

Population | **8.4 million**  
GDP per capita | **475.8 USD**  
Annual GDP growth | **3.5%**  
Govt. debt, % of GDP | **82.6%**



Capital | **Freetown**  
Government | **Unitary presidential republic**

# SIERRA LEONE

## ISE Country Stocktaking

*Key Findings, Future Scenarios and Critical Tasks for State Transformation*  
June 2022

ISE's country stocktakings present a view of a country to evaluate opportunities for reform during pivotal periods in its development trajectory. Stocktakings diagnose countries' "open moments" and pathways for reform by assessing the performance and capability of various state functions and citizens' view of the state while mapping the various international partners operating in the country and the alignment of key stakeholders around a potential reform agenda. Based on this assessment, ISE lays out the key medium-term issues facing the country, outlines potential scenarios for the future of the country and presents critical tasks that could bring about the best-case scenario.

### The Current Reform Context: A Potential Open Moment

**Two decades after a ten-year civil war, Sierra Leone ranks among the bottom on most development indicators.** Its population is among the poorest in the world by GDP per capita measures and among the least developed on the Human Development Index (HDI) scale. Sixty-five percent of the population experiences multi-dimensional poverty, with higher rates in rural areas. Human capital development remains limited, and the literacy rate is only 43.2 percent. Health outcomes are poor—life expectancy is 55 years and Sierra Leone has one of the highest maternal mortality rates in the world. All of this occurs against the backdrop of a civil war that ended only twenty years ago and a deadly Ebola epidemic five years ago, creating an extremely challenging governance and development context.

**The magnitude of Sierra Leone moving from active civil war to today's governance landscape cannot be understated.** Despite a recent rise in political violence, internal uprisings are effectively limited, and trust in the national government and military has steadily grown since 2012 to all-time highs. Turnout for the most recent presidential elections has also stayed above 80 percent, suggesting some trust in political institutions. Furthermore, unlike many other countries marred by civil war, ethnicity and religion appear to have not been significant drivers of conflict in Sierra Leone, and multiple sources point to relatively peaceful relations among ethnic groups and between Muslims and Christians in the country. This gives the country a stronger foundation for continued governance reform efforts and service delivery improvements.

**The current government has articulated clear reform priorities, but its commitment to those priorities, as well as its ability to implement them amid an opportune moment of peace and stability, remains to be fully realized.** There was significant enthusiasm for the reform potential of the administration of Julius Maada Bio, inaugurated in 2018, especially on anti-corruption due to numerous accusations of corruption surrounding past administrations. The administration placed anti-corruption efforts and educational attainment at the top of its reform agenda, including in the current Medium-Term National Development Plan (MTNDP) 2019-2023, which aims to elevate Sierra Leone to middle-income status by 2039 through inclusive, sustainable growth. It notched some early wins, including a strengthening of the Anti-Corruption Commission, but its commitment and capacity to deliver on a large reform

agenda is still in question. Reform plans, including the MTNDP, remain more on paper than in practice, however. There is limited history of effectively implementing national plans and the MTNDP seems to be cited more for international political credibility than to motivate policy and budget. While the country's reforms since the end of the civil war in 2002 are laudable, national government plans often remain largely unrealized. Dependencies on international development partner financing for reform implementation, stalled decentralization, entrenched corruption across various levels of government, and limited reach to citizens in rural areas have all limited reform efforts.

**In the near term, Sierra Leone can seize on the current momentum around the development of a new MTNDP in 2024 and continued enthusiasm for the reform potential of the current government to embark on structural transformation.** Leveraging the country's existing assets—including a longstanding peace, political support for reform, a young population and rich natural resources—while avoiding entrenched corruption and fragmentation of efforts within government and across donor partners will be critical to seizing this opportunity. The government's current focus on investing in the youth while boosting agricultural productivity for near-term economic growth appears to be the right formula, but continued attention will need to be paid to strengthening lines of institutional accountability, aligning governance systems (particularly at the local levels) and creating a stronger enabling environment for legitimate investment to ensure that this growth is sustainable and inclusive.

### Performance of Core State Functions in Sierra Leone

The following section provides an assessment of core state functions in Sierra Leone, considering the assets, constraints and opportunities for reform to reach the goals set out in the MTNDP 2019-2023 and meet the current moment for reform.

#### Governance

**Sierra Leonean government institutions have shown remarkable resilience in the face of a complex set of governance challenges, including a series of unresolved legacies of the civil war.** The country operates in a decentralized presidential framework with relatively free, open elections every five years. At the subnational level, there are two important, often competing institutions: 22 local councils and 190 chieftaincies. This structure was built upon its colonial predecessor, adding new layers rather than streamlining, which has contributed to a weak and uncoordinated bureaucracy

and subnational structure. Though democratically elected local councils are tasked with local service delivery and development, many vital powers are held by chieftaincies. The decentralization process is progressing only very slowly, in part because the national government has continuously hemmed in local councils' delivery capacities through changes that limit their financial capabilities and that transfer functions to chieftaincies. All tiers of government face human and financial resource constraints, and none exhibit significant transparency or space for substantive community participation in decision-making.

