

## IDA AT WORK

## Sierra Leone: On the Path of Full Return to Development

IDA has been Sierra Leone's key source of continued and reliable development assistance since the country joined the World Bank in 1962, a year after its independence. During the country's emergency period between 1996 and the end of its war in 2002, IDA funded projects provided timely support to the rehabilitation of over 3,000 war affected communities and for leveraged trust fund resources to support the demobilization of over 45,000 ex-combatants. Over US\$240 million of IDA resources were committed to more than 15 projects since the war ended in 2002. IDA has therefore been notable in Sierra Leone for supporting the restoration of basic community infrastructure and services during the early post conflict period, and, for supporting institutional reforms, economic growth, and governance as well as decentralized service delivery.

**Challenge**

Since its devastating war ended in March 2002, Sierra Leone has made enormous progress towards exiting from post-conflict status to a full return onto a development path. The democratic elections of 1996 and 2007 which paved way for peaceful transfer of power contributed immensely towards consolidating peace and security, and restoring basic services, building social capital, and making improvements in, for example, child immunization, school enrollment, access to maternal and child health services and the decentralization of governance. Funding from the International Development Association (IDA) has been critical in achieving these gains by promoting key reforms in economic governance, building state capacity, delivering services and helping to stimulate economic growth and employment.

However, the country continues to face enormous challenges and it still remains at the bottom of the Human Development Index. Problems of poor infrastructure, including roads and energy, low capacity, youth unemployment, high maternal and infant mortality, widespread rural impoverishment, impact of the global economic downturns, and lapses in public financial management and governance still persist. There is also a daunting challenge faced in enhancing transparency in managing the country's vast natural resource endowments.

## Approach

Through its Joint Country Assistance Strategy, IDA is supporting the Sierra Leone's "Agenda for Change," which puts priority on human development and three growth drivers: agriculture; energy; and transport infrastructure. These are underpinned by support for Good governance, capacity development, private sector growth, and management of natural resources. IDA efforts are also focused on strengthening country systems, including through support to decentralized services and public finance management and helping to build the demand for good governance.

## Results and IDA Contribution

### Economic Governance

- In support of the economic governance and growth agenda of the government, IDA resources have been used directly in funding policy and institutional reforms. The direct budget support has contributed to sustained fast growth in the post-conflict period by providing a non-inflationary boost to public spending whilst also improving

business confidence. It allowed for a higher real level of recurrent spending, a significant part of which was channeled into health, education, and economic services, with a diminishing share accruing to defense. Higher spending in these areas helped to secure improvements in service delivery and in sector outcomes. Significant improvements were also made to public finance management. The Multi Donor Budget Support dialogue has also contributed to maintaining a positive trajectory of change on governance issues. For example, the preparatory processes leading to the passage of the Freedom of Information Act are now far advanced.

- The *Institutional Reforms and Capacity Building Project* (US\$25 million plus a further US\$25 million from an IDA-administered Trust Fund) has in the last six years supported the decentralization process. A functioning local government system has been established, with continuing improvements in transparency and accountability. Local councils are now firmly embedded and responsible for the delivery of devolved services to their communities. There is evidence to show that the availability of basic services has improved between 2005 and 2008. The biggest improvements have been felt by communities living far from Freetown but close to district towns. The greatest improvements have been found in access to a water source within 15 minutes, access to a health clinic within 30 minutes, and access to a market area within 60 minutes. There have been countrywide sensitization program on local government that has helped build an active citizenry, which in turn has led to the departure of two mayors and one council chair who were forced out amidst corruption scandals.

