

Monitoring the Principles for Good International Engagement in Fragile States and Situations

Country Report 5: Sierra Leone



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ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT

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Foreword

Sierra Leone has come a long way since its recent conflict. Its achievements span a number of areas, from governance to economic management and aid effectiveness.

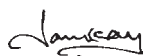
Sierra Leone has proved itself to be a stable, growing and responsible state once again. Since 2002, two free and fair general elections have been held which met international standards. The 2009 Mo Ibrahim Index ranked Sierra Leone as one of five rising countries that have made progress in democratic governance. There has been a concerted effort to tackle the root causes of corruption and build a strong case for attracting investment. This programme of reform is yielding results: the Sierra Leonean economy grew by 6.4% in 2007, 5.5% in 2008 and, despite the global financial crisis, is projected to grow by 4% in 2009, more than double the average for the rest of Africa. It is expected to grow by 4.7% in 2010. This resilience reflects Sierra Leone's commitment to stay the course with its economic and structural reforms, geared towards macroeconomic stability.

Sierra Leone's Second Poverty Reduction Strategy (PRSP-II), the Agenda for Change, prioritises economic growth through a strong emphasis on agriculture, energy and the development of road infrastructure, all critically underpinned by human development. The PRSP-II emphasises the importance of good governance, the rule of law, economic stability, reform of the public sector and peace and security.

Aid is a critical part of the economy, constituting approximately 20% of Sierra Leone's GDP. It is therefore imperative that the Government of Sierra Leone (GoSL) and its myriad partners work together to make this aid work as efficiently as possible. This requirement stems as much from international agreements signed by Sierra Leone and many of its partners, such as the OECD *Principles for Good International Engagement in Fragile States and Situations*, as well as from the government's overarching vision for making aid work efficiently for the country's people.

Together with its development partners, the GoSL has undertaken a number of activities to improve aid co-ordination and the management of public resources. Partners and government have all committed to carry out their activities in a more harmonious fashion. Last year, the GoSL concluded a consultative exercise to develop a new Aid Policy for Sierra Leone, influenced by the OECD *Principles for Good International Engagement in Fragile States and Situations*. The resulting policy offers to all stakeholders a practical blueprint to enhance aid effectiveness and monitor progress.

There is a growing recognition that "aid effectiveness" as a basis for international engagement needs to be complemented by a deeper concern with the effectiveness, accountability, responsiveness to the needs of the people, and legitimacy of the institutions of the state. It is this deeper understanding of ownership and capacity development that informs the way in which Sierra Leone's new policy is designed, enabling the country to chart a sustainable way forward.



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This Country Report is part of the baseline Fragile States Principles Monitoring Survey 2009, which is supported by the Organisation for Economic Co-operation and Development (OECD). It was prepared on the basis of a multi-stakeholder consultation held on 19 October 2009 in Freetown, as well as on interviews carried out both before and after the consultation.

The report was drafted by Mr. Philip Lancaster (consultant), under the responsibility of the National Coordinator, Mr. Kawusu Kebbay (Ministry of Finance and Economic Development), and supported by the international focal points in Sierra Leone Mr. Dominic O'Neill (Department for International Development, UK) and Mr. Michael von der Schulenburg (Executive Representative of the Secretary General, UNIPSIL). Ms. Margarete Jacob (OECD) edited the report with support from Ms. Fiona Hall and Ms. Christelle Thomas (consultants). Ms. Maria Zandt (OECD) contributed to the statistical annex and data.

The Government of Sierra Leone and the OECD wish to thank all the national and international stakeholders who contributed to the consultation, in particular Ms. Ellie Cockburn (Ministry of Finance and Economic Development), as well as Mr. Philip Dive and Mr. Per Bjalkander (UNIPSIL). It is hoped that the findings of this report will help improve the impact of international engagement in Sierra Leone.

The baseline round of the Fragile States Principles Monitoring Survey (2009) has produced six Country Reports and a global report, which are available on the survey website: www.oecd.org/fsprinciples. It will be followed by a second round in 2011 to measure progress over time. Results will be presented at the 4th High Level Forum on Aid Effectiveness (Seoul, 2011).

Table of contents

Foreword	3
Executive summary	8
Introduction	12
Part I: Common diagnosis, principle by principle	13
Principle 1: Take context as the starting point	13
Principle 2: Do no harm	16
Principle 3: Focus on statebuilding as the central objective	18
Principle 4: Prioritise prevention	21
Principle 5: Recognise the links between political, security and development objectives	24
Principle 6: Promote non-discrimination as a basis for inclusive and stable societies	25
Principle 7: Align with local priorities in different ways in different contexts	27
Principle 8: Agree on practical co-ordination mechanisms	29
Principle 9: Act fast... but stay engaged	31
Principle 10: Avoid pockets of exclusion	33
Part II: Priority actions	35
Annexes	
Annexe A. Principles for good international engagement in fragile states and situations	37
Annexe B. Methodology for this country report	40
Annexe C. Statistical data on Sierra Leone	41
Annexe D. Bibliography	44

Boxes

Box 1. Sierra Leone’s Truth and Reconciliation Commission final report	21
Box 2. Building the State and Securing the Peace: the approach of DFID	32

Chart

Chart 1. Development aid increases as peacekeeping and humanitarian aid decrease	43
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Tables

Table 1. ODA to Sierra Leone 2001-07	14
Table 2. Donor presence and fragmentation, averages, 2005 and 2006	29
Table 3. A projected decrease in aid of only 5% over 2005-10	31
Table 4. Key indicators	41
Table 5. Sierra Leone development indicators	42
Table 6. Peacekeeping expenditures in Sierra Leone (2000-07): equivalent to 79% of official development assistance	43

Figure

Figure 1. Map of Sierra Leone	41
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Acronyms and abbreviations

ACC	Anti-Corruption Commissioner
APC	All People's Congress
AfDB	African Development Bank
CAS	Country assistance strategy
CPA	Country programmable aid
DAC	OECD's Development Assistance Committee
DEPAC	Development Partnership Committee
DFID	Department for International Development (UK)
EC	European Commission
ERSG	Executive Representative of the Secretary General
GoSL	Government of Sierra Leone
GTZ	Gesellschaft für Technische Zusammenarbeit GmbH (German Technical Co-operation)
IDA	International Development Association
ILO	International Labour Organization
INCAF	International Network on Conflict and Fragility
MDG	Millennium Development Goals
MDTF	Multi-donor trust fund
MOFED	Ministry of Finance and Economic Development
OECD	Organisation for Economic Co-operation and Development
PIU	Parallel implementation unit
PRSP-II	Poverty Reduction Strategy II
SLPP	Sierra Leone People's Party
SWAp	Sector wide approach
TRC	Truth and Reconciliation Commission
UN	United Nations
UNDP	United Nations Development Programme
UNICEF	United Nations Children Fund
UNIPSIL	United Nations Integrated Peacebuilding Office in Sierra Leone
USD	United States dollars (currency)

Executive summary

This Sierra Leone Country Report reviews the implementation of the *Principles for Good International Engagement in Fragile States and Situations*, two years after the Principles were endorsed by ministers of the OECD Development Assistance Committee's 23 member countries in 2007. It also aims to identify priority areas to improve the collective impact of international engagement. Implementation of the Principles will be reviewed again in 2011.

The consultative meeting to monitor the application of the *Principles for Good International Engagement in Fragile States and Situations* in Sierra Leone was held in Freetown on 19 October 2009, organised and co-hosted by the Sierra Leonean Ministry of Finance and Economic Development (MOFED) with support from the OECD Development Assistance Committee's (DAC) International Network on Conflict and Fragility (INCAF). The meeting was attended by a broad cross section of senior representatives from the international community, civil society and national government, including the Minister of Finance and Economic Development, His Excellency Samura Kamara; the Minister of Defence, H.E. Major Rtd. Alfred Paolo Conteh; and the Minister of Information and Communications, H.E. Alhaji Ibrahim Ben Kargbo (see Annex B for the list of participating institutions).

1. Overall findings

It became clear during the consultation and accompanying interviews that the Sierra Leone aid dynamics align well with the OECD *Principles for Good International Engagement in Fragile States and Situations* (listed in Annex A). Between 2001 and 2006 the country was the largest per capita recipient of foreign aid in the world, and continues to benefit from relatively generous assistance channelled through a small number of major donors. In addition, the country has been the object of UN Peacebuilding Commission attention for several years and has benefitted both from the application of the Peacebuilding Fund and from a Peacebuilding Co-operation Framework that has been in place since December 2007. However, it also became clear that the progress made in drafting strategy papers has not yet generated a feeling of progress on the ground. It has also not led to the establishment of solid implementation arrangements – such as the sectoral working groups named in the government's guiding document *Agenda for Change*, the Second Poverty Reduction Strategy (PRSP-II).

Knowledge of the OECD Principles is relatively well developed, particularly among major donors, and both government and donor strategy documents suggest a nuanced grasp of key concepts and their interrelationships. Perhaps because intervention to end the civil war began with decisive military and political action, major donors have from the beginning addressed themselves to the task of creating a viable state in Sierra Leone. They may have been largely responsible for demonstrating the usefulness of practices that have since formed the foundation of the Principles. In addition, the public's vivid memory of how bad things can get if governance fails creates a civic complement to the strong will among both donors and the government to deliver on the promises made in such key documents as the PRSP-II, the Aid Policy and the National Anti-Corruption Strategy.

The consultation on 19 October 2009 in Freetown offered a significant opportunity for civil society inclusion, and may have helped develop a national consensus on the priority of issues to be resolved in consolidating peace and building a viable state structure in Sierra Leone. It provided an important opportunity for direct feedback from civil society and district governments to their national executive. The consultation fit within a well-established international framework that includes the first ever United Nations Peacebuilding Mission (United Nations Integrated Peacebuilding Office in Sierra Leone, UNIPSIL) and a constructive climate of co-operation between government and donors that would be the envy of other fragile states.

2. Seven key Principles

The following seven Principles were given greatest emphasis during the consultations and are therefore highlighted particularly in the following, though this report discusses all ten in its Part I.

The donor community is well aware of Sierra Leone's historical and present "context as the starting point" (Principle 1), and is sensitive to the challenges raised by this still fragile situation. Most donors use the government's PRSP-II to guide their own assistance strategies. Furthermore, there are clear indications that donors are taking major steps to make better use of aid modalities designed to give more control to the Government of Sierra Leone (GoSL). The Joint Vision for Sierra Leone by the United Nations Family; the Joint Assistance Strategy of the European Commission and the United Kingdom's (UK) Department for International Development; and the World Bank/African Development Bank Joint Assistance Strategy all reflect a rising level of donor confidence as Sierra Leone develops. Initiatives like the EC Fragility Piloting, carried out in 2009, further improve understanding and sensitivity in this specific country context. At the same time, the gap between planning and implementation is still wide – carefully considered action will be required to realise the many goals in the PRSP-II.

The donor community acts responsibly in "doing no harm" (Principle 2), except when it comes to distorting local labour markets. GoSL's lack of capacity to absorb aid effectively immediately after the conflict forced major donors to assume a significant share of the human resources costs of establishing a functioning bureaucracy. Though gross domestic product (GDP) has risen at an average rate of approximately 5% a year since the end of hostilities, the tax base is still too low to allow the GoSL to cover the full cost of its human resources bill. As time passes, government efforts to wean itself off international aid will be complicated by the existence of large numbers of employees in key positions who benefit from salary top-ups. The disparities created by salary top-ups and parallel implementation units (PIU), also donor-created, complicate civil service reform and may leave a new legacy of public servants who believe themselves to be specially entitled.

Most donors "focus on statebuilding as the central objective" (Principle 3) by supporting the government in its statebuilding efforts. However, they could further strengthen government capacity by reducing incoherent independent operations and the time needed by government to navigate different donor organisations' administrative systems. At the same time, a more strategic and sustained approach is also needed to strengthen parliament's capacities to assume its constitutional role. Ties between government and society need to be strengthened, and there is a desire by civil society to engage in more sustained political dialogue with government.

The international community has invested in "prioritising prevention" (Principle 4) effectively. Determined UK engagement in the direct aftermath of the conflict has allowed security sector reform to have great impact. Further to this, activities to prevent structural conflict have focused on governance reforms, such as judicial reform and parliamentary assistance, and most importantly, decentralisation. Preventing conflict in Sierra Leone requires a priority focus on dealing with the traditional regional rivalries that have undermined the public's trust in their central government for many decades. Another focus of donors' conflict prevention efforts is youth unemployment, which poses a major threat to stability and sustainable development in Sierra Leone. Finally, there are new challenges on the horizon with the emerging international drug trafficking throughout West Africa.

The PRSP-II and its related policy directives and plans suggest that the importance of an integrated approach – defence, diplomacy, development – (Principle 5) for peacebuilding and statebuilding dynamics are well understood within the GoSL as well as by international representatives. Sierra Leone is one of only a few developing countries to have such a set of coherent and well thought-out policy documents addressing the complex inter-relationships between political, security and development imperatives. However, the proof of an effective policy is in the implementation – and in this respect many challenges remain.

The significant progress made by donors towards better "aligning with local priorities" (Principle 7) is very promising but remains insufficient. The efforts mentioned under Principle 1 above are groundbreaking. However, the time has now come to re-evaluate the level of risk donors are willing to accept and to understand that fully empowering the GoSL to manage its revenue, and to account for it to both donors and to the citizens of Sierra Leone, is an essential step that must inevitably be taken.

Despite the relatively small number of international actors in Sierra Leone, “agreeing on formal co-ordination mechanisms” (Principle 8) has been a challenge. There is a healthy appetite by donors for more institutionalised donor co-ordination under the leadership of GoSL, for which the GoSL's Aid Policy document offers a good entry point. With joint UNIPSIL and World Bank leadership, donors are also making serious efforts to institutionalise better inter-donor co-ordination mechanisms, and to make the existing ones more effective. An example is the Joint UN Strategic Planning Unit based at UNIPSIL and serving the UN Country Team and Resident Coordinator. Aside from the formal mechanisms, well-established informal networks have emerged which continue to facilitate co-ordination and information-sharing.