**Little change to the country's governance structure has been effectively realized to address the underlying causes of the civil war.** There appears to be wide recognition that unaccountable, non-transparent clientelist structures, including that of the chieftaincy at local levels, were a driving factor behind the civil war by promoting elite capture of mineral rents, contributing to corruption, sowing regional wealth and political inequality, and depriving young people of adequate economic opportunities. Though the government's stated commitment to decentralization poses the opportunity to overcome these conflict drivers, the system has been unable to overcome the entrenched interests. National politics continues to function along ethnic lines, driven by patronage networks that are reinforced by the institutionalization of tribal authorities that continue to pose little opportunity for political participation to communities.

**The country's 22 local councils help to alleviate conflict drivers in theory and improve service delivery but could do more to connect local-level priorities with national decision-making and resource allocation.** The powers of councils have been continuously co-opted by the national government (through political appointments), line ministries (through directives that encroach on councils' intended functions), and paramount chiefs (through revenue allocation and customary local powers). This increasingly constrains them to the role of an underfunded technocratic development delivery body, and not a mechanism aimed at giving community members a voice and a choice in local governance. Even if they were to function as theorized, however, they also lack many of the accountability, transparency, and feedback mechanisms necessary to ensure that they provide inclusive, participatory governance, as opposed to top-down political edicts.

**Strengthened government service delivery will require creative solutions to Sierra Leone's challenging governance landscape.** Sierra Leone is among the poorest countries in the world, with low development indicators across the board, low literacy rates, an underdeveloped economy, limited domestic infrastructure, and a fragile healthcare sector, all of which inherently constrain every tier of government in the country. Furthermore, the divided subnational governance structure promotes unclear jurisdictional boundaries and friction points. Efforts to push forward a more 'democratic' district/council structure have borne limited fruit. This may suggest that a different solution, that focuses on alignment rather than replacement, may be necessary.

Key governance issues for Sierra Leone include:

- » Misalignment of the roles of various local-level governance and delivery bodies and mechanisms, including friction between local councils, chiefdom councils (and paramount chiefs), and Ward Development Committees
- » Clientelism driven by ethnic allegiances and party affiliations

that encourage political leaders to campaign for the ability to win control over the distribution of state resources (rather than on clear policy objectives), which incentivizes suboptimal governance outcomes and politicizes institutions

- » Limited opportunities for formalized citizen feedback, particularly at the chieftaincy level, and a missing substantive link between local councils and communities

## Security

**After the country's decade-long civil war (1991-2002), the Sierra Leonean process of disarmament, demobilization and reintegration (DDR) was largely successful, although reintegration of combatants into society and opportunities outside the military proved difficult.** The 1999 Lomé Peace Agreement included a general amnesty—as well as a cash payment and skills-training programs—for combatants who participated in the DDR process. A total of 72,490 combatants were disarmed and 71,043 demobilized, with 63,545 former combatants participating in the reintegration process, including 6,845 child soldiers. Given the lack of other viable economic opportunities, reintegration into the military proved to be a strong option for former combatants. Focusing early on the disarmament of the various armed groups and the deployment of the United Nations mission in Sierra Leone (UNAMSIL) allowed for the Sierra Leonean government and its international partners to focus on peacebuilding, extending government control and effectiveness, and rebuilding trust in society. These significant efforts contributed to a lasting peace and nationwide elections in May 2002, even if the reintegration of combatants outside the reforming security sector proved difficult, given limited income generation opportunities after the conflict and continued distrust at local levels.

**Despite the significant success of DDR and security sector reform (SSR) after the civil war, there have been reports of increasing political violence in Sierra Leone from 2012 to 2020.** Since 2014-2015, there has been a slight increase in political violence, which peaked in Sierra Leone during the 2018 election and has remained at high levels since. In fact, by early 2020, levels of political violence in Sierra Leone were higher than at any time since the end of Sierra Leone's civil war. This increase in political violence has been tied to elections (particularly at the community level given the introduction of new local election processes), political competition and communal violence—as well as the continued lack of economic opportunities and development that contribute to everyday crime.

**As a part of the Economic Community of West African States (ECOWAS), Sierra Leone is connected to a dynamic sub-regional economy, which presents an opportunity both for economic exchange as well as for illicit activity, including transnational crime and narcotics networks.** Illicit networks in West Africa are active in drug trafficking, financial crimes, human trafficking, people smuggling, counterfeit goods, organized theft and robbery, environmental crimes, and maritime piracy. One major area in which illicit groups are engaged is in illegal mining and use of natural resources—which make up more than 90 percent of Sierra Leone's exports—including diamonds, oil, timber, and fishing. Sierra Leone is a party to the Kimberley Process, an international effort to regulate the diamond and precious stone industry, which requires diamonds and precious stones to be certified by licensed mining companies, but counterfeit certificates and fake stones facilitate the illicit industry. Strengthening enforcement—particularly of new narcotics routes between South America, West Africa and Europe—will be

important for reducing transnational crime and legitimate export growth in Sierra Leone.

