2 only in Freetown	14 for each District HQ & Freetown	12 for each District HQ	2 only in Freetown	-
Safe drinking water and sanitation facilities in communities in rural & urban areas	% of households with access to safe drinking water in 2004: 46%	50%	53%	49%	51.5%
Safe drinking water and sanitation facilities in communities in rural & urban areas	% of households with improved sanitation facilities in 2004: 31% ¹	35%	40%	33%	33%
	% of primary schools with water and sanitation	40.5%	45%	38%	40%

Annex 4: Result Matrix

Expected Outcome	Baseline	Target		Results	
		2006	2007	2006	2007
	facilities in 2004: 35% ²				
	% of PHUs with water and sanitation facilities in 2004: 65% ²	67.5%	70%	66.5%	68%
	-	-	Draft policy Document	-	Stakeholder reviewing of Draft Policy Document on-going