3. General recommendations

Based on the consultative meeting and interviews, several general recommendations can be made to the donors in Sierra Leone as well as to the GoSL. Of these, the most important message is to *stay the course*. The general recommendations are complemented by detailed priority actions for each Principle (See also Part II).

- **Stay the course and sustain support during what is inevitably a long process of statebuilding.** Time and perseverance are required to develop a citizenry capable of acting as guarantor of its own government's performance; to establish enough economic growth to cover the costs of government service delivery; and to reform a civil service mired in patronage systems.
- Build on the good work that has been done in preparing the foundations of the new state. Work should continue to develop a **better system of capacity development** that is less donor-dependent.
- **Sustain the impressive leadership dynamics** in place today among the international actors in Sierra Leone. However, some agencies need to give more attention to their human resources management.
- **Conduct a full review of the modalities of external support involving salary top-ups and the use of PIUs.** **Topping-up salaries and establishing PIUs** to assure the quality of government operations are short-term solutions that cannot be sustained without long-term guarantees. They also create pockets of exclusion within the civil service.
- **Increase the proportion of donor revenues handled by GoSL departments in ways that enhance the growing government capacity.** This may entail higher risk for donors but is the only way for the GoSL to demonstrate its ability to correct endemic flaws in Sierra Leone's political and governance culture.
- **Match government efforts to strengthen core state functions in service delivery with donor efforts to simplify their support,** *e.g.* through greater use of grants, multi-donor trust funds (MDTF) and sector wide approaches (SWAs). The recent trend among donors to use joint mechanisms and delegated co-operation arrangements is promising but needs to be developed further in order to simplify collaboration between donors and GoSL.
- **Sustain decentralisation and devolution,** which are important peacebuilding and statebuilding activities in Sierra Leone, while avoiding creating parallel structures at local level or undermining the central state. Donor support has been essential to the progress made so far but it must be appreciated that changing existing power relationships is a delicate process that requires patience and time-consuming negotiations.

Summary table

PRINCIPLES	FINDINGS	PRIORITIES
Take context as the starting point	Two successful elections and better governance are increasing donor confidence in Sierra Leone's capacity to progress. Today, the donor community appears well informed about Sierra Leone's historical and present context. However, there is still a large gap between planning and implementation.	Donors need to close the gap between planning and implementation through carefully considered action to achieve the many goals described in the PRSP-II and donor assistance documents. Donors should prioritise support to GoSL initiatives aimed at creating viable government institutions. Revise aid modalities to reflect significant increases in GoSL capacity and to empower the government to move to the next level.
Do no harm	A move to reduce aid dependence and to revise aid modalities is necessary to prevent the state from being unable to sustain civil servants' wages.	Donors should review the aid modalities of PIUs and salary top-ups to assess the best way for external support to strengthen capacity.
Focus on statebuilding as the central objective	Statebuilding appears to be the central objective of both the GoSL and donors. While the foundations for a viable state are well laid, statebuilding should remain the focus of donor engagement in the coming years.	Donors need to develop a more joined-up approach towards enhancing executive and legislative capacity. Donors need to reduce the complexity of their requirements, which in aggregate are a huge capacity drain on GoSL. There is a need for more sustained political dialogue and information sharing between government and society.
Prioritise prevention	Party politics continue to play a destabilising role. Donor efforts to support decentralisation have helped but more needs to be done to support government processes. Young people are also a key prevention factor targeted by donor initiatives.	Sustain support for the reform of the security institutions. Government and donors need to take preventive action over drug-trafficking, such as supporting improved border control. Remain committed to structural governance reforms, in particular to decentralisation, and engage in the long political process of effective devolution rather than engaging at a purely administrative level. Donors and government need to make concerted efforts to reduce youth unemployment.
Recognise the links between political, security and development objectives	Political security and development linkages are well understood by both the GoSL and donor community. However, there is still a gap between analysis and implementation.	Pay greater attention to supporting policing training and judicial capacity building. Government and donors need to strengthen public trust in the security institutions.
Promote non-discrimination as a basis for inclusive and stable societies	Policy both directly and indirectly reflects principles of non-discrimination; donor efforts have improved the judiciary system. Problems still exist, however, in conflict with traditional court systems and behavioural change with regard to discrimination practices.	Donors need to provide more, but cautious, support to the reconciliation between different systems of justice and land tenure in the Western Area and the districts. Government and donors need to sustain support to decentralisation without creating parallel structures that undermine central state authority.
Align with local priorities in different ways in different contexts	Steps have been taken to increase alignment; however, these need to go further to empower the GoSL and allow it to be accountable to both donor and citizens.	Donors need to ensure further alignment in order to devolve power to the GoSL and allow accountability to run to both donors and citizens.
Practical co-ordination mechanisms	Over the past two years, there has been a lack of sustained and institutionalised dialogue between the donor community on and government. The Aid Policy and Action Plan provide good entry point for better donor co-ordination under the leadership of the GoSL. Inter-donor co-ordination has been a challenge in the past, but is improving under World Bank and UNIPSIL leadership. Meanwhile, good informal working relationships between donors facilitate information sharing.	Use the GoSL Aid Policy as a good starting point for institutionalising dialogue with government under GoSL leadership. Donors need to institutionalise inter-donor co-ordination mechanisms under World Bank and UNIPSIL leadership. Make real progress in simplifying and harmonising donor support. More work needs to be done to co-ordinate aid modalities to support alignment and ownership under GoSL. There needs to be greater use of MDTFs, grants and SWAps to support GoSL in improving service delivery.
Act fast... but stay engaged long enough to give success a chance	Donors are committed to long-term engagement following rapid intervention by the UK which precipitated the end of the civil war. But there is uncertainty over overall levels of aid flows in the current economic crisis.	Donors need to commit support over longer periods. Make essential efforts to streamline HR processes, to anticipate gaps effectively and ensure that learning is transferred to new staff.
Avoid pockets of exclusion	Policies targeting vulnerable and marginalised populations exist. However, implementing these policies has lagged. There is a risk of social unrest unless exclusion is better addressed.	Government, with support from donors, needs to resolve land tenure and youth unemployment, which are the most pressing issues.

Introduction

The ten *Principles for Good International Engagement in Fragile States and Situations* (listed in Annex A) were developed by the OECD's Development Assistance Committee (DAC) in 2005 to complement the Paris Declaration on Aid Effectiveness. They were endorsed by DAC ministers in 2007. At the third High Level Forum on Aid Effectiveness in Accra (2008), six countries in situations of fragility volunteered to be part of a monitoring survey on the application of the Principles, to take place in two rounds in 2009 and 2011. Sierra Leone was one of these six countries.

This Country Monitoring Report of Sierra Leone paints an overview of perceptions and findings from a series of interviews which took place in October 2009 and a consultation workshop on 19 October 2009. It presents multi-stakeholder perspectives – from the Government of Sierra Leone, the international community, and the national and international civil society – on a number of key issues, progress and challenges related to international engagement in Sierra Leone over recent years. The report highlights a number of recommendations and priority actions (Part II) for consideration by both the government and the international community.

In Sierra Leone, the Ministry of Finance and Economic Development is the National Co-ordinator for the Government of the Republic of Sierra Leone for the survey, in co-operation with the United Nations Integrated Peacebuilding Office in Sierra Leone (UNIPSIL) and the UK Department for International Development (DFID). The Minister of Finance and Economic Development, His Excellency Samura Kamara, opened the consultative meeting on the Monitoring of the Principles on 19 October 2009 in Freetown. He explained the Second Poverty Reduction Strategy Paper¹ and described the strong international consensus behind it. He asserted that this government-led initiative was a bold response to the principal causes of the previous conflict, among which he cited poverty, weak governance and an unequal distribution of wealth that did not sit well with Sierra Leoneans. He assessed the main challenge to be finding resources to cover the cost of good government long enough for economic growth to overtake aid as the principal source of government revenue.

The present report lays out this and further challenges for the GoSL's and international efforts to create a viable state in Sierra Leone. It is divided into two parts. The first part (Part I) assesses progress in Sierra Leone against each of the 10 *Principles for Good International Engagement in Fragile States and Situations*. The second part (Part II) then summarises the main actions to be taken for further progress to be made on each of the Principles.

¹ Government of Sierra Leone (2008b), *Poverty Reduction Strategy 2008-12 (PRSP-II): An Agenda for Change*, Freetown.

Part 1: Common diagnosis, principle by principle

Principle 1: Take context as the starting point

Sierra Leone has been heavily affected by the historical legacies of the slave trade and indirect rule by the British. Following independence, society was left divided by conflicting systems of governance which were the hallmarks of both indirect rule and independent national movements. The system was biased towards urban communities and easily exploited by factional leaders. Political breakdown and the onset of the civil war in 1991 were largely fuelled by widespread corruption, politicised ethnicity, a disaffected youth, a rural-urban divide and poor governance. These are still the foremost challenges today.

Donors are taking context into account by aligning their programmes broadly with the country's main strategic planning instrument, the PRSP-II. While the donor community appears well informed about Sierra Leone's context and is sensitive to the country's still fragile situation, equal political representation of both urban centres (particularly Freetown) and rural areas remains problematic and an obstacle to stability and growth.

1. The impact of history

Sierra Leone was created in 1787 as a private philanthropic gesture by an English humanist, Granville Sharp, to "repatriate" former slaves.² This multi-ethnic and multi-linguistic group, brought together on foreign soil, built a new society. They invented a new language (Krio) and new systems of social behaviour for bridging the many divisions among them.

Before independence in 1961, the Colony of Freetown was governed by an elected local government which applied a British-based legal system. The remainder of Sierra Leone was administered as a protectorate and remained under the administrative and judicial control of its own traditional chiefs. At independence, the attempt to blend these two systems under a modified British system of government left both parts of the new country struggling to reconcile historical schisms manifest in different political status and associated civic, administrative and social relations (economic and political power under colonial rule had been concentrated in the city). In the end, the temptations of self-interested power, the historical legacy of favoured status and the dawning awareness of unfulfilled potential in the former protectorate left Sierra Leone open to corruption, politicised ethnicity and misrule. These continue to be some of the major challenges today.³

The first elections in 1962 split the country along ethnic and regional lines. This was exacerbated by the contested result of the following elections, which led to a military coup, a quick counter coup and the establishment of an unstable authoritarian government lasting into the late 1990s. On 23 March 1991 the temptation to exploit the situation proved too much for Liberia, which invaded Sierra Leone with its rebel army, the Revolutionary United Front. The civil war that followed lasted 10 years.⁴

Today, the major challenge is to try to correct the errors of the past and to build a state around a shared national vision that engages both Freetown and the districts. Ultimately, unless the current process creates a new identity framework, the old sources of factional politics based on ethnicity, party or personality will continue to wreak their destructive influence on national politics.

² Robert, W. July (1970), *A History of the African People*, Scribner, New York, p 314.

³ See the report of the Sierra Leone Truth and Reconciliation Commission (TRC), Vol. 2, Chap. 1, Para. 11, for an account of the factional power struggles characterising the first post-independence national election (in 1967). The report is available at www.sierra-leone.org/TRCDocuments.html.

⁴ Report of the Sierra Leone Truth and Reconciliation Commission, Vol. 2, Ch 1, Para. 11.

Sierra Leone has a private sector struggling to revive itself in the midst of a global economic crisis. Meanwhile, the state is forced to depend heavily on aid to assure minimal government functions while attempting major reforms to tackle endemic corruption and poor governance.⁵ These reforms are seen as enabling conditions of the government's poverty reduction strategy. Until the private sector is successfully reinvigorated, government will dominate the employment market and a government job will remain the only route to wealth and high status.⁶ This condition may present the most significant risk to national recovery.⁷

2. A strong consensus on context analysis and priorities

The sheer number of surveys and analyses carried out by the international donor community in recent years indicates its commitment to assisting Sierra Leone to become a strong and stable democracy. This commitment is also reflected in a consistently high level of official development assistance (ODA) to Sierra Leone (Table 1).

Table 1. ODA to Sierra Leone, 2001-07 (current USD million)

	2001	2002	2003	2004	2005	2006	2007
ODA total, net disbursements	334.54	383.13	337.09	376.06	339.66	337.22	539.92
ODA total, commitments	275.66	263.75	440.04	277.77	317.15	244.03	545.27

Source: OECD statistics.

Today the focus of major donors is on both the peacebuilding and statebuilding challenges.⁸ Sierra Leone was the first country to receive an Integrated United Nations Peacebuilding Mission (UNIPSIL) and is one of the first to benefit from a formally agreed Peacebuilding Co-operation Framework.⁹ In addition, the EC Fragility Piloting carried out in 2009 by the EC and the German development co-operation has helped to forge a common understanding of the specific requirements for statebuilding among international actors on the ground (see the section below on Principle 8). Indeed, the context is dominated by agreement among international and national actors alike about the underlying triggers of potential future conflict and the most promising strategies and approaches needed to address them.

The PRSP-II lays out a broad reform agenda with clear priorities and a cost estimate that identifies budgetary shortfalls. It was the product of technical analysis and broad consultation, and is well supported by the donor community through joint strategies. These include:

- The African Development Bank (AfDB)/World Bank Joint Assistance Strategy.¹⁰
- The joint strategy by the European Commission (EC) and the UK's DFID.¹¹
- The Joint Vision for Sierra Leone of the United Nations Family (United Nations Integrated Peacebuilding Office in Sierra Leone, 2009).¹²

5 The PRSP-II, p. 178, provides cost estimates that include the funding gap to achieve the broad reform agenda laid out in the document. Government of Sierra Leone (2008b), *Poverty Reduction Strategy 2008-12 (PRSP-II): An Agenda for Change*, Freetown.