Key security issues for Sierra Leone include:

- » Maintaining existing trust in military and policing apparatus, stemming from successful defense institution building programs after the civil war, while managing recent increase in politically motivated violence
- » Undertaking reforms to tackle political violence while increasing attention on security issues during election periods
- » Continued development of formal economies to reinforce security by lessening popular grievances, reducing participation in illicit transnational markets and creating more secure livelihoods

## Rule of Law

**Rule of law institutions in Sierra Leone suffer from limited opportunities for legal accountability and transparency as well as outdated checks and balances that restrict the independence of the judiciary.** Since almost all senior positions within the judiciary are in some way nominated or selected by the president, the judicial system is vulnerable to political influence. The 1991 Constitution introduced reforms designed to strengthen judiciary independence, but the executive branch retains a significant amount of control over the judicial budget and the Judicial and Legal Service Commission, which oversees the nomination of senior judges. The legal regime around accountability and transparency in government has strengthened over time, but still retains serious weaknesses: the World Justice Project Rule of Law Index ranks Sierra Leone lower than both regional and global averages in terms of open governance (and last globally in terms of published laws and government data). A notable strong point is the peaceful change of government following free and fair elections in recent years.

**For citizens, basic accessibility is the most significant problem facing the justice system.** The first constraint on accessibility is the low level of education and knowledge of the law: only about 30 percent of Sierra Leoneans are informed about their rights, and the rate is significantly worse in poor and rural communities. A second constraint is financial: attorneys' and magistrates' fees are prohibitively high for a large portion of the population. Most crimes offer the option of either paying a fine or serving a prison sentence, and consequently, most of those who serve prison sentences are poor. These conditions have resulted in a perception that justice is only for the rich; 60 percent of Sierra Leoneans surveyed by Afrobarometer believe it is "very likely" that rich people can pay bribes or use personal connections to avoid going to court. A third constraint is resources and capacity within the system—including trained court staff and physical infrastructure—which leads to significant delays in court proceedings and threatens citizens' constitutionally guaranteed rights to a fair trial and due process.

**Given the limited accessibility and perceptions of fairness in the formal justice system, traditional chiefdom courts are preferred by much of the population—often leading to uncertainty about legal authority at the local level.** Originally a colonial system introduced by the British, the customary system remained in place after the war as people trusted local paramount chiefs as a source of respect and order. Through traditional justice, disputes are brought to local chiefs, who work with the parties to resolve the situation

through mediation, with a focus on preserving community cohesion through compromise and respect for the chief's authority. However, the parallel existence of local government councils and customary power structures can lead to uncertainty about which authority to follow. Most offenses do not have minimum sentences attached, meaning that crimes are not distinguished by their punishments, making it difficult to determine which level of court (a magistrate or the High Court) should hear a particular case. Further, because of this lack of standardization, excessive fines and excessively long sentences for minor offenses are common. The relative power and influence in local communities suggests that the local courts have strong incentives to cooperate with the paramount chiefs, but not necessarily the other way around.

Key rule of law issues for Sierra Leone include:

- » The independence of the judiciary and limited institutional checks and balances at the national level, despite a clear legislative process and two decades of peaceful transfers of power
- » Clarifying the distinction between the roles of customary and formal law to reduce tensions and confusion over local-level rule of law structures and to limit the effects of ethno-regional politics and influence
- » Justice access issues driven by lacking infrastructure, low literacy rates, prohibitive costs, and limited judicial capacity, which hinder citizen trust in formal legal systems

## National Accountability Systems: Public Finance

**Overall, Sierra Leone's National Accountability System and capacity to accountably manage public finances are low, and concerns around public corruption and theft remain high, according to Transparency International's Corruption Perceptions Index.** Budget planning is generally linked to political interests over policymaking priorities, and the overall reliability of budget outturn is low—with regular annual overspending and frequent, non-transparent in-year adjustments. Controls within the procurement system are weak due to underfunding of key oversight bodies like the National Public Procurement Agency, posing a severe fiduciary and reputation risk to Sierra Leone and reducing opportunities for external investment. Financial reporting systems have shown signs of improvement (i.e., increased public awareness and participation in the budget process), and the capacity of the Auditor General's office to provide oversight has increased—but there is a need to improve in-year sanctioning of misuse of public funds and fraud, which could lead to increased market confidence and state revenues.

### Reforms to public financial management (PFM) and national accountability systems in Sierra Leone have proven unsuccessful.

Recent improvements to the legal and regulatory framework (i.e., PFM Act 2016, Public Procurement Act 2016, Fiscal Management and Control Act 2017), integrated financial management information system (IFMIS) rollout and the increased coverage of annual financial reporting and external audits have not improved the credibility of budgetary and fiscal systems, resulting in rising arrears, debt and other fiscal stress. The reform agenda—including the 2009-2014 World Bank-managed Integrated Public Financial Management Reform Project (IPFMRP) and Public Financial Management Improvement and Consolidation Project (PFMICP)—has been largely driven by donor priorities and has been unable to address binding constraints of the policy environment, despite its links to government-owned development agendas (i.e., PFM Strategic Plan



2014-2017 and the Agenda for Prosperity 2013-2018).

