

**AFRICAN DEVELOPMENT BANK  
AFRICAN DEVELOPMENT FUND**



**REPUBLIC OF SIERRA LEONE**

**2005-2009 BANK GROUP RESULTS-BASED COUNTRY STRATEGY  
COMPLETION REPORT**

**REGIONAL DEPARTMENT WEST II**

**DECEMBER 2009**

## TABLE OF CONTENTS

Acronyms and Abbreviations, Currency Equivalents, Executive Summary	i - ii
I. INTRODUCTION	1
II. DEVELOPMENTS IN COUNTRY CONTEXT	1
2.1. Political Developments	1
2.2. Economic and Social Development	2
III. IMPLEMENTATION OF THE BANK GROUP STRATEGY AND THE RESULTS ACHIEVED AT END OF PERIOD	5
3.1. Status of Achievement of RBCSP Outcomes in 2009	5
3.2. Status of Achievement of RBCSP Outputs	9
3.3. Other Effects of the Bank Group Strategy	10
3.4. Country Resources Issues	10
3.5. Portfolio management issues	11
3.6. Developments in Aid Coordination and Harmonization	12
3.7. Monitoring and Evaluation of Bank Group Assistance	12
3.8. Country Dialogue Issues	13
IV. BANK GROUP AND COUNTRY PERFORMANCE	13
4.1. Bank Group Performance	13
4.2. Country Performance	13
V. LESSONS LEARNED	14
5.1. Lessons for the Bank	14
5.2. Lessons for the Government	14
VI. CONCLUSION AND RECOMMENDATION	15
6.1. Conclusion	15
6.2. Recommendations	15

This Completion Report was prepared by Mr. J. Zayid, Senior Country Economist, ORWB (Extension 3265), Mr. Claude Nwahba, Consultant, ORWB, following a mission to Freetown with SLFO, from 13 to 24 July, 2009. Further information may be obtained from Mr. F. Perrault, Director ORWB (Extension 2036) and Mr. I. Koussoubé, Lead Economist, ORWB (Extension 2158).

## **ANNEXES**

		Number of pages
Annex I	: RBCSP Outcomes Framework	2
Annex II	: Key Macro-Economics and Financial Indicators	1
Annex III	: Bank Group Ongoing Operations	1
Annex IV	: Key Indicators of Bank Group Portfolio Performance And Management	1
Annex V	: Progress Towards Achievements of MDGs	1

## **CURRENCY EQUIVALENTS**

Currency	30 November 2009
UA1.00	USD 1.61018
UA1.00	SLL 5,718.72
1USD	SLL 3,551.60

## **WEIGHTS AND MEASURES**

Metric System

## **GOVERNMENT FINANCIAL YEAR**

January 1 - December 31

## ACRONYMS AND ABBREVIATIONS

ADB	African Development Bank
ADF	African Development Fund
ACC	Anti-Corruption Commission
ADSR	Agriculture Development Sector Report
ASR	Agriculture Sector Review
CPFA	Country Profile of Financial Accountability
CPIA	Country Policy and Institutional Assessment
CFAA	Country Financial and Accountability Assessment
CRRP	Community Reintegration and Rehabilitation Project
DDR	Disarmament, Demobilization and Reintegration
DfID	Department for International Development
EC	European Commission
ECOMOG	ECOWAS Military Observer Group
ECOWAS	Economic Community of West African States
ERRC	Economic Rehabilitation and Recovery Credit
ERSF	Emergency Recovery Support Fund
HIPC	Highly Indebted Poor Countries
HIV/AIDS	Human Immunodeficiency Virus/Auto-Immune Deficiency Syndrome
NGO	Non-Governmental Organization
IAAC	Integrated Approach to Aid Coordination
IDPs	Internally Displaced Population
IMAT	International Military Advisory Team
IMC	Inter-Ministerial Committee
IMF	International Monetary Fund
IRCB	Institutional Reform and Capacity Building
MDTF	Multi-Donor Trust Fund
MODEP	Ministry of Development and Economic Planning
MOHS	Ministry of Health and Sanitation
MRU	Mano River Union
MTEF	Medium Term Expenditure Framework
NaCSA	National Commission for Social Action
NECC	National Education Coordination Committee
NSAP	National Social Action Project
NCDDR	National Committee for Disarmament, Demobilization and Reintegration
NPA	National Power Authority
NRC	National Recovery Committee
PCPI	Post-Conflict Progress Indicators
PRGF	Poverty Reduction and Growth Facility
PSMS	Public Sector Management Support
PASCO	Poverty Alleviation Strategy Coordinating Office
PRSC	Poverty Reduction Steering Committee
SLANGO	Sierra Leone Association of Non-Governmental Organizations
SPP	Strategic Planning and Action Process
TRC	Truth and Reconciliation Commission
TSS	Transitional Support Strategy
UNAMSIL	United Nations Assistance Mission in Sierra Leone
UNDP	United Nations Development Program
UNHCR	United Nations High Commission for Refugees

## **I. INTRODUCTION**

1.1 The purpose of this report is to assess the outcomes of the 2005-2009 Results-Based Country Strategy Paper (RBCSP) at the end of the strategy period. During consideration of the report on 27 July 2005, the Boards of Directors expressed concerns on the Sierra Leone Authorities' need to maintain sound macroeconomic stability and implement the governance measures focusing on the improvement of transparency and accountability in public financial management. Originally, the 2005-2009 RBCSP was centered on two pillars, namely: (I) Promoting Economic Growth by improving Governance, and (II) Human Resources Development. But, at the Mid-Term Review (MTR) in 2008 with the new government changing priorities as well as the country's consideration by the Bank for eligibility to access resources from the Fragile States Facility (FSF), the Bank Group reformulated the first pillar to: (i) Pro-Poor Growth with emphasis on infrastructure and Governance while the second pillar remained unchanged.

1.2 Comparing key economic indicators at MTR from base year 2005 to outcomes in 2007, the finding was that the Authorities of Sierra Leone made notable progress in implementing the specific measures expressed by the Bank Group Boards of Executive Directors. Despite the general slowdown in economic activity due to the global financial downturn and reduced capital flows, real GDP grew by an average of 10 per cent between 2002 and 2007, and by 5.5 per cent in 2008 despite the onset of the financial crisis, reflecting solid agricultural production and a buoyant services sector. GDP is projected to grow by 4% for 2009 which is acceptable given the current global slowdown.

1.3 The mission for the completion report of the CSP, which was conducted in Sierra Leone from 15-24 July, 2009 as well as available statistics and discussions held with Ministries, Senior government officials and other stakeholders in Sierra Leone, showed that the improvements noted at MTR in 2008 have not been reversed.

1.4 This report is structured as follows: chapter I introduces the report, chapter II overviews political, economic and social developments in Sierra Leone, chapter III discusses the implementation of the Bank Group Strategy, highlighting the outcomes achieved and the levels of measurable performance indicators, chapter IV indicates the Bank Group and country performance, while chapter V draws lessons for the Bank and the country. Finally, chapter VI concludes and sets out recommendations for the way forward.