6 Ibid, p 123.

7 Ibid, Executive Summary, on the causes of the civil conflict.

8 See, for instance: DFID (Department for International Development) (2009), *Building the State and Securing the Peace*, DFID, Freetown; DFID and the EC (European Commission) (2009), *European Member States and European Commission Cooperation with Sierra Leone*, EC, Freetown.

9 UN Peacebuilding Commission (2007), *Sierra Leone Peacebuilding Cooperation Framework*, UN PBC/Government of Sierra Leone, Freetown.

10 World Bank/African Development Bank (forthcoming), *Joint Assistance Strategy 2010-2012/13*, World Bank/AfDB, Freetown.

11 European Commission/Department for International Development (2009), *Joint EC/DFID Country Strategy for Sierra Leone, 2007-2012*, EC/DFID, Freetown, available at www.reformtheun.org/index.php?module=uploads&func=download&fileid=3511.

12 United Nations Integrated Peacebuilding Office in Sierra Leone (2009), *Joint Vision for Sierra Leone of the United Nations Family, 30 May 2009*, UNIPSIL, Freetown, available at www.sierraleoneconference2009.org/docs/Joint%20Vision%20for%20Sierra%20Leone.pdf.

These were prepared following the establishment of a framework for multi-donor budget support signed by the four leading donors – DFID, the EC, World Bank and AfDB – in 2006.¹³ The strategies connect to a set of government implementation plans that include revenue reform, anti-corruption and public sector reform.¹⁴ Finally, the GoSL has developed a new Aid Policy and has pledged to re-invigorate the working groups called for in the PRSP-II. However, the consultative process revealed that despite these comprehensive joint planning documents, there is still a gap between planning and implementation which needs to be tackled by government and donors on the ground.

3. Addressing regional disparities

Despite the progress that Sierra Leone has made, some of the downsides of the good intentions that conceived Sierra Leone still lurk. The view from Freetown does not reflect the true picture in the districts.¹⁵ Alongside the impressive array of government and donor documents and strategies, one still hears mutterings of concern about politicisation of the public service and complaints about continuing corruption in both the police and government. And the legacy remains of differential treatment of Freetown colony (now named the Western Area, see Map 1, Annex C) and the Protectorate (now classified into districts). Of particular concern is the government strategy to stimulate economic growth by focusing on rural agricultural development, which could be undermined by the persistence of a particular form of land tenure (see sections on Principles 6 and 10).¹⁶ However, once again, the issue has been identified by both the GoSL and donor community as a significant problem needing collaborative attention. It is currently the subject of an online discussion sponsored by the UN Food and Agriculture Organization and the subject of consultation through the Office of the President of Sierra Leone.

Illustrative Indicators

Indicator 1: Are most international actors' engagements based on sound political and social analysis, taking into account national capacity, state-society relations and societal divisions?

No consensus (50-50). There was no consensus among participants at the meeting as to whether international actors do take context into account sufficiently. While around half of the participants felt that this was the case, the other half felt that international actors were inconsistent in their sensitivity to context. The qualitative comments reflect these different perspectives:

- Some participants found that although international actors do make serious efforts to take context into account, their success often depends on the head of the organisation and his relationship with members of the government.
- Other participants pointed positively to the fact that most international action is based on sound social and political assessments, often starting from a grassroots level.
- Several participants from local government institutions felt that the level of donor engagement with communities was too low, and that donors have not provided sufficient support to the sub-national level.
- International donors clearly believe they are sensitive to context. They cite as proof the alignment of their core strategic documents with the GoSL's PRSP-II, which is broadly supported as a strategy to redress inherited inequities and to address the main causes of past conflict.
- The President and his ministers are deeply engaged in developing implementation strategies for the PRSP-II and believe they have the qualified support of the donor community. However, they believe donors need to be more trusting, and this could be expressed through funding modalities that channel a greater portion of aid through the MOFED.

13 World Bank (2008), *Second Government Reform and Growth Credit Program Document*, World Bank, Washington DC, available at www.wds.worldbank.org/external/default/WDSPContentServer/WDSP/IB/2008/09/17/000076092_20080917161418/Rendered/PDF/SL010GRGC2010PID010AppraisalStage.pdf.

14 National Revenue Authority Modernisation Programme and Projects Plans 2008-2012, National Anti-Corruption Strategy 2008-2013 and Sierra Leone Public Sector Reform Programme 2009-2012.

15 This report was prepared without benefit of field trips to any of the districts.

16 UNDP (United Nations Development Programme) (2009), *Land Tenure Issues and Reform Processes for Sierra Leone*, UNDP Scoping Report, 28 August 2009, UNDP, New York.

Principle 2: Do no harm

The donor community acts responsibly in “doing no harm” except when it comes to distorting local labour markets, which is a side-effect of international support to the government in the direct aftermath of conflict. Higher wages for national donor staff have meant that donors now subsidise government wages to the same levels. In supporting government wages donors need to:

- Make sure they are not, or do not appear to be, politically biased.
- Have a sustainable strategy for reducing external subsidies in order to prevent a “brain drain” or corruption.
- Realise that a merit-based system tends to employ and support the top classes of society who have studied abroad, further marginalising citizens with little educational opportunity, especially those outside Freetown.

Ever mindful of the dangers of good intentions, the donor community’s current practices seem to be well informed by the “do no harm” Principle. However, there is one possible exception to donors’ avoidance of causing harm, and this is discussed in this section.

1. Parallel implementation structures: an obstacle to capacity development

At the end of hostilities, various line ministries were in such disarray that the only way for donors to deliver effective assistance was to first install people capable of running the key elements of each relevant government system. The donor community thus set up parallel implementation units (PIU) that were externally recruited and salaried. These were put in place to ensure the delivery of essential services to such an extent that they are frequently the object of comments about parallel systems of governance. In an attempt to devote more of a share of donor inputs to the task of capacity development, donors also offered salary top-ups for national staff to keep their salaries competitive with donor agency salaries in order to encourage them to stay in their posts.

However, until there is the capacity to generate wealth outside of government, the existence of a specially favoured class of civil servants risks creating future problems. Since government is the only source of wealth and status, the temptation to use public office for private gain remains strong. Donors’ seemingly necessary obligation to support these practices indirectly in the interests of development will remain problematic.

The practice of salary top-ups and the existence of PIUs persuade the beneficiaries of the system that they are worth more than their own government is able to pay. This may encourage corruption among those who remain in place when external support ends. It may also stimulate a brain drain to higher paid jobs for those who are able and willing to find them abroad, usually in donor agencies. The system favours those who have been well educated; particularly those who have studied abroad and fit donors’ competency expectations. These people tend to be the children of the elite. By supporting the notion that merit is subject to special rewards, the system risks fuelling the historical resentment harboured towards the elite by the marginalised, *i.e.* the population outside Freetown.

The challenges presented by external salary support are recognised by most senior donor representatives and government officials. However, government and donors favour different approaches to addressing them, which complicates the reform of the civil service. The government would prefer to bundle salary support in with other grants to government and channel them through a civil service pay system under their control. This would allow them to distribute the total amount available in ways that mitigate these problems. On the other hand, donors seem to be reluctant to commit to this level of confidence in the government until the precise details of how it could be monitored are worked out.

Illustrative Indicators

Indicator 2. Does international engagement benefit one population group over another or contribute to social divisions?

In no significant cases. A majority of respondents indicated that international engagement has not contributed to social divisions. The remaining participants were, however, deeply divided about the question as to whether international engagement has contributed to social divisions.

- *Roughly half the respondents indicated that international engagement is fair and equitable across the whole of Sierra Leonean society.*
- *The remaining half was divided between those who saw international engagement as a significant problem, citing salary top-ups and a support system that favoured the elite, and those that saw it as a problem in only a few cases.*
- *In private interviews, some government officials suggested the size of the challenge of avoiding harm is a direct result of over-complicated donor procedures. They suggested that the rigorous simplification of donor procedures might help.*
- *Government leaders argued that channelling all aid through the MOFED would be the only way to allow government to manage salaries equitably. Some donors worry that this might empower some government officials too much (fear of corruption).*

Principle 3. Focus on statebuilding as the central objective

Donors are missing significant opportunities to strengthen government capacity. They need to improve the coherence of independent operations and reduce the time needed by government to navigate different donors' administrative systems. Donor assistance places a considerable burden on the GoSL, which is made to jump through numerous hoops. Reducing the bureaucracy involved in releasing donor funds would also contribute to better budget planning and stability for the GoSL.

A more strategic and sustained approach is also needed in strengthening the state's legislative capacities. Enhanced capacity would allow government to interact with civil society, which has expressed a desire for a more sustained and regular political dialogue with government.

Corruption remains a major challenge which the government is determined to bring under control.

The PRSP-II outlines a set of statebuilding objectives that focus on the need to reduce poverty and to create institutions fundamental to good governance. The GoSL and donors agree that good governance is the key to unlocking the country's productive potential and thus reducing poverty and its associated tensions (see Annex C for some key poverty indicators for Sierra Leone). This has led to a jointly-agreed common objective of boosting government capacity by assisting various government ministries to reach satisfactory levels of service delivery. In addition, considerable effort has been devoted to supporting political institutions, such as parliament, to achieve reasonable performance standards. While these key objectives are agreed, there remains considerable variation in donor capacity-development policies, affecting such things as salary top-up rates.

1. Supporting capacity development: a major challenge

Underlying many of the discussions with both government and donor representatives was a concern that the European model of state on which their statebuilding efforts are based is too expensive and complicated. The government view is that this generates artificially high standards that should be offset by serious attempts to reduce the complexity and cost of donor processes. The lack of a common approach to capacity development was also raised as a problem. Different donors have different methods, approaches and even salary scales for salary top-ups. Since supporting the development of state capacity is fundamental, these issues need to be addressed. These discussions were not conclusive, but should be taken as a modest warning of the possibility of upset and should stimulate further investigation and discussion.

In a country struggling to cover the costs of essential government services, one is struck by the apparent disregard among most donors for the costs of their own processes. There is also, though to a lesser extent, little attention paid to the transaction costs that these processes have for government. As a small country with a limited pool of candidates for most government posts, the need for formality, *e.g.* in recruitment, is considerably less than is generally assumed by donors. However, the need to assist Sierra Leone to find the right balance between apparently more efficient informal systems and demonstrably more transparent formal systems remains a significant challenge. While it is recognised that informal systems are a common part of any formal system, the deep-seated mistrust at the core of Sierra Leonean politics suggests that the interests of transparency and accountability are better served by more formal systems.

Much of the discussion during the formal consultation focused on the issue of donor transparency. It was suggested that such things as lengthy delays between the signing of grant agreements and the release of funds needed to be explained publicly to reduce suspicion of corruption and inefficiency and to enable citizens to properly judge the performance of their government. Another issue of concern to all was the uncertainty of funding and the unpredictability of fund provision over the full term of various programmes. While recognising that donors themselves are subject to the vagaries of political and economic forces beyond their control, they were asked by government officials to provide better quality data on predicted commitments and to abide by disbursement schedules.

2. Strengthening legislative capacity

The pressing need for broad co-operation across the Sierra Leonean political spectrum requires a well-functioning parliament. Though the executive sits outside of parliament and has direct control of line ministries, the requirement for parliament to debate and test government plans for political acceptability would appear to be a crucial part of the programme to prevent alienation and resentment, as well as to ensure democratic accountability. Parliamentary oversight is a natural and necessary complement to the technical and fiscal powers of line ministries and is the most promising way to generate political consensus around key government initiatives. However, the practical challenges of creating an effective parliamentary system are significant. According to UNIPSIL, the last election (on 11 August 2007) brought an 80% turnover in parliament. Those who survived the election had been part of the first real proportionally elected parliament in the country's history and were therefore not veterans of a long-established system. An effective parliament requires skills that must be learned. Currently there is no group capable of mentoring Sierra Leonean parliamentarians. Moreover, there are serious resource constraints to their potential. The UN Peacebuilding Fund has recently agreed to fund 12 parliamentary clerks to supplement the 4 presently on staff and has also agreed to fund 8 researchers, a small library and a small computer resource centre.¹⁷ It is hoped that the GoSL will awaken to the potential usefulness of a well functioning parliament as they begin to move their development agenda forward.

3. State-society relations

The consultation meeting on 19 October revealed that civil society in Sierra Leone is well-organised and well-informed about political processes. In general terms, there is broad support for the government's political agenda, which lays constructive foundations for the interaction between state and society. At the same time, many representatives from civil society at the consultative meeting expressed the desire for more regular political dialogue with the government. They called in particular for a better flow of information on political activities, and for improved state responsiveness to society's concerns. The relationship between civil society and state authorities will need time to develop further but some early indications are needed that government is responsive to the people.

In a society with as many internal divisions as in Sierra Leone, the best hope of creating a functional dialogue between state and citizen is through parliament. But in order for this dialogue to be credible, parliament must be seen to be the source of legislation, and to be centrally involved in drafting and debating the legal framework that should underpin government initiatives.

Civil society in Sierra Leone has been actively engaged with international donors. One often repeated observation made by Sierra Leonean civil society representatives was that publicising the details of aid agreements and budgets and clearly explaining associated overhead costs have helped the public monitor government use of donor funding. Thus the civil population can be enlisted in the task of reducing corruption and misuse of funds by empowering them with enough information to hold their own representatives to account.