**The Bio administration's focus on anti-corruption and economic stabilization provides an opportunity to progress impactful accountability reform.** Sierra Leone's Medium-Term National Development Plan (2019-2023) recognizes the importance of building confidence in public financial management and addressing fiscal risks through improved debt and procurement management; and the PFM Reform Strategy 2018-2021 outlines efforts to improve strategic policy and budgetary planning, budget execution, reporting, revenue administration, local government finance and oversight functions. Paired with anti-corruption reforms, citizen oversight mechanisms (i.e., the "Pay No Bribe" online platform introduced in 2016) and ongoing technical capacity support from the European Union and other donors, the new strategic direction could improve overall budget credibility and delivery while reducing severe risks posed by weak liability and procurement management.

Key public financial management issues for Sierra Leone include:

- » Improving the overall credibility of the budget, which remains a key constraint to the government's legitimacy but could be strengthened through procurement reform and reducing political interference in budget planning
- » Enhancing the scope and coverage of existing anti-corruption reforms and institutions, including through additional support to the Anti-Corruption Commission (ACC) and further engagement of citizens in budget oversight
- » Managing fiscal risks (i.e., state-owned enterprise arrears and weak enforcement of lending and debt limits) to reduce the impact of future crises, given the significant impact of the Ebola and COVID-19 crises on the budget and economy
- » Strengthening supervision of illicit financial flows through improved banking supervision and customs controls to support the country's reputation as an attractive investment opportunity

## Asset Management

**Sierra Leone benefits from rich natural resource endowments, a unique history and a young, entrepreneurial population, which provides the basis for its nationhood and comparative advantages.**

Although socioeconomic development has stalled in recent years, social capital in the form of communities and cooperation across social blocs—which has driven the implementation of conflict prevention and participatory democracy programs—and a quickly growing youth population that can fuel the economy are key assets. These are supplemented by extensive cultural heritage and ecotourism potential, with 16 historical sites listed as National Monuments and opportunities for investment along a significant network of beaches and islands. The country's most economically viable assets, though, are its vast mineral resources (which currently represent 15-18 percent of GDP), abundant water resources (with hydropower estimated between 1,500 and 2,000 megawatts), and fertile soil for agriculture in high demand throughout the region and in Europe (with 75 percent of land suitable for irrigated cultivation).

**Managing this rich asset base, though, has challenged Sierra Leone, as the country is faced with poor environmental health, illegal extraction of natural resources, and the need for rehabilitation of cultural sites post-civil war.** Mismanagement of natural assets is of particular importance, given their value to the country's growth prospects. The preservation of forests

and protection of the environment are complicated by unclear and patronage-based rural land management, elite capture and unplanned urbanization around Freetown. While the management of mining assets has traditionally been more successful, the country has been constrained by an inability to transform extractive revenues into productive spending for long-term and sustainable growth, and overlapping and conflicting mandates between different local institutions and central-local coordination make effective management challenging.

Key asset management issues for Sierra Leone include:

- » Properly managing natural asset stores—including through effective taxation mechanisms and stronger licensing practices—to counterbalance limited financial assets and public debt distress
- » Improving existing land management structures, which are frequently confusing, ineffective and prone to elite capture by well-connected families and paramount chiefs that control access to land and resources in rural areas
- » Balancing economic growth goals with environmental health and protection, particularly given the country's historical exposure to environmental health damages and degradation
- » Rebranding Sierra Leone as more than a post-conflict zone by highlighting its unique natural, historical, and social assets

## Market Engagement

**The effectiveness of Sierra Leone's market-building strategies can be judged in part by the extreme volatility of the economy and limited private sector development.** Gross domestic product (GDP) has grown at an uneven rate in recent years, in part due to the Ebola crisis in 2014-16, but also because of limited diversification of economic activity away from subsistence agricultural activity and a high dependence on world market prices in the mineral sector. Challenges to the economy have arisen from a mono-structural export market and dependency on a small number of large foreign companies in the extractive sectors, in addition to weak fiscal management and monetary hardships, as indicated by its volatile inflation rates. Ineffective land policy in the agricultural sector and a large market presence of state-owned enterprises (SOEs) as well as limited access to formalization, skilled labor, consistent electricity, connective infrastructure and finance in the manufacturing sector depresses the productivity of firms and development of a domestic private sector. With these market outcomes have come weak but positive socioeconomic trends, as the share of citizens living below the international poverty line has fallen from 89 percent to 76 percent since the end of the civil war.

**Sierra Leone will need to further develop its strategic and policy environment for cross-border trade before it can achieve the market-building goals set out in the MTNDP.** The country has been operating under an outdated trade policy since 2010 as well as a National Export Strategy (2010-2015) that has expired. The most recent publicly available trade strategy—the National African Growth and Opportunity Act (AGOA) Response 2019-2025—is focused on a specific set of policies to develop priority products for exports to the United States and scale up small and medium enterprises (SMEs) but does not amount to a robust trade strategy. However, despite the absence of clear cross-sectional trade planning beyond the U.S.-focused AGOA strategy, the country can leverage its existing regional (e.g., with ECOWAS and the African Continental Free Trade

Agreement, AfCFTA) and international partnerships (e.g., with the European Union via the “Everything But Arms” initiative) as well as a set of export-enabling policies to build out the export of its comparatively advantaged sectors.

