

# EVALUATION OF DFID COUNTRY PROGRAMMES: SIERRA LEONE



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## OVERVIEW OF COUNTRY PROGRAMME EVALUATIONS

DFID has a rolling programme of Country Programme Evaluations (CPEs) with 5 or 6 evaluations of countries or regions per year. A synthesis report pulling together findings from 5 recent CPEs is also produced annually. CPEs are challenging evaluations attempting to provide an overview of the entire DFID programme over a 5 year time frame and evaluate whether DFID made appropriate strategic choices in the given context and delivered effectively. CPEs are ideally undertaken in the year prior to development of a new Country Assistance Plan, as they are designed to meet DFID's needs for lessons that can inform future strategy and programming, as well as accountability for funds spent at country level. CPEs are intended for a wide audience including DFID's country office staff and partners, senior DFID managers in the relevant regional divisions and members of the public/ other stakeholders.

Each CPE is managed by DFID's Evaluation Department and carried out by 4-6 independent international consultants with a mixture of evaluation and development skills. The terms of reference for the CPE programme include a generic evaluation framework closely linked to standard evaluation criteria; this is customised a little for each individual evaluation (and annexed to the report). For CPEs, interpretation of each of the evaluation criteria is as follows:

- Relevance** – CPEs should provide high quality, well evidenced material and judgements on whether 'DFID did the right things'
- Effectiveness** – CPEs should examine key interventions and partnerships and identify and explain successes and failures
- Efficiency** – CPEs should tell a narrative around the allocation of resources (financial and staffing) to deliver the results DFID was hoping to achieve
- Impact** – CPEs cannot produce new information on impacts attributable to DFID, but should consider DFID's contribution to long term outcomes
- Sustainability** – CPEs should discuss evidence on progress towards sustainability in terms of ownership of reforms, capacity development and resilience to risks.

Typically CPEs comprise a one week inception mission to the country to make contacts, scope the boundaries of the evaluation, customise the generic evaluation matrix and make decisions around issues such as field visits. The main CPE fieldwork then takes place around a month later and lasts up to three weeks. DFID's Evaluation Department provides each evaluation team with a large documentary evidence base comprising strategies, project/ programme information and context material sourced from a thorough search of paper and electronic files, DFID's intranet system and the internet. During the fieldwork the team interview stakeholders in country and current and past DFID staff. A list of people consulted is annexed to each study.

The views expressed in CPE reports are those of the independent authors. The country office can comment on these in a 'management response' within the Evaluation report. CPE reports are quality assured by an independent consultant who has no other involvement in the CPE programme.

DEPARTMENT FOR INTERNATIONAL DEVELOPMENT

Evaluation Report EV690

# Country Programme Evaluation: SIERRA LEONE

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## **Acknowledgements**

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However, other than the management response which has been written by DFID Sierra Leone, full responsibility for the text of this report rests with the authors. In common with all evaluation reports commissioned by DFID's Evaluation Department, the views contained in this report do not necessarily represent those of DFID or the people consulted.

## **Preface**

This evaluation of DFID's Sierra Leone country programme is one of a series of regular Country Programme Evaluations (CPEs) commissioned by DFID's Evaluation Department. The studies are intended to improve performance, contribute to lesson learning and inform the development of future strategy at country level. Collectively, the CPEs are important in terms of DFID's corporate accountability and enable wider lessons across the organisation to be identified and shared

The evaluation was carried out by a team of independent UK and national consultants, led by ITAD Ltd. The evaluation focused on DFID's programme during the period 2002-2007 and was managed by Iain Murray and Karen Kiernan of Evaluation Department (EvD). The evaluation was carried out between August and April 2008. This included a one week inception visit carried out by EvD and Derek Poate, the ITAD Team Leader for this CPE, and a three week field visit by the consultancy team.

In accordance with EvD policy, considerable emphasis was placed on involving the country office staff during the process and on communicating findings. They were invited to discuss findings at a workshop during the evaluation, offered written comments on the draft reports and participated in a seminar discussing the findings previous to the final draft.

This has been an important lesson learning opportunity for DFID, particularly in terms of cross-Whitehall working. We are pleased that the report was timely and helpful to the country office as they embark on their new Business Plan and that the findings reinforce the significant contribution to the restoration of peace and stability across Sierra Leone. EvD would like to acknowledge the contribution made by the evaluation team itself. The active and positive cooperation of DFID staff in this evaluation was excellent, as was the engagement from development partners in Sierra Leone. We would like to convey our warm thanks to those involved.

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## List of Acronyms

AAP	Assessment and Action Plan
ACC	Anti-Corruption Commission
ACCP	Africa Conflict Prevention Pool
AfDB	African Development Bank
A-G	Auditor General
BHC	British High Commission
CAS	World Bank Country Assistance Strategy
CFAA	Country Financial Accountability Assessment
CG	Consultative Group
CPDTF	Commonwealth Police Development Task Force
CSSP	Community Safety and Security Project
CSTC	Civil Service Training College
DACO	Development Assistance Coordination Office
DAT	Defence Advisory Team
DCBP	Decentralisation Capacity Building Project
DDR	Disarmament, Demobilisation and Reintegration
DEPAC	Development Partners Committee
DFID	Department for International Development
DIG	Deputy Inspector General of Police
DPD	Deputy Project Director
DS	Decentralisation Secretariat
EC	European Commission
ENCISS	Enhancing the Interaction and Interface between Civil Society and the State to Improve Poor People's Lives
ERRC	Economic Rehabilitation and Recovery Credit (World Bank)
ERRG	Economic Rehabilitation and Recovery Grant (World Bank)
EU	European Union
FCO	Foreign and Commonwealth Office
FIAS	Foreign Investment Advisory Service
FRA	Fiduciary Risk Assessment
FSU	Family Support Unit
GOSL	Government of Sierra Leone
HIPC	Highly Indebted Poor Country
HMG	Her Majesty's Government of the UK
IEC	Information, Education and Communication
IFI	International Financial Institution
IGP	Inspector General of Police
IMC	Inter-Ministerial Committee on Local Government and Decentralisation
IMF	International Monetary Fund
IMMAT	International Military Assistance and Training Team
IPAM	Institute of Public Administration and Management
IPRSP	Interim Poverty Reduction Strategy Paper
IRCBP	Institutional Reform and Capacity Building Project
JCSP	Joint Country Strategy Paper

JICA	Japanese International Cooperation Agency
JSDP	Justice Sector Development Programme
LDP	Law Development Project
Le.	Leones (Sierra Leone currency)
LGDG	Local Government Development Grant
LGFD	Local Government Finance Department
LGSC	Local Government Service Commission
LNP	Local Needs Policing
LOCASL	Local government association of Sierra Leone
MDA	Ministries, Departments and Agencies
MDBS	Multi Donor Budget Support
MDG	Millennium Development Goal
MDTF	Multi-donor Trust Fund
MLGCD	Ministry of Local Government and Community Development
MOD	Ministry of Defence
MOF	Ministry of Finance
MOPA	Ministry of Presidential Affairs
MOU	Long-Term Partnership Agreement between GOSL and HMG
MSS	Ministry of Safety and Security
MTEF	Medium Term Expenditure Framework
MTI	Ministry of Trade and Industries
NCP	National Commission for Privatisation
NGO	Non-Governmental Organisation
OAG	Office of the Accountant General
ONS	Office of National Security
OPR	Output to Purpose Review
OSG	Operational Support Group
OVI	Objective Verifiable Indicator
PASCO	Poverty Alleviation Strategy Co-ordination Office
PD	Project Director
PEFA	Public Expenditure and Financial Accountability Unit
PER	Public Expenditure Review
PETS	Public Expenditure Tracking Survey
PFM	Public Financial Management
PIU	Project Independent Units
PIVOT	Promoting information and voice for transparency on elections (DFID project)
PPG	Pro-poor Growth
PRBS	Poverty Reduction Budget Support
PRGF	Poverty Reduction Growth Facility (IMF)
PRS	Poverty Reduction Strategy
PRSP	Poverty Reduction Strategy Paper
PSC	Project Steering Committee
PSD	Private Sector Development
PSDSP	Private Sector Development Strategy Programme
RABI	Removing Administrative Barriers to Investment
RSLAF	Republic of Sierra Leone Armed Forces
RUF	Revolutionary United Front

SB	Special Branch
SDA	Social Development Advisor
SILSEP	Sierra Leone Security Sector Project
SLP	Sierra Leone Police
SMART	Specific, measurable, attributable, realistic and timebound performance indicators
SOE	State Owned Enterprise
SoS	Secretary of State. In this report assumed to refer to the Secretary of State for DFID.
SSAJ	Safety Security and Access to Justice
SSD	Special Security Division
SSDAT	Security Sector Defence Advisory Team
SSR	Security Sector Reform
UN	United Nations
UNAMSIL	United Nations Mission in Sierra Leone
UNCIVPOL	United Nations Civilian Police
UNDP	United Nations Development Programme
UNICEF	United Nation Children's' Fund
USAID	United States Agency for International Development
VAT	Value Added Tax
WAD	West African Department
WATSAN	Water and sanitation
WB	World Bank
WNAD	West and North Africa Department (DFID)

## Executive Summary

S1 This report is an evaluation of DFID's programme in Sierra Leone from 2002-2007. The period follows ten years of instability and civil war, ended with the help of military intervention by UK forces. Since then there has been political stability and successful economic growth averaging over 7% per year, largely generated through rehabilitation of agriculture together with new investment in other sectors.

S2 Unemployment is very high and Sierra Leone remains one of the poorest countries in the world – 70% of the population in 2003/04 were below the poverty line. The country is unlikely to meet any of the Millennium Development Goals by 2015.

S3 DFID is the largest overall donor and has worked within a Long Term Partnership Agreement (MOU) signed in 2002. The programme was managed from London until 2005 when an office was established in Freetown.

S4 **Country programme:** The country programme started with three pillars: consolidating the peace by resolving conflict and reforming the security sector; rebuilding the state; and delivery of services to citizens. DFID held back from support to this latter role in the early years, arguing that other development partners would work in those areas; an assumption that did not hold true.

S5 There were several innovative features about the programme. Firstly, the commitment to consolidate peace led to substantial financial allocations to security sector reform that was linked to a large UK military advisory presence funded mostly through the Africa Conflict Prevention Pool (ACPP). Secondly, efforts to rebuild the state concentrated on governance reforms and a bold political decision was taken to use budget support. A little over half of the total financial commitment was for good governance, peace and security. Budget support comprised 35%, with human development and pro-poor growth at much lower levels of 10% and 6% respectively.

S6 **Security sector:** The security sector reform (SSR) work has been described by reviewers as 'cutting edge', learning lessons and developing policy that has since been applied elsewhere. DFID has made a significant contribution to the restoration of peace and stability across Sierra Leone. Major investments were made in demobilisation of combatants from the civil war; a new security architecture has been developed (as part of wider HMG efforts) and budget support restored GOSL's presence throughout the country.

S7 There has been a positive trajectory in human security since the end of the conflict but Sierra Leone remains fragile and the 'peace dividend' is wearing off. Access to justice for the poor has not improved significantly but strategies and systems are being developed that should address this over time.

S8 Cross Whitehall coordination has developed and worked well according to officials from the FCO, MOD and DFID. Harmonisation has been less effective and there is a lack of clarity about how departmental strategies fit together and the extent to which business plans are or need to be harmonised.

S9 **Rebuilding the state:** Support to improve good governance and accountability focused on strengthening public financial management systems and support for civil service reform. Projects for transparency and democracy dealt with

elections, decentralisation, the Anti-corruption Commission, parliamentary oversight and building the capacity of civil society.

S10 Sierra Leone's PFM systems now compare relatively well with those of other low income countries. Reforms in payroll, accounting and reporting, procurement and external audit have led to improvements in the control and accountability environment. DFID has played a significant, and increasing role, in this area.

S11 Developing a more transparent and rules based approach to control of the diamond fields has been of great importance, given that revenue from this industry was the major source of funds during the civil war.

S12 There has been a notable improvement in political participation after the conflict, with the holding of free and fair elections and the peaceful transfer of power. Decentralisation has also been a significant change and a direct response to the previous situation, which contributed to the civil war, in which all decision making was held at the centre and there was no voice at local level.

S13 Progress has been slower in other areas. Building capacity within government has not yet been effective. Excessive use of salary enhancement schemes and project implementation units have held back reform and may have actually decreased capacity within the wider civil service. Formal checks and balances remain largely ineffective and the capacity of civil society or parliament to hold government to account is very low. There has been some improvement in the number and quality of media outlets, but only gradual improvement in increasing transparency since the conflict.

S14 The most significant failure has been in the area of corruption and integrity. There has been no real improvement in tackling corruption since the end of the conflict. This lack of action is rightly seen as a risk to stability, given that corruption was a major cause of the civil war. DFID's most high-profile support in this area, to the Anti-Corruption Commission, had highly ambitious objectives that were not achieved.

S15 **Sustainable growth and human development:** Much less attention in terms of funding and staff time was given to pro-poor sustainable growth and human development. Growth focused on supporting private sector development. DFIDSL supported 13 small projects in the health sector, with a third of this commitment being for malaria prevention and support to orphans and vulnerable children.

S16 **Managing for results:** There was no formal strategy to guide the country programme until towards the end of the period. A draft strategy was prepared in 2002 but deferred pending the PRSP which was then long delayed.

S17 Devolution of the office stimulated a new strategy, jointly with the EC, but approval was delayed to 2008. The MOU provided an overarching framework but was not a development plan and focused on annual benchmarks.

S18 The absence of a strategy and strategy process meant that the programme had a weak results focus, had little or no analysis of risks above the project level, and was not well integrated with the FCO and MOD over fundamental cross-government issues such as sustainable size of the RSLAF and an exit strategy for security sector reform.

S19 Despite the absence of a formal strategy the programme was aligned with evolving DFID policies on harmonisation, working in fragile states and changing aid

conditionality; and with new OECD guidance on security sector reform. Good use was made of project investments but the successful budget support programme was out of step with DFID thinking about work in fragile states. The mainly positive experience with budget support in Sierra Leone raises some important issues for DFID policy.

S20 Cross-cutting issues were largely overlooked in the design and development of the country portfolio and individual projects. The draft country strategy was silent about gender and the environment but did include a short note about the HIV/AIDS challenge. The new joint strategy has a much improved treatment.

S21 Over the evaluation period, 42 programmes or projects were rated for results performance. Some 56% of projects received a satisfactory or better rating for purpose. Outputs were rated slightly higher. The evaluators conclude that the decision to make the initial three year agreement on budget support was correct, in that it facilitated the quick and easy financing of an extremely under-funded public budget and hence contributed to maintaining peace, macro-economic stability and allowed the financing of basic government salaries and some services.

S22 DFID technical assistance is generally regarded as being of high quality. Over-use of gap-filling PIU structures has drawn competent middle level staff out of government and limited the extent of increased capacity within GOSL.

S23 Devolution benefited the programme and has led to improved relations with government and development partners. The process could have been managed better and led to a loss of momentum as only one of the two Deputy Programme Managers moved to Freetown from London, and none of the disciplinary advisers moved.

S24 Staffing has been a challenge within the advisory cadre, with the post conditions unattractive to many candidates and leading to a number of stop-gap temporary appointments. Officials in DFID and Whitehall consider the head of office post merits a SCS classification in view of the complexity of the programme and in respect of working relationships with other HMG departments. The office has not yet been successful at appointing any SAIC staff to advisory level posts.

S25 Despite working in a poorly harmonised aid environment, DFIDSL can take credit for improving aid effectiveness. The major potential gains have come in terms of increased harmonisation with other donors and the move into the use of pooled funding and multi-donor trust funds.

S26 The objective outlined in the 2003 MOU of a genuine partnership between HMG and GOSL, with clarity in terms of expectations and conditionality and with mutual accountability has not been achieved. DFID and GOSL have not been able to develop an institutional mechanism that allows systematic discussion of priorities and expectations and development of a joint view with mutual accountability for delivery.

S27 **Lessons and recommendations:** Chapter 6 contains a large number of lessons dealing with peace and state-building, public financial management, budget support, private sector development and wider issues for DFID globally. Seven recommendations are made for DFID Sierra Leone and two global:

- Reconfirm the status and purpose of the MOU within HMG and if appropriate renegotiate with GOSL.