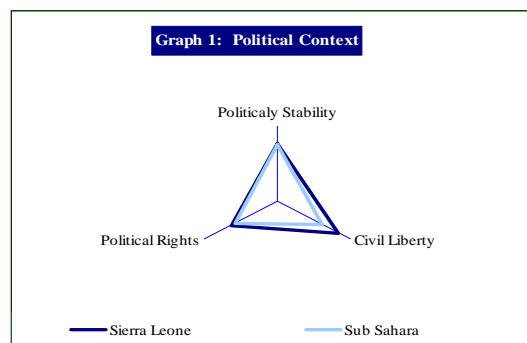
## **II. DEVELOPMENTS IN COUNTRY CONTEXT**

### **2.1 Political Developments**

After having ended its civil war in January 2002, Sierra Leone has gone into the process of reestablishing security, restoring public services, and setting the country on a footing for economic growth. One of the key democratic milestones following the war was the successful completion of the local government elections in over 30 years which paved the road for more decentralization and devolution of responsibilities to local councils. Mr. Ernest Bai Koroma of

All People's Congress (APC) won the presidential elections in May 2007. It was remarkable that political power passed from government to opposition in a peaceful and orderly fashion. Recent political events provide good reason for optimism for the future. Continuing the process of building on past gains the country has embarked on the preparation of the second Poverty Reduction Strategy of the country alternatively known as the Agenda for Change which was presented to development partners in November 2009, and is used as a basis for AfDB/World Bank Joint Assistance Strategy (JAS) currently under preparation. Figure 1 graphs the recent political context of Sierra Leone compared to Sub-Sahara Africa until 2008. It can be seen that Sierra Leone is the same as average SSA in political stability and political rights but fares better in civil liberty.

**Figure 1: Sierra Leone: Political context.**

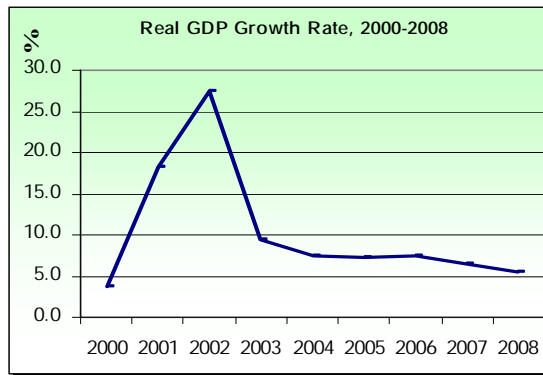


Source: ADB Statistics. Outlook 2008 and the WB.

## 2.2 Economic and Social Developments

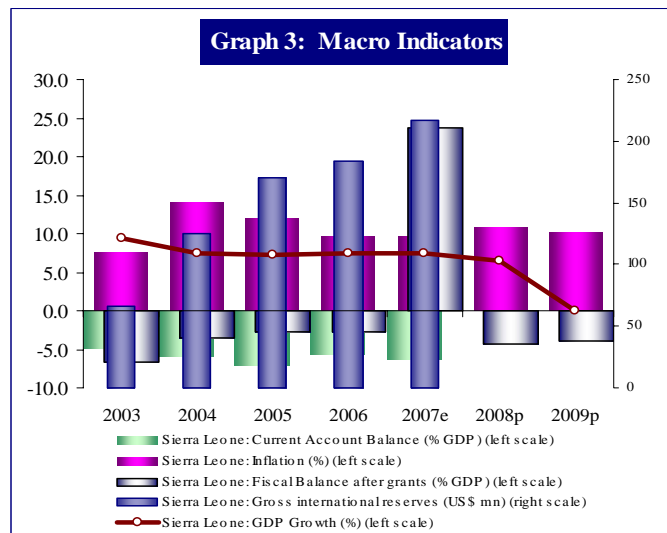
**2.2.1 Economic Developments:** Sierra Leone's strong recovery, which began in 2000 continued for a ninth unbroken year into 2008 when real Gross Domestic Product (GDP) grew by 5.5 percent despite rising food and fuel prices, that have raised challenges in effecting poverty reduction. The rise in the international prices of food and fuel in 2007 and 2008 and the subsequent pass through to domestic prices posed a serious challenge to the Government in terms of revenue shortfalls due to the reduction of import tariffs on food and petroleum products in an effort to address the food and fuel crises. The CSP target of GDP growth between 6 and 9 per cent has clearly been achieved.

**2.2.2** In recent years, growth has been propelled by remittances and investments from the Sierra Leone Diaspora, selected mining investments, notably in rutile and bauxite, and by foreign aid particularly Official Development Assistance (ODA). Much of this growth was concentrated in the informal agricultural, fishing, mining and services sectors that make up the bulk of the economy. Formal activity is confined primarily to large scale mining, construction, retail services, tourism, and government employment. Figure 2 shows the real GDP evolution and the peak in 2001-2002 marks the end of the civil war and a huge increase in foreign aid.

**Figure 2: Sierra Leone Real GDP Growth**

Source: ADB Statistics and IMF: African Economic Outlook 2008

2.2.3 Sierra Leone has broadened its export base from an almost exclusive concentration on diamonds in recent years to include rutile, bauxite, and a growing volume of cash crops. Export growth was positive for all products in 2007 but fell in 2008 due to technical problems with the kimberlite diamond and rutile mining operations. The external current account deficit (including official transfers) increased to -8.4 percent of GDP in 2008 from -3.5 percent of GDP in 2006. Official reserves reached US\$209 million in 2008 or 5.1 months of import coverage. Figure 3 presents actual indicators.

**Figure 3: Sierra Leone: Economic Context**

Source: ADB Statistics, African economic outlook 2008.

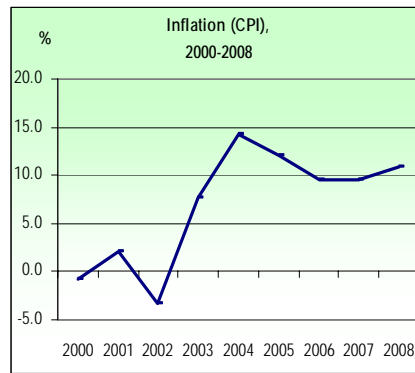
2.2.4 The current account deficit was financed mainly by concessional external assistance and debt relief. In December 2006, Sierra Leone reached the Completion Point under the Enhanced Heavily Indebted Poor Countries (HIPC) initiative and, in so doing, also gained additional relief

under the Multilateral Debt Relief Initiative (MDRI). Taken together, the total relief amounts to roughly US\$1.6 billion spread over 30 years.

2.2.5 Fiscal policy was challenged by shortfalls in domestic revenue and delays in the disbursement of external assistance in 2007. The revenue shortfall reached Le 30.6 billion (0.5 percent of GDP), mainly due to lower collection of import duties, excise, mining taxes, and nontax revenues. About half of the shortfall relates to a failure to fully implement two revenue-enhancing measures—the transfer of all off-budget revenue collected by Ministries, Departments, and Agencies (MDAs) to the Consolidated Revenue Fund (CRF) and the reinstatement of a vehicle license fee that was suspended in early 2008. Domestic fiscal revenues in 2009 are expected to decline by 0.9% of GDP but this loss will be partially offset by higher than programmed external aid due to slippage into 2009 of aid meant for 2008.

2.2.6 Consumer price inflation was pushed higher due to the pass-through effects of steady increases in oil prices in 2007 and 2008 as shown in figure 4, combined with the spike in rice prices in, 2008. The end-of-period inflation rates in 2007 and 2008 were 13.8 percent and 12.2 per cent, respectively, up from 8.3 percent in 2006. The Government mitigated some of these price increases in 2008 by reducing import tariffs on rice, flour, and petroleum products. The exchange rate remained fairly stable through 2008 at just under 3,000 Leones per US dollar but has since depreciated to 3,300 Le/US\$ in the third quarter of 2009 due to falling export receipts. The Treasury bill rate has fallen significantly to 9 percent in 2008 from 21 percent in 2007.

**Figure 4: Sierra Leone Inflation**



Source: ADB Statistics Department and IMF.

2.2.7 **Social Development:** Poverty in Sierra Leone continues to be deep and widespread. The UN Human development Index (2007) ranks Sierra Leone in the bottom of 177 countries, with maternal mortality (1,800 per 100,000 compared to 661 for Africa, 440 for developing countries and 13 for developed countries) and infant mortality (174.8 per 1,000 compared to 80.6 for Africa). The progress noted is associated with decentralization and devolution of power to local councils that have been taking place since 2004. Despite this progress, it is unlikely for the country to meet targets of the MDGs by 2015, as years of conflict have damaged basic health infrastructure.. The country has a GDP of USD 17.3 billions in 2008 compared to USD 1.4

billions in 2006<sup>1</sup>. An encouraging observation is that poverty decreased from 67.5% in 2003 to 61.6% in 2007. This is consistent with the CSP target of reducing poverty to 57% by 2009.

