1. Country Context

Sierra Leone spent most of its recent decades battling post-conflict wounds and Ebola disease. After the civil war, there was significant progress in many socioeconomic and human development indicators. The economy averaged a 7.9% GDP growth rate. Another recent shock to the country’s socioeconomic progress has been the Ebola outbreak, which halted progress and reversed gains in many economic and human development indicators. Macroeconomic performance has been maintained with 4.6% growth of GDP in 2014, but the economy contracted by some 20% in 2015. Sierra Leone made progress in reducing overall poverty from 66.4% in 2003 to 52.9% in 2011. But stark regional disparities in poverty levels persist. It has made progress towards MDGs, including in health, education and income dimensions, but only the goal related to HIV/AIDS, malaria and tuberculosis is likely to be achieved. In 2014, official development finance to Sierra Leone was US$910.6 million, representing a high 20.9% of GNI. The largest development partners responding to this second round have been the EU, UN, and World Bank.

Quick Facts

- Surface area: 72,300 km²
- Population: 6.4 million
- Income level category: Low-income country
- GDP Growth: 4.61% (2014); -20.30% (2015)
- Official Development Assistance/Capital Formation: 162.53% (2014)
- GINI Index: 33.99 (2011)
- National Poverty Index: 52.90% of pop. (2011)
- Domestic Credit: 17.2%
- External Debt: 16.1%
- Net Foreign Direct Investment: 11.6%
- Remittances: 1.3%
- Net Official Development Assistance: 18.9%

Key Development Challenges

Sierra Leone is blessed with a vibrant culture and rich mineral resources. But exploitation of natural resources is poorly linked with the local economy. The main constraint impeding progress is poor infrastructure. High environmental degradation, resulting from unsustainable land management, unplanned urbanization and pollution, is increasingly reducing environmental resilience against disaster risks. Devastation caused by Ebola was symptomatic of wider problems, including a lack of institutional resilience across the public sector.
2. Efforts to Implement the Effectiveness Principles

A. Policies and Tools for Partners’ Alignment

The Agenda for Prosperity (2013-2018), which is the third generation Poverty Reduction Strategy Paper, lays the foundation for the journey to achieving sustainable future for all Sierra Leoneans. This strategic document provides a clear roadmap for national action and international support. It has become the main reference document for all international actors. There has been strong alignment from international partners to the Agenda. Several current partner strategies use the Agenda as a key reference document for their own alignment. The Agenda for Prosperity is reviewed quarterly by the government and development partners.

<table>
<thead>
<tr>
<th>Major Development Partners of this Round (by Reported Disbursements)</th>
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</thead>
<tbody>
<tr>
<td><strong>EU institutions</strong></td>
</tr>
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<td><strong>41%</strong></td>
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</tbody>
</table>

B. Governance and Management of Development Finance and Co-operation

The Development Partnership Committee (DEPAC) is a high-level forum for quarterly dialogue between government and partners on development co-operation issues. It is organized into sector working groups. The performance of sector working groups is uneven (health having recorded good progress) and they are not operational in all sectors. The Donor Harmonization and Aid Coordination Committee (DHACC) is a cross-ministerial committee of the key ministries responsible for the coordination and management of official development finance. Partners record quantitative and qualitative information about official development finance in the Development Assistance Database (DAD) to collect more comprehensive and timely data. Sierra Leone has endorsed the IATI. Amongst themselves, development partners have formal and informal coordinating mechanisms. Development partners either have a lead partner, a sector lead or other practical coordination mechanisms in the sectors. Sierra Leone has been a proactive member within international forums regarding initiatives to reform official development finance specific to conflict-affected states, including with the g7+ and the New Deal for Engagement with Fragile States. The country is involved in South-South co-operation.

3. Country Ownership

Indicator 1: Partners’ Alignment and Use of Country-Led Results Frameworks

A strong focus on health responses to the Ebola crisis generated a very high alignment at the objective level. However, this alignment drops quickly when partners are using indicators from the government framework (63%) and monitoring systems (41%), indicating a strong tendency to continue to use their own systems. Fortunately, final (ex post) evaluations supported by the government are afterwards mainly carried out jointly between the government and partners.
**Indicator 6. Development Co-operation is on Budget (Subject to Parliamentary Scrutiny)**

The portion of official development finance that was included in the national budget is at a low 9% (2015), one of the lowest rates in Africa. This was the effect of the outbreak of EVD, as a significant chunk of on-budget official development finance was transferred to humanitarian assistance to end EVD. This led to a drastic decline of official development finance on-budget in 2015 compared to 2010 (when 52% of disbursed official development finance was recorded in the national budget). The government continues to work with development partners to increase the amount of official development finance included in the budget.