**Sierra Leone does not have a strong history of domestic market and competition planning, but the Bio “New Direction” administration has presented an opportunity for more structured state support to the market.** The MTNDP outlines goals to create “a diversified, resilient green economy” with well-developed infrastructure and lays out specific sector strategies for agriculture, fisheries, tourism, manufacturing, industry and mineral extraction—all sectors in which the country holds key comparative advantages. Sector development strategies focus on moving up value chains through increased productivity and competitiveness, stabilizing the macroeconomic environment for job creation and balancing sustainability and growth. A particular focus is warranted on agriculture, which provides livelihood for an estimated 75% of the population. The MTNDP focuses on big agriculture and agribusiness but could be complemented with a focus on improving extension services, measures in accessibility to agricultural finance for small holders and subsistence agriculture.

Key market engagement issues for Sierra Leone include:

- » Agreeing on the role and parameters of foreign, domestic and state-owned businesses in the marketplace, given the large share of foreign firms dominating the extractives sector and the dominance of SOEs in electricity, connective infrastructure and financial services
- » Improving market predictability (and investment) through macroeconomic stability, including stronger monetary controls to limit exposure to inflation voluntary and price fluctuations as well as stronger financial management to curb debt distress
- » Scaling up non-extractive market sectors for export, particularly agriculture and fisheries, through private-driven investments along the value chain and safety regulations to meet market standards
- » Investing in agriculture and agribusiness to make the sector a source of food security and reduce reliance on imported food

## Infrastructure

**Sierra Leone’s civil war destroyed a significant amount of preexisting infrastructure, much of which the country has not yet repaired or rebuilt.** In 2016, the African Development Bank ranked the country as 47th out of 54 countries on its Africa Infrastructure Development Index, highlighting the country’s poor performance in comparison to others in the region. Limited access to infrastructure is a key constraint for the country to achieve its national vision.

**The majority of Sierra Leone’s citizens lack energy infrastructure access, but the sector holds immense opportunities through the use of alternative energy sources.** Only 22.7 percent of the population has reliable access to electricity (up from 11.5 percent in 2010), below the 30 percent regional average. The country is primarily reliant on energy produced from the burning of wood and charcoal (approximately 80 percent of the energy supply). As a result, issues of deforestation and environmental degradation are on the rise. Yet, Sierra Leone’s tropical climate is prime for harnessing solar and hydropower, and several initiatives are underway to utilize these

assets, including the 50 MW Bumbuna I hydroelectric power plant (and planned 50-143 MW Bumbuna II expansion); the 6 MW Dodo mini-hydro dam; the 2.2 MW Charlotte Falls mini-hydro dam; and the Côte d’Ivoire-Liberia-Sierra Leone-Guinea (CLSG) interconnector project (as part of the West African Power Pool program), which will create regional demand for hydropower. Smaller programs focused on mini-grid installations are underway to expand access in rural areas. These initiatives are bolstered by recent policy changes that laid the groundwork for the emergence of independent power producers (IPPs) and public-private partnerships (PPPs) in the energy sector, with IPPs now producing 53 percent of electricity in Sierra Leone. However, electricity costs remain highly subsidized by the government, with some of the highest electricity tariff rates in the region and frequent emergency financial support to the state-owned Electricity Generation and Transmission Company (EGTC).

**The transportation sector in Sierra Leone is undeveloped and hampering national growth, but there is a significant opportunity to expand transportation infrastructure.** Of the over 11,300 km of roads, only approximately 8 percent are paved, and the limited public railway system is not currently operational. As a result, nearly 30 percent of the firms in Sierra Leone report transport as a major constraint to growth. Public confidence in state authorities that manage roads and transport—including the Sierra Leone Public Transport Authority (SLPTA)—is low, as evidenced by low ridership on public transportation (4 percent of the population). Still, Sierra Leone has a long coastline (providing the opportunity for multiple international harbors), a large system of navigable rivers and waterways and an established airport that is well-equipped for potentially high levels of international travel. With only a small number of internally supported transport infrastructure projects currently underway, the government has many obstacles to overcome before it can sustainably build and maintain the necessary ports, roads, and railways to connect the country, including large-scale institutional challenges (e.g., insufficient capacity, poor coordination between departments, corruption, inadequate regulatory frameworks), quickly increasing demand from a quickly growing population, and the impacts of climate change.