### **III. IMPLEMENTATION OF THE BANK GROUP STRATEGY AND THE RESULTS ACHIEVED AT END OF PERIOD**

The 2005-2009 RBCSP was originally centered on two pillars, namely: (i) Promoting Economic Growth by improving Governance, and (ii) Human Resources Development. It was aligned to the first three pillars of the country's PRSP I (2005-2007). Consultations with civil society, private sector also took place with close coordination with International Development Partners (IDPs) such as the World Bank, DFID and EU. In view of the above context, the first RBCSP of Sierra Leone was highly relevant and intended to help Sierra Leone in the post-war stage. With new priorities in the government agenda, the Bank Group reformulated pillar 1 of the CSP to: (i) Pro-Poor Growth with emphasis on infrastructure and Governance while pillar 2 remained unchanged (Human Resource Development). The overall finding is that some progress has been made under both pillars.

#### **3.1 Status of Achievement of RBCSP Outcomes in 2009**

##### **➤ Pillar 1: Pro-Poor Growth with emphasis on Infrastructure and Governance**

3.1.1 Sierra Leone has enjoyed a solid economic growth of 10 per cent from 2002 to 2007, but real GDP growth between 2005 and 2009 has been around 6.3 per cent which means the CSP target of 6 to 9 percent target over the 2005-2009 RBCSP has been achieved<sup>2</sup> under pillar 1 of the CSP. However, weaker external demand is noticeable in the mining industry, and has begun to spill over into the related transport sector. Tighter external financing conditions have caused delays in a few investment projects while remittances from the Diaspora have also declined. As a result, real GDP growth for 2009 is expected to decelerate to about 4 percent from 5.5 percent in 2008<sup>3</sup>, conceivably reducing the government's ability to fight poverty. However, the poverty headcount ratio declined from 67.5% in 2003 to 61.6% in 2007 and is believed to be in the neighborhood of 60% in 2009.

#### **A. Infrastructure, Governance and strengthening Public Financial Management (PFM)**

3.1.2 **Infrastructure:** The Bank Group objective is to help the government rehabilitate infrastructure including power, transport, and water supply and sanitation. This is consistent with the reformulated pillar 1 and the strategic orientation of the FSF. Under the current CSP, the Bank Group in 2008 approved a supplemental loan of UA 10.3 million to complete and

<sup>1</sup> 2008 Development Economics LBD database

<sup>2</sup> The World Bank (2004) suggests that GDP growth for Fragile States like Sierra Leone should average at least 7 percent over 15 years for these countries to reduce poverty by half.

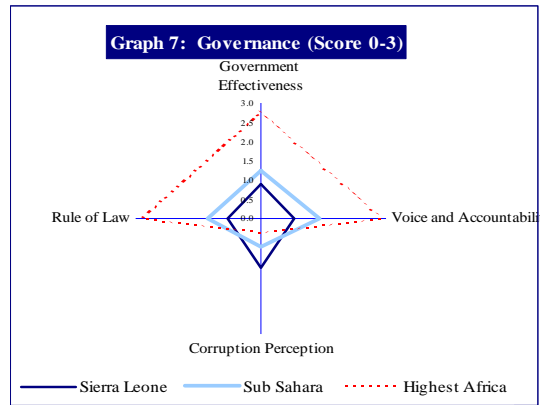
<sup>3</sup> Based on the June 2009 IMF Fourth Review; under the three year arrangement under the PRGF.

operationalize Bumbuna Hydroelectric Project (BHEP)<sup>4</sup>. The project was inaugurated on 6 November 2009 and is now operational and will improve the growth prospects through better, more reliable, and inexpensive power supply. Water & Sanitation Study, Mototoka/Sefadu Road Studies and Institutional projects were approved for UA 13.14 million with the disbursement rate of 23 percent. In general the lending program through infrastructure development has been encouraging, Lungi-Port Loko road is underway and planned completion is January 2012 for UA 26.26 million ( 62 )km, and Bandajuma-Mano River Bridge (97 kilometers), feasibility and detailed design studies have been completed. Improvements in the transportation network can greatly bolster growth by reducing production and distribution costs and by facilitating movement of people.

**3.1.3 Governance:** The Bank strategy, addressing weaknesses in state administration, accountability, and economic management, supports two projects in this sector namely the recently approved Economic Governance Reform Program (EGRP), the Institutional Support Project to strengthen Public Financial Management (PFM) and Energy Sector, and the Economic Rehabilitation and Recovery Program (ERRP III). With respect to EGRP, it is too early to assess its total impact but it has no doubt enhanced the government's ability to pursue its growth and poverty reduction agenda. with more resources. As for the Institutional Support Project, it supports decentralization, institutional reform; strengthens weak public expenditure management and capacity building (see below in 3.1.4). It includes innovative approaches to decentralized governance, such as the use of the Rapid Results Initiative (RRI) to boost and empower local councils, public finance management tools at both central and decentralized levels. Good governance is a key prerequisite for economic and social stability. Some measures in these areas have been implemented slowly by the government and public financial management has improved over the CSP period. With respect to the ERRP III, which aimed to support the Government in the implementation of public financial management reforms, fiscal budgetary system reforms, public procurement reform, and decentralization reform so as to achieve improved economic performance, fiscal budgeting and reporting, and delivery of essential public services, the results were acceptable. Emphasis that has been on governance seems to be paying off. Sierra Leone climbed 12 places in the Transparency International Index in 2009 from 158<sup>th</sup> to 146<sup>th</sup>. As shown in Figure 5 below, however, Sierra Leone is below the average for sub-Saharan Africa (SSA) in most governance aspects.

---

<sup>4</sup>The objective of the project is to increase the supply of reliable, cost-effective and environmentally sustainable electricity for industrial, commercial and domestic use.

**Figure 5: Sierra Leone – Governance**

Source: ADB Statistics (data from WGI, WB).

Also, measures such as adaptation in the rules and relevance of multi-year budgeting, establishment of audit units at line ministries,, have improved the audit situation in the country and has contributed to effective debt recording that has facilitated the smooth conclusion of the debt sustainability analysis (DSA) in July 2009.

#### B. Growth through Private Sector Development

3.1.4 The Bank Group did not fund directly any projects in the first years of the CSP. The private sector arm of the Bank is, however, starting active engagement in Sierra Leone. The AfDB private-sector operations include equity funds for cellcom in the area of ICT infrastructure and for Ecobank in the area of financial services. AfDB private sector operations will seek to provide long-term capital for the Addax bio-energy project<sup>5</sup>. Moreover, the AfDB private-sector arm and the IFC are at the discussion phase on joint activities in the context of the Conflict Affected States in Africa (CASA) Initiative that includes Sierra Leone. While the general business plan of AfDB's private sector department is not country-driven, it is aligned with the Bank's country and sector strategies as expounded in the respective country strategy papers. Private sector operations are difficult to undertake in fragile states before the business environment reaches minimum acceptable standards. In the context of our portfolio risk exposure, direct projects in fragile states tend to be characterized by very high risk ratings which cumulatively contribute heavily to the portfolio's risk profile. It is premature to assess the Bank's role in private sector development as engagement is just starting but it is plausible to contend that the Bank's engagement is on the right track. The **government** is aware of the importance of the private sector and accordingly it passed important acts in 2009 like the new Mining Act and the Payments Systems Act. The climbing up of the country by 8 places in the 2010 Doing Business survey is a good sign that needs to be sustained.

<sup>5</sup> The Addax bio-energy project will grow sugar cane and will produce ethanol plus electricity as a by product using bagass.