4. Corruption: an obstacle to statebuilding

Discussions with the Anti-Corruption Commissioner (ACC) revealed that government leadership is very much aware of the challenge to effective statebuilding posed by endemic corruption and is determined to bring it under control. The process underway involves a number of useful innovations, such as broad public education, structures to reduce opportunities for fraud (such as simplifying the process of collecting import tariffs), decentralisation and structuring the ACC to ensure its independence. At the same time, while the ACC's effectiveness is already apparent, the permissive attitudes to corruption are in part a result of the widespread public conviction that the only way to get reliable service from government officials is to pay for it directly. Finally, far too low government sector salaries encourage "self reliance". Thus, attempts to reduce corruption through education, monitoring and prosecution must go hand in hand with public service reform and salary increases; achieving these will depend on good governance to improve economic factors. The key to getting the process started appears to be a combination of greater donor confidence in government

¹⁷ Interview, UNIPSIL, 22 October 2009.

plans and careful monitoring by both civil society and donor agencies to ensure that implementation is consistent with these plans.

Illustrative Indicators

Indicator 3a: Is the army professional, balanced across social groups and does it have civilian oversight?

Not yet, but there is improvement. The majority of respondents stated that the army is still not professional nor yet completely balanced across social groups, but that there has been considerable improvement over recent years and that reforms are going into the right direction. Some participants suggested that there should be stronger civilian oversight of the army, and that community involvement in the further reform process should be enhanced.

Indicator 3b: Ratio of tax revenue to gross domestic product (2009)

Current government revenue/GDP is 10.5 % according to the Heritage Foundation's 2009 Index of Economic Freedom.

Source: www.heritage.org/index/Ranking.aspx.

Indicator 3c: Percent of aid disbursed focused on governance and security (average 2002-2007)

According to OECD statistics, this figure is 17.1% (USD 71.9 million) for Sierra Leone, based on the Creditor Reporting System codes for governance and security.

Source: www.oecd.org/dac/stats.

Additional Indicators

Indicator 3i. Does the international community direct donor funds so as to contribute to the establishment of a fully independent viable state in Sierra Leone? Is a reasonable balance maintained between aid directed to service delivery and to capacity development?

- *Yes, according to major donors, limited only by donor accounting and transparency requirements.*
- *The government view is less positive in that they see donor funding applied in ways that limit their control and undercut their efforts to control their own finances. They are particularly concerned by projects that channel monies directly to civil society initiatives and by a "project approach" that prioritises service delivery ahead of development of government capacity.*
- *Donor and government representatives agreed that the growth of government capacity requires flexibility and close monitoring of the impacts of both aid modalities and government reforms.*

Principle 4. Prioritise prevention

Strong UK involvement in the immediate post-conflict environment has allowed security sector reform to be very effective. Despite this, the army is a continuing source of concern.

Long-term prevention efforts have focused on governance reforms, such as setting up a National Commission for Social Action, judicial reform, parliamentary assistance and decentralisation. The latter is of particular importance since solving power disparities in access to resources between the centre and periphery remains key to preventing future conflict. Although decentralisation has gone some way to address this, more needs to be done. Social disparities also present major challenges. A major focus of prevention efforts must therefore be on creating greater opportunities for disaffected young people.

Finally, the emerging international drug trafficking from Latin America to Europe through Sierra Leone brings considerable challenges in terms of prevention.

1. Determined engagement to establish security

Strong engagement by the UK immediately after the conflict pushed through a process of security sector reform. The army is now widely considered to be trustworthy, although some concerns remain.¹⁸ Donor attention to reforming the national army has been so intense that the issue no longer dominates discussion as it once did. However, all respondents during the evaluation were aware of the potential for harm from military decay. DFID in particular has made a long-term commitment to continue military training assistance. The donor community was quick to respond to reports that the army band had publicly played tunes associated with the ruling political party during the events leading up to the crisis in April 2009. It has urged the governing party to stop displaying party colours on government buildings.¹⁹

2. Addressing the root causes of conflict

The PRSP-II and its associated documents all point specifically to the need to establish viable political structures as one of the preconditions of successful poverty reduction.²⁰ Indeed, the entire focus of major donor support in Sierra Leone appears to be dealing with the root cause of past and future conflicts: poor governance. Thus, one finds a large set of initiatives aimed at such things as judicial sector reform (UNIPSIL, DFID, EC), assistance to parliament (UNIPSIL, UN Peacebuilding fund), support to the ACC (GTZ), and direct budget support (AfDB, World Bank, EC, DFID). In line with this, the National Commission for Social Action had been mandated to implement the recommendations of the Truth and Reconciliation Commission, in particular those relating to reparations (see Box 1). However, this has not led to the vigorous follow up that had been broadly desired. Meanwhile, the World Bank-funded decentralisation process has gone a long way to redressing some of the fundamental flaws in Sierra Leone's original political structure.

Box 1. Sierra Leone's Truth and Reconciliation Commission final report

The report of the Truth and Reconciliation Commission devoted a good deal of effort to analysing the causes of the civil war. Both government and donors have focused their strategy statements (oriented by the PRSP-II) on addressing these major causes:

While there were many factors, both internal and external, that explain the cause of the civil war, the Commission came to the conclusion that it was years of bad governance, endemic corruption and the denial

¹⁸ It is difficult to quantify this perception without a formal survey but the overwhelming straw poll consensus is that the army is trusted, the police are not. Civil reaction to the use of the army to reinforce civilian police to deal with a sudden increase in armed robberies was very positive.

¹⁹ This information is anecdotal, but was repeated by separate sources over the course of several weeks.

²⁰ PRSP-II, *Op.Cit.* p102.

of basic human rights that created the deplorable conditions that made conflict inevitable. Successive regimes became increasingly impervious to the wishes and needs of the majority. Instead of implementing positive and progressive policies, each regime perpetuated the ills and self-serving machinations left behind by its predecessor. By the start of the conflict, the nation had been stripped of its dignity. Institutional collapse reduced the vast majority of people into a state of deprivation. Government accountability was non-existent.

Source: Truth and Reconciliation Commission (2004), www.sierra-eone.org/TRCDocuments.html

The major challenge facing donors in their efforts to develop the institutions needed to run a viable democracy in Sierra Leone is to avoid imitating the conditions of the past; *i.e.* creating yet another system that favours the Western Area and ignores the rest. Here, the heavy reliance on central government to absorb assistance through international donor systems would seem to contradict the overall objective of redressing the inequity between city and countryside. While decentralisation is a key part of overcoming the legacy of history, finding ways to invigorate a rural economy and share meaningful political power with districts remain significant challenges in their own right. On the economic side, the World Bank is leading a development initiative to stimulate rural development in line with priorities agreed in its country assistance strategy for 2006-2009²¹ and in the PRSP-II. However, political progress remains slow and is complicated by tensions between the traditional powers of Paramount Chiefs and district authorities. Though all relevant government and donor documents suggest a broad understanding of the political imperatives involved, more needs to be done to lessen the perception that power flows through the capital or that big cities simply have more to offer than small towns, villages and homesteads. Again, the particular issue of Paramount Chiefdoms needs careful attention and perseverance. At a deeper level, the main object of the national political transformation exercise may be to find some way to develop a more constructive model of political co-operation than is usually associated with parliamentary politics.

A 2008 report by the International Crisis Group on Sierra Leone highlights the danger of a return to identity politics and points to the problem of regional voting patterns aligning with party support. Of particular concern is the observation that newly elected President Bai Koruma had dismissed a large number of civil servants, supposedly loyal to the defeated Sierra Leonean People's Party, and replaced them with new cadres loyal to his own All People's Congress.²² The President did subsequently introduce a number of business practices into the executive, including performance contracts setting out targets that senior government officials must meet to keep their jobs. However, the fear of a return to old style patronage systems was exacerbated by the public displays of party colours at government offices alluded to above. It all came to a head in April 2009 in a sudden outbreak of violence that was ended through party co-operation and the support of key development partners, notably the UN Executive Representative of the Secretary General (ERSG) and others. Critical to calming tensions was the government publication of a joint communiqué in which both parties undertook to conduct themselves as part of a parliamentary system that includes a loyal opposition. However, the need for the government to deliver on its promises of effective governance has increased, along with fears of what might happen if they fail. This issue was not raised often in discussions with donor representatives, perhaps because of its sensitivity. However, the need for any president in any democratic system to reward supporters works against peace, order and good governance. This is especially so in a context so charged with historical and regional resentments as in Sierra Leone.

3. Youth unemployment: a major focus for prevention efforts

Another key activity to prevent instability and conflict will be to focus on Sierra Leone's young people, especially their high unemployment and low education rates and their perception of inequity. This element of fragility has been widely commented upon²³ and was raised in most interviews without prompting. Many past initiatives have been

21 World Bank (2005), *Sierra Leone Country Assistance Strategy 2006-2009*, World Bank, Freetown, available at www-wds.worldbank.org/external/default/main?pagePK=64193027&piPK=64187937&theSitePK=523679&menuPK=64187510&searchMenuPK=64187283&siteName=WDS&entityID=000090341_20050526085619.

22 International Crisis Group (2008), "Sierra Leone: A New Era of Reform?", *Africa Report*, No.143, 31 July 2008, p.9, ICG, Freetown.

23 It is mentioned in the Joint Vision for Sierra Leone, in DFID and EC strategy papers, as well as being the first objective set in the Priority Plan for Peacebuilding Fund for Sierra Leone (Government of Sierra Leone/United Nations, revised 2008).

short sighted, underfunded and disconnected from the broader economic development needed for favouring long-term employment. Young people comprise 60% of the population. Fifty percent of youth in urban areas and 70% in rural areas are unemployed or unpaid workers.²⁴ According to a government brief presented on 7 October 2009, only 4% of this caseload had benefitted in any way from donor or government intervention and few of these had found long-term work. Just 1.4% of Sierra Leone's annual budget was earmarked for youth issues in 2008 according to the UN. One new approach, integrated into PRSP-II planning, is much more ambitious and states that every new initiative should include a business plan outlining an employment strategy for each beneficiary. The proposed plan, if funded, will receive technical assistance through a joint approach between the United Nations Development Programme (UNDP) and UNIPSIL and will target 100 000 young people a year. The programme would be run under the direction of the Ministry of Youth Empowerment Services and would collaborate with other line ministries such as the Ministry of Finance and Economic Development (MOFED), and the Ministry of Trade and Industry to match training and education to employment opportunities. Meanwhile, there are some positive examples of well-established programmes tackling this problem. For example, a project run by the German Technical Co-operation (GTZ) under the lead of the Minister of Employment and Social Security and the Ministry of Education, Youth and Sports, promotes employment for marginalised young people in urban and rural areas.

4. Emerging challenges: drug trafficking in Sierra Leone

Drug trafficking is becoming a major problem in Sierra Leone with huge potential impacts for security and socio-economic development. In recent years, Sierra Leone has increasingly been used as a transit point by international drug traffickers transferring cocaine and heroin from Latin America to Europe and the United States. Drug trafficking often goes hand in hand with other crimes such as arms trading or human trafficking. Together these have the potential to exacerbate a still fragile situation in which poverty is still enormously widespread. In the light of its transnational dimension, the problem of drug trafficking in Sierra Leone cannot be resolved by the GoSL or donors on the ground alone. Ultimately, whether Sierra Leone's development progress is undermined by organised transnational crime will depend on structural measures taken against drug trafficking at an international level.

At the same time, there are some entry points for action at the domestic level which donors will need to explore further in the coming months. The Economic Community of West African States (ECOWAS) has already been engaging in a bottom-up approach to the problem by supporting civil society organisations to address the issue. Among further measures that can be taken by donors is support to border control, including technical support to airport monitoring – and they could also support the fight against piracy in West Africa. At a domestic level, the fight against drug trafficking in Sierra Leone should link up closely with the government's anti-corruption agenda.

Illustrative Indicators

Indicator 4: Over the past five years, has the international community invested in preventing future conflict and fragility?

Yes, sufficiently and effectively. A clear majority of respondents indicated that the international community has invested in preventing future conflict and fragility sufficiently and effectively in recent years. At the same time, the need to continue efforts was stressed. A few participants expressed concern that not enough has been done by the international community to address the root causes of conflict and fragility. One respondent summarised all these observations in the simple words: "A lot has been done, but more remains to be done".

²⁴ Integrated Regional Information Network (2009), *Sierra Leone: Could youth unemployment derail stability?*, UNHCR, Geneva, available at www.unhcr.org/refworld/publisher/IRIN,,SLE,49af98781e,0.html.

Principle 5. Recognise the links between political, security and development objectives

Sierra Leone's development agenda, laid out in the PRSP-II, explicitly links security and good governance as a means of furthering development. Other policy documents – such as the UN/GoSL Priority Plan for Peacebuilding Fund – also specifically address these issues. Donors seek to take a “whole of government approach” in order to create such linkages.

To improve stability, security services in Sierra Leone still require more attention. The army has received large amounts of funding and has started to regain public trust, though some concerns remain. The police need greater support in training, increased wages to reduce corruption and incentives to supplement incomes.

For historical reasons – especially the levels of human rights abuses perpetrated during the conflict – both donors and citizens in Sierra Leone see the need for integrated approaches. For example, Chapter 8 of PRSP-II is entitled “Sustaining Peace, Security and Good Governance”. This is contained in a section on “Preconditions for Achieving Strategic Priorities”, which describes the good governance conditions that must first be established in order to achieve large-scale poverty reduction. Another clear example is found in the UN/GoSL *Priority Plan for Peacebuilding Fund* for Sierra Leone²⁵ (revised in 2008), which prioritises youth employment, democracy and good governance, justice and security and capacity building in public administration. All of the measures, challenges and practices discussed in previous sections exist under a “whole of government” approach in which donors seek to build government institutional and political capacity to nurture a stable democracy. Through the PRSP-II the government has provided a coherent blueprint for an integrated partnership approach.