## Human Development

- Through the completed IDA funded **Health Sector Reconstruction and Development Project** Sierra Leone has benefitted immensely in restoring the most essential functions of the health sector delivery system. The project helped to improve primary and first referral health facilities in four districts. A number of specific outcomes of the project include the following: (a) 50 health posts in the four districts are now fully-equipped, (b) four district hospitals have been rehabilitated and fully-equipped, (c) the percentage of population within a one mile radius from the nearest primary health unit in the targeted districts has increased to over 60 percent in 2009 from 41 percent in 2004, (e) twelve primary health facilities are now fully rehabilitated and equipped, (f) the percentage of children aged 12-23 months completely immunized was 78.9 percent in 2008, compared with 75 percent in 2006, (g) the number of insecticide-treated bed nets purchased under the project and distributed to the population exceeds 160,000, (h) at least fifteen laboratories are capable of performing malaria microscopy, (i) the percentage of pregnant women in the targeted districts who sleep regularly under insecticide-treated bed nets is at least 40 percent, (j) the percentage of tuberculosis (TB) smear-positive cases successfully treated under the directly observed treatment strategy in the targeted districts is at least 85 percent, (k) an increase in community-directed distribution of the River Blindness medicine (Ivermectin) to 70 percent in 2009 from none in 2005.
- The IDA-funded **National Social Action Project** has helped improve access to community roads, with 196 kilometers of access roads completed by 2009. There were 305 small works subprojects under implementation through the cash-for-work component and the program has created temporary employment for over 12,000 people by 2009.
- The Bank has supported the education sector through **Rehabilitation of Basic Education Project**, and **Education for All Fast Track Initiative**. The objective has been to re-establish education services and prepare the grounds for strengthening the education sector. The primary gross enrollment ratio (GER) had increased to nearly 155 percent in 2007 from 104 percent in 2005. That means more youth are engaged in several types of formal education activities. Junior secondary GER increased to 55 percent from 41 percent during the same period. Girls' enrollment also improved during the period of implementation to 47 percent from 45 percent between 2005 and 2007. Admission into primary one increased to 323,000 from an estimated 200,000 over the project period. The number of pupils passing the National Primary School Examination after primary grade six also increased to 73 percent in 2007 from 69 percent in 2005. The actual number of pupils passing this examination increased to 69,774 in 2007 from 52,122 pupils in 2005. Access to primary and junior secondary education has been enhanced by the rehabilitation and construction of 207 out of a planned 240 schools. Quality has been supported by the distribution of textbooks and training of teachers. Over 490,000 sets of textbooks (out of a target of 500,000) have been distributed to primary schools, and over 45,000 sets (out of a target of 50,000) have been distributed to junior secondary schools during the project

implementation period. A total of 4,010 primary teachers also have been trained.

### Infrastructure and the Productive sectors

- Under the IDA-funded *Infrastructure Development Project*, the Sierra Leone Port Authority is completing the technical and financial evaluation processes necessary for granting a concession for a container terminal. The project has also supported enactment of the Road Maintenance Fund Act, 2010, which provides the basis for establishing an independent fund for this purpose. Rehabilitation of all the selected priority roads under the project was completed on time and within budget. The project has supported improvements in the baggage handling function of the Sierra Leone Airport Authority through outsourcing.
- The recently approved *West Africa Regional Fisheries Project*, will be helping address the problem of illegal fishing, strengthen regulation in the sector, and increase value addition locally of fish products.
- The *Rural and Private Sector Development Project* has established working relationships with all 13 elected district councils of the country, approved matching grants to 75 Farmer Based Organizations (FBOs) with a total membership of nearly 5,000. These grants have provided storage sheds, drying floors and processing equipment for the FBOs. The project has supported the creation of cocoa cooperative with a total membership of nearly 13,000 people. It is supporting the rehabilitation of nearly 500 kilometers of feeder roads.

The project provided capacity building in procurement, financial and post contract management for the feeder roads. It has established a seed and planting material distribution scheme to provide improved planting materials for rice, cassava and cocoa to farmers, which is helping improve productivity and rural incomes. It has supported the establishment of a market information system and initiated studies to support the establishment of food safety standards to boost exports.

- The IDA-supported *Bumbuna Hydropower Project* has been instrumental in increasing power generation by 50 megawatts, while ensuring appropriate environmental and social safeguards exist, including the creation of a safe zone along the high voltage transmission line right of way and resettlement of affected people.

### Moving Forward

IDA will continue to support Sierra Leone in pursuing its key priorities in the Poverty Reduction Strategy Paper (PRSP), with special focus on strengthening economic governance, improving human development, and boosting infrastructure and productive sectors. The IDA portfolio will continue to be based around budget support and projects in key sectors. The expectation is that budget support would allow the government to continue to take forward key policy reforms, while projects would provide support for capacity development and supporting critical investments.

Developing a sharper focus on M&E and results both at the country strategy and project-level will be a key priority, as will be improving the portfolio quality. New projects in the areas of decentralization, fisheries, youth, financial

sector and energy would allow IDA to contribute to significant improvements in the lives of ordinary Sierra Leoneans. Policy dialog with the government and other stakeholders will focus on policy options and managing risks, including in the extractive industries. IDA

will continue to leverage its national allocation through additional support from other sources.

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