### C. Agriculture and Fisheries

3.1.5 The 2005-2009 RBCSP outcome targets were several, but projects funded by the Bank Group are (i) Agriculture Sector Rehabilitation project with disbursement rate of 16 percent, (ii) Artisanal Fisheries Development with 47 percent and NERICA Dissemination project with disbursement rate of 39 percent. Real GDP growth of 6 to 9 percent target has been achieved, with good progress under agriculture and fisheries, which provide more than 75 percent related jobs to Sierra Leone. The production of paddy rice increased nearly by 30 per cent from base year 2005 to 2009. The share of households with adequate food consumption increased from 56 to 73 percent and Agriculture share of GDP grew from 5.5 to 8 percent in 2009 accompanied by a reduction in the poverty headcount ratio, from 70 to 60 percent.

3.1.6 The vitality of the Sierra Leonean economy depends on agriculture; therefore the Bank's intervention in this sector has been crucial, through the agricultural rehabilitation project, NERICA Rice Dissemination Project, and Artisanal Fisheries Project. Despite delays in the implementation, the country has potential to develop a more competitive agricultural sector aligned with ECOWAS (Economic Community of West African States). In addition to the increase in paddy rice production and the staple food from 475,000 MT in 2005 to 637, 983 MT in 2008; the food secure population increased also by 20 per cent.

#### ➤ **Pillar 2: Promoting Human Development**

3.1.7 The country faces several challenges including the lack of skilled staff, and adult literacy<sup>6</sup> is only 30%. Projects in the social sector supported by the Bank included (i) Support to basic and non-formal education (ii) Strengthening of district health services and (iii) Social Action Support Project. In general delivery of basic services has started to improve. Government has enacted key legislation to support the decentralization process, and has devolved important responsibilities for the delivery of basic services to district councils. Transparency of allocation is maintained through an allocation formula, which is public. Local councils now have a greater role in basic education, primary health care, water supply, and feeder roads. Access to and citizens' satisfaction with primary education and health improved between 2005 and 2007, significantly in some cases. The greatest improvements generally were in areas farthest from major towns. These areas have the highest poverty ratios. More needs to be done; some ministries and agencies, most notably those responsible for education and roads, have not devolved functions as and when required.

### A. Improve Access to Primary Health Care and Basic Social Infrastructure

3.1.8. Basic infrastructure has already been severely damaged by eleven years of civil war that also led to scarcity in the number and quality of qualified service personnel. Projects undertaken by the Bank Group in this area include (i) Strengthening of District Health Services and Social Action Support Project (SASP) with respective disbursement rates of 28 percent and 54 per cent as of July 29, 2009. There were mixed achievements under pillar 2: the utilization of primary health care increased by 15 percent from the base year 2005, to 2008. The percentage of one-year

---

<sup>6</sup> UNICEF 2006: The State of the World's Children

old children receiving DPT (Diphtheria-Pertussis-Tetanus) increased from 56 in 2005 to 96 per cent in 2008. Infant mortality under 0 to five years decreased from 170/1,000 to 115/1,000 in 2007.

3.1.9. In 2002, a national zero-prevalence survey showed HIV/AIDS prevalence of 0.9 nationally: 2.1 percent in Freetown and 0.7 percent<sup>7</sup> outside Freetown. In 2007, the primary results of the first antenatal prevalence study showed overall national HIV/AIDS prevalence of 3.4 percent and 4.7 percent for Freetown, which suggests that Sierra Leone needs urgent assistance in this area. The Bank Group financed only the multinational Mano River HIV/AIDS project which produced good results in sensitizing people against the pandemic

3.1.10. Education is supported through the Bank's project (Support to Basic & Non-Formal Education - Educ. III or SUBABU) which has been extended through June 2010, with good achievements: the primary school enrolment has doubled since the end of the war and the Ministry of Education, Science and Technology's 10 year Education sector Plan addresses innovation, introduction of new programs, etc., but serious infrastructural challenges remain in the school infrastructure. Under the project, over five million textbooks have been supplied - the largest consignment of books that the country has ever received. Primary enrollment increased from 64% in 2004 to 102% in 2008. Overall, there has been progress in the achievement of results in education. For the way forward, the government needs to maintain its present policy of devolving power to local councils

## B. Improving life quality through acquisition and job creation

3.1.11. Progress made towards the CSP targets in this area, is difficult to determine given the dearth of reliable employment statistics in the country. However, it is the general understanding that youth unemployment is particularly high. Sierra Leone's life quality through acquisition and job creation rate has remained very low. Youth unemployment is a serious problem in Sierra Leone. One of the major impacts of the 11-year conflict was to accelerate rural to urban migration of this age group and deprive them of the opportunity to acquire the required skills for employment. The plight of this category of the labor force is compounded by the slow expansion of the private sector and, by implication, the limited employment opportunities for unskilled labor.

First, for age 20-24, it is estimated that 1 in 3 urban residents and 1 in 6 rural residents are inactive in the labor market. Additionally, the overall skill level of young people is low. Thirty-five percent of 15-to-24-year olds and 63 percent of 25-to-35-year olds never have attended school. Among both age groups, only 20 percent finished primary school.

## 3.2 Status of Achievement of RBCSP Outputs

3.2.1 Measurable indicators in the 2005-2009 RBCSP include for **Pillar 1** the percentage of pro-poor expenditures in government expenditures and **Pillar 2** involve: (i) the access to primary

---

<sup>7</sup> Survey conducted jointly by Sierra Leone Statistics Office and the US Center for Disease Control.

health care (ii) the strengthening of preventive and curative primary health services, and (iii) expanding school enrollment. The choice of these indicators is dictated by availability of statistics in the fragile environment of Sierra Leone after eleven years of civil war.

**3.2.2 Pillar 1 indicators:** Analysis of estimates and actual pro-poor expenditures in relation to primary expenditure in 2005-2009 Government Budgets are constrained by the paucity of national statistics on poverty levels in the country. Though outcomes for this pillar seem to have improved since the MTR, the escalation in the prices of basic commodities and the 2008-2009 financial downturn has raised the policy challenges associated with reducing poverty, ensuring food security, and maintaining macroeconomic and social stability in the country.

**3.2.3 Pillar 2 indicators:** The asset-based head count poverty estimates put national poverty at 61.6 percent in 2007; 77.1 of this are in the rural areas while 35.5 percent is in urban areas<sup>8</sup>. Adult literacy rate in 1995-2005 is estimated at 34.8 percent, infant mortality for the poorest 20 percent of the population is 159/1000 live births. Under five mortality for the poorest 20 percent of the population is 268/1000 live birth (HDI – 2007/2008). However, the percentage of one-year olds receiving DPT has increased from 56% in 2004 to 96% in 2008 while the Maternal Mortality is reduced from 1,800/100,000 in 2004 to 1,600/100,000 in 2008 and Infant mortality from 170/1,000 in 2004 to 115/1,000 in 2006.

### 3.3 Other Effects of the Bank Group Strategy

Despite reported progress, **Gender** inequalities are still strong in the country, The very unsatisfactory human development outcomes for the country underscore important gender issues. Women are particularly vulnerable with higher poverty rates and lower secondary school enrolment rates, in addition to the high maternal mortality rates. With women more than half the nation's farmers, and with economic empowerment of women emerging as a priority, a gender strategy encompassing both social improvement and economic opportunity is required. Problems of the **Environment** include: (i) Land degradation and deforestation, (ii) Pest infestation, (iii) Urban degeneration due to poor Housing Facilities, Poor coverage of water and sanitation, and (iv) Pollution, that hampers the effective protection of the environment. Emerging from more than a decade of conflict, Sierra Leone has now embraced **Regional Economic and Trade Integration** as a key element of its reconstruction, and is implementing fast reforms to bring its trade regime in line with partners of the Economic Community of West African States (ECOWAS), including Cape Verde, The Gambia, Ghana, Guinea, Liberia, Nigeria and Sierra Leone. The government has also aligned about 1,000 of its tariff lines with those prevailing under the ECOWAS Common External Tariff (CET), and is moving towards a Customs Union and a Single Currency of the WAMZ which has now been postponed to 2015 due to the fact that almost all member countries have not fulfilled the convergence criteria.