**Only in the past few years has the government taken major strides to remedy its failing infrastructure, primarily in the four key sectors of energy, transportation, water, and information and communications technologies (ICT).** Infrastructure objectives in the MTNDP 2019-2023 focus on expanding public transport facilities—including upgrading water-based transport and rehabilitating railways; increasing electricity access from 25 to 60 percent by increasing overall production and the share of renewable energy in the power supply (to 65 percent); and improving access to broadband and mobile networks, among other objectives. A series of new infrastructure initiatives have been planned, including expansion of the international airport, construction of two new ports, improved coastline ferry services, and new coastal and interior road networks. Improved capacity to undertake project appraisals and prepare a list of feasibility studies to have a pipeline of bankable projects ready for investment through PPPs, special purpose vehicles or other means will be needed.

Key infrastructure issues for Sierra Leone include:

- » Developing a comprehensive public-private partnership (PPP) enabling framework to address the infrastructure

financing gap

- » Continuing to work with independent power producers (IPPs) to expand electricity access in rural areas through new energy infrastructure initiatives and regional connections
- » Increasing service delivery capacity for local-level ministerial offices and local governments through training and greater financial allocations

## Human Capital

**For Sierra Leone, there is an opportunity to create education and training systems fit for the evolving needs of the economy and a quickly growing population—but the current performance in delivering human capital services is quite low.** Sierra Leone’s Human Capital Index score from 2020 is 0.36, meaning that a child born in Sierra Leone today will be 36 percent as productive when she grows up as she could be if she enjoyed complete education and full health. In recent years, Sierra Leone has seen an increase in enrollment across all tiers—a positive trend that could increase educational attainment in the coming decade. Still, given the country’s low educational attainment and human capital scores, an ILO survey found that a vast majority of employed youth in Sierra Leone were undereducated for the job (75 percent), indicating a large degree of qualification mismatch.

**Sierra Leone faces significant and complex constraints to human capital development.** The effects of socioeconomic disparity are particularly pronounced since poverty and out-of-school rates have a high correlation. Approximately 79 to 81 percent of households in the poorest wealth quintile have out-of-school children, as opposed to a rate of 19 percent to 21 percent in affluent households. Geographical barriers to education also create a large educational divide between regions within the country and rural and urban areas, and learners face issues of exclusion and discrimination at school, especially those with disabilities and female students. Despite the education drive, the problem of teachers turning up for their “stamp” but not remaining on the job consistently remains a serious issue. Similarly, health outcomes have been poor—as evidenced by the impact of the Ebola epidemic—and are often linked to failings in the education sector and workforce as well as public trust in human capital service delivery.

**Bolstering human capital is at the core of Bio’s administration’s policy reform agenda and MTNDP 2019-2023, with specific policies designed to ensure free quality basic and senior secondary education under the “Free Quality School Education for All” (FQSE) flagship program.** The FQSE was launched in 2018 to increase access to and improve standards of preschool, primary, basic and senior secondary education in Sierra Leone through the establishment of new community schools, lowering financial barriers to education, enhanced teacher training and a strengthened curriculum. The 2019 Annual School Census showed that, following the introduction of FQSE, there has been a sharp increase in enrolment in basic and senior secondary education: a 29 percent increase in primary learners and a 48 percent increase in senior secondary learners. The flagship FQSE program is accompanied by a Radical Inclusion Policy, which outlines a roadmap for the day-to-day operations of schools and the Ministry of Basic and Senior Secondary Education to ensure inclusion and positive experience for all students regardless of their status in society—a significant break from historically discriminatory education practices. These and other human capital programming are financed by a doubling

of education-related expenses as a share of the annual national budget between 2018 (11 percent) and 2021 (25 percent) as well as large investments from development partners.

Key human capital issues for Sierra Leone include:

- » Building capacity within government institutions to enable implementation of the FQSE flagship program and the government’s ambitious human capital reform agenda
- » Improving post-secondary and vocational education, as well as expanding and improving job market linkages with education services
- » Continuing to build health services to protect human capital gains against future health-related shocks

## Citizenship & Social Policy

**Sierra Leone’s 1991 Constitution and more recent policies outline citizenship rights and social policy, but delivery of these commitments remains a challenge.** The Constitution provides a guide to expectations about the role of the state in protecting and promoting citizenship and social rights—with a focus on state provision of law and order rather than rights-based social delivery. Building on the Constitution, there has been a sustained commitment to strengthen social policy and protection, and social protection and gender rights are central to the current national agenda and programming as outlined in the MTNDP 2019-2023. However, rights are enforced differently in Freetown compared to outside of the capital. This is due partially to different customary laws and regional cultures adjudicated by different paramount chiefs across the country, which in turn reinforces a fragmented enforcement and delivery system, with small and short cash-for-work and skills development programs, conflicting management structures, unclear division of labor and weak rules for implementing partners. Thus, the delivery of national citizenship rights is variable and many of the promises on paper have not actually been realized. These results are felt most prominently by vulnerable populations, including women, children, people with disabilities, and queer people.