- Support the planned change to security sector reform with a strategic risk analysis and approach as a cross-cutting issue.
- Develop a joint FCO, MOD and DFID strategy about how to reach IMATT's objectives and develop an approach to support GOSL in reform of the RSLAF to a sustainable size and effective capability.
- Develop an exit strategy for PIUs and TA on enhanced salaries, with a coherent programme to migrate into capacity building for the civil service.
- Enhance effectiveness of budget support with a range of technical changes.
- Undertake a political economy analysis of the PFM reform programme to support preparation of an approach that will sustain the GOSL national action plan.
- Develop a more broad-based and politically sensitive approach for fighting corruption with a stronger emphasis on tackling the effects on poor people.

DFID globally:

- Develop capacity to make better use of political economy analysis in country programmes, to improve programme design and dialogue with government.
- Evaluate the high intensity, long running IMATT experience to explore lessons for comparable capacity building arrangements in key civil sectors such as health and education.





## 1. Introduction and Methods

1.1 Against a background of a substantial increase in resources and a focus on poverty reduction and achievement of the Millennium Development Goals (MDGs), DFID has adopted a policy of decentralisation in order to achieve greater relevance, responsiveness and impact for its aid resources. DFID's office in Sierra Leone has been established since 2005 and able to design and implement programmes of development assistance with delegated authority. DFID also finds itself increasingly operating in fragile environments with uncertain political conditions. Given the opportunities and challenges that these factors place on DFID, there is considerable interest in assessing the effectiveness of the aid budget and in learning lessons to improve delivery performance and impact.

1.2 The Evaluation Department of DFID (EvD) has contracted the companies ITAD and Verulam to undertake a series of Country Programme Evaluations (CPEs) in 2007/08 with the aim of assessing the relevance, efficiency, effectiveness and impact of DFID assistance at country level. Each CPE takes a five-year perspective; and in the case of Sierra Leone, the focus is from 2002 to 2007. The Sierra Leone CPE looks at development performance within the context of the aftermath of a major civil war, amidst UK concerns over regional security issues, and over a period when the programme was first run from London and then devolved to a new country office.

1.3 **Methodology:** The CPE exercise, which is characterised as a 'light evaluation', was conducted in three stages (see Terms of Reference (TOR) in **Annex A**). An initial one-week country visit was made in February 2008 to plan the evaluation, collect documentation, conduct initial interviews and adjust the evaluation approach to issues raised by interlocutors. An inception note was issued to summarise the work at this point. For the second stage, a three-week field visit by a team of five independent consultants took place in February and March 2008. The third stage was the drafting of the main report, followed by circulation for comment and report finalisation.

1.4 Given the scope of the study and the timeframe, the fieldwork concentrated on gathering evidence from a large volume of documentation and a range of stakeholders, including DFID country staff (past and present), donors, Non Government Organisations (NGOs), consultants and Government staff. A list of persons consulted is given in **Annex B** and of documents in **Annex C**. The exercise was guided by a matrix of pertinent questions (presented in **Annex D**). Preliminary feedback was given by the CPE team to the country office before departure.

1.5 **Limitations:** the Sierra Leone CPE is a complex evaluation given the political events and the devolution of the office in the period being assessed. The timeline of events (**Annex E**) provides an outline of the environment in which DFID operated. The CPE approach is also constrained in several other ways. Firstly, access to documentation was limited for the period up to 2005, owing to incomplete records in the handover period between the programme being managed from London and from Freetown. As such, the written evidence available for this study is clustered in the early years and in the period since the office was devolved. Secondly, no projects or programmes were visited in the field and no primary data collection or commissioned studies were undertaken. The limited extent to which the team has been able independently to verify the evidence needs to be borne in mind when reading the report.

1.6 **Report Structure:** the CPE report is structured as follows: **Chapter 2** describes the country context in Sierra Leone, the level of development assistance and DFID's own history of assistance since 2002. **Chapter 3** then looks at DFID's strategy over the period,

including its relevance, its alignment with corporate policy and with Government and other partners, how risk was assessed, and how it expected to use the resources available. This leads to a review of the programme's effectiveness in **Chapter 4**, where the results achieved by different projects and through different instruments are examined. In so far as documented evidence is available or the views of informants can be triangulated, the contribution of these different interventions to broader strategy objectives and key policy themes are also addressed. **Chapter 5** places the results of DFID's support in the context of Sierra Leone's overall development progress for the period under review. In **Chapter 6**, conclusions are drawn regarding DFID's strengths and weaknesses, and a set of lessons and recommendations are presented that may guide future assistance in Sierra Leone and be of use for DFID globally. A final **Chapter 7** is a Management Response provided by DFID Sierra Leone which discusses any areas where they agree or disagree with the independent country programme evaluation.

## 2. Context

2.1 This section presents an overview of the situation in Sierra Leone during the period of the evaluation in order to provide the context for DFID's assistance. It also describes the pattern of development and emergency aid provided to Sierra Leone from 2002 to 2007, and summarises DFID's support within that overall picture.

### Security Context

2.2 In February 2002, the Sierra Leone People's Party (SLPP) government declared peace after a ten year period of instability and brutal civil war, ended with the help of military intervention by the UK supported by a UN peacekeeping force. Since then, the collaboration between the government and the international community has successfully helped to stabilise the security situation and put an end to widespread violence and fear. Against the 'Governance Matters' indicators published by the World Bank (Kaufmann et al., 2007),<sup>1</sup> Sierra Leone's indicators of political governance (i.e. voice, accountability and stability) have improved massively since 1996 and 1998 and are now close to the regional average.

2.3 The government's presence has been re-established throughout the country. Systems and structures reforming both the armed forces and police have been put in place. Many refugees and displaced people have returned and the economy has begun to recover. At the end of 2005, the last of the UN peacekeepers departed. Writing in 2004 the evaluators of the Africa Conflict Prevention Pool (ACCP) concluded:

*The Evaluators believe that the...[UK assistance] strategy has had positive impacts by helping to stabilise Sierra Leone in terms of preventing the re-emergence of violent conflict, primarily by supporting reform of the security services, contributing to the dismantling of the RUF and CDF, and continuing the process of reintegrating ex-combatants into the community. The UK presence, along with that of UNAMSIL, has contributed to deterring external threats as well as internal challenges. Further, the reform of the SLP [Police] has made ground in making the police more accountable, professional, reducing corruption and beginning to restore a measure of civil society belief in law and order (Ginifer et al., 2004).*

### Political context

2.4 The political context since 2002 has been dominated by whether or not government addresses the fundamental drivers that led to civil war. These under-lying drivers are clearly set out in a 2004 report of the Sierra Leone Truth and Reconciliation Commission:<sup>2</sup>

*“ While there were many factors, both internal and external, that explain the cause of the civil war, the Commission came to the conclusion that it was years of bad governance, endemic corruption and the denial of basic human rights that created the deplorable conditions that made conflict inevitable. Successive regimes became increasingly impervious to the wishes and needs of the majority. Instead of implementing positive and progressive policies, each regime perpetuated the ills and self-serving machinations left behind by its predecessor. By the start of the conflict, the nation had been stripped of its*

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<sup>1</sup> Kaufmann, Daniel, Kraay, Aart and Mastruzzi, Massimo, "Governance Matters VI: Governance Indicators for 1996–2006" (July 2007). World Bank Policy Research Working Paper No. 4280

<sup>2</sup> Truth and Reconciliation Commission (2004) *Final Report of the Truth and Reconciliation Commission of Sierra Leone* (Freetown, October).

*dignity. Institutional collapse reduced the vast majority of people into a state of deprivation. Government accountability was non-existent. Political expression and dissent had been crushed. Democracy and the rule of law were dead. By 1991, Sierra Leone was a deeply divided society and full of the potential for violence. It required only the slightest spark for this violence to be ignited. The Commission traced the roots of these lapses through the post-independence period and into the colonial period.*

*This context provided ripe breeding grounds for opportunists who unleashed a wave of violence and mayhem that was to sweep through the country. Many Sierra Leoneans, particularly the youth, lost all sense of hope in the future. Youths became easy prey for unscrupulous forces who exploited their disenchantment to wreak vengeance against the ruling elite. The Commission holds the political elite of successive regimes in the post-independence period responsible for creating the conditions for conflict.”*

2.5 In terms of policy statements and rhetoric, this analysis was well understood by both the political elite of Sierra Leone and the international community. The leaders of the SLPP which won both the 1996 and 2002 elections engaged in an extensive process of policy development and dialogue with the international community from 1996 onwards on what would happen once peace was restored. This was reflected in the National Recovery Strategy for Newly Accessible Areas, which was the centrepiece of Government’s appeal to donors for funds at the Paris Consultative Group in November 2002. The strategy focused on restoration and resettlement rather than radical governance reform. It covered:

- Restoration of civil authority – this included the reintroduction of state officials (police, district administrators etc.) and chiefs throughout the country and a renewed commitment to elected district councils;
- Resettlement of refugees and displaced people, reintegration of ex-combatants;
- Reconciliation and the promotion of human rights. The strategy included the Special Court (which was driven hard by the international community), the Truth and Reconciliation Commission and various community-level initiatives which lacked a clear framework of implementation;
- Humanitarian assistance and the resumption of basic services;
- Stimulating the economy, including by rebuilding transport links.

2.6 Government finalised an Interim Poverty Reduction Strategy Paper (PRSP) in July 2001 and a full PRSP (2005–2007) was finalised in mid 2005. With support from the international community, progress has been made towards rebuilding state institutions; reconstruction, resettlement and reintegration; improved school enrolment rates; initiating decentralisation; revenue generation and collection; and economic growth.<sup>3</sup> Although no data are available to reflect the decline in living standards during the war, these gains should not be under-estimated.

2.7 Nor should the fact that the country held Presidential and Parliamentary elections in 2002, and local elections in 2004, which were considered by international observers to have been free of violence, reasonably well administered and broadly to have reflected the will of the majority of the electorate, be ignored. The Presidential and Parliamentary elections in 2007 were also reasonably well administered, and most significantly, led to a

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<sup>3</sup> Governance Matters 2006: Worldwide Governance Indicators, World Bank

peaceful handover of power from the SLPP to the All People's Congress (APC) with no major changes in relations with the police or the army.<sup>4</sup>

2.8 However, the reality is that Sierra Leone remains at the bottom in terms of most Human Development indicators, five years after peace was restored. The fear is that recent improvements may not be sustainable unless other dimensions of governance improve too. As summarised in the 2008 Joint EC/DFID Country Strategy Paper (JCSP), democratic and effective governance remains elusive and effective oversight mechanisms do not yet exist. Corruption is rife at all levels of government and broader society, which, when combined with weak capacity and fragmented civil society, hampers the implementation of laws and the protection of human rights. Parliament and the judiciary are weak. An inefficient civil service due to years of mismanagement and neglect, lack of training and low wages, means that Government is unable to deliver effectively even basic services to citizens. Lack of accountability allows, indeed encourages, poor levels of individual and corporate responsibility. The Office of National Security (ONS) facilitated Security Sector Review (2005) highlighted the dangers of internal instability as a result of these factors.

## **Economic Context**

2.9 Since the end of conflict, Sierra Leone's economy has recovered strongly, with real annual GDP growth consistently over 7%. The impressive economic recovery from the very low base after the war is explained to a large extent by a return to normality - the rehabilitation of agricultural lands and increased private investment.<sup>5</sup>

2.10 However, with GNI per capita estimated at US \$200, Sierra Leone remains one of the poorest countries in the world. Income inequality is relatively high, with a Gini coefficient of 0.39 and no signs of any improvement. The top 20% of the population account for 46% of consumption and the lowest 20% account for only 7%.<sup>6</sup>

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<sup>4</sup> Historically, the APC has been more closely aligned with the army, especially the officer cadre, than the SLPP.

<sup>5</sup> In 2003, agriculture is estimated to have contributed about 47% of GDP compared to 20% for mining and 23% for services (manufacturing contributed only 2 %).

<sup>6</sup> Integrated Household Survey 2004

2.11 The total economically active population is estimated at 40% of the population. Three-quarters work in the farming, forestry, and fishing sectors, and 13% in sales and related occupations. Paid employees are a minority; most employed in the informal sector, where women and youth are more likely to work. Women's average earnings are about half those of men. For most there are few livelihood options beyond primary industry and it is widely acknowledged that very high unemployment is one of the major risks to stability, although there are no accurate official statistics on the extent of the problem. Therefore, as high-lighted in the 2005 PRSP, sustained high rates of broad-based economic growth are essential if Sierra Leone is going to succeed in reducing poverty.

2.12 The 2005 PRSP therefore emphasises the need to widen the scope of activities, especially into agro-processing and fisheries and the revival of production of major agricultural commodities, such as coffee, cocoa and palm oil, to pre-war levels.<sup>7</sup> But the main challenges to economic growth include poor infrastructure, including the lack of access to energy supplies,<sup>8</sup> a poorly skilled and trained labour force, and a regulatory environment for business and the private sector which ranks among the worst in the world. According to the World Bank's latest country index for ease of doing business Sierra Leone ranks 168 out of 175 countries (2006).

## **Progress towards the Millennium Development Goals (MDGs)**

2.13 An extensive household survey conducted in 2003–04 and a number of qualitative surveys including a Participatory Poverty Assessment, focus group discussions and participatory learning forums were carried out as part of the process of developing the PRSP. The 2003/04 household survey shows that 70% of the population lives below the poverty line of Le 2,111 (slightly below US\$1) per day. Twenty six per cent of the population lives in extreme poverty, meaning that they do not earn enough income to buy the adult equivalent of 2,700 calories per day. These people are classified as being “food-poor”. Poverty is heavily concentrated in the rural and other urban areas outside Freetown. The PRSP reports that the proportion below the poverty line in Freetown is estimated at 15%, compared to 79% in the rural areas and 70% in other urban areas. Income inequality is relatively higher in the rural areas, compared to Freetown and other urban areas. Rural farming families suffer the highest poverty rates followed by rural mining families. Those employed in formal, urban, private sector jobs displayed the least incidence of poverty.

2.14 Whilst there are questions on the reliability and robustness of data available, what data are available consistently indicate that Sierra Leone is not on track to meet any of the MDG Goals by 2015 (Table 1). Sierra Leone has been ranked 177th out of the 177 countries ranked in the World Human Development Report in all but one year for the past ten years. There is no reliable data on *HIV/AIDS* prevalence and estimates vary widely.<sup>9</sup> However 47% of HIV positive cases are new infections, indicating that the prevalence rate is rising fast. High risk sexual behaviour is common in a post-conflict environment where many young men, including ex-combatants, are unemployed and struggling to find a role in society. Knowledge of HIV and other sexual health issues is generally low.

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<sup>7</sup> The three pillars are: governance, peace and security; promoting pro-poor sustainable growth; and promoting basic service delivery and human development.

<sup>8</sup> Less than 10% of Sierra Leone's population has access to electricity; lack of supply and extremely high electricity prices hamper private investment.

<sup>9</sup> The National Population base HIV seroprevalence Survey of Sierra Leone, indicates that the prevalence of HIV in the study population was 1.53%, but the lack of quality data makes analysis difficult. There appears to be an abnormal increase in the prevalence in males from 0.8% in the 30-34 year group to 3.5% in the 35-39 year group.

**Table 1. Summary of current trend and status of the MDGs<sup>10</sup>**

<b>MDG Goal</b>	<b>Trend</b>	<b>Comment</b>
<b>1. Poverty and hunger</b>		The 2003/04 household survey shows that 70% of the population lives below the poverty line of Le 2,111 (slightly below US\$1) per day. Data from 2007 survey needed (not available) to examine trend in this area during evaluation period.
<b>2. Universal Primary Education</b>		Primary school enrolments doubled from 2001/02 and 2004/05. Despite this impressive progress, Sierra Leone far from reaching the target of all primary aged children to complete a full course of primary schooling by 2015.
<b>3. Gender Equality</b>		Women are underrepresented in political and public life, although there has been some progress. Number of seats held by women increased from 9% in 1996 Parliament to 15% in the 2002 Parliament, but then decreased to 13% in the 2007 Parliament. Decline between 2002 and 2007 Parliaments is thought to reflect shift from proportional representation to first past the post approach in 2007.  Considerable progress has been made in increasing girls' attendance at primary school. Attendance at secondary school remains lower for girls than boys
<b>4. Child Mortality</b>		Rates remain worst in the world, despite very gradual improvement since the war.
<b>5. Maternal Mortality</b>		Rates remain worst in the world, little evidence of improvement since the war.
<b>6. HIV/AIDS, Malaria and TB</b>		HIV and Tuberculosis rates increasing. Malaria accounts for almost 40% of outpatient attendance; Prevalence among the population under five is 47%; Bed-net usage by pregnant women and under-fives is estimated at less than 7%.
<b>7. Environmental Sustainability</b>		Current trends show widespread environmental degradation and resource depletion.  The UNICEF MICS data from 2000 to 2005 shows that access to safe water and sanitation has been getting worse <sup>11</sup> .
<b>8. Global Partnerships</b>		Aid per capita rose from \$15 in 1990 (before the war) to \$74 in 2001, before falling back to \$67 in 2004 and US\$61 in 2005. Aid dependency is declining due to increase in GDP.