### 3.4 Country Resources Issues

The initial allocation for Sierra Leone under ADF X amounted to UA 29.69 million for 2007 and distributed between Pillar 1 and Pillar 2; and used to finance the economic

---

<sup>8</sup> Poverty Reduction Strategy Paper (2009) to be published.

Rehabilitation and recovery loan (UA 10.7 million), Support to District Health Services (UA 17 million) and Matutoka-Sefadou Roads Studies (UA 1.99 million). The combined PBA plus FSF allocation under ADF 11 amounted to UA 71.79 million in 2009, representing ADF 11 allocation of UA 29.03 million and a top up of UA 42.76 million of supplemental support under the Fragile State Facility (FSF). Under ADF11, the FSF resources have so far been used to finance Bumbuna Supplementary Loan (UA 10.3 m), Port-Loko Lungi Road (UA 26.26 m.) and budget support (UA 10 m.) all under pillar 1 of the CSP. The balance will be used to partly finance the Towns Water Supply and Sanitation Project next year. The country has been classified under the Debt Sustainability Framework (DSF) as yellow and hence the ADF allocation is provided in 50/50 loan/Grant combination.

### **3.5 Portfolio Management Issues**

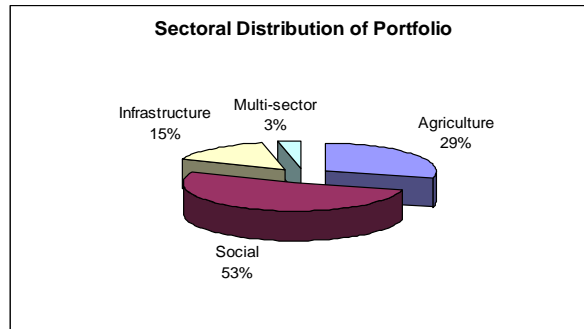
3.5.1 The Bank Group began its lending operations in Sierra Leone in 1973. As at September 30<sup>th</sup> 2009, 46 operations have been approved, with a total commitment net of cancellations of UA 278.4 million. These were approved to finance 27 projects, 3 institutional support projects, 6 PBLs, 3 lines of credit, and 7 studies. These operations include the social sector (health and education: 29.9 percent), multi-sector (27.4 percent), public utilities (23.8 percent) and agriculture (18.9 percent). Current cycle of ADF XI and Fragile State Facility (Supplemental Support) has allocated a new commitment of UA 71.79 million for the development and implementation of new pipeline projects in Sierra Leone. In addition, the Fragile State Facility Targeted Support (Pillar III) has made UA 2.0 million available to Sierra Leone for national capacity building activities.

3.5.2 At the end of the third quarter of 2009 there were eleven (11) on-going projects in the portfolio. These are at different stages of implementation with a total approved amount of UA 95.78 million. Out of the approved a total of UA 43.568 million has been disbursed. The social sector accounts for UA 45.0m, Agriculture UA 24.85m, Infrastructure UA 13.14m and Multi-sector UA 12.79m. Within the social sector the Health sub-sector accounts for 37.7 percent, Education 35.5 percent and Community Social Services Support 26.7 percent. Within Infrastructure Sector, the Power sub-sector contributes a significant amount of 78.4 percent, followed by Transport 15.1 percent and Water & Sanitation 6.5 percent. The average size of projects in the portfolio is UA 8.58m. This is rather low compared to the Bank Group average for 2007, where the average size of public sector portfolio was UA 16.9 million, up from about UA 15 million in the previous year.

3.5.3 **Portfolio Performance Review:** Portfolio implementation has been characterized by a number of factors including long time lag between project approval and effective disbursement stemming from bureaucratic processing procedures of line ministries, low level of capacity and skills of PIU staff, lack of implementation oversight and project monitoring by government, delays in releasing government counterpart funding, delays in conducting project audits and submission of progress reports, long delays in granting 'No Objections', inadequate project supervision and turnover of Task Managers. The low disbursement rate of only 45.5 percent is a serious impediment and is indicative of poor portfolio performance. Overall, 54 percent of the

portfolio is at risk (PAR)<sup>9</sup>, which is high but represents an improvement from 2007 and 2008 when 83.3 percent and 75 percent (respectively) of the portfolio was at risk. The 54 percent PAR rate as of 1<sup>st</sup> October, 2009 is composed of 18 percent Problem Projects and 36 percent Potential Problematic Projects, not including multinationals.

**Figure 6: Active portfolio by Sector in Sierra Leone.**



### 3.6 Developments in Aid Coordination and Harmonization

The Development Assistance Coordination Office (DACO) is the government coordinating-implementation unit, with the major task of ensuring that all development assistance to Sierra Leone is incorporated in the Annual budget. However, DACO has suffered from organizational problems in the past to successfully coordinate and implement ongoing projects. The new administrative arrangement under which it is attached to the Ministry of Finance and Economic Development will strengthen DACO and make it more effective. In the recently held CG Meeting, the Government and development partners agreed to work on an action plan to implement the new Aid Policy and undertook to organize together in early 2010 in Freetown an Aid Effectiveness Forum to take this important agenda forward. The new Aid Policy which was presented at the GC aims to facilitate contributions from development partners, and to facilitate the effective utilization of aid.

### 3.7 Monitoring and Evaluation of Bank Group Assistance

Monitoring activities by the Bank include preparation of CSP mid-term reviews, CPPRs and CSP completion reports like this one, in addition to regular supervision missions. As mentioned earlier, a CSP MTR was completed last year which led to reformulation of Pillar 1 in line with the strategic orientation of the FSF where all resources from new lending have been put under Pillar 1. A CPPR has been prepared for 2009 according to which improvements in project implementation and supervision frequency have been noted after the establishment of SLFO in 2007. Supervision frequency is currently at 1.6/year which is higher than the Bank-wide average of 1.2/year and the target of 1.5/year. The conduct of project audits and submission of quarterly reports have improved significantly as a result of SLFO follow-up.

<sup>9</sup> PAR is measured by the percentage of the number of projects at risk to the total number of rated operations

### 3.8 Country Dialogue Issues

The Completion Report Mission had discussions on economic priorities with the Ministries of Finance, the Central Bank, other ministries and agencies, and took stock of the current economic situation and prospects. In addition, the Mission held productive meetings with Sierra Leone's International Development Partners (IDPs), including the IMF, the World Bank, DFID and EU, as well as the representatives of the Private Sector. The focus of discussions included the assessment of the state of the Sierra Leonean economy, the impact of the global economic crisis, and the policy challenges posed by the need to accelerate economic growth while preserving the macroeconomic stability. The presence of SLFO on the ground should enhance dialogue with government and other stakeholders given their stock of expertise of the local conditions in the country.

## IV. BANK GROUP AND COUNTRY PERFORMANCE

### 4.1 Bank Group Performance

4.1.1 **At the design level:** The Bank correctly focused its assistance on helping Sierra Leone as a Fragile State, to maintain sound macroeconomic stability and implement the governance measures, fully consistent with the lending program and country's priorities. Dialogue with all segments of the society and close coordination with IDPs was established to maximize the impact of the Bank's efforts. However, constraints, which were not sufficiently accommodated in project design, such as limited capacity, did not allow producing the full positive implementation results at the end of the period in 2009. Also, the first pillar of the CSP (strengthening economic growth by improving governance) was too broad and not focused enough. An attempt was made to correct this at mid term by reformulating it to **pro-poor growth with emphasis on infrastructure and governance**.