Nevertheless, several areas of concern are proving quite stubborn. For example, the police still lack the resources needed to fulfill some of their most basic functions. This is despite funding a training support system operated through UNIPSIL²⁶ and beginning to tackle their own corruption problems in co-operation with the ACC. Without basic logistical improvements, including IT, transport and communications, they cannot set up basic databases, respond quickly to emergencies or co-ordinate their activities properly. Above all, low salaries and the nature of their functions make it difficult to resist temptation to misuse their authority to supplement their salaries. This has seriously undermined public trust in them and the laws they are meant to enforce. The police are a key element in achieving the standard of public behaviour needed for an adequate level of good governance. Yet, a far greater proportion of donor support has gone to the army than to the police – for understandable reasons. With the army under control, it is now time to explore the reform of and support to a police force that can regain public confidence and serve as a basic building block of law.

Illustrative Indicators

Indicator 5: Percentage of assistance that aligns to an integrated multi-sector framework:

In 2005, donors agreed to use the PRSP as the framework to align assistance with country development goals. Most recent donor strategies, the African Development Bank's (AfDB)/World Bank's Joint Assistance Strategy, the joint strategy by the European Commission (EC) and the UK's DFID as well as the Joint Vision for Sierra Leone of the United Nations Family do align with priorities set out in the PRSP-II. There are two MDTF to support the implementation of these donor strategies, one run by the World Bank for support to infrastructure, a second one at the UN which has been set up to support the implementation of the UN Joint Vision. However, no further data is available on the total percentage of ODA to Sierra Leone that aligns with the PRSP-II.

Source: OECD (2008), 2008 Survey on the Monitoring of the Paris Declaration: Making Aid More Effective by 2010, OECD, Paris.

Additional Indicators

5i. Do donor strategies integrate political, security and development dimensions?

41% of the projected budget for 1387 (2008-2009).

5ii. Evolution of the ratio of security expenditure to domestic revenue:

- *On the whole, yes. All major donors' strategy documents suggest a sound understanding of the linkages and attempt to align technical development initiatives with PRSP-II objectives, i.e. statebuilding through good governance.*
- *Concerns include the gap between documents and action, the re-emergence of identity-based politics, and politicisation of the public service and military.*

25 Government of Sierra Leone/United Nations (revised 2008), *Priority Plan for Peacebuilding Fund*, Freetown, available at www.unpbf.org/docs/PBF-Sierra-Leone-Priority-Plan.pdf.

26 Joint Vision (United Nations Integrated Peacebuilding Office in Sierra Leone, 2009), p.29.

Principle 6. Promote non-discrimination as a basis for inclusive and stable societies

Sierra Leone's policy framework targets marginalised groups such as young people. Donors support judicial reform against discrimination. However, deeper behavioural change is needed for institutional and policy reforms to be effective. Reconciling human rights agendas with traditional law poses the greatest obstacle to non-discrimination as a basis for an inclusive and stable society.

1. Tackling exclusion and inequality

The civil war generated so many problems that it is difficult to prioritise them. The GoSL has an overall strategy that assigns priorities whilst acknowledging that limited capacity and real life constraints make it impossible to try to address every problem at once. Given the sheer scale of the challenges, clearly some parts of society will benefit from reforms before others. For instance, prioritising support to youth empowerment is not intended to discriminate against the elderly. But it has to be a priority because maximising youth employment and thereby creating a solid tax base will also address a major threat to political and social stability.

The land tenure system in Sierra Leone also has an insidious discriminatory effect on the young. In the Western Area land is held in *fee simple* and can be bought, sold or otherwise transferred legally. Outside this area, however, land use is controlled through the office of Paramount Chiefs. The chiefs are selected from among a small set of families with hereditary title to all lands in their tribal areas. Anyone wanting to use land must receive permission from the chief and usually has to pay such high rents that few young people are attracted to agriculture (see also section on Principle 10). Since land cannot be owned, there is no point in developing it. As young people seem to reject this system, without some resolution the government plans for agricultural development set out in PRSP-II are unlikely to be realised. This is a delicate issue as it affects the current distribution of powers within the Sierra Leonean system.²⁷

PRSP-II²⁸ discusses government efforts to institute better social protection and describes its existing collaborations with various organisations. These include a system of pensions for the elderly, a school feeding programme (with the World Food Programme, Catholic Relief Services, and World Vision) and support to the disabled through the provision of prosthetics, housing and skills training. Many of these interventions are part of a broader government programme of war reparations and reflect government implementation of TRC recommendations.

The PRSP goes on to discuss gender equality and lists a number of steps being taken by government to ensure equal access to education; to recognise sexual and reproductive rights, inheritance and property rights, and political and employment rights; and to prevent violence against women.²⁹

For each area of discriminatory practices raised in the PRSP-II, there is at least one major donor programme. For instance, judicial reform for installing the basic non-discrimination legal framework is the object of interventions through the Peacebuilding Fund, the World Bank Country Assistance Programme, DFID and the European Commission. The International Labour Organisation (ILO), UNICEF and UNDP all have at least some programming in place to address gender discrimination and the rights of the disabled. The challenge lies, however, in instilling the idea of non-discrimination within a society with roots embedded deep in historical systems of patronage and custom which perceive complementarities in roles rather than equality of rights.³⁰ While it is reasonable to look for structural conditions and government/donor policies that favour a gradual shift towards less discrimination, one should not expect a sudden shift in public customs.

²⁷ UNDP (2009).

²⁸ Section 7.4, pp. 88-89.

²⁹ *Ibid*, pp.90-91.

³⁰ Joly, *Op. cit.*, pp.130-135 provides some early descriptions of how customary systems worked in the hinterland of Sierra Leone.

2. Conflicting norms in the justice sector

The issue of traditional justice and its conflict with human rights law poses a particular set of challenges in Sierra Leone. It is raised in the *Priority Plan for Peacebuilding Fund* mentioned earlier³¹ and is the subject of ongoing discussions among donors and within Sierra Leonean society. At one level, there is an obvious conflict looming between decentralisation attempts and existing customary law in the districts. The two systems sit in uncomfortable juxtaposition and neither will simply be swept away by decree or revolt. The most promising intervention so far may be the tentative steps to restructure land tenure. The course being followed by both government and donors is one of dialogue and exploration. This has the potential to identify clearly the limits of each position. From a philosophical perspective, this attempt sits within a debate between liberal and communitarian notions of social and political justice. The point here is not that all attempts to deal with the contradictions and conflicts between Paramount Chiefs and districts should be halted pending resolution of a philosophical problem, but rather to underline the need for caution and patience in approaching the issues.

Since the issue of competing powers and political interests has already proven to be explosive, there are grounds for taking exceptional pains in the attempt to disarm the device of customary powers. Taking seriously recommendations about the need to share political power more broadly, the World Bank in particular has made decentralisation a key issue in its country assistance strategy from 2006-2009.

Illustrative Indicators

Indicator 6: All things being equal, how do international engagements impact on social divides?

Positively. There was an overwhelming consensus among respondents that international engagement affects social divides positively.

31 *Op.cit.*, p1.

Principle 7. Align with local priorities in different ways in different contexts

The PRSP-II provides a valuable framework for alignment. Donors have responded with a variety of modalities for supporting local priorities. The GoSL is leading the calls for alignment through its Aid Policy, stating a preference for aid to be directed through country systems and harmonised modalities such as the use of sector wide approaches (SWAPs) and multi-donor trust funds. However, the government feels alignment needs to go further to allow it greater autonomy to account to both donors and citizens.

The key government document outlining statebuilding and peacebuilding strategies is the PRSP-II. Though this document builds on the PRSP-I, it has been significantly modified to introduce ideas, strategies and approaches outlined in the All People's Congress (APC) election platform core document, *Agenda for Change*. Based on broad consultation that began during the last election and was further developed with the assistance of expert independent consultants, the PRSP-II has been specifically designed to address head on the many challenges of rebuilding the social, political and economic infrastructure needed to make Sierra Leone flourish as it once did. Recommendations, priorities and commitments made in the Peacebuilding Co-operation Framework³² have been integrated into the PRSP-II to ensure consistency in planning documents. However, the PRSP-II lays out an ambitious programme that can only be achieved with well co-ordinated donor support and well designed collaborative initiatives that shift an increasing share of responsibility for statebuilding and peacebuilding from donors to government. Achieving the correct balance and kinds of assistance to reduce Sierra Leone's aid dependency is critical for sustained achievement of the PRSP-II objectives and is therefore critical for both peacebuilding and statebuilding.

Consolidating peace is considered a high priority in Sierra Leone. To this end, the Truth and Reconciliation Commission's recommendations have been articulated in a government white paper and commissions for human rights, national elections and democracy have all been established. In addition, a justice sector strategy has been developed and implemented and all aspects of intelligence security have been brought under the control of the Office of National Security.

1. Strong international support for and alignment with PRSP II

International support for the PRSP-II has been very clear and has been a decisive factor in ensuring sufficient funding to generate some momentum towards success. All major donors have aligned themselves with the PRSP-II and they are making vigorous efforts to combine their initiatives to reduce transaction costs for the GoSL. The Joint Vision for Sierra Leone of the United Nations Family, the EC/DFID Joint Assistance Strategy and the World Bank/AfDB Joint Assistance Strategy constitute the core elements of donor support to the GoSL leadership. Following productive discussions, the Sierra Leone Aid Policy was approved by cabinet and was presented at the November 2009 Consultative Group meeting. Donors recognise the political imperative of more government control over aid, but donors must also account to their taxpayers and ensure that technical conditions for the effective monitoring and control of aid are met.³³

Recent international efforts to better align support with GoSL strategies reflect new understanding of the complexities of statebuilding and peacebuilding and the relationship between the two, as well as good leadership within the major donor agencies. The partnership is founded not only on shared understanding of the tasks at hand, but also on good human relationships and common understanding of the interplay between technical support and political imperatives. Though there are indeed many daunting challenges ahead, the management teams in place have the capacity and good will to meet them.

It is interesting to note that the GoSL organised a Trade and Investment Forum to complement the Sierra Leone

32 UN Peacebuilding Commission (2007), *Sierra Leone Peacebuilding Co-operation Framework*, UN PBC/Government of Sierra Leone, Free-town, available at www.unhcr.org/refworld/type,BILATERALTREATY,,,47fdb2f0,0.html.

33 The DFID representative to the consultation stated the issue eloquently when he opposed the desire for predictable long-term aid with "the requirement to account to the British ratepayers who provide the cash".

Consultative Group Meeting. The forum took place on 19 November 2009 in London with support from the British government, the EC, UN and the World Bank. The aim of this event was to explain and advertise the investment and business opportunities in Sierra Leone and to open new doors for the GoSL. Leveraging its many contacts in London's business district and the fact that the Sierra Leone's Consultative Group Meeting was held in London, the government, together with donor partners, made intense efforts to ensure that well-funded investors with proven track records attended. Hence the agenda included presentations by senior GoSL members and brought together the Right Honorable Tony Blair and His Excellency the President Dr Ernest Bai Koroma. There were facilitated break-out sessions on agribusiness, tourism and fisheries, mining and energy, and oil and infrastructure. GoSL has come out of the exercise with some new opportunities that may well help it stimulate the private sector and increase GDP significantly.

2. Emerging government leadership

As outlined in Sierra Leone's Aid Policy, the GoSL intends to ask donor partners to reduce the number of discrete projects and to adopt a harmonised approach to funding using sector wide approaches (SWAPs), grants and multi-donor trust funds (MDTF). If successful, bearing in mind donor responsibilities to their taxpayers, this approach would allow donor funding to be increasingly channelled through the MOFED to appropriate line ministries. While the modalities of planning and approving projects have yet to be worked out to the satisfaction of all actors involved, the GoSL believes that these steps are necessary to align with the Paris Principles on Aid Effectiveness and the *Principles for Good International Engagement in Fragile States and Situations*. Naturally, this new approach will require increased trust between the GoSL and donor partners and demonstrable improvements in government monitoring, accounting and reporting.

In particular, there is some difference between donor majority opinion on the need for careful devolution of donor control in favour of more direct budgetary support and the view of the government. A number of contributors during the consultative meeting on 19 October, in particular government officials, cited the need for more government independence. GoSL members would like much more direct control of financial resources. They see this as a necessary step in developing their administrative and budgetary capacities until improvements in productivity and revenue collection provide them with their own independent revenue. Government also noted the potential adverse effects on state authority and credibility of individual external initiatives to empower civil society. In addition, in terms of decentralisation, it was observed by both national and international participants in the consultation meeting that donors have not done enough to support political efforts to empower district authorities.

Illustrative Indicators

Indicator 7: Percentage of aid flows to the government sector that is reported on partners' national budgets (Paris Declaration Monitoring Survey indicator 3):

54% of aid flows are reported on government budget.

Source: OECD 2008 Survey on Monitoring the Paris Declaration (indicator 3), available at www.oecd.org/dataoecd/58/41/41202121.pdf.

Additional Indicator: Do aid flows to government align with government-led national strategies?

- Yes. Major donors have all adapted their core assistance strategies to align with government strategies as outlined in the PRSP-II.
- MOFED has led the development of a formal Aid Policy that seeks to provide a policy framework through which to reduce the collateral impact of PIUs, salary top-ups and unco-ordinated donor projects.
- GoSL expressed considerable concern over the high transaction costs associated with the multitude of different donor procedures and policies – major donors are responding with renewed efforts to harmonise.

Principle 8. Agree on practical co-ordination mechanisms

Consultations have shown that there is a need for more pro-active government leadership in donor co-ordination, and institutionalised dialogue between government and international actors in Sierra Leone. The GoSL's Aid Policy document represents a good starting point for such enhanced donor-government dialogue.

Co-ordination among donors has been a challenge in recent years, but the situation is improving. International actors in Sierra Leone are now developing more formal co-ordination mechanisms among themselves to complement the well-established informal information-sharing networks that have emerged recently, and to line up with the co-ordination mechanisms that are being set up by GoSL in its Aid Policy.