<sup>10</sup> Source DFID Africa DDP 2005-2008. Colour coding: green – progress being made; amber – some signs of limited progress; red – no evidence of progress.

<sup>11</sup> This decline is also likely to be partly due to people leaving refugee camps (where they had access to water) to return home after the conflict.

## Development Assistance

2.15 Total annual Official Development Assistance receipts between 2002 and 2007 have remained stable at between US\$350 million and US\$360 million per annum (see Table 2). DFID has been the largest overall donor during the period and is set to remain so in the immediate term. Sierra Leone is also distinctive since although there may be a large number of bilateral donors, the number of significant bilateral donors is small.

**Table 2. Sierra Leone Total Net ODA receipts, Selected Donors, by year 2002-2006 (\$m)**

Donor	2002	2003	2004	2005	2006	% of total ODA
United Kingdom	54.31	54.93	60.93	60.59	65.57	17.2
United States	70.12	58.79	30.06	21.85	21.03	11.7
Japan	0.09	3.73	0.19	2.09	62.69	4.0
Germany	15.93	12.43	11.66	6.35	10.76	3.3
IDA/World Bank	44.76	28.89	39.09	51.55	36.51	11.9
AfDF (African Dev.Fund)	15.68	6.86	31.53	18.76	18.18	5.3
EC	22.6	26.63	64.65	85.64	59.28	15.1
Others (n=18)	129.04	111.52	115.95	97.32	89.83	31.5
<b>All donors</b>	<b>352.53</b>	<b>303.78</b>	<b>354.06</b>	<b>344.15</b>	<b>363.85</b>	<b>100</b>

Source: OECD DAC Statistics, 2007

2.16 In March 2002, Sierra Leone reached the Heavily Indebted Poor Countries (HIPC) decision point which made it eligible for debt relief in the amount of US\$600 million in net present value terms or 80% of the country's outstanding (foreign) external debt as of end-2000. Interim relief in the form of debt service reductions was provided by multilateral institutions (WB, IMF, AfDB, EU). Paris Club members generally provided interim assistance on Cologne terms while some of them, among which the UK, agreed to cancel in full debt service payments falling due during the interim period. DFID provided 100% debt relief in 2003 worth £500.000. Other creditors like the OPEC Fund and other non-Paris Club (i.e. China and Morocco) have provided assistance outside the HIPC Initiative through debt cancellations. By end of 2006 Sierra Leone had reached completion point.

2.17 A Debt Sustainability Analysis was carried out in April 2005 as part of the requirement for HIPC completion by the staffs of the IMF and World Bank in support of the latest PRGF agreement. It was a comprehensive document which included an analysis of both external and domestic debt. It is anticipated that the exercise will be repeated during 2008. The analysis suggests that Sierra Leone faces moderate risk of external debt distress, despite low debt service requirements relative to exports, because of the magnitude of shocks it could face in the future (GDP shortfalls, delays in aid, or higher spending). Since reaching completion point, Sierra Leone qualified for fully delivery of Enhanced HIPC debt relief and the Multilateral Debt Relief Initiative. Table 3 provides an overview of the external debt sustainability indicators after full delivery of debt relief.



**Table 3. Sierra Leone External Debt Sustainability Indicators <sup>a</sup>**

	2005	2006	2007	2008	2009	2010	2015	2020	2025
NPV of debt-to-GDP ratio (% , Max. 30)	88	16	17	18	19	20	21	22	21
NPV of debt-to-exports ratio (% , Max. 100)	364	58	61	63	65	67	72	72	66
Debt service to exports ratio (% , Max. 15)	9	6	1	1	1	2	4	4	5

Public and publicly guaranteed debt after the HIPC Completion Point and the Multilateral Debt Relief Initiative.

Source: IMF and World Bank staff.

Source: Joint EU/DFID Country Strategy for Sierra Leone 2006.

## DFID in Sierra Leone

2.18 The UK Secretary of State for International Development, made an important speech setting out the UK's agenda during her visit to Sierra Leone in February 2002. She announced a broad agenda for reform and paid particular attention to action against corruption:

*“I want to make it clear today that the UK government is committed to stand by Sierra Leone for the long term provided that we have a strong mutual commitment to the building of a competent, transparent and uncorrupt modern state.”*

2.19 This set the tone for the programmes that were to follow. DFID maintained a close relationship and provided support to the elected Government of Sierra Leone (GOSL) throughout the war period. At this point the programme was managed out of London. The programme and advisory teams relocated to Freetown in 2005 with the relocation triggering an almost entire change of senior and mid-level personnel in both teams.

2.20 During the evaluation period, a Long-Term Partnership Agreement (MOU) between the GOSL and the UK Government (HMG) was signed in November 2002, and came into full effect from January 2003. Prior to this, the programme was not managed within an overarching strategic programme framework.

2.21 Technically, this has remained the only document setting out DFID's strategic intentions between 2002 and 2007. However, there are two other key strategy documents, which whilst having no official status, can be seen as setting out DFID's strategic intentions. First was a draft DFID country strategy paper, drafted in early 2002, which summarised strategic thinking of the UK based team in detail, but was superseded by the 2003 MOU. Second, is the Joint EC/DFID Country Strategy for Sierra Leone drafted in late 2006 and which has framed DFID strategic thinking thereafter, although it was only finally approved in January 2008.

2.22 DFID aid framework to Sierra Leone has remained relatively stable at £40 million per annum during the evaluation period and Table 4 shows that Sierra Leone has received a declining share of both total and Africa specific UK bilateral aid between 2002 and 2007.

**Table 4. UK Official Development Assistance expenditure, Sierra Leone 2002-07 (£ '000)**

Year	Total DFID Bilateral Programme in Sierra Leone	Sierra Leone as % of total UK Bilateral Aid	Total DFID Bilateral ODA to Africa	Sierra Leone as % of DFID Africa total
2002/03	31,791	1.31	740,725	4.3
2003/04	34,176	1.34	711,780	4.8
2004/05	27,279	0.88	867,969	3.1
2005/06	34,138	0.77	1,139,822	3.0
2006/07	37,636	0.77	1,135,002	3.3

Source: Table 14.1 Statistics in International Development, DFID, 2007

2.23 Table 5 shows a breakdown of expenditures by broad input sector by DFID in Sierra Leone and Africa between 2002/03 and 2006/07. Spending on health and education is much lower than the average for the continent and much higher on governance.

**Table 5. Percentage expenditures by broad input sector by DFID in Sierra Leone and Africa between 2002/03 and 2006/07**

Broad Sector	% expenditure by DFID	
	In Sierra Leone	Africa
Economic	17	17
Education	6	14
Health	6	21
Governance	41	14
Social	11	6
Humanitarian	15	20
Livelihoods	3	5
Environment	0	1
Unallocated	1	2

## Summary Chapter 2

- ❖ The evaluation covers the period 2002–2007 and follows ten years of instability and civil war, ended with the help of military intervention by UK forces.
- ❖ A new civilian government took power with policies to consolidate peace and tackle the corruption and neglect that had fuelled the war.
- ❖ Real annual GDP growth has been over 7%, partly a ‘bounce back’ after the war, but also through rehabilitation of agriculture and new investment.
- ❖ Unemployment is very high and Sierra Leone remains one of the poorest countries in the world – 70% of the population in 2003/04 were below the poverty line.
- ❖ Few reliable poverty data are available and none reflect the decline in living standards during the war, but the data that are indicate that Sierra Leone is not on track to meet any of the MDG goals by 2015.
- ❖ Total net ODA has remained stable at about US\$350 million per year. DFID is the largest overall donor and has worked within a Long Term Partnership Agreement signed in 2002.

### 3. How Relevant was DFID's Strategic Approach and Programming in Sierra Leone?

3.1 This chapter discusses the relevance of DFID's strategic approach and programming to the needs of Sierra Leone from 2002-07. It examines how risk was assessed, how choices about aid instruments have been made, and how DFID decided to work with Government and other development partners.

#### Evolution of Strategy

3.2 Table 6 sets out the main components of DFID's strategy statements on Sierra Leone. The three documents were a draft Country Strategy Paper (CSP) prepared in 2001/02 but in fact never formally adopted, a Poverty Reduction Framework Agreement, which formed the basis of a 10 year Memorandum of Understanding between HMG and the GOSL, and a Joint Country Strategy Paper prepared with the Delegation of the European Commission. The contents of the strategies are reviewed in the next section, but several points about the structure and sequencing need to be explained. Figure 1 presents a timeline of strategy and portfolio development.<sup>12</sup>

**Table 6. Summary of Strategic Frameworks – DFID Sierra Leone 2002-07**

<b>Draft Country Strategy Plan 2002</b>	<b>Poverty Reduction Framework Agreement/ MOU 2003</b>
Law and order <ul style="list-style-type: none"> <li>• Sustainable peace holding</li> <li>• Fully funded Disarmament, Demobilisation and Reintegration (DDR) in place</li> </ul>	I. Resolving Conflict
Rebuilding the machinery of government <ul style="list-style-type: none"> <li>• Democratic government with free and fair elections</li> <li>• Fully functioning and widely supported Anti-Corruption Commission (ACC)</li> <li>• Progress with diamond industry regulation</li> <li>• Civilian MOD functioning; military accountable to GOSL</li> </ul>	II. Improving standards of governance and combating corruption III. Reforming the security sector
Progress towards MDGs <ul style="list-style-type: none"> <li>• Progress on drafting participatory PRSP with health and education sector reviews</li> <li>• Civilian resettlement programmes</li> <li>• Limited well targeted TA in education (<i>main support by IDA and AfDB</i>)</li> <li>• Civil society capacity enhanced</li> <li>• Potential impact of HIV/AIDS assessed</li> <li>• (<i>Health main support by INGOs and EC</i>)</li> </ul>	IV. Reducing poverty VI. Developing human resources

<sup>12</sup> Data on the number and value of projects from PRISM, supplied in January 2008

Relaunching the economy <ul style="list-style-type: none"> <li>• Holding WB-Chaired donors meeting to get financial commitments</li> <li>• IMF on track; interim debt relief following HIPC decision point</li> </ul>	V. Ensuring macro-economic stability
<b>Joint DFID-EC Strategy 2006</b> DFID will: <b>Build on the gains made</b> through previous and ongoing interventions which have focused on improving governance and state building. <b>Focus more directly on broad based economic growth and achievement of the MDGs</b> through a broadening of the current country programme to deliver improved basic services Three pillars corresponding to the PRS.	
Governance, peace and security	<ul style="list-style-type: none"> <li>• Reforming state institutions both at the central and local government levels</li> <li>• Greater transparency and accountability in the use of public funds</li> <li>• Ensuring responsive government and consolidating</li> <li>• Maximising government revenue collection</li> </ul>
Promoting pro-poor sustainable growth	<ul style="list-style-type: none"> <li>• The creation of an enabling policy environment which supports inward investment, facilitates private sector development, and maximises revenues from agriculture, fisheries, mining and tourism</li> <li>• Targeted support to private sector development and job</li> <li>• Addressing the severe infrastructure constraints (roads and energy)</li> <li>• Environment and Natural Resources Management: The EC support to the National Commission on Environment and Forestry (NaCEF)</li> </ul>
Promoting basic service delivery and human development	<ul style="list-style-type: none"> <li>• Support to PRS focus on developing primary health care services and reducing maternal and child mortality. DFID will work with the World Bank, UNICEF and other partners to improve sexual, reproductive and child health. Better access to water in Freetown and in rural areas. At the same time we will work closely with the government and international partners to fight the spread of HIV/AIDS and support poor people's access to bed nets to prevent malaria.</li> <li>• Support implementation of the 10 year Education Sector Plan.</li> <li>• Support to the capacity of Statistics Sierra Leone to collect and analyse economic and social data.</li> </ul>

3.3 There was a clear intention to drive the Sierra Leone programme through a coherent strategy, but the way events turned out meant that DFID did not actually have a formally signed strategy until February 2008. A draft CSP prepared early in 2002 was held back pending the finalisation of the GOSL PRSP expected in early 2003 but not finished until 2005. The MOU which was signed in November 2002 and published as a framework agreement in 2003 became the *de facto* document, yet was not an operational strategy, but more of a performance framework between the two governments. It was never intended to be a strategy document in the same way as a country strategy paper.

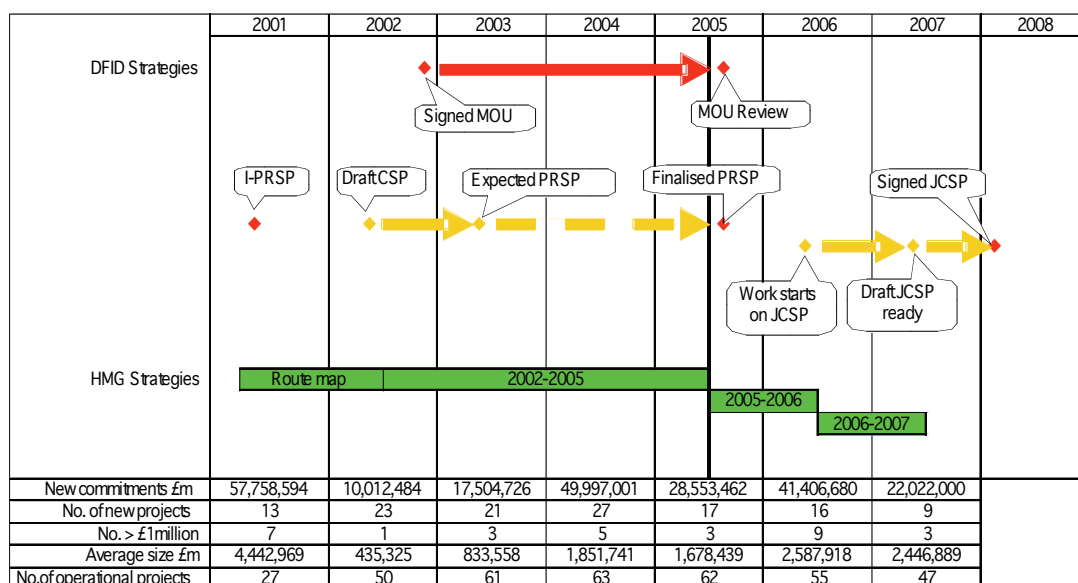
3.4 Internal guidance at the time proposed five possible benefits to be derived from using a MOU to manage the partnership between DFID and a partner government. These were:

- a. Setting a framework for the overall relationship and for substantive dialogue.
- b. Being open and explicit about conditionality and expectations.
- c. Predictability of donor funding and technical support.
- d. Increasing donor accountability to both the partner government and UK stakeholders.
- e. Stimulating greater donor co-ordination and harmonisation.

3.5 After the office devolved to Freetown in 2005 work started on a new strategy, this time aligned directly with the PRSP and prepared jointly with the EC (JCSP), but reservations in Palace Street about the structure and content of the JCSP led to delays in signing until February 2008 and by then GOSL was working on a new PRS due in the second quarter of 2008. In parallel with DFID's strategy HMG worked to a three year strategy from 2002 to 2005 subsequently updated yearly.

3.6 The absence of an operational strategy together with the prominence of the MOU meant that the programme has not had clear development objectives, a point taken up in more detail below.

**Figure 1. Timeline of strategy and portfolio development**



## Strategy Quality

3.7 Although the CSP and MOU had respectively four and six areas of focus, the country strategy can be summarised as having three pillars prior to the PRS: consolidating the peace by resolving conflict and reforming the security sector; rebuilding the state; and delivery of services to citizens. DFID explicitly held back from large-scale support to this latter role in the early years, arguing that other development partners would work in those areas. Indeed, the executive summary of the CSP was edited in advance of a country visit by the Secretary of State in February 2002 to emphasise the objective of maintaining peace and creating pre-conditions for sustainable development: '*we cannot yet look forward to making progress towards the MDGs*'.<sup>13</sup> The annual performance review for 2004 noted that the programme makes no direct contribution to PSA targets, by ministerial directive. Only with the advent of the PRSP and subsequent work on the JCSP did that change.

3.8 The Joint EC/DFID Country Strategy for Sierra Leone (JCSP), which was drafted in 2006 was more of a statement of intent as it neither prioritises between the areas of strategic focus, nor includes a clear explanation of what funds would be allocated to which areas although it does articulate the shift in programming from the security sector to basic services. This joint strategy will become operational in mid 2008, when a Business Plan is agreed. But the delay in reaching agreement means that the strategic decisions will be finalised just before arrival of DFID's new head of office in 2008. Difficulties in managing the timing of both a finalisation of the draft CSP and the subsequent JCSP significantly reduced the effectiveness of all DFID strategy development during the evaluation period.