4.1.2 **At the Implementation level:** As mentioned in paragraph 1.3, 2005-2009 is a realistic time frame to assess outcomes at the end of period. A Mid-Term Review (MTR) has been completed for this RBCSP and the Bank has maintained regular consultations with the authorities of Sierra Leone with the Field Office in place – the setting up of SLFO has enhanced Bank operations in Sierra Leone including dialogue with Government.

### 4.2 Country Performance

4.2.1 **At the design level:** The 2005-2009 RBCSP was prepared in alignment with Sierra Leone's full PRSP: Consultations were held with cabinet ministers, parliamentarians and the people they represent, civil society, the private sector, local authorities as well as the close coordination with IDPs. Understandably, the centerpiece of this RBCSP reflects the priorities of the government of Sierra Leone and supports its specific development agenda. Accordingly, Sierra Leone has contributed significantly to the formulation of the Bank strategy for this CSP. Annex 1 is the Results Framework Monitoring Matrix summarizing key outcomes, intermediary indicators, milestones and targets achieved at completion. Annex II provides the country's key economic and financial indicators, annex III presents the ongoing projects, annex IV indicates the

Bank Group Portfolio performance and management and annex V gives the status of the country's progress towards meeting the MDGs.

**4.2.2 At the implementation level:** The Government of Sierra Leone made efforts in implementing recommendations under Pillar 1, namely maintaining high real GDP growth of 6 to 9 percent until the end of 2009 with the economy growing at a rate of 6.3 per cent on average between 2005-2009. Also poverty was reduced from 67.6 per cent in 2003 to 61.6 per cent in 2007 which falls short slightly of the CSP target of lowering the poverty headcount ratio to 57% by 2009. With regard to Pillar II about the promotion of human development, progress has been made in improving basic health care and basic education following decentralization and devolution of powers to local councils started in 2004.

## **V. LESSONS LEARNED**

Consistent with the MTR completed in 2008, targets set by the Bank Group in service delivery under this 2005-2009 RBCSP, have been moderately achieved. However, prodigious lessons are to be learned for the next Bank assistance strategy to Sierra Leone.

### **5.1 Lessons for the Bank**

- i. Sierra Leone is a Fragile State where institutional constraints do exist. Although the implementation delays encountered in 2005-2009 RBCSP are largely a result of these institutional weaknesses, the Bank needs to take into account these weaknesses in the preparation and implementation of future strategies. An important lesson learnt is the need for designing strategies that have focused pillars and that take into account the institutional and capacity constraints to achieve better results and help the country transit out of fragility.
- ii. The design of projects needs to be improved significantly, with logical frameworks that are based on measurable. Links between Development Objectives and benchmarks need to be quantified in terms of definite numbers and/or ratios. This will address the project implementation difficulties that stem from low quality at entry. SLFO should also continue to step up their monitoring of project implementation.
- iii. Another important lesson learnt is the significant development impact of a larger resource envelope as a result of FSF augmentation.

### **5.2 Lessons for the Government**

- i. The government needs to strengthen DACO the assistance coordinating-implementation unit, for more efficiency between participating donors and the government, in order to monitor, evaluate projects and deliver services to the population, now that it is under the Ministry of Finance.

- ii. The governments' political will and continued commitment to good governance through capacity building as prerequisite to economic growth and social stability is necessary. The government is aware of this and has developed and explicit policy of improving Sierra Leone's standing in all international ratings.
- iii. Strengthening national statistics of Sierra Leone for national follow-up surveys to allow policy makers to analyze the impact of strategy implementation on poverty levels.
- iv. Finally, Private Sector Development is the engine of economic growth, but in Sierra Leone the sector has not realized its potential. The government needs to encourage growth of the private sector and make of Sierra Leone an investment destination. The climbing up by 8 places in the 2010 Doing Business survey is a good sign that needs to be sustained.

## VI. CONCLUSION AND RECOMMENDATION

### 6.1 Conclusion

Overall, there has been some progress in meeting the targets and benchmarks of the CSP. Nevertheless, there is a long way to go and dialogue and assistance will need to continue in the context of the next strategy. **After the CSP Mid-term Review, recognizing that pillar 1 was relatively broad, the pillar was reformulated to focus on infrastructure and good governance, a focus which will be maintained in the AfDB/WB Joint Assistance Strategy covering 2009-2012.** Access to the supplemental and targeted support windows of the Fragile States Facility (FSF) resources has helped to enhance the Bank's strategic responsiveness to the country's needs during the last year of the strategy. **The flexibility embodied in the FSF and the eligible expenditure policy and procurement has been and will continue to be of special importance in view of the delays in project implementation that have affected the portfolio in the past.** In view of the forgoing analysis, the following recommendations should be helpful in the future for both the Bank and the Government to address some of the systemic constraints.

### 6.2 Recommendation

#### A. *For the Bank*

6.2.1 The Bank should prepare strategies that have more focused pillars and that take into account the operational systemic constraints in the country.

6.2.2 Improve project design, in order to respond effectively to borrowers' needs and the environment of the country; provide clients with more flexible instruments by revising and simplifying policy framework, a faster response time and better development outcomes. The flexibilities inherent in FSF and the policy on eligible expenditure are very fitting for better designed projects.

6.2.3 Training, and capacity building for implementing agencies, are key for project implementation. Therefore, dialogue and assistance need to continue to improve project implementation Portfolio performance and Outcome deliveries.

6.2.4 One of the observations mentioned earlier in this Completion Report is that the consequences of a decade-long devastating civil war are reflected in poverty levels in Sierra Leone, with a geographical dimension. However, in the absence of reliable disaggregated Statistics, it is very difficult to study the real impact of the 2005-2009 RBCSP implementation rates on poverty levels in the country. Therefore for future Bank assistance in the country, it is recommended to strengthen the follow-up surveys for improvement and Statistics data to enhance analysis of the real implementation impact in poverty levels in the country.

### ***B. For the Government***

6.2.5 The government's commitment to good governance is essential, in order to effect sustainable economic growth in the country, which leads to income generation and job creation in a secure environment. It is reassuring that the government has an explicit policy of improving the standing of the country in all international ratings as articulated in the Agenda for Change.

6.2.6 Finally, strengthening and improving performance of DACO as an efficient taskforce able to ensure coordination of project implementation for donors and the government needs to be one of the key priorities of the Government.