1. The need for co-ordination between government and donors under GoSL leadership

Most donors in Sierra Leone are keen to co-ordinate activities more closely under GoSL leadership. In theory, over the past two years co-ordination among government and donors was supposed to occur through meetings of the Development Partnership Committee (DEPAC) every three months with participation by donor representatives and government officials. However, there has only been one DEPAC meeting in the past two years. This has led several donors to believe that there is only limited interest in dialogue from GoSL. Aware of this challenge, the GoSL has included in its new Aid Policy document a clear commitment to strengthening dialogue with donors, including a forthcoming Action Plan that will set out formal aid co-ordination mechanisms within a government-led framework. Formal structures for co-ordination among donors and GoSL include the Development Partners Committee (DEPAC), the sector working groups and the multi-donor budget support S partnership. In addition, in 2008 GoSL instituted an online, open-access aid tracking system, the Development Assistance Database, which partners regularly update with information on commitments and disbursements across a number of fields. Compliance with reporting is an ongoing challenge.

Several of the co-ordination mechanisms outlined in the PRSP-II are not operating. This is a particular problem at the sectoral level. The fact that the sectoral working groups described in the PRSP-II have not been used to full effect is a source of considerable frustration in the donor community. Only four of the sectoral working groups – out of 18 – have been activated while the remainder are largely dormant. Reasons for this are not clear, but it seems that more effort has gone into drafting documents than into making the groups part of a relationship binding the GoSL and donor partners in a productive and positive way. This issue was acknowledged as a weakness in each follow-up interview but seemed to be accompanied by a pervasive lack of confidence that a solution could be found that did not entail government leadership. Aware of this challenge, the GoSL has included in its new Aid Policy document a clear commitment to strengthening dialogue with donors, including a forthcoming Action Plan that will set out formal aid co-ordination mechanisms.

2. Informal and formal donor co-ordination methods between donors

Despite relatively limited donor fragmentation in Sierra Leone (with the top three donors providing 68% of aid, Table 2), co-ordination among donors has been a challenge. While an active informal network to share information has emerged, the lack of formal donor co-ordination and joint working approaches undermines transparency.

Table 2. Donor presence and fragmentation, averages 2005 and 2006

	No. of donors	No. of donors contributing over 90% of Country Programmable Aid (CPA)	% of CPA by biggest donor	% of CPA by second biggest donor	% of CPA by third biggest donor	Total % of CPA by biggest 3 donors
Sierra Leone	21	10	European Commission (25%)	United Kingdom (24%)	IDA (19%)	68%

Source: OECD DAC (2008), *Annual Report on Resource Flows to Fragile and Conflict-affected States*, OECD, Paris; OECD (2008), *Report of 2008 Survey of Aid Allocation Policies and Indicative Forward Spending Plans*, OECD, Paris, www.oecd.org/dataoecd/37/20/40636926.pdf.

The system of informal contacts has streamlined work considerably and reinforced the mutual confidence necessary for effective human dynamics. Though much of the power of this kind of approach depends on personalities, it has so far served as a useful way to cut right to the heart of critical issues and to deal with crises effectively. At the very least, the cordial atmosphere between agency leaders has helped establish exceptionally constructive relationships, visible in working level meetings. This positive informal system has allowed for the casual and confidential discussion of sensitive issues.

Despite the positive effects of this informal system, it was rightly felt by many donors that more formal co-ordination between donors was necessary to ensure transparency and to provide all stakeholders with the opportunity to get involved in defining the international community's assistance strategies in Sierra Leone. Aside from strategic planning discussions, this also concerns practical issues such as co-ordinated monitoring and reporting. In line with this, international actors in Sierra Leone are currently discussing and developing more sophisticated mechanisms for inter-donor co-ordination. One effort was the EC Fragility Piloting co-led by the EC and German development co-operation in 2009. This aimed to improve donor sensitivity to Sierra Leone's specific characteristics of fragility, and to adjust EC instruments to these. A positive outcome of this process was the establishment of a working group on fragility composed of interested EC members in which fragility and statebuilding were addressed. Meanwhile, most of the discussion among international partners takes place during the regular meetings of all development partners, the Development Partners Group, jointly hosted by one of the major partners on a rotating basis with UN-PSIL and the World Bank chairing the sessions. It is noteworthy that most of the diplomatic missions in Sierra Leone attend the development partners' meetings regularly, including the mission of the People's Republic of China. Table 2 suggests a higher level of donor fragmentation than now appears to be the case. The next survey should reveal more positive developments.

Illustrative Indicators

Indicator 8a. Is there an agreed division of labour?

No consensus (50-50). Respondents were divided as to whether or not there was an agreed division of labour among international actors. Half of them agreed that for most international engagement, the necessary arrangements have been made, and co-ordination mechanisms for the division of labour are in place. The other half of respondents were more critical, stating that there was no, or only a marginal, division of labour. The fact that international actors are working intensely with civil society was highlighted positively.

Indicator 8b. Percent of assistance channelled through multi-donor trust funds.

Data is not coded as MDTFs by the Sierra Leonean Ministry of Finance and Economic Development, but by bilateral aid, multilateral aid, UN aid and vertical funds. There are currently two MDTFs in Sierra Leone, one of which the World Bank has set up for support to infrastructure, the other one which has been set up by the UN to support their implementation of the Joint Vision.

Additional Indicators

Indicator 8i.

- *Yes, donors meet regularly both formally and informally but there is as yet no formal co-ordinated monitoring and reporting system or filing system.*
- *In this regard, inter-donor co-ordination can still be improved, and donors are currently developing more formalised mechanisms of co-ordination in various areas.*
- *There is a desire for more formalised dialogue between the government and donors especially by the latter. The reform of the Aid Policy may offer an entry point for more effective communication between the government and donors under the leadership of GoSL.*

Principle 9. Act fast... but stay engaged

Donor commitments are long term. DFID operates on a ten-year funding cycle; the World Bank operates on a three-year cycle, though cycles are extended for specific funding where needed. The EC funding for Sierra Leone will last till 2013 and the UN Joint Vision operates on four-year cycles. Most donor documents reviewed for the study align with PRSP-II timelines.

Despite this, there are concerns over the impact of the global economic crisis on aid flows and although modalities are currently being reviewed, there are calls for the increased use of multi-donor trust funds.

1. A clear commitment to supporting Sierra Leone's development process

Much of what has worked in Sierra Leone can be traced back to a decisive moment in its history when British forces staged a dramatic hostage rescue, ended the reign of terror of their captors and pushed the rest of the militia forces to reconsider their options.³⁴ The subsequent public announcement by Prime Minister Blair that UK would remain engaged until Sierra Leone was able to assure its own future set the tone for the actions that followed. Since that time, DFID in particular has organised its programming around ten-year commitments (Box 2). This leaves no doubt in anyone's mind that they are committed to long-term development in Sierra Leone.³⁵ The World Bank had based its previous country assistance strategy, as well as its current joint assistance strategy, on three-year cycles, but commits funds for longer terms as necessary. The EC/SL co-operation extends to 2013.³⁶ The UN Joint Vision spans four years. Clearly, though there are slight differences in the length of programme commitments, nearly all these donor documents align with the time span of the PRSP-II (2008-2012) and all imply the intention to remain as long as it takes to ensure development. There remain, however, stubborn issues affecting the predictability of aid, both in terms of the length of commitment and the pace of the release of agreed funding. The commitment length is unlikely to change due to the political dynamics to which donors themselves are subjected. However, the pace of funding release requires specific changes to the technical modalities and conditionality of funding that affect schedules of payment for agreed funding. This issue is already under review by most donors and is the subject of efforts to simplify budgets and set in place more beneficiary-friendly modalities, such as MDTFs. Table 3 below shows only a very slight decrease in aid between 2005 and 2010.

Table 3. A projected decrease in aid of only 5% over 2005-10

	CPA baseline	CPA planned			Change		CPA/GNI	
	2005	2008	2009	2010	2005 to 2010		2005	2010
	Constant 2005 USD million				%	USD million	%	
Sierra Leone	262	217	234	248	-5%	-14.0	22.1	15.1

Source: OECD (2008), *Report of 2008 Survey of Aid Allocation Policies and Indicative Forward Spending Plans*, OECD, Paris, www.oecd.org/dataoecd/37/20/40636926.pdf.

Finally, it must be said that Sierra Leone is not immune to the effects of global politics and economics and cannot expect indefinite engagement from donor states that are also under domestic pressure to reduce aid spending.

The architecture of the present system reflects a relatively long period of global prosperity that appears to be coming to an end. Centres of political-economic power are shifting and there is simply no way that donors can guarantee engagement for extended periods when they are themselves living with alarmingly high deficits.

³⁴ Information from Robinson, Walter G. (1995), *British Military Intervention into Sierra Leone: A Case Study*, United States Military Academy, West Point, New York, available at www.stormingmedia.us/59/5955/A595574.html. Also, classified interview with former military officer eye witness conducted February 2001.

³⁵ Statement by DFID Country Representative, OECD dialogue meeting, Freetown, 19 October 2009.

³⁶ EU Member States and EC Co-operation Agreement with Sierra Leone, dated August 2009.

Box 2. Building the State and Securing the Peace: the approach of DFID

In 2001, following a nine-year civil war, Sierra Leone was confronted with serious challenges that needed to be addressed to consolidate peace and transform it ('the country') into a democratic and effective modern state. DFID's political economy and conflict analysis concluded that security and restoration of the rule of law were pre-conditions for progress in other areas; it also found that building the state and transforming formal and informal power-sharing mechanisms were critical to the peacebuilding process.

DFID and other donor partners had to make difficult choices about what to prioritise, and how to manage the tensions between short and long-term objectives. It was agreed that in the first few years DFID would invest in building the key capacities of the state and supporting the progress on security to sustain peace. Service delivery and growth promotion were seen as a second phase for reform, using budget support as the main delivery mechanism. Between 2000 and 2007, just over half of DFID's total financial commitment went to good governance, peace and security, with human development and pro-poor growth at 10% and 6% respectively.

By 2007 DFID had increased its support to service delivery and civil society (reflected in a new joint EC/DFID strategy) and started to shift its focus away from security. Human security has improved since the end of conflict, but Sierra Leone remains fragile. Questions remain about whether a stronger focus on service delivery at an earlier stage should have accompanied the focus on security and statebuilding. However, adding substantial, early support to service delivery to the portfolio would have either meant a much larger aid framework or else reducing other areas of the programme.

Source: DFID (Department for International Development) (2009), *Building the State and Securing the Peace*, DFID, London.

2. Human resources: a key challenge

One key dimension of international assistance that receives too little attention is the human resource challenge of finding and keeping good people. Much of the progress discussed above is due to good collective judgement within government and the donor community and solid leadership backed by context sensitive professional capacities. The senior and upper mid-level managers we encountered while preparing this report were impressive and would score highly on any measure of dedication, contextual awareness and professional competence. Given their average age and experience levels, however, it is time to start preparing for the retirement of a number of key staff and to select and train new staff. At the same time, more fundamental changes to permit longer term deployments are being considered which will entail a wide range of reform to allowances, family support, training, career paths and posting periods.

Illustrative Indicators

Indicator 9a. Are there rapid response mechanisms?

No consensus (50-50). There was no consensus among participants on whether the existing rapid response mechanisms, such as the UN Peacebuilding Fund, were effective in addressing rapidly emerging crisis situations. Some participants felt that in the past there had been response delays.

Indicator 9b. Amount of aid committed at a given time beyond a three-year timeframe

- Most aid commitments align with the time frame of the PRSP-II, which is four years.

Indicator 9c. Aid fluctuations to GDP (2002-2007)

- 3.1% (deviation between cross annual ODA disbursements: OECD Statistics <http://stats.oecd.org/qwids>) and commitments for 2002-07 as a percentage of GDP (World Bank Development Indicators, <http://go.worldbank.org/1SF48T40LO>).

Principle 10. Avoid pockets of exclusion

Donor and GoSL policies are committed to avoiding exclusion; however, practical action is lagging. The PRSP-II does not explicitly address exclusion; instead it targets broad-based inclusion, which is a more indirect route.

Disaffected young people pose the most significant challenge to inclusion. Further divisions between rural and urban, including the issue of land tenure, are also of importance and require greater attention.

Despite the proliferation of declarations, strategies and plans to deal with the alienation of Sierra Leone's youth, the situation of the vast majority of young people has not visibly improved much since the end of hostilities. Nearly every donor document cites youth unemployment as a major challenge and one of the highest priorities for intervention. However, in the words of one participant at the consultative meeting on 19 October 2009: "a lot goes in but little comes out".

The PRSP-II takes a broad approach that, if successful, would reduce pockets of exclusion across the country. By focusing on agricultural development, rural exclusion would be addressed by creating jobs in agri-business. Developing a national energy grid to support the growth of industry is intended to set the stage for massive increases in job opportunities for young and old alike. Focus on education and the national strategy for youth employment would, in theory, educate a large workforce and create a number of short to medium term employment opportunities that would serve as a transitional step on the road to development. Similarly, efforts to control corruption, to reform the public service, and to improve roads and infrastructure are all aimed at creating conditions that lift the general standard of living.

However, the main challenge remains the historically embedded divisions between city and country and between competing regional elites and their patronage systems. All indications suggest that there is both a national will for reform and the government leadership needed to achieve it. But the task of decentralisation is particularly challenging. The GoSL, primarily supported by the AfDB, World Bank, DFID and the EC, has begun the difficult process of setting up district administrations. However, a formula has not yet been found to harmonise their responsibilities with those of the traditional Paramount Chiefs. Property rights and land tenure are the core challenges facing decentralisation. The customary systems vary to some degree across the 149 chiefdoms but share the common characteristic of placing land in some sort of trusteeship arrangement through which inherited authority over the use of lands entitles Paramount Chiefs to extract rents. Custom over-rides statute. Not being able to own land has consequences for development and the willingness of young people to invest in the hard labour of agricultural work.³⁷ It also has consequences for taxation and mineral exploitation. An improved legal system to deal with land disputes will have little effect until there is an agreed statutory system for land. Achieving such a dramatic change is unlikely to be easy or quick and trying to force a change, even if widely believed to be in the common interest, is liable to generate strong resistance from those currently benefitting from the system and who believe they have an inherited right to the *status quo*. Technical progress towards efficient district administration thus depends on political processes to re-balance existing power relationships and centres on the issue of land tenure.