3.9 **Peace building and security:** Work in support of the security sector was both integral to DFID's work and in parallel with it through the British and subsequently International Military Advisory Training Team (IMATT) funded through the Africa Conflict Prevention Pool. The strong British military presence, firstly in an operational role to restore peace and end the civil war, then to support reform of the army necessitated a coordinated response between DFID, the Foreign and Commonwealth Office (FCO) and Ministry of Defence (MOD), with a direct bearing on strategy.

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<sup>13</sup> Draft CSP, February 2002, para ii

3.10 The HMG Sierra Leone Route Map of April 2001, outlines the UK's long-term objectives in Sierra Leone, setting the priorities for the next ten years. The strategy was outlined as (i) helping the GOSL regain control of the country, (ii) rebuilding an effective state, (iii) creating a effective, non-political accountable armed and police forces, (iv) ensuring that West African states work for regional stability and prosperity. The strategy does not explicitly identify the respective roles of the main UK parties. Having stated the strategy, the purpose of the route map was defined as:

*“... to articulate the medium-term plan for achieving HMG's strategy in Sierra Leone. The route map will enable HMG to keep formal track of UNAMSIL's progress against plans. It will provide early warning when critical stages are not completed, triggering consideration of whether and how any adjustments to our strategy are necessary.  
(Cabinet Office, April 2001)*

3.11 With the longer-term strategy in place by April 2001, in June 2002 a medium-term strategy which included a development objective was outlined as:

*“... to help establish a peaceful and stable SL which, by 2005, is no longer at risk from internal and external conflict and has begun to make progress in reducing poverty and in social, economic and political development.”  
(Cabinet Office, 14 June 2002)*

3.12 A comparison of strategies in place against total DFID commitments over the longer period since 1998 saw that most of the spending commitments that drove the programme during the evaluation period were in fact made in earlier years. By the time a long-term strategy was articulated in 2001, 65% of total DFID commitments to peace and security had been agreed. The commitment to funding peace and security was made in advance of the planned development programme and defined and limited the scope for development activities.

3.13 As far as peace and security is concerned, DFID's strategies developed during the period were not so much setting agendas and directing commitments, but rather a 'post-rationalisation' of decisions and priorities already put in place by HMG.

3.14 **State building:** The MOU provided the only strategy for state building through governance reforms. The first head of DFID office during the evaluation period states that the MOU was not translated into an operational strategy because this was supposed to happen through the supporting benchmarks. However, this did not happen.<sup>14</sup> Instead, the benchmarks appear mainly to have been used as a signal from DFID to the Vice President and Financial Secretary about major concerns, thus providing the basis for dialogue between these two parties.

3.15 At country programme level, areas of strategic focus in the governance area have been identified in a number of documents and correspond with those in the draft CSP. The rationale for the focus in these areas is not included in either the MOU or draft CSP, but is covered to some extent in *DFID (2002), Sierra Leone: Governance Reconstruction and Reform. Progress Report on Reform Programmes and British Support, October.*

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<sup>14</sup> Balogun, Paul and Lansana Gberie (2005), Assessing the Performance of the Long-Term Partnership Agreement between the Governments of Sierra Leone and the UK, DFID, August. Paragraph 51-55

3.16 Shifts in strategic focus over the evaluation period include

- A withdrawal from supporting promotion of a free and independent media (which actually occurred in 2004 with the ending of a long-running project supporting the media).
- A greater focus on strengthening external accountability, mainly through work with Parliament, civil society and the media. The rationale for the move into this area was contained in the Drivers of Change analysis (January, 2006) which also prompted an update of the governance strategy the same year.<sup>15 16</sup>

3.17 But it is interesting that the planned 14 outcomes listed in the JCSP do not include some of what the present head of office states are the highest priorities, which are reduction in the size of the civil service and army, and reduced levels of corruption.

3.18 **Service delivery and growth:** Service delivery and the performance of the state were both supported initially through a budget support operation. The main purpose was to improve the effectiveness of the government budget as the principal instrument for achieving poverty reduction and growth consistent with national objectives. But the intervention logic of how budget support is to achieve these objectives is not well argued in any project memoranda throughout the entire reference period. This is particularly the case for the period 2001/02-2004/05, where the description of how the purpose for budget support translates into activities and objectively verifiable indicators is unclear and inconsistently articulated.<sup>17</sup>

3.19 The purpose shifted from focussing on macroeconomic stability during the period of the three-year budget support agreement 2001/02-2003/04 towards a stronger emphasis on public finance management (PFM) in subsequent years. From 2005/06 onwards, four sub-objectives were identified as indicators to track progress with budget support delivery:

- stable macro-economic environment
- improved service delivery
- more effective, responsive, and accountable government
- maintenance of peace & security

3.20 Despite poorly constructed intervention logic, there has been a clear implicit understanding in DFIDSL that the objectives of budget support were to provide a significant amount of financial resources to the national treasury to support macro-economic management, to finance the quick up-take of basic public services, and restore an operational, transparent and accountable budget process. This was expected to have a positive knock-on effect on service delivery and governance, as well as peace and security by stimulating economic growth and financing an expanded wage bill of the civil service, including police and defence forces.

3.21 The original three year agreement for budget support was a political decision. From the project memoranda, it is clear that on technical grounds DFIDSL did not have a well informed view of GOSL commitment to poverty reduction. Fiduciary risks were analysed but there was no credible programme of reforming the state of PFM in place.

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<sup>15</sup> Brown, T., R. Fanthorpe, L. Gberie, J. Gardener and G. Sesay (2006) Sierra Leone Drivers of Change. The IDL Group, January 2006.

<sup>16</sup> DFID (2007) Sierra Leone Country Governance Assessment. June. DFID, Sierra Leone. Paragraph 9.

<sup>17</sup> ODI, DFID Multi-donor Budget Support to Sierra Leone 2004-2007, August 2007.



There was also no analysis undertaken by DFID on whether the benefits of budget support outweighed the risks. In retrospect, except for the fiduciary risk analysis none of the other eligibility criteria subsequently adopted by DFID for budget support were fulfilled in 2001. The main safeguard for the budget support operation was Sierra Leone being on track with the IMF Poverty Reduction and Growth Facility (PRGF) programme.

3.22 DFID's late involvement in pro-poor service delivery and growth has followed the overall ministerial direction that attention during the first years should focus on peace-building and security, with service delivery and growth promotion being seen as a second generation reform area. The MOU's pillars iv and vi on reducing poverty and developing human resources respectively led directly to a number of smaller projects supporting health, education, infrastructure (WATSAN), capacity building and agriculture, all described below. On developing human resources, the MOU (page 6) specifically notes: '*priority social sector spending in education, health, water and basic infrastructure will be ring-fenced to ensure adequate resources are allocated to these sectors*'.

3.23 More specific interventions to support pro-poor growth were largely ruled out by the draft CSP, but have grown slowly under other policy statements. The HMG strategy 2005-06 says HMG will work with GOSL on private sector development in mineral and agriculture processing, and development of agriculture and fishery, but without specific reference to DFID's strategy. DFID's strong focus on PSD, as opposed to a wider, more integrated PPG portfolio of activities in infrastructure or productive sectors has been driven by the: (i) lack of availability of the expertise in the office and the constraints on the headcounts; and, (ii) the strategy to show quick and visible results in Sierra Leone's business climate.<sup>18</sup> DFIDSL PSD strategy has generally addressed the right issues, but the portfolio has been too fragmented so far.

3.24 A clearer strategy emerged with the JCSP: '*DFID's response will focus more directly on broad based economic growth and achievement of the MDGs through a broadening of the current country programme to deliver improved basic services ... DFID will work with the government and international partners, particularly the WB and UNICEF, to improve delivery of basic education and health services and access to water.*' (pages 33/34 and 37). Preparatory work for the strategy by UK-based livelihoods advisors had argued that pro-poor growth will have to come from the agriculture and fisheries sectors. But no clear orientation for DFIDSL came out of this work and internal memos are inconsistent about how and whether to engage in these sectors.<sup>19</sup>

3.25 **Alignment with GOSL:** An I-PRSP was signed in June 2001 and a full PRSP in mid 2005. The newly elected government of Sierra Leone drafted a National Recovery Strategy in 2002 and the long-term Vision 2025 in 2003. There is no evidence that the areas of strategic focus identified in the 2003 MOU were not aligned with government policy, as expressed in these documents. DFID had taken a significant role in supporting GOSL to produce the PRSP, which was seen as key to both focusing and prioritising what would be supported. However, although the PRSP was agreed in June 2005, significant work still remained to develop something that could be operationalised. At a minimum, this delayed implementation of the PRSP by several months, which allied with the fact that GOSL became focused on elections from early 2007, meant that the PRSP had little scope to influence GOSL priorities and budget allocation processes.

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<sup>18</sup> Interviews with DFID staff

<sup>19</sup> DFIDSL point out that formal discussions have been held with the World Bank, which leads on the Rural Development Programme, and that AfDB also works in the sector.

3.26 There was also a general consensus among those interviewed that the DFID programme was aligned with the needs and priorities expressed by the Government, when initially designed, including the approach to SSR.

3.27 **Alignment with HMG policy:** In many respects, Sierra Leone has been a leading programme for development of cross-Whitehall working and alignment with HMG objectives. During the conflict and in the immediate post-war period the Cabinet Office played the leading role and developed the 2001 route map and 2002-2005 HMG strategy. Since then a working pattern has emerged whereby the three key departments: FCO, DFID and MOD meet approximately every six weeks to review progress against the HMG three-year rolling action plan. Coordination mechanisms have developed and worked well according to officials from the three departments, initially based in Whitehall, but now spanning London and Freetown through the use of video links.

3.28 Harmonisation of strategy has been less effective. There is a lack of clarity about how departmental strategies fit together and the extent to which business plans are or need to be harmonised. Several examples illustrate the challenge. The relative roles of the MOU and HMG strategy has never been clarified even though the MOU is described as an agreement between the Government of the UK and the Government of Sierra Leone. An independent review of the MOU in 2005 concluded that: *“There is little evidence that the MOU and the benchmarks have been used to enhance coordination and harmonisation within HMG itself.”*<sup>20</sup>

3.29 The IMATT works towards four objectives, three of which can not be achieved working through the RSLAF alone and would require actions by both the British High Commission and DFID yet there are no obvious programmes funded to achieve this.<sup>21</sup> The large scale of funding and military TA of the IMATT is out of step with the much smaller DFID support for the civil service. The 2002-2005 HMG strategy appears to commit the UK to support service delivery and pro-poor growth whilst at the same time DFID's strategy was not to engage in those areas before 2005.

3.30 **Strategy analysis and evolution:** When peace was established in 2002, DFID's experience in post-conflict countries had not been codified and much of the policy and advice was only produced in 2005, in part reflecting the experience in Sierra Leone. The security sector reform (SSR) work in Sierra Leone has been described by reviewers as 'cutting edge', learning lessons and developing policy that has since been applied elsewhere. The SSR programme was well monitored, by the Defence Advisory Team (DAT) in 2002 and Security Sector DAT (SSDAT) in 2005 and 2007, with suggestions for alteration being implemented. The focus upon Police and Justice also underwent a shift in emphasis, away from 'equip and train' to a more holistic justice delivery, begun in 2005, which was entirely in line with the evolving concepts and policies related to the Security Sector. The change reflected a shift of emphasis from security of the state to security of the individual. But some projects multiplied their activities to the detriment of their initial focus. The SSDAT April 2007, Sierra Leone Security Sector Reform Programme, states:

*“At present there is no single programme management document, containing details of activities to be conducted, timelines, budgetary allocations, objectives, performance indicators etc (DFID project cycle management compliant). There are also no qualitative, quantifiable or timebound (QQT) means of verification, nor is there a risk matrix. Any*

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<sup>20</sup> Balogun, Paul and Lansana Gberie (2005), Assessing the Performance of the Long-Term Partnership Agreement between the Governments of Sierra Leone and the UK, DFID, August. Paragraph v.

<sup>21</sup> IMATT's mission is '...to help develop the Sierra Leone Armed forces into a democratically accountable, effective and sustainable force to fulfil security tasks required by the Government of Sierra Leone'.

*revised log-frame would benefit a series of nested log-frames, addressing activities to be conducted within each sub-component.”(para 64)*

3.31 The governance strategy update in 2006 was influenced by the Drivers of Change analysis, carried out earlier in the year. In particular, this high-lighted the challenge of working with a small political elite and therefore the need to work more with civil society. The clearest response was development of the PIVOT project to improve citizens ability to engage effectively in the electoral process through enhanced capacity of the media and civil society

3.32 The provision of budget support was a relevant short-term modality in the aftermath of the conflict, as it facilitated a quick and easy financing of an extremely underfunded public budget, less so when used as a long-term financing modality to support poverty reduction. In many ways, DFIDSL’s budget support strategy reflects both good and bad practices when set against DFID’s policy paper on fragile states.

3.33 The major shift articulated in the draft Joint EC/DFID Country Strategy for Sierra Leone is the move into support for basic service provision. The original strategy was to ensure security and state building before moving into service delivery, but the thinking in DFID has changed, partly under the influence of HM Treasury, that service delivery should accompany security and state building from the outset. Given the high level of expenditure committed to security, such an approach would have meant either a larger aid framework or reduction in other areas of the programme. Whilst the approach taken was directly in line with ministerial policy at the time, the supporting assumptions that other donors would be effective in support of service delivery was not adequately monitored.

3.34 **Exit strategy for security sector reform:** Although peace building and reform of the security sector was a major pillar of DFID’s approach, and long term issues such as how to reach an affordable size of the Sierra Leone armed forces (RSLAF) were identified soon after the end of hostilities no exit strategy was ever prepared for the SSR/SILSEP programme, or for the wider UK engagement in SSR. The difficulties seem to have arisen in three areas:

- Firstly, in defining a clear role and capacity for the RSLSAF which could form the basis for a stronger agreement with government about sustainable size and a reform programme to achieve it.
- Secondly, adjustment of the security sector policy to take account of a shift in the principle threat to national security which has been identified as low-living standards, poor services and unemployment; all core development issues.
- Thirdly, although a joint DFID/IMATT work plan was developed in 2006 and was seen as the exit strategy for DFID, it was not taken up and implemented by the subsequent IMATT Commander.

3.35 This has given rise to a complicated situation whereby DFID’s 2008 decision to withdraw from SSR is interpreted by FCO and MOD as unilateral and unexpected and yet in reality the programme remains engaged in those core development issues which do affect national security and tackle issues that deal with the underlying causes of the conflict.<sup>22</sup> The

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<sup>22</sup> At the time of the evaluation the SILSEP programme was very close to completion and in order to ensure the continuation of the advisors in place, a request had been submitted to ACPP to cover their costs. The submission to ACPP was referred to as an emergency plan to support the ‘security architecture’.

major omission is the absence of any clear objectives regarding the size of the RSLAF in the JCSP.