### ***C. For the Boards***

6.2.7 The Boards of Directors are invited to take note of this Completion Report on 2005-2009 RBCSP for Sierra Leone.

## RBCSP Results Framework Monitoring Matrix

Strategic Longer-Term Objectives	RBCSP Outcomes for Sierra Leone in 2009				Bank Operational Priorities and Performance	
	RBCSP outcomes that the Bank expects to achieve through its intervention	Indicators for Monitoring Achievement of RBCSP Outcomes	End of RBCSP period target	Achievement at end of RBCSP period	Bank deliverables (outputs) from operations (projects and programs)	Status of achievement of Bank deliverables at end of RBCSP
<p><b>Pillar I: Pro-Poor Growth with focus on Infrastructure and Governance</b></p> <ul style="list-style-type: none"> <li>Promote Food Security through investment in growth sector (Agriculture, Fisheries and infrastructure)</li> <li>Job creation through infrastructure Rehabilitation, Energy, Transport and Private Sector</li> <li>Strengthening Public Finance Management (PFM) and Energy Sector Project</li> </ul>	<p><b>1- Real GDP growth of 6 to 9 percent</b></p> <p><b>1.1</b> Progressive reduction in the poverty headcount from 70 percent of the population in 2004 to 57 percent by 2009</p> <p><b>1.2</b> Increase rice paddy production from 422,000 MT in 2002 to 543,000 by 2009</p> <p><b>1.3</b> Develop overall strategy to revitalize livestock sector, with role for the private sector</p> <p><b>1.4</b> Improve the rural communities through training and provision of extension services to strengthen capacity</p> <p><b>2.1</b> Increase installed generating capacity</p> <p><b>2.2</b> Improve efficiency of procurement planning and execution by ensuring that 90 percent of the public funds budgeted in the procurement plan are actually expended for the intended purposes by 2008</p> <p><b>2.3</b> More qualified managerial and professional staff in key MDAs (MoF, Agriculture, Education, Health, Mineral Resources, Transport, Works and Defence</p>	<ul style="list-style-type: none"> <li>GDP growth is now 4 percent in 2009 (Under IMF estimates)</li> <li>Poverty reduction from 70% to 65 in 2009</li> <li>Increase food security by 20%</li> <li>GDP growth in agriculture from 5.5% to 7.5% in 2009</li> <li>Preparation of strategy plan for 3 ministries (Agri. Health and Educ.)</li> </ul>	<p>1.1 Real GDP of 6 to 9 percent.</p> <p>2.1 Progressive reduction in the poverty headcount from 70 percent of the population in 2004 to 57 percent by 2009.</p> <p>2.2 Increase rice paddy production from 422,000 MT in 2002 to 543,000 MT by 2009</p> <p>2.4 Agriculture GDP grows from 5.5 percent in 2003 to 7.5 percent in 2007 and in 2009</p> <p>3.1 By 2006, three (3) ministries (agriculture, education and health should have prepared their strategic plans. <i>In 2006 six MDAs including Agriculture, Education and Health, produced their strategic plans</i></p>	<p>1.1 Real GDP growth averaged 6.8 percent 2005 and 2008, and projected at 4 percent</p> <p>2.1 The poverty headcount has reduced from 70 percent on 2004 to 61.6 percent according to the 2007 CWIQ</p> <p>2.2 Available data indicate that paddy rice production is 637,983 MT in 2007</p> <p>2.3 Training for 10 district coordinators, 50 community facilitators and establishment of 150 FES</p> <p>2.4 15 MW of electricity is currently being supplied and up to 50 MW by end 2009 following the commissioning of BHP.</p>	<ul style="list-style-type: none"> <li>Implementation of the agriculture Rehabilitation project</li> <li>Implementation of the Infrastructure rehabilitation project</li> <li>Implementation of the Economic Rehabilitation Recovery Program and Institutional support</li> </ul> <p><u>Main development partners</u></p> <ul style="list-style-type: none"> <li>WB,</li> <li>IMF,</li> <li>DFID,</li> <li>EU,</li> <li>UNDP,</li> <li>IFAD.</li> </ul>	<p>1.1 Not reached</p> <p>2.1 In progress</p> <p>2.2 Improvement</p> <p>2.3 Projects audits</p> <p>2.4 Increase paddy rice production, the staple food to 475,000 MT by 2007. Production was 637,983 MT in 2007</p>

<p><b>II: Human Development</b></p> <ul style="list-style-type: none"> <li>• Increase access to education, including vocational training and elimination of gender disparities in education</li> <li>• Improve quality of education of all levels</li> <li>• Improve life quality through skill acquisition and job creation</li> <li>• Improve health status of Sierra Leone in order to reduce poverty</li> <li>• Strengthen preventive and curative primary health care</li> <li>• Increase access to the provision of quality primary health care</li> <li>• Reduce communicable diseases</li> </ul>	<p><b>1.1</b> Utilization of primary health care by 15 percent by 2006 from the base position of 2005</p> <p><b>1.2</b> Proportion of children under one year and under two years fully immunized increased by 20 percent from the base position 2005</p> <p><b>2.1</b> Maternal, infant and under five mortality rates reduced</p> <p><b>2.2</b> Tuberculosis detection rate increase by 20 percent from base position in 2005</p> <p><b>3.1</b> Proportion of birth attended by skilled health increased by 30 percent</p> <p><b>3.2</b> Access to basic social services increased by 60 percent in the project area</p>	<p>1.2 20 percent increase in Primary Health Care facilities from the year base 2005.</p>	<p>1.1 Utilization of Primary Health Care facilities increased by 15 percent from the base year position in 2005. <i>n.a</i></p> <p>1.2 Proportion of children under one year and under two years fully immunized by 10 percent. <i>Percentage of one-year olds receiving DPT has increased from 56% in 2004 to 96% in 2006</i></p> <p>1.3 Maternal infant and under 0-five mortality rates reduced. <i>Maternal Mortality reduced from 1,800/100,000 in 2004 to 1,600/100,000 in 2005. Infant mortality from 170/1,000 in 2004 to 115/1,000 in 2005.</i></p> <p>1.4 Tuberculosis detection rate increased by 10 percent</p> <p>2.1 Proportion of birth attendants by skilled health personnel increased by 10 percent. <i>Increased by 33 percent in 2004 to 42 percent in 2006</i></p>	<p>1.1 The poorest quintile of the population utilizes both primary and secondary care. The poorest 20 percent benefit 14 percent of the health spending.</p> <p>1.2 Proportion of children fully immunized Reduced from 54 percent in 2005(2005 MICS) to 30.2 percent in 2008 (SLDHS)</p> <p>1.3 Maternal Mortality Ratio reduced from 1077/100,000 live births in 2008; Infant Mortality Rate reduced from 158/1,000 to 89/1,000 and under-five mortality rate reduced from 286/1,000 to 140/1,000.</p> <p>1.4 Access to basic social services increased by 30 percent in project areas.</p>	<p>- Implementation of Health Services Rehabilitation project</p> <p><u>Main Development Partners</u></p> <p>- WB,</p> <p>- IMF,</p> <p>- DFID,</p> <p>- EU,</p> <p>- UNDP,</p> <p>- IFAD.</p>	<p>2.5 Regular supervision with donor partners</p> <p>2.6 Project appraisal</p> <p>2.7 Project completion report</p> <p>3.1 Project audits and studies</p> <p>3.2 Mid-Term Review, Completion Report</p>
--	--	---	--	--	--	--

## ANNEX II

Sierra Leone – Key Economic and Financial Indicators				
Economy	Sierra Leone			
	2000	2007	2008	2009**
GNI per capita, Atlas method (current US\$)	140	260	...	...
GDP (current Million US\$)	636	1,665	2,391	2,816
GDP growth (annual %)	3.8	6.4	5.4	6.3
Per capita GDP growth (annual %)	0.7	4.2	3.6	4.5
Gross Domestic Investment (% of GDP)	8.0	13.5	13.0	13.0
Inflation (annual %)	-0.9	12.1	13.0	11.1
Budget surplus/deficit (% of GDP)	-9.3	25.2	0.0	-0.7
Trade, External Debt & Financial Flows	2000	2007	2008	2009**
Export Growth, volume (%)	18.0	-5.7	-0.5	23.7
Import Growth, volume (%)	24.3	-5.6	-11.3	7.8
Terms of Trade (% change from previous year)	-20.9	-0.6	-17.9	-3.2
Trade Balance ( mn US\$)	-64	-100	-174	-141
Trade balance (% of GDP)	-10.1	-6.0	-7.3	-5.0
Current Account ( mn US\$)	-56	-64	-141	-123
Current Account (% of GDP)	-8.8	-3.8	-5.9	-4.4
Debt Service (% of Exports)	45.9	4.4	1.2	1.6
External Debt (% of GDP)	231.6	20.2	14.0	11.8
Net Total Inflows ( mn US\$)	185.1	362.5	...	...
Net Total Official Development Assistance (mn US\$)	180.6	535.4	...	...
Foreign Direct Investment Inflows (mn US\$)	38.9	81.0	...	...
External reserves (in month of imports of goods & services)	2.4	5.5	3.7	...