**Indicators 9 and 10. Use of Country Systems**

Overall, 47% (2015) of official development finance relied on public finance management systems of the government, mainly budgetary and financial reporting procedures. Official development finance is increasingly untied (it was at 78% in 2013), but government procurement systems are not much used for this (only 35%). With a CPIA stable at 3.5 for the last 10 years, the government has asked development partners to adopt a harmonized approach to funding using budget support, sector-wide approaches, grants and multi-partner trust funds. A high number of parallel units persist, though the government would like to limit them to one per sector. Some major partners channel their funds through NGOs and most new development partners do not use country systems for management of official development finance.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Budget (ideal: 100%)</th>
<th>Financial Reporting (ideal: 100%)</th>
<th>Auditing (ideal: 100%)</th>
<th>Procurement (ideal: 100%)</th>
<th>CPIA* (maximum: 6)</th>
<th>Untying (ideal: 100%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>INDICATOR 9B.</td>
<td>65%</td>
<td>65%</td>
<td>23%</td>
<td>35%</td>
<td>3.5</td>
<td>96%</td>
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<tr>
<td>INDICATORS 9A &amp; 10.</td>
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</tbody>
</table>

* Country Policy and Institutional Assessment

**4. Inclusive Partnerships for Development**

**Indicators 2 and 3. Fostering Inclusive Partnerships for Development**

Civil society in Sierra Leone has a deep-seated participatory role to play in support of policy development. The government invites CSOs to participate in the development of policy in all development fields. Policies are generally translated into strategies and implementation plans and CSOs are invited to contribute in implementing the strategies. The government organizes capacity-building for stakeholders with support from CSOs. They work together to assess capacity and to provide opportunities to address capacity gaps. CSOs are registered with the umbrella organization SLANGO. They have platforms where policies, responsibilities and governance-related issues are discussed. It is mandatory to report to the government on programmes, funds and geographic coverage of interventions to secure registration or renewal of registration. Generally, there is a consultative process to receive feedback on programmes and policy documents. The engagement rules of CSOs and capacity-building aspects are well defined in almost all types of partners’ programmes.

**Indicator 8. Gender Empowerment**

Allocations for gender equality and women’s empowerment are systematically tracked. There is leadership and oversight of the tracking system by the central government unit in charge of public expenditures. However, gender-equality-focused budget information is not publicly available. Also, gender-specific indicators are not used to inform decisions about budget allocation. Moreover, regular impact assessments of budgets and expenditures are not conducted to address how women and men benefit respectively from government expenditures.
5. Transparency and Accountability

Indicator 5. Development Co-operation is More Predictable

Annual predictability is high at 94%. The funds are disbursed at a rate above 90% for all eight respondents within the fiscal year in which they were scheduled. Medium-term aid predictability stands at 41%, as the EU is the only partner that kept medium-term plans with active visibility in this troubled period marked by the uncertainty caused by the spread and destabilization consequences of the Ebola virus.

Indicator 7. Mutual Accountability

Sierra Leone’s policy on official development finance defines national priorities in development co-operation. The policy includes specific country-level targets. Assessment towards these targets is undertaken jointly by the government and development partners. In 2014, the government and development partners adopted a mutual accountability framework (MAF) as a compact between the government and the partner community that defines the terms of the partnership required for successfully delivering the Agenda for Prosperity. The country has designed a special dashboard that is the joint monitoring tool for the commitments made under the MAF.

National Priorities Going Forward

Sierra Leone’s national priorities are centred on the PRSP III (Agenda for Prosperity). The indicators of the Agenda for Prosperity have been synchronized with the SDG indicators. Given the outbreak and effects of EVD, the National Ebola Recovery Strategy (NERS) was developed. The NERS guided by the PRSP III formed Sierra Leone’s national priorities going forward. The immediate sectors of interventions and the priorities include the following:

- Health: Zero new Ebola infections and drastic reduction in maternal and child mortality
- Energy: Triple energy generation and double access to energy
- Water: Provide sustainable solution to water and double access to water
- Private sector development: Rapid growth of local SMEs and sustainable reduction in unemployment
- Education: 70% of schools meet targeted teacher-pupil ratio in classrooms and provide national school feeding
- Social protection: Support EVD-affected populations, including through free health care and CASH transfer to 150,000 vulnerable households

These priorities prepare the foundation for the implementation of the SDGs. Most important, the NERS is guided by the principles of the mutual accountability framework (MAF), which brings forth indicators similar to the indicators presented by the Global Partnership. Though more public and institutional sensitization of these indicators needs to be done, there is renewed hope that the NERS, guided by the MAF principles, is geared towards achieving VISION 2030 and Agenda 2063.

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Ministry of Finance and Economic Development, Government of Sierra Leone

Footnote: Any discrepancies between information in this profile vs. information that has been reported are due to adjustments that were made after conclusion of the monitoring round.

Disclaimer: This document was prepared based on data collected from voluntary reporting to the Second Monitoring Round of the Global Partnership for Effective Development Co-operation and, for Country Context, other open source information available online. The information provided does not necessarily represent the view of UNDP.

For ease of reference, the term ‘country’ is used to refer to developing countries and territories that reported to the Second Monitoring Round. Participation in this process and mention of any participant in this document is without prejudice to the status or international recognition of a given country or territory.