## Assessment of risks

3.36 There was little or no analysis of risks in the country programme throughout the period of the review. The main exceptions were a short and very specific treatment concerning the security sector in the 2001 route map and the more comprehensive coverage in the 2007 JCSP. Risks were analysed for Sierra Leone at the level of the DFID's regional programme in 2002 and 2005. (See Table 7)

**Table 7. Summary of Risk Assessments in Sierra Leone**

<b>RISKS IDENTIFIED</b>	<b>PROBABILITY</b>
<u>Draft CSP (2002)</u> <ul style="list-style-type: none"> <li>No treatment of risks</li> </ul>	
<u>HMG Route Map (2001)</u> <ul style="list-style-type: none"> <li>Delay in UNAMSIL's move forward</li> <li>Failure of DDR scheme to attract sufficient numbers</li> <li>Breakdown of ceasefire</li> <li>Further slippage in election dates</li> </ul>	Not stated (mitigating actions are listed)
<u>HMG 2002-2005 Strategy</u> <ul style="list-style-type: none"> <li>No treatment of risks</li> </ul>	
<u>MOU/Poverty Reduction Framework Agreement 2003</u> <ul style="list-style-type: none"> <li>No treatment of risks</li> </ul>	
<u>HMG 2005 Strategy update</u> <ul style="list-style-type: none"> <li>No treatment of risks</li> </ul>	
<u>West And North Africa Department Policy and Resource Plan 2002/03-2004/05</u> (Assumptions & risks) <ul style="list-style-type: none"> <li>Sierra Leone remains a major priority for the Government.</li> <li>The Africa Conflict Fund (ACF) (will) provide significant resources.</li> <li>Peace holds so that we are able to begin spending on longer term development programmes in the second and third years of the framework period.</li> <li>The Secretary of State endorses the CSP proposal to engage in the education sector.</li> </ul>	Not stated
<u>Africa Director's Delivery Plan 2005-2008</u> <ol style="list-style-type: none"> <li>Partner governments fail to develop and implement pro-poor policies due to lack of political will and/or corruption.</li> <li>Lack of progress on human rights and democracy undermines donor support.</li> <li>Countries slip back into internal or regional conflict – undermining development prospects and compromising DFID assistance.</li> <li>Ineffective leadership and inadequate implementation of HIV and AIDS control strategies leads to levels of disease and loss of life which undermine progress towards all</li> </ol>	(for Sierra Leone) <ol style="list-style-type: none"> <li>Medium</li> <li>Medium</li> <li>Medium</li> <li>Medium</li> <li>Medium</li> <li>High</li> <li>Medium</li> <li>Medium</li> </ol>

RISKS IDENTIFIED	PROBABILITY
MDGs. 5. Donors fail to deliver Monterrey/ Kananaskis commitments to increase aid to Africa and fail to harmonise behind country strategies and procedures. 6. Donors fail to deliver on the commitments signed up to at Gleneagles in 2005. 7. Increased actual or threatened attacks on UK targets reduces capacity to operate in-country. 8. Failure to staff overseas offices with the right people given reluctance to work in difficult environments.	
<u>Joint DFID/EC Country Strategy 2007-2012</u> <ul style="list-style-type: none"> <li>• Political risks (3 listed)</li> <li>• Security risks (3 listed)</li> <li>• Economic risks (3 listed)</li> <li>• Fiduciary risks (1 listed)</li> <li>• Other risks (government capacity; uncoordinated donor support and HIV/AIDS)</li> </ul>	Not stated, but a brief mitigating strategy given

3.37 Coverage at project level has been better. Analysis of the major projects in the governance sector suggests that risk ratings have consistently been too lenient. Most projects have been assessed as medium risk, which would seem inappropriate given both the environment and the projects' performance. A similar finding occurs for private sector development where most projects were rated as low risk. No formal risk management plans were developed during the evaluation period. And staff characterised the approach as being that the risks were discussed, but little systematic focus was given to this issue.

3.38 Risk analysis for budget support was weak at first but improved over the period.

- The 2001/02 decision to go for Poverty Reduction Budget Support (PRBS) was not supported with a thorough fiduciary risk assessment (FRA), but comprised ex-post audit by Crown Agents. There was also a preliminary HIPC AAP in 2001.
- Between 2002/03 and 2004/05 more PFM diagnostics were undertaken which built greater understanding of fiduciary risks involved. There was also a public expenditure tracking (PET) survey in 2002
- Since 2004, monitoring of the fiduciary risks became more systematic. DFID used the WB HIPC AAP 2004 as the basis for its subsequent FRA and from 2007 the Public Expenditure and Financial Accountability (PEFA) methodology to assess the quality of PFM systems.
- General progress on PFM is monitored through the Common and National Action Plan on PFM and the conditionality set in the Multi-donor budget support (MDBS) operation.
- Macro-economic risks were monitored through the IMF PRGF programmes and related quantitative and structural benchmarks.

3.39 It is noteworthy that the budget support operations between 2001/02-2005/06 were rated as medium risk even though the overall state of PFM and governance in Sierra Leone was widely acknowledged as very weak during that period. After all, the absence of a comprehensive and well articulated PRSP and growth strategy and the state of PFM have been a key factor in explaining why budget support was not scaled up further beyond the £10 million baseline per year. From 2004/05 onwards DFIDSL introduced a graduated

response mechanism, whereby an additional £5 million would be made available in form of budget support if government demonstrated satisfactory progress against a set of performance indicators. This was a new element of DFIDSL risk strategy reflecting a changing stance of the office towards promoting greater performance within government.

## Portfolio Profile

3.40 Annual disbursement is shown in Table 4, page 9. Figures 1 (page 13) and 2 (page 22) set out the pattern of new programme commitments over the period of the evaluation.

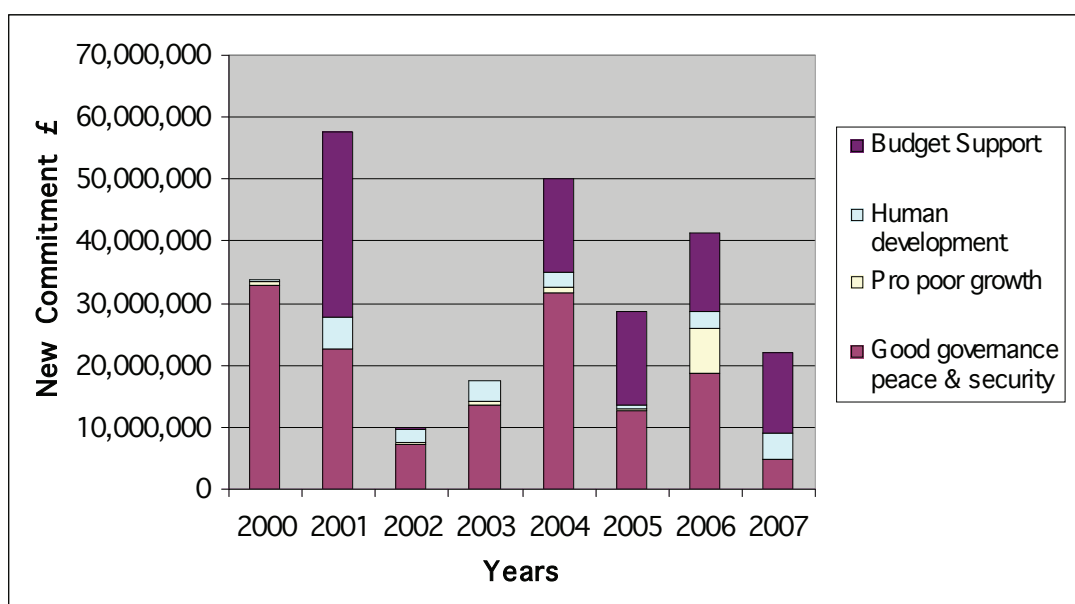
3.41 There are several distinct features about the spending decisions. Firstly, in line with DFID policy to secure the peace and rebuild the state, £88 million, a little over half of the total commitments between 2002 and 2007, was for good governance, peace and security. Budget support, spread across all sectors, comprised 35%, with human development and pro-poor growth at 10% and 6% respectively.

3.42 Secondly, large spending decisions were clustered in three periods:

- 2000/01 when a total of £92 million was committed, one third to budget support and 60% to good governance, peace and security
- 2004, when £50 million was committed, 30% to budget support and 60% to good governance, peace and security
- 2006, when £41 million was committed, 30% to budget support and 45% to good governance, peace and security

3.43 Thirdly, the period 2002 to 2004 after the signing of the MOU saw a proliferation of smaller projects, less than £1 million in value, which doubled the number of active operational projects in the portfolio, even though the programme was still being managed from London. By the time the office was devolved to Freetown in 2005 there were 62 active projects, a number that has steadily been reduced to less than 50 in 2008 as the office has prepared fewer but larger new projects.

3.44 The clustering of spending decisions entrenched the approach to security and budget support and reduced the room for manoeuvre in the programme at two critical points: following the endorsement of the MOU when the programme was working towards a CSP that was never adopted; and when the office was devolved to Freetown, and able to engage more closely with government and other partners.

**Figure 2. DFIDSL New Programme Commitments by PRSP Pillar and Budget Support 2000-2007**

## Choice of Instruments

3.45 Sierra Leone can be classified as a low-income post conflict country. DFIDSL strategy has not been fully in line with HQ guidance on Aid Modalities (July 2006) as the latter advises greater use of projects to rebuild institutions and support service delivery. DFIDSL support through TA in PFM, governance and private sector development falls well in line with HQ guidance but not as regards budget support and promoting service delivery. The choice of aid modality in the area of PRBS and PFM has been influenced by considerations about the entry points in institutions (state), funding channels (budget support, TA) and alignment (with government systems through budget support, and with government policy as expressed in the PRSP). The political decision early in the period to go for budget support and not to focus on service delivery is out of step with more recent policy.

3.46 Within the governance and PSD portfolios, all support has been delivered through projects. DFID has contributed to one pooled funding project (Support to Elections, managed by UNDP, 2006-2008), one multi-donor trust fund (IRCBP, managed by World Bank) contributions to the Multi Donor Trust Fund (MDTF) by EC and DFID, March 2006-December 2012, and a pooled type of arrangement whereby EC and DFID funded support to the Development Assistance Coordination Office (DACO) is managed by UNDP. Discussions are currently underway for a MDTF under the Institutional Reform and Capacity Building Project (IRCBP) for PFM; for the office to disburse funds to civil society in the health sector through a fund managed by UNICEF; and the possibility of pooling of future funding for support to the ACC. Moves towards expanded use of MDTF are in part to increase leverage with government, to widen the base of donor support and reduce DFIDSL's direct exposure, especially for the ACC.

3.47 The Country Governance Assessment (June 2007, para 88) states that: *'We will continue to use a mix of aid instruments including poverty reduction budget support, technical cooperation and joint donor mechanisms such as Baskets and multi-donor funds. We will support the development of sector-wide approaches, as in the justice sector and new programmes in health, water & sanitation and education. We will develop new joint*

*donor programmes on governance in the areas of civil service reform and public financial management’.*

## **Approach to Partnerships**

3.48 **Government:** DFID’s main partnership has been with central government, especially the Offices of the President and Vice President, and the Ministry of Finance. The quality of engagement with government has been variable. At the outset the MOU set a clear structure of obligations on both sides. But by 2005, the MOU review found that the relationship had not extended far beyond a few key actors close to the Vice President:

*“It is clear that the benchmarks have provided a very useful focus for discussion between DFID and the Vice President and Financial Secretary.”*

3.49 Despite the small number of donors and DFID’s close working relationship, it continued to prove hard to get worthwhile engagement from government during development of the 2006 joint strategy. A programme of stakeholder meetings, thematic workshops and more general consultation was launched for the governance portfolio, but this resulted in a non-prioritised wish-list.

3.50 Despite promoting decentralisation of government functions, DFIDSL has not developed a structured relationship with local government or umbrella bodies such as the Local Councils’ Association of Sierra Leone (LOCASL), instead relying on relationships linked to project implementation.

3.51 **Other donors:** Relationships with development partners has seen joint analytical work (CFAA 2001/02, PER 2004, PEFA 2007) with EC and World Bank and also been positive with AfDB. Relations between UNICEF and DFID are reported to have been good, and improving after 2006, when DFID started to consider moves into service delivery. With UNDP, the relationship has consistently been tense during the evaluation period. During the period from 2003 to 2005, DFID’s perception was that UNDP was working unilaterally and therefore leading to a divergence in the advice offered to GOSL. Interactions were better concerning UNDP support to ONS on emergency management capacities, and rebuilding the police training school.

3.52 **NGOs and civil society:** In line with intentions set out in the draft CSP DFID has funded a number of activities through INGOs. Thirteen out of twenty service delivery projects were implemented as accountable grants by INGOs, especially in the post conflict period when they had the capacity and direct engagement in the field. Later, INGOs played a key role in delivery of the ENCISS and PIVOT projects. With the exception of those two projects there has been little interaction with civil society across all sectors.

3.53 **Interaction with Policy Division:** There is some evidence of interaction between DFIDSL and policy division for preparation of a health PCN, fisheries PCN, gender strategy and, outside the evaluation period, a youth employment proposal in 2008. Good interactions have been reported for social development and governance; support to assess the difficult situation with the ACC in 2006; and development of the justice sector work drew on expertise from the Senior Justice Adviser in London and within CHASE. Other advisory support was sought in *ad hoc* ways: for ENCISS with an SDA working in a different country office; and for elections related work, from non-DFID expertise, both NDI/WFD and IFIS, and within UNDP.



3.54 **Donor harmonisation:** In 2002 when the Medium Term HMG Strategy was prepared the report concluded that *'despite being few in number, donor co-ordination is weak.'* Since then the situation has improved with DFID taking a principal role.

3.55 DFID has been leading, in cooperation with the other three large donors (WB, EC, AfDB), the policy dialogue around budget support. It has sought to strengthen harmonisation within the budget support group by promoting the move towards a joint performance assessment framework and streamlining of bilateral conditionality. DFID has been supporting the GOSL in participating in the OECD/DAC Survey on Aid Effectiveness in preparation for the high-level meeting on aid effectiveness in Accra later in 2008. DFID has also played a pivotal role in promoting greater coordination of donor support to the PFM reform agenda. There is a close working relationship with WB (FIAS, IFC) on two programmes as regards private sector development, but it has proved difficult to coordinate with WB as staff were until recently not located in country.

3.56 Pooled funding was the most common way by which DFID tried to strengthen harmonisation of projects in service delivery sectors. Of the 30 projects implemented in the years of the review, seven were supported through pooled funding with other donors (mostly with UNICEF but also WB, UNDP and WHO. On infrastructure, DFID is working with WB, AfDB, EC and JICA to support the Government in developing a National Water and Sanitation Plan. The WATSAN Coordination Group includes DFID, other donors, civil society organisations and Government. The pillar three working group was meeting every two weeks until August 2007.

3.57 **Communication of aims and objectives:** A consensus was found across those interviewed that DFID consistently attempted to consult with and communicate its aims and development objectives. This improved after devolution of the office. For example, Ministry of Finance (MOF) is now more aware of conditionalities attached to fixed and performance tranches than in the early years of the MOU. Aide memoire of PRBS reviews are disseminated in a workshop with participation of MOF and MDA. The GOSL PFM National Action plan is also publicly available. But some respondents said that more general awareness of the 10 year MOU and JCSP is low and needs dissemination.

## Approach to Crosscutting Themes

3.58 Reviews of project documents, interviews with advisors and partner staff all show that there is little or no evidence that cross-cutting issues were significant factors in the design and development of the country portfolio or the individual projects. The draft CSP was silent about gender and the environment but did include a short note about the HIV/AIDS challenge. The JCSP on page 34 commits DFID to:

*'ensure that cross cutting themes such as human rights, the rights of children, youth and indigenous peoples, gender equality, environmental sustainability, disability and HIV/AIDS are addressed either by direct interventions or mainstreamed through other programmes.'*

3.59 Some exceptions can be found in the human development and service delivery area. Of the 30 projects there were two (Gender equality action plan implementation and Oxfam GB's Women in leadership) specifically targeting gender issues. There is very little on HIV/AIDS and nothing on environment. There is an active and, staff say, effective HIV/AIDS policy in the workplace at DFID Sierra Leone. The lack of attention to gender in particular was detrimental to the relevance of the programme's focus on state building, where Sierra Leone has a low level of female engagement. A gender perspective is more

evident in the ENCISS programme. Greater attention at an earlier stage might have improved efforts to support the demand side of governance.

## Results Focus

3.60 A systematic review of 21 projects >£1 million is summarised in Box 1. The overall finding is that the quality of project purpose objectives and their indicators was poor. Sometimes this can be traced back to a lack of baseline data, not surprising in the early post conflict years. On occasion it gave rise to markedly different interpretations of project design. For example, a review by London-based advisors of the GtZ reintegration programme (ReAct) supported proposals for continuation for a further year.<sup>23</sup> One month later in June a DFID field monitoring visit decided ‘*we have to conclude that either the project approach was wrong, or the stated project purpose is wrong. Given the nature of the very real and positive achievements of the project (provision of high quality, sustainable, rehabilitation and reintegration of 15 severely war affected communities), it is the assessor's view that the project purpose is wrong and misleading.*’<sup>24</sup>

3.61 Inspection of project logframes shows consistently poor specification of the purpose, without a clear description of a behaviour or performance change by a defined target entity. Indicators tended towards low level recording of outputs, although occasional good examples can be found of indicators based on beneficiary perceptions of change, especially in the smaller human development and service delivery portfolio. Monitoring of the PRBS was done through the MOU benchmarks and since 2006 through monitoring the eligibility criteria and the MDBS PAF benchmarks for the performance tranche. Many of the PAF indicators are not SMART and many are process conditions and not outcome focused. PFM related conditions tend to have been more results focused. But there has been a tendency to focus too much in areas where DFIDSL provided TA.