Source: ADB Statistics Department, based on various national and international sources

\* Most recent year

\*\* Forecast

Last Update:  
March 2009

**Annex III: Sierra Leone On-Going Projects (29 July 2009)**

N°	Sector	Project Title	Approved Loan (UA)	Approval Date	Entry into Force	Disb. Deadline	Disbursed	Disbursement ratio (%)	Date Last supervision	Implementing Progress rating (IP)	Likelihood of achieving Development Objective (DO)
1	AGRI	Agriculture Sector Rehabilitation Project	12,000,000.00	02.02.2005	02.08.2005	31.12.2011	1,887,139.56	15.73	11.06.2009		
2	AGRI	Artisanal Fisheries Development	10,000,000.00	25.10.2001	07.01.2003	31.12.2009	4,662,928.34	46.63	19.04.2009		
3	AGRI (MULTI.)	NERICA Dissemination Project/ S Leone	2,850,000.00	26.09.2003	05.02.2005	31.12.2010	1,110,877.27	38.98	15.03.2009	1.50	2.00
4	TRANSP	Mototoka to Sefadu Road Studies and Inst	1,990,000.00	09.03.2006	19.05.2006	30.06.2009	456,127.89	22.92	11.06.2005		
5	WATSAN	Water Supply & Sanitation Study	850,000.00	30.06.2004	03.09.2004	<b>30.04.2009</b>	500,752.64	58.91	12.05.2008		
6	POWER	Bumbuna Hydro-Electric Project – Add. Financing	10,300,000.00	08.10.2008	07.04.2009	28.02.2010	3,563,414.37	34.60	Not yet supervised		
7	SOCIAL	Support to Basic & non-formal education (Educ III)	16,000,000.00	16.10.2002	25.08.2003	30.06.2010	11,115,341.62	69.47	16.03.2009	1.93	2.00
8	SOCIAL	Strengthening of District Health Services	17,000,000.00	07.09.2005	17.10.2005	31.12.2011	4,812,243.80	28.31	15.06.2009	2.23	2.33
9	SOCIAL	Social Action Support Project (SASP)	12,000,000.00	11.06.2003	08.03.2004	31.12.2009	6,465,263.55	53.88	18.05.2009		
10	MULTI-SECT	Inst. Support Public Financial Management & Energy Sector Pro.	2,790,000.00	20.10.2004	19.07.2006	31.12.2011	1,916,592.03	68.70	19.01.2009	1.92	2.00
11.	MULTI-SECT	Economic Governance Reform Programme I	10,000,000.00	16.05.2009	02.07.2009	31.12.2011	5,500,000.00	55.00	Not yet supervised		
<b>TOTAL: 11 ON-GOING PROJECTS</b>			<b>95,780,000.00</b>				<b>41,990,681.07</b>	<b>43.84</b>			

**Note: Code for the IP and DO ratings**

Code:	3	=	Highly satisfactory
	2	=	Satisfactory: occasional problems, Bank should monitor
	1	=	Unsatisfactory: problems, Bank should monitor closely but no immediate action required
	0	=	Highly unsatisfactory: serious problems, Bank action required

**KEY INDICATORS OF BANK GROUP PORTFOLIO PERFORMANCE  
AND MANAGEMENT**

<b>Indicators</b>	<b>Baseline</b>	<b>First Year Status</b>	<b>End of term (2009)</b>
<b>Portfolio Assessment</b>			
Number of projects under implementation	<b>11</b>	<b>12</b>	<b>10</b>
Average implementation period (Years)	<b>5.6</b>	<b>4.8</b>	<b>5.2</b>
Percent of problem projects	<b>36.4%</b>	<b>42.9%</b>	<b>43%</b>
Percent of Projects at risk	<b>45.5%</b>	<b>42.9%</b>	<b>43%</b>
Commitments at risk	<b>0.40</b>	<b>0.60</b>	<b>0.50</b>
Disbursement ratio	<b>34.56</b>	<b>38.06</b>	<b>43.84%</b>
<b>Portfolio Management</b>			
CPPR during the year (Yes/No)	<b>No</b>	<b>No</b>	<b>No</b>
Average supervision	<b>Na</b>	<b>Na</b>	<b>Na</b>
Average Size of operations	<b>UA 8.7 m</b>	<b>UA 7.5 m</b>	<b>UA 8.5 m</b>

## Sierra Leone – Progress towards attaining the Millennium Development Goals

MDG Goal/Target	Indicator	Year/Value				
		1990	1995	2000	2008	2009
<b>Goal 1 – Eradicate Extreme Poverty and Hunger</b>						
Target 1: Halve between 1990 and 2015 the proportion of people living on less than 1 US dollar a day	<ul style="list-style-type: none"> <li>Proportion of people living below \$1 per day</li> </ul>				62.9 (2004)	
Target 2: Halve between 1990 and 2015 the proportion of people who suffer from hunger	<ul style="list-style-type: none"> <li>Underweight children under 5 years old (%)</li> </ul>	28.70		27.20	30.00 (2005)	
	<ul style="list-style-type: none"> <li>Proportion of undernourished people in total population (%)</li> </ul>	46 (1990-92)			59.0 (2007)	
<b>Goal 2 – Achieve Universal Primary Education</b>						
Target 3: Ensure that by 2015 all boys and girls will be able to complete a full course of primary school	<ul style="list-style-type: none"> <li>Net primary enrolment ratio in primary education (%)</li> </ul>			65.21		
	<ul style="list-style-type: none"> <li>Primary completion rate</li> </ul>				81.00 (2007)	
<b>Goal 3 – Promote Gender Equality and Empower Women</b>						
Target 4: Eliminate gender disparity in primary and secondary education, preferably by 2005, and in levels of education not later than 2015	<ul style="list-style-type: none"> <li>Ratio of girls to boys in primary education (%)</li> </ul>	68.96	68.84	69.89	89.98	
	<ul style="list-style-type: none"> <li>Proportion of seats held by women in the National Assembly (%)</li> </ul>				14.50 (2005)	
<b>Goal 4 – Reduce Child Mortality</b>						
Target 5: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate	<ul style="list-style-type: none"> <li>Under-five mortality rate (per 1,000 live births)</li> </ul>	327.52 (1992)	314.61	296.35	275.60	
	<ul style="list-style-type: none"> <li>Infant mortality rate (per 1,000 survivors to age 1)</li> </ul>	183.38	177.62	167.83	159.23	
	<ul style="list-style-type: none"> <li>Immunization, measles (% of children under 12 months)</li> </ul>	75.00	43.00	43.00	82.00 (2007)	
<b>Goal 5 – Improve Maternal Health</b>						
Target 6: Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio	<ul style="list-style-type: none"> <li>Maternal mortality ratio (per 100,000 live births)</li> </ul>	1,800		2,000	2,100 (2005)	
	<ul style="list-style-type: none"> <li>Birth attended by skilled health staff (% of total)</li> </ul>	25.00 (1998)	25.00 (1996)	41.70	43.20 (2005)	
<b>Goal 6 – Combat HIV/AIDS, Malaria and Other Diseases</b>						
Target 7: Have halted by 2015 and begun to reverse the spread of HIV/AIDS	<ul style="list-style-type: none"> <li>Adult (15-49) HIV prevalence (%)</li> </ul>	3.17 (1997)		7.00 (2001)	1.70 (2007)	
Target 8: Have halted by 2015 and begun to reverse the incidence of tuberculosis and other diseases	<ul style="list-style-type: none"> <li>Deaths associated with sputum positive TB (number)</li> </ul>	214,000			517,000 (2006)	
<b>Goal 7 – Ensure Environmental Sustainability</b>						
Target 9: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources	<ul style="list-style-type: none"> <li>Arable land (%)</li> </ul>	6.79	6.77	6.84	8.38 (2005)	
Target 10: Halve, by 2015, the proportion of people without sustainable access to same drinking water and sanitation	<ul style="list-style-type: none"> <li>Proportion of people with access to improved water source (%)</li> </ul>	34.00 (1994)	57.00	57.00	53.00 (2006)	
	<ul style="list-style-type: none"> <li>Proportion of people with access to improved sanitation</li> </ul>	11.00 (1994)	12.00	12.00	11.00 (2006)	

Source: ADB Statistics Department Database, Country Report.