Until there exists a broadly acceptable solution to the challenge of different systems of property rights across the country, it is difficult to imagine how more land can be opened up for development in a sustainable way or indeed how adequate tax revenues could be collected from mining and agriculture to operate a district administration. Since Sierra Leone's best hope of short-term development is to exploit agriculture, it follows that most youth employment schemes will ultimately rely on agricultural activities – and thus on resolving the land tenure issue.

³⁷ Anecdotal evidence collected during an interview with UNDP's Recovery Unit suggests that young people in general no longer accept the conditions of usufruct entailed by customary systems. Apparently, some land has fallen into disuse because labour cannot be found to work it.

Illustrative Indicators

Indicator 10a. Aid, revenue (gross national income – GNI) and country policy and institutional assessment (CPIA)

- *Official development assistance (2008): 359.22 million USD (OECD commitments 2008) of which 193.05 came from DAC donors.*
- *GNI: 4.17 current USD billion (World Development Indicator 2008).*
- *CPIA: 3.1 (2008) on a scale between 1-6.*

Indicator 10b. Proportion of population living with less than USD 1 a day

Population living with below USD1.25 a day (%), average 2000-2007: 53.4%; population living with below USD 2 a day (%), 2000-2007: 76.1%.

Source: UNDP Human Development Report , 2009.

Additional Indicators

10i. Do donors recognise pockets of exclusion and act to reduce them?

- *On the whole, yes. However, while youth are widely considered an excluded category they have not benefitted from large-scale initiatives. A GoSL youth employment strategy is in place but has not yet been fully funded.*
- *The success of youth employment initiatives turns on the success of land reform and decentralisation of political power. This process is underway but is politically charged and needs careful negotiation and good political leadership.*

Part II: Priority actions

For the past eight years, Sierra Leone has had a well-developed donor system, a steady flow of generous funding and a steadily improving government. Aid is mostly aligned with a well-defined government strategy which offers a solid foundation upon which a viable state can be built. But time and perseverance will be required to (i) develop a citizenry capable of guaranteeing its own government’s performance; (ii) stimulate enough economic growth to cover the costs of government service delivery; and (iii) reform a civil service deeply mired in patronage systems. In the immediate term, there is a need to engage in sustained dialogue with the people. During the consultative meeting on 19 October, many contributors cited evidence that things are marginally better in the districts, and that life in the city is improving. Could it be that the first “green shoots” of a well-functioning state are already visible?

Taking into account all that has been done – the development of a credible plan (PRSP-II) and the effort that has gone into the public service reform strategy, into anti-corruption, judicial reform and the introduction of performance contracts for senior government officials – the GoSL is preparing solid foundations for Sierra Leone’s new state edifice. With clear evidence of constructive relations between donors and government, the biggest worry is not that something is missing, but that something might change.

However, a better capacity development system is needed to replace the present system that requires external inputs to make government work. An alternative to salary top-ups is needed and the system of PIUs should be harmonised, put under control of the GoSL and slowly replaced by a more sustainable system. To fail to act on these two elements of a future threat is to ignore an important lesson from the past and to run the risk of increasing the divide between a new technocratic elite and the mass of citizens. However, at this stage of development, it is probably better to err on the side of caution and to avoid an abrupt change that could undermine confidence in the progress to date.

Predicting how Sierra Leone’s future will unfold is well beyond the scope of this report. But there are promising signs, including the impressive leadership dynamics among the international actors present in Sierra Leone and the fact that the staff needed to support GoSL efforts over the next few years seem to be in place, with a number of experienced and dedicated people in key positions. Those involved in the UN human resources could adapt the positive dynamics in Sierra Leone to similar situations elsewhere.

There are a number of specific issues that need to be resolved as state capacity continues to evolve. Some of the priority actions that are required to implement each Principle have been discussed above but are listed again below for both clarity and emphasis.³⁸

<i>Principle 1: Take context as the starting point</i>	<div>1. Donors need to consider carefully how they can close the gap between their planning/strategies and implementation in order to achieve the goals of the PRSP-II and donor assistance documents.</div> <div>2. Donors should focus activities on supporting GoSL initiatives for creating viable government institutions. While waiting for development to stimulate enough national sources of revenue to cover all government costs, donor revenues need to be allocated through GoSL departments in ways that enhance government capacity development.</div> <div>3. Review aid modalities to reflect significant increases in GoSL capacity. This may involve a higher risk for donors but is the only way for GoSL to demonstrate its ability to correct endemic flaws in the political and governance culture.</div>
<i>Principle 2: Do no harm</i>	<div>4. Review the aid modalities involving PIUs and salary top-ups to assess the best way that external support can strengthen capacity.</div>
<i>Principle 3: Focus on statebuilding as the central objective</i>	<div>5. Reduce donors’ complexity and requirements; between all providers these present a huge capacity drain on GoSL. The recent trend among major donors to use joint mechanisms and delegated co-operation arrangements is promising but needs to be developed further with the specific aim of simplifying collaboration between donors and GoSL.</div> <div>6. Develop amongst donors a more systematic approach towards capacity development which targets not only the executive, but also the legislative capacities of the state in order to build viable state structures</div>

38 Actions are to be taken by donors unless stated otherwise.

	7. Government should engage in a more institutionalised and sustained dialogue with society, sharing information about government action and ongoing processes in order to enhance trust.
<i>Principle 4: Prioritise prevention</i>	<p>8. Sustain donor support to the creation of a professional security sector.</p> <p>9. Donors need to remain committed to supporting decentralisation as a preventive action. Changing existing power relationships is a delicate process that requires patience and time consuming negotiations.</p> <p>10. Donors should remain committed to supporting structural governance reforms such as judicial reform and parliamentary assistance.</p> <p>11. Donors and government need to take preventive action to tackle the rising challenge of drug trafficking through Sierra Leone.</p>
<i>Principle 5: Recognise the links between political, security and development objectives</i>	<p>12. Give more support to policing and judicial reform processes. Donors need to pay more attention to developing capacity in these two areas.</p> <p>13. Government and donors need to enhance public trust in the reformed security institutions police and army, which is currently very low.</p>
<i>Principle 6: Promote non-discrimination as a basis for inclusive and stable societies</i>	<p>14. Donors need to support youth employment strategies in order to give young people a viable outlook for the future.</p> <p>15. Government and donors need to give greater support to reconciling different systems of justice and land tenure in the Western Area and the districts. Decentralisation is critical to reduce social and political tensions.</p>
<i>Principle 7: Align with local priorities in different ways in different contexts</i>	<p>16. Donors should support the positive dynamics of connecting the sovereign government with its citizens. Support to civil society needs to be co-ordinated with government and should not go around it.</p> <p>17. Investigate the greater use of common funding mechanisms and grants to government.</p>
<i>Principle 8: Practical co-ordination mechanisms</i>	<p>18. Government and donors need to agree on effective mechanisms for improved donor co-ordination under the leadership of the GoSL.</p> <p>19. Institutionalise more transparent and effective mechanisms for inter-donor co-ordination. Sustain the positive dynamics of the past months in this area, under the leadership of UNIPSIL and the World Bank.</p> <p>20. Do more to co-ordinate aid modalities that support alignment and ownership, including greater use of MDTFs, grants and SWAps to support GoSL in improving service delivery.</p>
<i>Principle 9: Act fast... but stay engaged long enough to give success a chance</i>	<p>21. Donors should attempt to commit funds over longer periods than is presently the case, within the constraints of their own political dynamics.</p> <p>22. Human resource plans should be included in the idea of long-term commitment to make sure that new international staff can develop the necessary understanding for the context.</p>
<i>Principle 10: Avoid pockets of exclusion</i>	23. Youth employment initiatives and land tenure reform are both critical areas needing vigorous support. Land reform is key to reducing youth unemployment but is politically charged and needs time, patience and persistence.

Annex A: Principles for good international engagement in fragile states and situations

Preamble

A durable exit from poverty and insecurity for the world's most fragile states will need to be driven by their own leadership and people. International actors can affect outcomes in fragile states in both positive and negative ways. International engagement will not by itself put an end to state fragility, but the adoption of the following shared Principles can help maximise the positive impact of engagement and minimise unintentional harm. The Principles are intended to help international actors foster constructive engagement between national and international stakeholders in countries with problems of weak governance and conflict, and during episodes of temporary fragility in the stronger performing countries. They are designed to support existing dialogue and co-ordination processes, not to generate new ones. In particular, they aim to complement the partnership commitments set out in the Paris Declaration on Aid Effectiveness. As experience deepens, the Principles will be reviewed periodically and adjusted as necessary.

The long-term vision for international engagement in fragile states is to help national reformers to build effective, legitimate, and resilient state institutions, capable of engaging productively with their people to promote sustained development. Realisation of this objective requires taking account of, and acting according to, the following Principles:

1. Take context as the starting point. It is essential for international actors to understand the specific context in each country, and develop a shared view of the strategic response that is required. It is particularly important to recognise the different constraints of capacity, political will and legitimacy, and the differences between: (i) post-conflict/crisis or political transition situations; (ii) deteriorating governance environments, (iii) gradual improvement, and; (iv) prolonged crisis or impasse. Sound political analysis is needed to adapt international responses to country and regional context, beyond quantitative indicators of conflict, governance or institutional strength. International actors should mix and sequence their aid instruments according to context, and avoid blue-print approaches.

2. Do no harm. International interventions can inadvertently create societal divisions and worsen corruption and abuse, if they are not based on strong conflict and governance analysis, and designed with appropriate safeguards. In each case, international decisions to suspend or continue aid-financed activities following serious cases of corruption or human rights violations must be carefully judged for their impact on domestic reform, conflict, poverty and insecurity. Harmonised and graduated responses should be agreed, taking into account overall governance trends and the potential to adjust aid modalities as well as levels of aid. Aid budget cuts in-year should only be considered as a last resort for the most serious situations. Donor countries also have specific responsibilities at home in addressing corruption, in areas such as asset recovery, anti-money laundering measures and banking transparency. Increased transparency concerning transactions between partner governments and companies, often based in OECD countries, in the extractive industries sector is a priority.

3. Focus on statebuilding as the central objective. States are fragile when state³⁹ structures lack political will and/or capacity to provide the basic functions needed for poverty reduction, development and to safeguard the security and human rights of their populations. International engagement will need to be concerted, sustained, and focused on building the relationship between state and society, through engagement in two main areas. Firstly, supporting the legitimacy and accountability of states by addressing issues of democratic governance, human rights, civil society engagement and peacebuilding. Secondly, strengthening the capability of states to fulfil their core functions is essential in order to reduce poverty. Priority functions include: ensuring security and justice; mobilizing revenue; establishing an enabling environment for basic service delivery, strong economic performance and employment

³⁹ The term "state" here refers to a broad definition of the concept which includes the executive branch of the central and local governments within a state but also the legislative and the judiciary arms of government.

generation. Support to these areas will in turn strengthen citizens' confidence, trust and engagement with state institutions. Civil society has a key role both in demanding good governance and in service delivery

4. Prioritise prevention. Action today can reduce fragility, lower the risk of future conflict and other types of crises, and contribute to long-term global development and security. International actors must be prepared to take rapid action where the risk of conflict and instability is highest. A greater emphasis on prevention will also include sharing risk analyses; looking beyond quick-fix solutions to address the root causes of state fragility; strengthening indigenous capacities, especially those of women, to prevent and resolve conflicts; supporting the peacebuilding capabilities of regional organisations, and undertaking joint missions to consider measures to help avert crises.

5. Recognise the links between political, security and development objectives. The challenges faced by fragile states are multi-dimensional. The political, security, economic and social spheres are inter-dependent. Importantly, there may be tensions and trade-offs between objectives, particularly in the short-term, which must be addressed when reaching consensus on strategy and priorities. For example, international objectives in some fragile states may need to focus on peacebuilding in the short-term, to lay the foundations for progress against the MDGs in the longer-term. This underlines the need for international actors to set clear measures of progress in fragile states. Within donor governments, a “whole of government” approach is needed, involving those responsible for security, political and economic affairs, as well as those responsible for development aid and humanitarian assistance. This should aim for policy coherence and joined-up strategies where possible, while preserving the independence, neutrality and impartiality of humanitarian aid. Partner governments also need to ensure coherence between ministries in the priorities they convey to the international community.

6. Promote non-discrimination as a basis for inclusive and stable societies. Real or perceived discrimination is associated with fragility and conflict, and can lead to service delivery failures. International interventions in fragile states should consistently promote gender equity, social inclusion and human rights. These are important elements that underpin the relationship between state and citizen, and form part of long-term strategies to prevent fragility. Measures to promote the voice and participation of women, youth, minorities and other excluded groups should be included in state-building and service delivery strategies from the outset.

7. Align with local priorities in different ways in different contexts. Where governments demonstrate political will to foster development, but lack capacity, international actors should seek to align assistance behind government strategies. Where capacity is limited, the use of alternative aid instruments – such as international compacts or multi-donor trust funds – can facilitate shared priorities and responsibility for execution between national and international institutions. Where alignment behind government-led strategies is not possible due to particularly weak governance or violent conflict, international actors should consult with a range of national stakeholders in the partner country, and seek opportunities for partial alignment at the sectoral or regional level. Where possible, international actors should seek to avoid activities which undermine national institution-building, such as developing parallel systems without thought to transition mechanisms and long term capacity development. It is important to identify functioning systems within existing local institutions, and work to strengthen these.