### **Box 1. Review of Programme Quality of Design and Monitoring**

A sample of 21 programme lines were reviewed in detail by the evaluation team to assess quality of design (such as fit with strategy, scope, choice of indicators) and the quality of scoring. The 21 were from all sectors and contained a mixture of Project Completion Reports and Output-to-Purpose or Annual Reviews. The findings were:

- Virtually all the sample (95%) were judged to have a good strategic fit (either against the draft CSP or with general policy statements).
- In terms of ‘stretch’ or whether programme design was too ambitious, more than half (12 out of 21) were judged to be over ambitious designs especially in relation to: weak government capacity, providing too short a time span to tackle a difficult area of reform. These were particularly pronounced in the areas of PFM and governance.
- The quality of indicators was generally poor. Almost half did not have good, objectively verifiable (or SMART) indicators in the design; and a further quarter had a mixture of good and bad. About half the projects (ten out of 21) incorporated indicators which use data based on project beneficiaries.
- In terms of who conducted reviews, half the sample examined (11) were done by DFID staff, usually together with a consultant and/or the implementing

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<sup>23</sup> GTZ Proposed Extension to the ReAct Programme for the Reintegration of Ex-combatants, 09 May 2003

<sup>24</sup> Progress Report, 30-06-03, GTZ ReAct Programme

partner. Only three were independently conducted (with no DFID staff involvement) and these were all in the area of PFM and PSD.

- A majority (57%) of the risk ratings given in the reviews were considered to be appropriate, the rest were thought to underestimate risks facing the project.
- Scoring of programmes: the CPE judged that 71% of scores given in programme and project reviews were appropriate. Some five projects were considered generous (rated too high).

3.62 The review of programme quality also found a high proportion of overambitious projects and projects where risks were systematically underestimated. Working in a fragile state environment is inherently risky and the intervention logic revolves around a complex mixture of social and political change. DFID's 2005 policy paper *'Why we need to work more effectively in fragile states'* states: *"If the response is going to address a lack of political will as well as a lack of capacity, the international community needs to have a clearer understanding of the reasons for state failure, which will vary from place to place. Donors have tried to promote change through technical solutions supported by individual champions of reform, believing that the problem is technical not political. There is growing recognition of the need to understand the political incentives and the institutions that affect the prospects for reform."*(page 14)

3.63 The Drivers of Change study in 2006 found exactly those problems in Sierra Leone arguing: *'Donor expectations of the scope for fundamental pro-poor change in Sierra Leone have been overly optimistic in the post war period. ... Changing the formal rules of the game is necessary, but insufficient to bring about pro-poor change in Sierra Leone. Donors have tended to assume that by creating new formal institutions (e.g. legal codes, procedures, implementation units) they will be able to replace or side-line old informal ways of doing things. However, our analysis of public sector reform has demonstrated that informal institutions and practices have an inertia and robustness. They are likely to colonise and influence the performance of formal reform efforts.'* (pages 84-85).

3.64 This criticism applies strongly to the Governance Reform Secretariat Programme, Sierra Leone Anti Corruption Commission Project, and Parliamentary Committees Strengthening Project. Despite the design shortcomings, there is reasonable evidence that efforts were made to manage the portfolio based on results from reviews. The Parliamentary Committee project was closed. Results of annual reviews of the Governance Reform Programme led to some modest changes in the project. The Anti Corruption Commission illustrates the difficulty facing DFIDSL. Annual reviews had signalled the problems as far back as 2002 and the project memorandum for Phase 2 was frank in its assessment about weak government commitment. But acting upon the evidence was difficult and constrained by the wider HMG position on corruption.

3.65 In all three cases, the major effect of annual reviews has been to influence DFID's willingness to commit to further support in these areas. In the cases of Parliament and ACC, support has been halted but DFID is still considering whether and how to re-engage. For civil service reform a renewed commitment has been made based on a perceived increase in support for this agenda under the new President. However, the approach remains based on a technocratic focus and support for a champion of change. Most reviews of the PFM interventions took only place from the middle of 2007 onwards. So it is too early to say whether these had any impact on redesign.

### Summary Chapter 3

- ❖ The MOU which was signed in November 2002 and published as a framework agreement in 2003 became the de facto strategy. A draft CSP was never finalised owing to delays in the PRSP and the office was without an approved strategy until January 2008. DFID's approach was well aligned with the 2001 I-PRSP and the 2005 PRSP.
- ❖ The country programme started with three pillars: consolidating the peace by resolving conflict and reforming the security sector; rebuilding the state; and delivery of services to citizens. DFID held back from large-scale support to this latter role in the early years, arguing that other development partners would work in those areas; an assumption that did not hold true.
- ❖ Service delivery and the performance of the state were both supported initially through general budget support. But the intervention logic of how budget support was to achieve these objectives is not well explained in any project memoranda throughout the entire reference period.
- ❖ Cross Whitehall coordination has developed and worked well according to officials from the FCO, MOD and DFID. Harmonisation has been less effective and there is a lack of clarity about how departmental strategies fit together and the extent to which business plans are or need to be harmonised.
- ❖ The security sector reform (SSR) work in Sierra Leone has been described by reviewers as 'cutting edge', learning lessons and developing policy that has since been applied elsewhere.
- ❖ Although peace building and reform of the security sector was a major pillar of DFID's approach, and long term issues such as how to reach an affordable size of the Sierra Leone armed forces (RSLAF) were identified soon after the end of hostilities no exit strategy was ever prepared for the SSR/SILSEP programme, or for the wider UK engagement in SSR.
- ❖ A little over half of the total commitments between 2002 and 2007, was for good governance, peace and security. Budget support, spread across all sectors, comprised 35%, with human development and pro-poor growth at 10% and 6% respectively. Large spending decisions were clustered in a few key periods. The long term commitment in 2003 led to a proliferation of smaller projects that imposed a heavy supervisory burden on the programme, managed at that time from London.
- ❖ There was little or no analysis of risks in the country programme throughout the period of the review. Coverage at project level has been better. Analysis of the major projects in the large governance sector suggests that risk ratings have consistently been too lenient.
- ❖ DFIDSL support through projects is in accordance with HQ guidance on aid instruments but the use of poverty reduction budget support to promote service delivery in fragile states is out of line.
- ❖ Despite only four large donors, coordination was assessed as weak in 2002. The situation has improved since then with DFID taking a principal role, especially leading the policy dialogue around budget support.
- ❖ Cross-cutting issues were largely overlooked in the design and development of the country portfolio and individual projects. The draft CSP was silent about gender and the environment but did include a short note about the HIV/AIDS

challenge. The JCSP has a much improved treatment.

- ❖ Results orientation was weak. Project logframes have consistently poor specification of the purpose, without a clear description of a behaviour or performance change by the target entity. Indicators tend towards recording outputs, although occasional good examples can be found linked to beneficiary perceptions of change. There was also a high proportion of overambitious projects and projects where risks were systematically underestimated.

## 4. How Successful was DFID in Engaging and Delivering Results?

### Delivering on Strategy

4.1 This chapter starts by assessing achievement against the three pillars identified in the PRSP (2005) and draft Joint EC/DFID Strategy Paper (2006) in terms of: (i) effectiveness in achieving strategic outcomes and (ii) how results may be interpreted based on performance reviews.<sup>25</sup> The chapter then examines delivery on crosscutting themes such as gender and social exclusion, and finally comments on how efficiently DFID resources were deployed to deliver the programme pre- and post- office devolution.

4.2 **Pro-poor Spend** DFID, alongside the WB, EC and ADB, have focused their efforts on helping GOSL use its budget as an effective and efficient policy tool for poverty reduction. To support poverty reduction, an I-PRSP was signed in 2002 and the PRSP in 2005. Although overall spending on poverty reduction has increased (see below), the evaluation finds little evidence that the 2005 PRSP has strategically influenced the budget process. The disconnect between the PRSP and the budget process is however not unusual and a common problem in other developing countries. From 2002 through 2004/05, the key challenge was to ensure macro-economic stability and providing the necessary resources to finance an expanded wage bill. Only from 2004/05 is there evidence of a more systematic focus, principally from the PRBS donors, on improving the major elements of a sound budget process as a means of achieving poverty reduction.

4.3 During the evaluation period, public spending, net of externally financed project investments, certainly grew. The fiscal room for GOSL to fund discretionary expenditures beyond wage and interest payments (current non-interest, non-wage spending totalling to 30-40% of total expenditure) remained however limited. The ratio of planned health and education recurrent spending to total recurrent spending increased from 24.1% in 2000 to 28% in 2006, while the ratio for government defence spending decreased from 16.5% in 2000 to 9.5% in 2006.

4.4 DFID, one of four providers of PRBS, contributed approximately a fifth of all budget support during the evaluation period. PRBS as percentage of discretionary recurrent and domestic capital expenditure was above 25% between 2001 and 2006, barring 2003, when it dipped, and actually increased to above 35% in 2005 and 2006. Subsequently however, budget support resources fell significantly as government progress against conditions set in the MDBS PAF and IMF targets has been slow.

4.5 DFIDSL played a crucial role in managing the risks of a possible significant shortfall in budget support in 2007 with its important repercussions on spending in pro-poor areas. First, through dialogue it convinced the EC not to withhold all of its budget support, and the EC agreed to disburse its fixed tranche. Second, DFIDSL commissioned, in cooperation with the World Bank, an independent review of PFM management systems. This indicated that Sierra Leone's systems are relatively comparable to those in other sub-Saharan African countries. This analysis arguably helped to convince DFID HQ not to

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<sup>25</sup> Achievements are not assessed against the pillars identified within the 2002 MOU between HMG and GOSL since there is limited evidence that the results framework was either used to organise the programme or for results reporting.

withdraw budget support under heightened pressure from the UK NAO<sup>26</sup> about the lack of evidence-based monitoring of fiduciary discharge.

4.6 Two major constraints on the effectiveness of PRBS supported pro-poor spending have been observed in Sierra Leone. First, actual poverty reduction spend has deviated from the budgeted spend, in part owing to within-year delays in PRBS disbursements and in part low implementation capacity. Spending deviation was also higher for pro-poor than for non- pro poor expenditures. Second, while PRBS increased the size of spending on pro-poor service delivery, there is little evidence that the quality of the services provided has increased, owing to the huge capacity constraints at MDA level.

## Promoting Good Governance, Peace & Security

4.7 Almost all of DFID's project portfolio was clustered under this pillar of the PRSP.

4.8 **Improving Good Governance and Accountability:** This support focused in two main areas. First, work strengthening PFM systems including strengthening capacities of the Office of the Auditor-General (OAG) and National Revenue Authority (NRA). Second, support for civil service reform.

4.9 *PFM:* Between 2001 and 2004, the PFM reform process was led by World Bank and the EC. Substantial DFIDSL support to PFM started only from 2005 and has focused on filling gaps in the support provided by the other donors and leading the reform process towards a more coherent set of actions. Support has included strengthening capacities of the Office of the Auditor-General and National Revenue Authority (NRA), funding a PFM adviser, supporting the roll out of IFMIS to local councils through the decentralisation programme and the topping up of salaries of key staff in the MoF. DFIDSL programme effectiveness in the area of PFM reform is rated as good. This reflects linking PRBS conditionality to PFM reform, which combined with DFIDSL support to the development of a GOSL PFM National Action Plan and targeted technical assistance, has led to good results in the PFM institutional environment, starting albeit from a low basis. However, overall donor support has not always led to improved results, and progress in reforming the budget process and building capacity in basic budget planning, accounting, execution and internal audit skills has been slow.

4.10 DFIDSL support to the NRA (established 2002) was appropriate given the strong dependence of GOSL on budget support. There has been steady progress in improving institutional processes (support has been assessed as likely to partly meet the purpose) and DFIDSL is highly regarded for its strong understanding of the challenges facing the NRA, its dedicated involvement to promoting greater GOSL commitment for revenue reform and being flexible enough to respond to changing circumstances. Major challenges have been to introduce a value added tax (VAT) during an election time, a climate where GOSL has not shown active commitment to improve the perception and mindset towards paying taxes and a culture where GOSL introduces excessive levels of tax exemptions. NRA's performance to date has been moderate, with the revenue/GDP ratio falling from 12.15% in 2002 to 11.9% in 2005.<sup>27</sup> There is a growing concern within NRA and among donors that the heavy reliance on budget support for pro-poor spending may have encouraged GOSL to

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<sup>26</sup> UK NAO (Audit visit 2006/07) raised the issue that DFIDSL did not regularly monitor the fiduciary discharge of the PRBS operation and that actual budget execution information is seriously delayed. By late 2007, end-of-year audited accounts for 2002, 2003 and 2004 were available

<sup>27</sup> Latest IMF PRGF data.

pursue a policy of encouraging business investment and trade through tax exemptions, tax rate cuts and trade liberalisation, thus encouraging growth to the detriment of efforts to increase revenue administration.

4.11 DFID has been the lead donor in providing support to the Office of the Auditor General (OAG), coordinating its support with that of the AfDB. DFID support has been key in creating an independent audit service with its own terms of conditions and service, personnel appointment/ recruitment processes, and an Auditor-General who is appointed for life. However, the OAG is still financially dependent on MOF budget allocations and has experienced repeated budget cuts on non-wage budget allocations. DFIDSL has enabled the OAG to become a more professionally focused institution, build basic auditing skills, raising the standard of audits through TA support and training and helping the OAG develop modern audit policies and practices. As a result, the audit backlog has been cleared further and project support is scored as likely to achieve the purpose. However, the overall effectiveness of this support has been constrained, as shown by the UK NAO (Audit visit 2006/07) by the reality that the audited accounts are released only with significant delay after PAC review and that no corrective actions are taken by the government. This has compromised regular monitoring of actual GOSL expenditure, by both DFID and other stakeholders.

4.12 Key findings on DFID, and other donors, support in this area include that:

- The use of PFM TA was relevant in supporting the reform process, but too heavy a reliance on TA and topping up of salaries in the absence of a clear and wider civil service reform has only reinforced the aid dependency of GOSL, with conditionality used as a “stick” to dictate the reform process. GOSL commitment to PFM reform is based on a relatively small constituency for change with reforms primarily driven by technocrats who receive salary top up from donors, with less evidence of political buy-in.
- PFM strengthening has focused in areas necessary to manage fiduciary risks associated with provision of PRBS (e.g. internal & external control and accountability) rather than enhancing the effectiveness of pro-poor spending through improved budget management capacity (i.e. planning and execution).
- Coordination in PFM has been steadily improved over time through a common framework for PFM reform.
- There is recognition that the pace of further PFM reform is intrinsically linked to the political economy of GOSL, but there is little evidence that DFID has built on the Drivers of Change analysis or routine political assessments from the BHC to improve understanding of the political economy of the PFM environment.

4.13 *Civil service reform:* DFID has been the major donor supporting civil service reform, through the Government Reform Secretariat, since 2001. Performance and results have been limited, although at the rhetorical level there has been agreement among the stakeholders of the need for civil service reform. The fundamental issues are that DFID’s support was based on a technocratic approach, carrying out analysis and then developing proposals on what should be reformed. This approach assumed three conditions were in place. First, that there was sufficient political will and interest in place. Second, that the donors and government shared a common vision of what type of civil service should emerge from the reform process. Third, that there was sufficient technical and management capacity in place in ministries and government to actually implement proposals. None of these conditions held and hence the support was over-ambitious.



4.14 **Transparency and Democracy:** Support under this area focused in five main areas: the administration of national and local government elections from 2002 onwards; the decentralisation process; establishment and operation of the Anti-corruption Commission; building the oversight capacity of Parliament; and building the capacity of civil society to influence and monitor the PRS and local government policy, planning and implementation. In addition, support was given to the diamonds sector, which to some extent cuts across governance and promoting pro-poor sustainable growth, but was treated as a governance initiative in view of the importance of reforms to state building and tackling underlying causes of the civil war.

4.15 *Elections:* National elections were held in 2002, local government elections in 2004 and national elections again in 2007. Whilst there have been reservations about aspects of administration of the 2004 elections (which led to DFID withholding a part of the performance component of its PRBS), the elections have generally been held to have been successful. DFID has been a major funder of all three sets of elections. In 2002, DFID and USAID directly funded election administration, which was mainly in the hands of the UN. In the 2004 elections, DFID support for the administration of the elections was considered to have been effective, but support to creating an effective National Electoral Commission a failure. In 2007, DFID funded the elections through a basket fund managed by UNDP. In this case, the support was effective.

4.16 *Decentralisation:* Support for decentralisation has been led by the World Bank. DFID, in 2007, committed funding under the World Bank's programme, to support decentralisation, but it is too early to assess the results of this commitment.