**Fragmentation of programming and unequal social policy delivery between Freetown and rural areas are among the key constraints to improving the delivery of citizenship rights in Sierra Leone.** The sector is deeply fragmented across poorly coordinated ministries, making comprehensive protection difficult. The two key government entities with the specific mandate of delivering social protection, the Ministry of Social Welfare, Gender and Children’s Affairs (MSWGCA) and the National Commission for Social Action (NaCSA), are overstretched, making delivering on this commitment difficult. Key social protection programs are primarily small and fragmented, financed (and at times implemented) by international partners and strained intragovernmental harmonization between the central government, districts and chiefdoms often leads to confused mandates around the coordination and oversight of NGO partners, limiting both accountability and actual delivery. Furthermore, despite the breadth of social programming in the country, coverage of social policy and protection remains limited, and marginalized groups are still left behind: administrative data indicates coverage of government social protection schemes is less than 5 percent of the population, while more than half of the population is below the national and international poverty lines and 64.8 percent were identified as multidimensionally poor in 2017.



**Sierra Leone has the opportunity to reform a fragmented system for the improvement and delivery of citizenship rights, leveraging successful past programming and policies.** The current policy and legal framework for citizenship rights is disjointed, leading to the exclusion and continued discrimination of citizens on the basis of gender, disability and sexuality. Improving legal protections for these groups through robust central policies—which will require building buy-in among influential paramount chiefs and aligning the formal and traditional systems to prioritize universal protections—will be a key step to a more equitable society. At the same time and regardless of protection policies, the fragmented system for the delivery of rights could be improved through stronger intra-governmental and NGO coordination. Programs like the Social Security Network, universal health insurance, and cash-for-work programming and emergency cash transfers during the COVID-19 crisis offer examples of successful social protection interventions. Leveraging and growing these successes can act as a strong foundation for the improved delivery of social policy. Of note is a new national curriculum for civic education and citizen rights and responsibilities which was introduced in 2019.

Key citizenship and social policy issues for Sierra Leone include:

- » Resolving fragmentation within the existing framework of legal and social protections, including by better aligning legal and social protections and customary law
- » Improving intra-governmental and NGO coordination around social protection delivery to improve outcomes and limit unequal delivery of services between urban and rural areas
- » Limiting the impacts of gender-based discrimination and violence
- » Opportunity for civic education in the rights and responsibilities of citizenship, building on a recent 2019 curriculum

## Disaster Resilience

**Sierra Leone's geographic position, climate vulnerabilities and environmental health concerns make it particularly susceptible to natural and human disasters—with limited adaptive capacity.** In the World Risk Report 2017, Sierra Leone was identified as one of 15 countries with the highest vulnerability, highest susceptibility and greatest lack of adaptive capacities. Detailed hazard mapping has indicated that while landslide risks are particularly high in the hilly and steeped sloped areas in the Western region, flood hazards are prevalent in various areas of the country. Climate change is predicted to further exacerbate these conditions as the warmer air can create more moisture, increasing rainfall and eroding soil quality. The August 2017 landslide and flooding in the Western Area highlighted these issues as well as how Freetown's rapid rate of urbanization and deforestation (Sierra Leone lost 30 percent of its tree cover over the past two decades) have exacerbated the country's vulnerabilities.

**Lessons learned from previous natural disasters show that national disaster governance has failed to account for evolving yet important governance dynamics.** The hybrid governance structure in Sierra Leone features a complex set of relationships between the formal state, chiefs, community leaders and other stakeholders. These dynamics have blurred the lines of authority and accountability and fed into a history of distrust and delayed delivery of critical services. Furthermore, this environment is complicated

by the presence of international actors that typically set up parallel systems of governance during disaster recovery.

**Lessons learned from the Ebola crisis and national focus on health outcomes helped Sierra Leone prepare for the worst of the COVID-19 pandemic.** After years of epidemiological crises, national strategies, including the MTNDP, focus on environmental health—with specific targets to reduce deaths from disease outbreaks—and health networks built out in response to Ebola helped limit the impact of COVID-19 in Sierra Leone. Utilizing platforms from the Ebola crisis, Sierra Leone has also been able to leverage its emerging open government agenda in responding to and disseminating information on the COVID-19 pandemic and other public crises, resulting in relatively low cases and deaths.

Key disaster resilience issues for Sierra Leone include:

- » Ensuring ongoing urbanization is environmentally sustainable and does not lead to an increased likelihood of disasters
- » Continuing to slow deforestation, including by improving forestry management through strengthened local and tribal management
- » Managing the impact of climate change, which is predicted to exacerbate existing disaster risks related to flooding and landslides

## Key Medium-Term Issues for Sierra Leone

**Based on ISE's assessment of the performance and capabilities of core state functions, there is a set of key issues and trends that Sierra Leone and its partners will need to address in the medium term.** Coming on the heels of the COVID-19 pandemic—and in light of higher political violence and disorder over the past few years—the 2023 election may create a small window of opportunity to progress reforms but is unlikely to enable transformative change. That will occur when the clientelist political and governance structure is confronted. Indeed, while the resilience of peace in Sierra Leone has been impressive, the resilience of these local-center incentives has been perhaps even stronger, sustaining through independence and the civil war. In many ways, the drivers of that conflict—including a lack of opportunities and services in the provinces, a lack of accountability for local and national leaders and elite capture of natural resources—have not been addressed.