8. Agree on practical co-ordination mechanisms between international actors. This can happen even in the absence of strong government leadership. Where possible, it is important to work together on: upstream analysis; joint assessments; shared strategies; and co-ordination of political engagement. Practical initiatives can take the form of joint donor offices, an agreed division of labour among donors, delegated co-operation arrangements, multi-donor trust funds and common reporting and financial requirements. Wherever possible, international actors should work jointly with national reformers in government and civil society to develop a shared analysis of challenges and priorities. In the case of countries in transition from conflict or international disengagement, the use of simple integrated planning tools, such as the transitional results matrix, can help set and monitor realistic priorities.

9. Act fast... but stay engaged long enough to give success a chance. Assistance to fragile states must be flexible enough to take advantage of windows of opportunity and respond to changing conditions on the ground. At the same

time, given low capacity and the extent of the challenges facing fragile states, international engagement may need to be of longer-duration than in other low-income countries. Capacity development in core institutions will normally require an engagement of at least ten years. Since volatility of engagement (not only aid volumes, but also diplomatic engagement and field presence) is potentially destabilising for fragile states, international actors must improve aid predictability in these countries, and ensure mutual consultation and co-ordination prior to any significant changes to aid programming.

10. Avoid pockets of exclusion. International actors need to address the problem of “aid orphans” – states where there are no significant political barriers to engagement, but few international actors are engaged and aid volumes are low. This also applies to neglected geographical regions within a country, as well as neglected sectors and groups within societies. When international actors make resource allocation decisions about the partner countries and focus areas for their aid programs, they should seek to avoid unintentional exclusionary effects. In this respect, co-ordination of field presence, determination of aid flows in relation to absorptive capacity and mechanisms to respond to positive developments in these countries, are therefore essential. In some instances, delegated assistance strategies and leadership arrangements among donors may help to address the problem of aid orphans.

Annex B: Methodology for this country report

The methodology used for this report is consistent with the Principles Monitoring Plan, the minimal common methodology for the 2009 Fragile States Principles Survey (www.oecd.org/fsprinciples).

This report was prepared using extensive desk research and a three-week field visit that included a one-day formal consultation meeting as described in the preface (see list below). The formal consultation was complemented by a series of meetings and private discussions with key stakeholders which provided further opportunity for input. However, time constraints, the disorder of research data storage and the general lack of availability of interlocutors imposed limitations on both data collection and contextual appreciation. The consultation process did not include field visits outside of Freetown because of the limited time available for this consultative process. This limitation was addressed through broader reading and research and a concerted attempt to maximise the opportunities to speak with civil society representatives in Freetown.

List of participants (19 October 2009) and interviewees

Government

Anti Corruption Commission of Sierra Leone
Ministry of Defence
Ministry of Finance and Economic Development
Minister of Information and Communications
Ministry of Power and Energy
Office of National Security (ONS)
Prisons Sierra Leone
State House (President's Office)

Local government

Bo City Council
Bombali District Council
Kenema City Council
Makeni City Council
Moyamba District Council
Port Loko District Council
Pujehun District Council
Western Area Rural District Council

UN agencies

United Nations Integrated Peacebuilding Mission (UNIPSIL)
United Nations Development Programme (UNDP)
United Nations Development Fund for Women (UNIFEM)
World Food Programme (WFP)

Regional organisations

Manor River Union

Security institutions representation

Sierra Leone Police

Donors

African Development Bank
China (Embassy)
European Commission
Germany (Embassy/GTZ/KfW)
International Organisation for Migration (IOM)
Iran (Embassy)
Ireland (Embassy/Irish Aid)
Italy (Italian Cooperation)
Japan (JICA)
United Kingdom (DFID)
World Bank

Non-governmental organisations

Campaign for Good Governance Sierra Leone
Christian Aid / Budget Advocacy Network
Coalition of Civil Society and Human Rights Activists Sierra Leone
Enhancing the interaction and interface between civil society and the state to improve poor people's lives (ENCISS)
National Youth Coalition
Search for a Common Ground
Sierra Leone Association of Non-Governmental Organisations (SLANGO)

Private sector

Blue Mining Corporation (BMC)
Timis Diamond Corporation Limited

Media

Star Radio

Annex C: Statistical data on Sierra Leone

Figure 1. Map of Sierra Leone



Source: United Nations, www.un.org/Depts/Cartographic/map/profile/sierrale.pdf.

Table 4. Key indicators

POVERTY and SOCIAL	Sierra Leone	Sub-Saharan Africa	Low-income
2007			
Population, mid-year (<i>millions</i>)	5.8	800	1,296
GNI per capita (<i>Atlas method, US\$</i>)	260	952	578
GNI (<i>Atlas method, US\$ billions</i>)	1.5	762	749
Average annual growth, 2001-07			
Population (%)	3.6	2.5	2.2
Labor force (%)	4.0	2.6	2.7
Most recent estimate (latest year available, 2001-07)			
Poverty (% of population below national poverty line)	70	..	..
Urban population (% of total population)	37	36	32
Life expectancy at birth (<i>years</i>)	42	51	57
Infant mortality (<i>per 1,000 live births</i>)	159	94	85
Child malnutrition (% of children under 5)	..	27	29
Access to an improved water source (% of population)	53	58	68
Literacy (% of population age 15+)	35	59	61
Gross primary enrollment (<i>% of school-age population</i>)	147	94	94
Male	155	99	100
Female	139	88	89

Development diamond*

Life expectancy

GNI per capita

Gross primary enrollment

Access to improved water source

Sierra Leone

Low-income group

KEY ECONOMIC RATIOS and LONG-TERM TRENDS	1987	1997	2006	2007	
GDP (<i>US\$ billions</i>)	0.70	0.85	1.4	1.7	
Gross capital formation/GDP	10.2	4.4	15.5	17.2	
Exports of goods and services/GDP	32.0	13.9	23.4	25.6	
Gross domestic savings/GDP	19.0	3.1	1.7	3.4	
Gross national savings/GDP	16.9	3.2	9.5	11.2	
Current account balance/GDP	-5.0	-1.1	-6.0	-6.0	
Interest payments/GDP	1.0	0.8	0.7	..	
Total debt/GDP	147.7	141.2	100.5	..	
Total debt service/exports	9.4	13.1	9.7	..	
Present value of debt/GDP	..	..	8.4	..	
Present value of debt/exports	..	..	34.4	..	
	1987-97	1997-07	2006	2007	2007-11
(<i>average annual growth</i>)					
GDP	-3.9	9.3	7.4	6.5	6.0
GDP per capita	-4.6	5.4	4.4	4.6	4.1
Exports of goods and services	-4.1	..	..	..	..

Economic ratios*

Trade

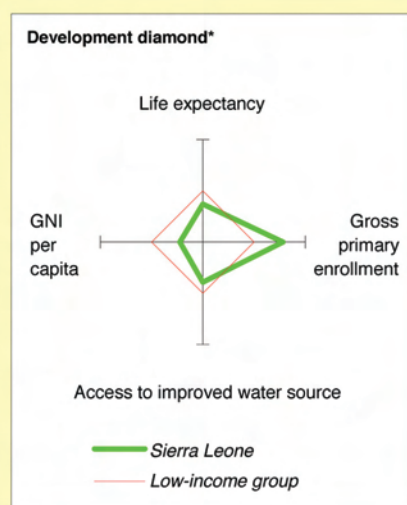
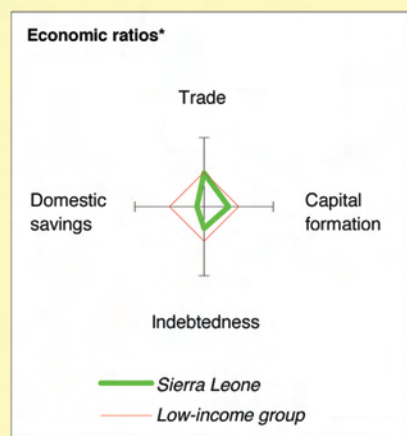
Domestic savings

Capital formation

Indebtedness

Sierra Leone

Low-income group



Source: World Bank, http://devdata.worldbank.org/AAG/sle_aag.pdf.

Table 5. Sierra Leone development indicators

	2000	2005	2007	2008
Population, total (millions)	4.23	5.11	5.42	5.56
Population growth (annual %)	2.5	3.6	2.8	2.5
Surface area (sq. km) (thousands)	71.7	71.7	71.7	71.7
GNI, PPP (current international \$) (billions)	1.48	3.14	3.89	4.17
GNI per capita, PPP (current international \$)	350	610	720	750
Life expectancy at birth, total (years)	43	46	47	48
Fertility rate, total (births per woman)	5.4	5.3	5.2	..
Adolescent fertility rate (births per 1,000 women ages 15-19)	139	130	126	..
Mortality rate, under-5 (per 1,000)	274	265	262	..
Malnutrition prevalence, weight for age (% of children under 5)	25	28	..	..
Immunization, measles (% of children ages 12-23 months)	37	67	67	..
Primary completion rate, total (% of relevant age group)	..	..	81	..
Ratio of girls to boys in primary and secondary education (%)	..	..	86	..
Prevalence of HIV, total (% of population ages 15-49)	1.2	1.6	1.7	..
Agricultural land (% of land area)	38.4	40.2	..	..
Improved sanitation facilities, urban (% of urban population with access)	21	..	..	..
GDP (current USD) (billions)	0.64	1.21	1.66	1.95
GDP growth (annual %)	3.8	7.2	6.8	5.1
Inflation, GDP deflator (annual %)	6.1	12.9	10.3	11.7
Agriculture, value added (% of GDP)	58	46	45	43
Industry, value added (% of GDP)	28	25	24	24
Services, etc., value added (% of GDP)	13	30	31	33
Exports of goods and services (% of GDP)	18	24	21	25
Imports of goods and services (% of GDP)	39	37	28	37
Time required to start a business (days)	..	26	26	17
Military expenditure (% of GDP)	3.7	1.9	1.8	2.3
Mobile cellular subscriptions (per 100 people)	0	..	14	18
Internet users (per 100 people)	0.1	0.2	0.2	0.3
Roads, paved (% of total roads)	8	..	..	..
Merchandise trade (% of GDP)	25.5	41.4	41.5	39.9
Net barter terms of trade (2000 = 100)	..	..	..	..
External debt stocks, total (DOD, current USD) (millions)	1,190	1,564	348	..
Total debt service (% of exports of goods, services and income)	67.1	5.7	2.5	..
Net migration (thousands)	-150	336	..	..
Workers' remittances and compensation of employees, received (current USD) (millions)	7	2	148	150
Foreign direct investment, net inflows (BoP, current USD) (millions)	39	83	94	..
Official development assistance and official aid (current USD) (millions)	181	350	535	..

Source: World Bank World Development Indicators database, <http://go.worldbank.org/1SF48T40LO> , accessed April 2009.

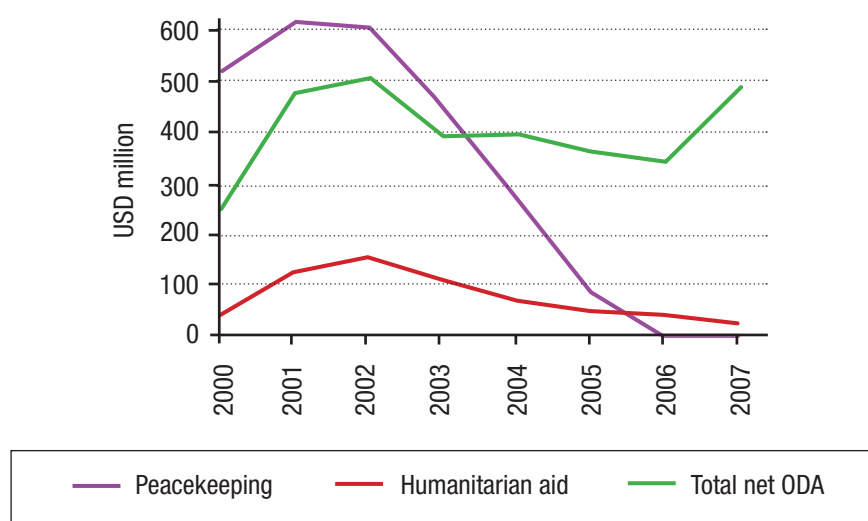
Table 6. Peacekeeping expenditures in Sierra Leone (2000-07, USD million): equivalent to 79% of official development assistance

	2000	2001	2002	2003	2004	2005	2006	2007	2000-2007	Peacekeeping as % of ODA
Côte d'Ivoire	.	.	.	83	337	382	450	471	1 723	53%
DCR*	246	389	480	636	901	1 055	1 085	1 116	5 908	39%
Haiti	.	.	.	35	377	480	484	535	1 910	65%
Liberia	.	.	.	548	741	707	676	688	3 360	196%
Sierra Leone	521	618	603	449	265	86	.	.	2 541	79%
Sudan	.	.	.	.	219	801	990	846	2 856	33%
Timor-Leste	528	454	288	196	82	2	0	.	1 549	78%
Total	1 505	1 695	1 581	2 171	3 461	3 908	3 929	3 770	22 019	49%

*DCR: Democratic Republic of Congo.

Source: OECD (2009), *Annual OECD Report on Resource Flows to Fragile States*, OECD, Paris. www.oecd.org/dataoecd/14/14/43293581.pdf.

Chart 1. Development aid increases as peacekeeping and humanitarian aid decrease



Source: OECD (2009), *Annual OECD Report on Resource Flows to Fragile States*, OECD, Paris. www.oecd.org/dataoecd/14/14/43293581.pdf.

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