4.17 *Anti Corruption:* Corruption was seen as one of the major causes of the civil war and DFID therefore provided support to the Anti-Corruption Commission (ACC) from 2001, with high-profile support from the President. Initial support included provision of TA to support building systems and procedures within the new organisation and train the newly recruited staff. The underlying emphasis of the ACC was geared towards prosecution, especially of high profile cases, and DFID funded TA investigators who worked directly on these cases. Annual reviews in 2003 and 2004 both signalled that the original ACC approach might be ineffective in the Sierra Leone context, but acting upon the evidence was difficult and constrained by the wider HMG stance on corruption. Prosecutions did take place but very few and mostly of low-level cases. The ACC Commissioner was removed by GOSL in mid 2005, which combined with a perceived unwillingness by the Attorney General to initiate prosecutions of high profile corruption suspects, led to DFIDSL concluding that the project be closed. This period saw a deterioration in relations between DFIDSL and the government and difficulties in presenting a common front between the FCO and DFID. Pressure from DFID London caused a reappraisal of this decision, and a decision to continue limited support to the ACC, although this had a negative impact on DFID's reputation. In terms of results, during the evaluation period, there is little evidence that the ACC had a significant impact upon the levels of corruption reported.

4.18 *Parliamentary oversight:* The need to increase the capacity of Parliament to hold government to account has been a constant theme in DFID's analytical documentation. This was partly driven by the need to strengthen the Public Accounts Committee and clear the backlog of audit reports from the Auditor General, so addressing DFID's PRBS fiduciary risk management strategy. The project design was ambitious, given that there was no established tradition of parliamentary oversight using a committee system of the government. The project therefore depended upon the degree to which the government was willing to support such oversight. The approach was also ambitious in aiming to improve performance of twelve committees, some of which had not even been established

at the time of project design. The project was eventually cancelled, once it became clear that there was insufficient support from key stakeholders within Parliament, across all party lines.

4.19 *Civil society:* Sierra Leoneans have traditionally had little involvement or participation in decision-making, parliamentary processes or the delivery and monitoring of government services. DFID launched a programme (ENCISS) in 2005 aiming to address these issues through the development of a non-state, non-civil society institution to facilitate dialogue between citizens and the state. The project built on (i) DFID's analysis of civil society in Sierra Leone and (ii) new approaches to building engagement by civil society that were being supported by DFID in several other countries. Whilst initial progress in setting up the approach was promising, it then slowed, reflecting poor definition of roles and responsibilities in the programme document. By the time of the evaluation reports suggest that activities at district level have proceeded well, but management and design issues have meant continued slow progress in Freetown. The recent review highlighted the challenges which need to be addressed before moving to an independent organisation.

4.20 *Minerals sector:* Support to seven projects. Initially TA was provided to the Office of President and Gold and Diamonds Office to train diamond valuers. The support has ended with a project supporting implementation of the management and functional review in Ministry of Mines, at request of then President Kabbah. The programme plans to transition out of this area at the end of 2008.<sup>28</sup>

4.21 **Security and Consolidating Peace:** A significant focus of DFID support, and initially the major point of interaction with other parts of HMG – FCO and MOD. This work has addressed three inter-related issues – peace building, police & justice sector reform and Disarmament, Demobilisation and Reintegration (DDR)/Security Sector Reform (SSR).

4.22 *Peace building:* DFID funded 13 small projects in 2002 and 2005, delivered through INGOs and directed at non-State focused peace building. Of these thirteen, eight were regional appeals for the return of displaced populations, one was a direct ICRS appeal for Sierra Leone, whilst two were through International NGOs focusing upon community peace building within Sierra Leone. The theme that appears to connect these projects is their elements of humanitarian support, and their small amounts focused upon short term projects.

4.23 *Police & justice sector reform:* The Police & Justice projects represent the most consistent and largest set of initiatives. Significant initiatives, which started in 2000 were the Police Project & Community Safety (also known as the Commonwealth Police Project), which focused on providing training and new equipment to the Sierra Leone Police (SLP) and the Law Development Project, which supported infrastructure improvements and logistics inputs. Little direct evidence of the results of either project exists, as monitoring focused entirely at the output level and below. Between 1999 and 2003 DFID also funded a TA to act as the Inspector General of Police. DFID's approach changed in 2005, when a wider scoped Safety, Security, Justice Programme was launched. The programme has helped establish the foundations for a government led programme of sustainable justice sector reforms, including through establishment of the Justice Sector Coordinating Office and indications of government and to some extent civil society's ownership of the programme.

4.24 *Disarmament, Demobilisation and Reintegration (DDR)/ Security Sector Reform (SSR):* DDR commitments began in 1999 with direct support to the Government

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<sup>28</sup> In addition, under the FIAS project, a separate but related 3-month pilot was financed to promote corporate social responsibility in the diamond mining sector.

of Sierra Leone's DDR initiatives (until 2002), GTZ implemented Community Reintegration initiative (2000-2005) and two community reintegration projects (2001-2005). All DDR support was therefore designed before the evaluation period.

4.25 Following on from DDR support, at least conceptually, was the SSR initiative, begun in 1999 and due to conclude in 2008. Establishment of the States security apparatus is a significant success, including the establishment of the 'security architecture' not previously present within Sierra Leone and the establishment for the first time of a joint civilian and military Ministry of Defence (MOD). However, reviews have pointed to a number of challenges remaining to operationalise this architecture effectively. Key issues include (i) the lack of robust and effective parliamentary oversight and sustained civil society engagement with the reform process; (ii) ensuring that systems for transparency and auditing are consistently used; (iii) that the police and army are unaffordable within current domestic resourcing levels; and (iv) DFID does not have an exit strategy which would also ensure the prospect of sustainability of the institutions established.

## **Promoting Pro-Poor Sustainable Growth for Food Security and Job creation**

4.26 DFID's rationale for its engagement in this area is discussed at paragraph 3.21. During the evaluation period the programme focused on supporting private sector development. Support effectively started in 2004, once a TA adviser for the sector had been recruited. The approach started with analytical studies and development of a number of projects (5 during the evaluation period). The three key projects have been to support the Ministry of Trade and Industry to develop and implement a comprehensive Private Sector Development Plan, a project (RABI), co-financed with the World Bank Foreign Investment Advisory Service (FIAS), that aims to support the reduction in administrative barriers to investment, and support to the National Privatisation Commission.

4.27 Work on development of the Private Sector Development Plan started in early 2007, having been delayed from December 2005 because it took longer than expected to appoint a coordinating consultant and due to the election period. Currently, the plan is not finalised, and therefore it is too early to tell if it will have results.

4.28 The Removing Administrative Barriers to Investment project (RABI) project started in January 2006 and there is general consensus within government and the private sector that it is addressing the right issues. Overall, the project has made solid progress throughout the evaluation period, although somewhat slower than originally expected. DFID has been successful in promoting a change in the legislative and regulatory framework governing the private sector. DFID has also successfully lobbied for revising the original World Bank FIAS approach to also include the establishment of an investment promotion agency and that work would focus not only on diagnostic work but also implementation (capacity building, institution building).

## **Promoting Human Development**

4.29 DFID's rationale for not working directly in this sector is discussed at paragraph 3.21 *et seq.* In total, DFIDSL supported 13 small projects in the health sector, with a third of this commitment being for malaria prevention and support to orphans and vulnerable children. As noted above the strong financial commitments to the security sector were in part responsible for crowding out human development, alongside the policy of giving priority to state building. Coupled with the weak gender orientation of the programme, the

low prioritisation of human development has contributed to reduced effectiveness towards poverty reduction.

## Response to new policy directives

4.30 There are four significant policy directives issued during the evaluation period which were directly relevant to the Sierra Leone programme. These were:

- DFID (2003) DFID's Action Plan To Promote Harmonisation.
- DFID (2005) Why we need to work more effectively in fragile states.
- DFID (2005) Partnerships for poverty reduction: changing aid 'conditionality'.
- OECD (2007) OECD DAC Handbook on Security System Reform: Supporting Security & Justice. (q37)

4.31 It is important to bear in mind that only the harmonisation action plan was in existence at the start of the evaluation period and that experience in Sierra Leone actually contributed to development of DFID's policy on fragile states. The overall finding is that DFIDSL has made significant progress against each of these policies, although challenges remain.

4.32 **Harmonisation:** Sierra Leone did not participate in the 2006 OECD DAC survey on monitoring the Paris Declaration. It is therefore impossible to compare DFID in Sierra Leone either with other donors in Sierra Leone or with operations in other countries.

4.33 Whilst the programme has no documented strategy for approaching aid harmonisation, analysis by this evaluation against the analytical framework used for donor agencies in the 2006 DAC monitoring exercise<sup>29</sup> suggests that the programme has responded to the Paris Declaration agenda. Out of the ten indicators used in the DAC exercise, the programme would be assessed as having completely met two of them, made progress against a further six and have made little progress against the remaining two.

4.34 DFID's aid is fully untied and DFID's funds are fully on the GOSL budget, which indicates alignment with national priorities. Progress has been made in terms of coordinating the use of TA (see PFM for instance); the use of country PFM and procurement systems (used for PRBS and will be used in some newer programmes starting in 2008); the use of common arrangements and procedures (mainly through use of pooled funding and MDTF); and joint analytical work (in both the justice sector and latterly for PRBS and PFM).

4.35 Progress has been least in terms of avoiding the use of parallel implementation systems (discussed at paragraph 4.57) and in ensuring aid predictability (discussed at paragraph 4.51).

4.36 **Working in fragile states:** The focus on state-building within the programme – strengthening core functions of the state (e.g. security and justice, revenue mobilisation) and improving accountability and legitimacy – accords with DFID's policy on fragile states.

4.37 More generically, the Fragile States Policy (2005, page 20 on Good enough governance) states that: *Several studies, including the World Bank report on Low-Income Countries Under Stress, have called for increased selectivity and realism in the plans for*

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<sup>29</sup> OECD (2006) 2006 Survey on Monitoring the Paris Declaration: Overview of the Results. OECD DAC, Paris. Page 90

reform that donors propose. Six criteria are useful when designing short-term measures to strengthen state capacity to a stage where it is good enough in fragile states.<sup>30</sup> Table 8 examines whether there was intention for the DFID programme to address them and whether this explains portfolio performance. The main findings are that the programme has implemented significant aspects of the ‘good enough governance’ agenda, but that there have been significant challenges with projects that were too ambitious in design and the programme has struggled to find a realistic and effective approach to building government capacity.

**Table 8. DFIDSL’s progress in implementing good enough governance.**

Criterion	Successfully addressed in DFID governance portfolio?
Selectivity focusing only on the main causes of instability and the main capacities of the state	<b>Yes.</b> Good in terms of focus, but mixed in terms of performance.
Achieving visible results in the short term, however modest, to build momentum for future reform	<b>Partial.</b> A major rationale for use of PRBS and salary top-ups. Issue of whether enough focus on service delivery.
Avoiding the most politically or socially controversial issues	<b>Partial.</b> No evidence that DFID went into areas which were initially politically contentious, but support for the ACC became contentious during the period.
Avoiding reforms that are too ambitious for the implementation capacity of the country	<b>No.</b> Evidence is that many projects were too ambitious in design.
Ensuring that reform does not erode what capacity already exists	<b>No.</b> DFIDSL has not found an effective strategy to support building capacity within government.
Strengthening accountability and legitimacy of government wherever possible.	<b>Partial</b> Major theme in the governance portfolio, but external influence on promoting good governance remains limited.

4.38 **Conditionality:** The use of conditionality has not been fully in line with the corporate strategy and good practice on conditionality. This was recognized by the programme in 2005 and attention has been focused on moving closer to best practice.

4.39 First, there is evidence that DFID, and other PRBS donors, have made greater efforts to ensure that annually agreed benchmarks are more widely known across GOSL. However, it remains the case that benchmarks are not well known or understood at ministerial level and the focus has been on dissemination at the technical level. Benchmarks are also still defined by the donors, which reflects the reality that GOSL does not define such benchmarks for its own purposes.

4.40 Second, in response to a perceived lack of ownership and commitment by GOSL, conditionality was used between 2002 and 2005 as a lever for ‘buying’ reforms. This then led to donors effectively micro-managing the reform process. The evaluation team agrees with the findings of the OPM review of DFIDSL’s 2007 performance tranche that there seems to be a dual approach to DFID’s use of conditionality in Sierra Leone. The use of PFM related conditionality appears to be moving more towards international best practice (of which the MDBS PAF 2006 and 2007 are examples), in which conditionality not used as a stick but as an agreed set of milestones between the partner government and donors.

<sup>30</sup> DFID (2005) Why we need to work more effectively in fragile states. January. Page 20

However, this approach still needs to be extended across the wider range of conditions agreed each year.

4.41 Third, corporate conditionality policy states that the UK will seek to make aid more predictable by being clear up front about the basis on which funds will be reduced or stopped. This is clearly not possible given the current schedule for triggering disbursements.

4.42 Fourth, donors have increasingly harmonised conditions and downsized them but donor response mechanisms towards performance have not been fully harmonised.

4.43 **Supporting security & justice:** The OECD DAC Handbook on Security System Reform: Supporting Security & Justice, OECD 2007 states that:

*“The focus of the international actors should be to support partner countries in achieving four overarching objectives:*

- i. Establishment of effective governance, oversight and accountability in the security system.*
- ii. Improved delivery of security and justice services.*
- iii. Development of local leadership and ownership of the reform process.*
- iv. Sustainability of justice and security service delivery. “*

4.44 The evaluators conclude that UK engagement with the Sierra Leone security sector has achieved only one of the above OECD objectives - improved delivery of security and justice services.

## Results

4.45 DFIDSL’s internal performance system rates interventions valued at over £1 million during implementation on an annual basis and at completion.<sup>31</sup> Over the evaluation period, 42 programmes or projects were rated. The most recent rating of purpose for each project and programme showed that 56% received a satisfactory or better rating of either 1 or 2. Outputs were rated higher with 58% as satisfactory or better. (Table 9)

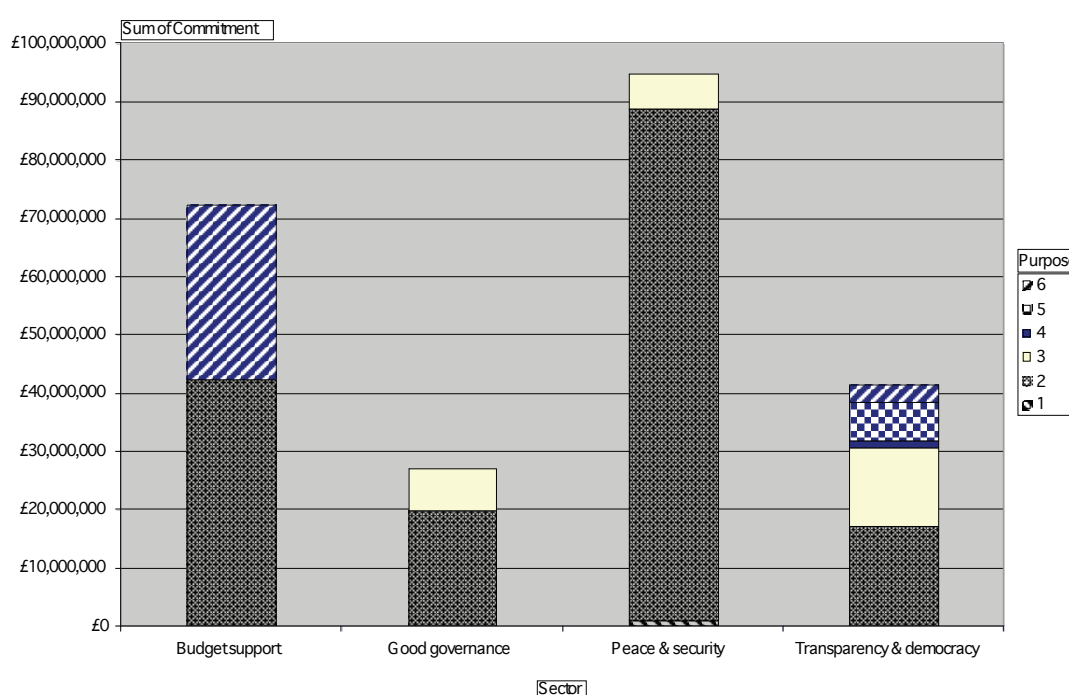
4.46 Among the 42 projects scored, it is impractical to examine performance across the three pillars of the PRS, given that only six projects fall into the second and third pillars, whilst almost all others fall under the first pillar (Promoting Good Governance, Peace & Security). Analysis of performance within the PRS Pillar 1 and of PRBS against the PRISM ratings shows that the majority of project were rated 2; the poorest performance was among those projects dealing with transparency and democracy: the media development, support to parliamentary committees, Anti Corruption Commission and capacity building for decentralisation. (Figure 3)

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<sup>31</sup> The scores range from 1 (all project purposes or outputs are likely to be achieved), to 2 (likely to be largely achieved), 3 (likely to be partially achieved), 4 (only achieved to a very limited extent), 5 (where they are unlikely to be realised) and X – sometimes written as 6 – (too early to assess).