## Scenarios for the Sierra Leone of the Future

**The prevailing issues above and actions taken by local actors drive various potential futures for Sierra Leone, with the potential for sustainable long-term growth or decay of recent gains.** The state's performance against the key issues and trends identified above can provide a set of warning signs that trigger the medium-term outlook present in the three following scenarios:

- 1. The political structure and development trajectory remain static:** GDP per capita and development indicators continue to slowly move upwards, stalled at times by crises such as the 2017 mudslide or COVID-19, as well as administrative shifts that result in political distractions and lost institutional knowledge. The volatile political-economic cycle is slowly chipped away at by growth and increased economic access but continues to hinder substantial change.

**2. Political frustration or an external threat causes major disruption:** Climate change crises (exacerbated by urbanization), political violence during elections, competition over natural resources, or regional instability create widespread disruption. This catalyzes young people, who continue to be left out of both political and market engagement opportunities, to channel their frustration against one another and the state. Previously peaceful ethno-political alliances could become supercharged, and violence could take more regional and ethnic dimensions.

**3. A limited open moment expands:** An open moment similar to previous ones in Sierra Leone's history, such as the 2017-18 period, occurs again. However, with an election coming at the heels of the pandemic, actors are able to seize the moment within a limited scope, ultimately creating a catalyst for broader reform. This could be enabled by, for example, a reformer that can leverage their political relationships to sustain and expand progress in a specific sector, creating an "island of excellence" that other reformers and partners emulate. Other examples could include a group of paramount chiefs demonstrating commitment to development objectives, or a group of motivated donors taking a renewed interest.

## Key Opportunities and Critical Tasks

**If Sierra Leone and its partners are to effectively take advantage of a potential open moment in the future, they will need to deliver on some critical tasks to unblock momentum and interrupt the political-economic cycle outlined above.** These include addressing the key constraints facing the country and sustaining and building on its assets. These critical tasks are preliminary and would need to be verified and further elaborated by stakeholders in the country.

### Investing in young people

The Radical Inclusion Policy and Free Quality School Education Programme represent the government's commitment to human capital development. The impacts on primary education are already visible in enrollment and literacy, but greater investment and coordination for secondary and higher education is key to unblocking some of Sierra Leone's constraints and enabling some of its most important assets. It is also important for building connections between young citizens and the state, helping foster momentum around reform and reducing feelings of marginalization.

### Continuing to expand the enabling environment for legitimate FDI

Sierra Leone outpaces the region for foreign direct investment (FDI). This is in large part because of extractives but perhaps also because the national narrative is shifting away from one of conflict. Formally, Sierra Leone has laws to incentivize and regulate FDI, but implementation of these remains weak. If these policies cannot be effectively realized, growing FDI threatens to further inequality, fragmentation and destabilization. On the other hand, if these policies can be realized, there is immense potential for shared benefit through growth and jobs in tourism, agriculture and fishing.

### Focus on strengthening lines of institutional accountability

There is a significant implementation gap in Sierra Leone, meaning that officially recorded laws, plans, and legislation remain poorly implemented. Beyond continuing to invest in combatting the most extreme incidents of lack of accountability (corruption), a strong focus is needed on the basic functions of management accountability.

This does not have to mean new frameworks or platforms—but rather clearer reporting lines, more frequent intra-agency and -ministry meetings for improved coordination, functional websites and expectations around updating data, and greater preservation of institutional knowledge. These improvements would not only allow for more functional management and oversight but also allow actors to do a more thorough assessment of systems.

### Aligning governance systems at all levels

Better alignment of the district council and chiefdom structures would not only deliver on the post-civil war promise of decentralization: it would also enable each of the above critical tasks and increase the central government's ability to deliver both reforms and general services. However, existing approaches from development partners and the government have fragmented their influence and resulted in disjointed mandates for national, local and international actors. Instead, local governmental alignment may require first building stronger collaboration and communication between councils and chiefdoms while better-aligning council and chiefdom incentives. The MTNDP 2019-2023 suggests increasing the role of chiefdoms in service delivery. This could be an option, but it would be important to do so in a way that brings the mandates of both entities closer together, rather than just taking a function from the district and giving it to chiefdoms. Regardless of approach, given the influence of chiefdom structures on development outcomes, it is important to build the buy-in of paramount chiefs for development.

### Delivering Transformation During Sierra Leone's Open Moment

**Sierra Leone has the opportunity to use its recent stability and a fresh reform agenda to embark on transformation if it can address binding constraints to governance and service delivery.** The country's MTNDP 2019-2023 outlines Sierra Leone's goals to become an effective and accountable state with a market and services that respond to its citizens' needs and help escape the poverty trap. The government's focus in the MTNDP of strengthening human capital to meet these needs while building out agricultural productivity for a well-fed population and strong economic base is key to unlocking the country's latent assets. However, resolving the implementation gap and related political and economic constraints—driven by overlapping local governance structures, a lack of institutional accountability, and skills gaps in the public sector—is a crucial step to reducing fiscal volatility, creating an environment for steady market investment, delivering critical services to citizens in Freetown and in the provinces and meeting Sierra Leone's goals in the medium term.