**Table 9. Performance Scores DFID Sierra Leone (2002-2007)**

Purpose rating	No	%	Output rating	No	%
1	3	7	1	4	8
2	20	49	2	21	50
3	14	34	3	15	36
4	1	2	4	0	0
5	2	4	5	2	4
X	2	4	X	0	0
Total	42	100		42	100

**Figure 3. Prism ratings for Purpose by Sector and Funds Committed**

4.47 There is evidence that annual and periodic reviews are taken very seriously by DFIDSL and low scoring projects are flagged for attention. There is little evidence of a clear relationship between higher risk and low scores (Table 10), but it was noted earlier that a significant minority of projects are under-rated for risk (paragraph 3.62). In most cases the low scores arise from over ambitious design of projects (e.g. Government Reform Programme) or a lack of commitment by the key partners (ACC and Parliamentary Committees). Staff and resources are committed to ensuring the effective performance of these projects.

**Table 10. Purpose scores by risk rating**

Risk	No of purpose scores of:					
	1	2	3	4	5	X or 6
Low	2	3	3			
Medium		13	7	1		2
High	1	4	4		2	

## Aid Effectiveness

4.48 This section examines the effectiveness and complementarity of different aid instruments and especially what budget support has delivered. It looks at how relations between DFIDSL and other UK Government Departments have affected the programme.

4.49 **General Budget support:** In 2001, DFID committed to providing £30 million of PRBS to Sierra Leone under a three-year agreement. This initial three year agreement (2001/02 – 2003/04) has been followed by four one-year agreements (each worth £15 million). The original agreement was for a yearly fixed tranche of £10 million, but the subsequent agreements included fixed tranches of £10 million, and performance related tranches of £5 million. In 2004/05, 2005/06 and 2006/07 respectively, £2 million, £2 million and £3 million of the performance tranche have been released.

4.50 Based upon the UK NAO study on PRBS, DFIDSL budget support administration costs amount to roughly 5% of total bilateral country programme spending. The cost increased between 2003/04 and 2005/06 owing to the establishment of a devolved country office, but since then show a declining trend arguably arising from the further maturing of the budget support operation. Staff time spent on administering budget support is in line with other DFID partner countries. MDBS has generally led to more coordinated dialogue and performance review, but some MDBS design features are such that some transaction costs for GOSL such as managing the inflow of budget support by different donors at different times throughout the budget year have not been dealt with.

4.51 Flows have been relatively unpredictable owing to the operation of the triggers for budget support. This mainly concerns the performance tranche where there is no real clarity for GOSL at the start of the budget year on the weight of benchmarks, the number of benchmarks to be fulfilled and when a benchmark is achieved.

4.52 Independent reviews (OPM 2006) and Lawson (2007) found a range of outcomes, with disbursement as low as 62% in 2003. In 2006 and 2007, budget support again fell significantly short as result of a shortfall in the performance tranche (2007 as a direct result of going off track with the PRGF). DFID disbursed only 2/5 of the performance tranche in 2006 and 3/5 in 2007. In 2007, the EC disbursed only the fixed tranche with no disbursement by the World Bank.

4.53 Although it is understandable that DFIDSL wants to take a holistic review on evaluating performance, GOSL needs to be aware of what is expected of them at the outset of the fiscal year and what the possible implications on funding are. Furthermore, MDBS assesses the progress against the performance tranche within the year, which further undermines predictability. Current discussions are underway about dropping the in-year conditionality approach. A combination of IMF Revenue/GDP targets being unrealistically set and timely accounts information being not available at the beginning of the year, leads to an unrealistic forecasting of the total resource envelope and formulation of spending priorities. Moreover the performance tranche is now (partly) budgeted for by the government. Combining all these factors, can mean that an unpredictable shortfall in budget support resources may have severe repercussions on pro-poor spending as was seen in 2006/07.

4.54 The DFID Guidance Note (July 2006) on Aid Modalities advises that in low-income post conflict countries, DFID should use project modalities to rebuild institutions and support service delivery. The initial three year agreement on budget support was a brave leap of faith, since from the documentation and interviews, Sierra Leone did not meet



the eligibility criteria for using budget support in 2001 (except for the analysis of the state of PFM).

4.55 Evidence suggests that this decision to use budget support was correct, in that it facilitated the quick and easy financing of an extremely under-funded public budget and hence contributed to maintaining peace, macro-economic stability and allowed the financing of basic government salaries and some services. PRBS conditionality has arguably ensured closer scrutiny of social expenditures and through the PETS has helped to highlight institutional bottlenecks to effectively channelling government resources down to service delivery level. DFID's decision to enter into a 10 year partnership agreement with the GOSL and provide PRBS early may also have been an important boost to donor and business confidence.

4.56 However, there are a number of questions over the use of PRBS in such a context, including:

- Whether the relative size of budget support may have undermined GOSL's focus on raising domestic revenues (hence DFID's support to the NRA).
- The degree to which the performance tranche has actually been an incentive for GOSL to improve its performance.
- The challenge that the four PRBS donors are still only working towards a harmonised response mechanism towards performance. At present, each donor takes a subset of indicators for assessing whether or not to disburse their own performance tranche.

4.57 **Technical Cooperation:** DFID technical assistance is generally regarded as being of high quality, but there are significant questions on the degree to which the TA can be said to have increased capacity within GOSL. The initial focus in 2002 was on restoring the ability of GOSL to operate, within a context that many former civil servants were no longer in country and GOSL needed to move to re-establish its presence across the country. In addition, accessing donor resources meant that GOSL needed a core of competent staff in the Ministry of Finance who would be able to manage the funds and ensure that macro-economic stability was maintained. DFID, along with the other major donors, responded in three ways to this context. They:

- Designed projects with strong PIUs, since capacity didn't exist within GOSL.
- Recruited international staff to act as senior line managers within the government.
- Paid salary top-ups to members of the Sierra Leonean diaspora to encourage them to return and work within GOSL.

4.58 Unfortunately, donors and GOSL did not have an explicit strategy on how they would move from what was seen as a stop gap approach. However, there are indications that incentive systems have made it difficult for donors to address these issues. For example, it is the staff within the PIUs within the Ministry of Finance and senior staff on top-ups that have provided the major component of the fiduciary risk management strategy. Again, staff within donor agencies are assessed on the performance of the projects and therefore may find it difficult to move away from using the PIUs, which are required for acceptable performance. The inability to do so has created a major question over the extent to which projects initiated with the intention of 'building government capacity' can be said to be realistic.

4.59 **Accountable Grants:** The major focus of DFIDSL's support has been on restoring government and there has been little sustained engagement with civil society. DFIDSL made use of accountable grants early in the evaluation period to fund INGOs to carry out work in the reconstruction phase, however, these grants were of modest size. The programme has also used accountable grants to fund the ENCISS programme.

4.60 **Africa Conflict Prevention Pool:** Funding through the ACPP has been a significant element within the Peace and Security arena, meeting most of the costs of IMATT other than personnel. An independent evaluation of the ACPP in 2004 found inter-departmental information gathering and coordination in-country between UK stakeholders under the strategy to be generally good and to have improved since pre-ACPP days.<sup>32</sup> But concerns about the effectiveness of programme coordination (for example between IMATT/RSLAF and the CCSSP/SLP) were noted. Following that evaluation a small in-country group was established involving the FCO, DFID and MOD (including IMATT) to more effectively coordinate the UK's overall approach to reform' and to jointly agree priorities.

4.61 Concerns were also raised about the extent of coordination with government and with civil society although DFID disagreed with that view. This was in advance of the devolution of the office and the CPE found relationships had improved since then.

4.62 The evaluation reported '*a strong view within Whitehall that the ACPP has made a difference in terms of improved inter-departmental Whitehall processes. The Pool structure puts departments in a framework where they have to justify their programming and budgeting to other departments. This would not have taken place routinely before, it was observed.*'

4.63 However, by 2008 the DFID regional Conflict Adviser for West Africa commented "*For example, whilst enormous financial and human resource efforts (almost wholly ACPP funded) have been focused on creating an army and an Office for National Security (ONS), the necessary concomitants for effective and sustainable SSR, such as parliamentary oversight, civil service reform and justice reform lag far behind. There are potential layers of further insecurity in creating "Rolls Royce institutions" of military and ONS/CISU, with other parts of the public and security sector still underdeveloped.*"<sup>33</sup>

4.64 Whilst the process of coordination to deal with peace and security appears to have developed efficiently, in the case of Sierra Leone it does not appear to have led to critical appraisal of strategy across the breadth of security and development.

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<sup>32</sup> Evaluation Report EV647

<sup>33</sup> Draft Visit report February 2008, Regional Conflict Adviser for West Africa

4.65 Respondents in the departments note that some initiatives have worked better than others. Officials in Whitehall commend the way DFID has made use of the Security Sector Defence Advisory Team (SSDAT) to review the programme. But all acknowledge a lack of joint analysis of problems leading to a tendency for individual solutions. Examples were given of unilateral actions, such as DFID's decision to support a revitalised role for Paramount Chiefs in the Sierra Leone decentralised government structure and the more recent plan to withdraw from the security sector reform programme.

4.66 **Partnership with central government:** DFID is the largest donor in Sierra Leone and, owing to its military role, has had a close relationship at political level with GOSL. Budget support has also given it entry at centre of government, especially the Ministry of Finance, although this has limited impact since the Ministry of Finance, in turn, has only limited leverage with the line ministries.

4.67 However, the evidence is that DFID has found it difficult to engage with GOSL in the partnership as originally envisaged in the 2003 MOU between the two governments. For instance, the 2005 review of the MOU found that:<sup>34</sup>

*“Very few of those interviewed, either within GOSL or more widely, had much knowledge of either the actual contents of the MOU and therefore the basis on which HMG would continue to support GOSL or how the MOU/benchmarks had actually been used.”*

4.68 In terms of partnership with government, the main instruments would have been the relevant Sector Working Groups established as part of the process for developing the PRSP and the Pillar Working Groups set up in early 2007 (these however effectively ceased to function by mid 2007 as elections approached, since the power to convene the pillar working groups lay with GOSL and the government was focused on the elections). Both of these innovations were introduced at the request of the donors and their membership has been mostly made up of donor representatives and staff employed in projects. There is no evidence that these have significantly improved engagement with government in the governance sector, although it has been reported that the sector working groups for health and education have been more active.

4.69 The lack of evidence that the various formal approaches adopted by donors to engaging with GOSL during the evaluation period had limited success would tend to confirm a conclusion of the Drivers of Change analysis, that:

*‘It is largely informal institutions and practices – not formal rules and procedures – that determine hiring and promotions, policy formation and implementation and delivery of goods and services’.*<sup>35</sup>

## **Efficiency**

4.70 This section reviews three main questions: What impact did the devolution of the office in 2005 have on programme delivery? Were DFIDSL's staffing and office arrangements appropriate to deliver the intended programme? Has the programme been efficient in terms of programme delivery?

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<sup>34</sup> Balogun, Paul and Lansana Gberie (2005), Assessing the Performance of the Long-Term Partnership Agreement between the Governments of Sierra Leone and the UK, DFID, August. Paragraph vi.

<sup>35</sup> Brown, T., R. Fanthorpe, L. Gberie, J. Gardener and G. Sesay (2006) Sierra Leone Drivers of Change. The IDL Group, January 2006. page 55

4.71 **Devolution of the office:** Until mid 2005, the Sierra Leone programme was managed almost entirely out of London – a Senior Governance Adviser and Programme Manager were resident in Freetown but the office did not include any professional SAIC staff.

4.72 The devolution led to an almost complete turnover of the Sierra Leone team, as Sierra Leone was seen as an unattractive posting by DFID professionals. Only one Deputy Programme Manager moved to Freetown from London, and none of the disciplinary advisers moved. The most immediate impact of this turnover was in terms of operationalisation of the PRSP, which was agreed in mid 2005, over three years after the I-PRSP. This process, which was politically challenging, was significantly delayed since the DFID Social Development Adviser who had lead from DFID's side left, and no new replacement was in place, while the main GOSL counterpart left at the same time.

4.73 Other major impacts of the devolution included:

- The loss of institutional memory, as the transfer of file material was not well managed;
- Difficulties in trying to accommodate an expanded team in office facilities that were too small; and
- The decision on the disciplinary team mix was taken by the outgoing team which led to a delay in bringing new disciplines on-board until early 2007.

4.74 The 2006 Internal Audit Report on DFID Sierra Leone includes the finding that '*As in previous devolution exercises there still appears to be a lack of support from the centre to facilitate the smooth transition to a fully devolved office.*'<sup>36</sup> The main concerns revolved around support for corporate systems and training and mentoring of newly recruited management staff.

4.75 **Staffing and office arrangements:** Staffing has been a challenge within the advisory cadre, exacerbated by a rapid turnover of staff in what is a small team. This was initially a significant problem with the Social Development Advisory post (vacant but with short-term contract cover June-December 2005) and the Economist position, where two temporary covers were used (for twelve and then six months), before the position was filled long term.

4.76 The programme's ability to move into private sector development was delayed owing to difficulties in recruiting a coordinator. It is also possible that the programme's ability to move into Pillar 3 of the PRSP (Human Development) was delayed, since Health and Education Advisers only started in early 2007.

4.77 The staffing structure was criticised from a number of perspectives. The post of Head of Office has been set by DFID's senior management at A1 and officials in Whitehall and DFID Palace Street felt a senior civil service grade would be more appropriate both in view of the complexity of the programme in comparison with other African countries and in respect of working relationships across other HMG departments. In comparison the Commander of IMATT is a Brigadier. Further criticisms were made at the absence of any appointment of SAIC staff to advisory level posts. DFID has tried to recruit senior staff but the market is very shallow and DFID salaries are said not to be competitive. In view of the importance of analysing the political economy and managing the programme in a politically sensitive way, this omission is significant. The office came close to recruitment of a Sierra

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<sup>36</sup> Executive Summary and Main Findings para 2

Leone national as assistant governance adviser, but the appointee declined the offer. SAIC staff interviewed in a group meeting for the evaluation highlighted dissatisfaction with salaries, allowances and career development opportunities working for DFID. A force field analysis exercise used as a discussion tool is reported at Annex G.

4.78 There is a general consensus within the programme team that the team is too small given the role played by DFID in Sierra Leone. There are few significant bilateral donors present and staff of the World Bank are non-resident, so decreasing opportunities to allocate tasks between donors and for DFID to act as a silent partner. This also increases transaction costs when DFID works in partnership with other donors (principally the World Bank), since decision makers are not resident in Freetown. This challenge is exacerbated by DFID being seen as the donor of last resort. The evaluators found no evidence to contradict this viewpoint.

4.79 However, as shown in Table 11, DFIDSL's administrative costs are already higher than the average for programmes administering budget support. Elsewhere, DFID budget support administration costs have normally declined as a percentage of country programmes over time, due either to a reduction in absolute administration costs (for just under half of country programmes) or to increasing size of country programmes.

**Table 11. Trends in administrative costs as percentage of DFID bilateral programme spending in selected countries providing budget support**

	Financial year			
	2003/04	2004/05	2005/06	2006/07
<b>Sierra Leone</b>	3.2	5.6	5.9	5.1
<b>Ethiopia</b>	4.0	4.3	4.4	3.3
<b>Ghana</b>	3.4	3.7	2.2	3.1
<b>India</b>	3.2	2.7	2.2	2.9
<b>Malawi</b>	4.7	5.7	3.6	2.6
<b>Mozambique</b>	6.4	5.1	4.2	4.5
<b>Tanzania</b>	2.7	2.9	1.9	2.2
<b>Uganda</b>	6.8	6.3	6.7	5.3
<b>Zambia</b>	6.9	7.3	5.2	5.9
<b>Average (n=9)</b>	4.6	4.8	4.0	3.9

Source; NAO (Feb 2008) DFID: Providing budget support to developing countries. Figure 15

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- ❖ DFID contributed approximately a fifth of all budget support during the period. PRBS accounted for more than a quarter of discretionary recurrent and domestic capital expenditure between 2001 and 2006.
- ❖ The PRSP has not influenced the budget process, a common problem in other developing countries. In the early years the main aim of PRBS was to ensure macro-economic stability and finance an expanded wage bill. Only from 2004/05 was there a more systematic focus on improving the budget to tackle poverty reduction.
- ❖ The effectiveness of PRBS on pro-poor spending has been limited owing to unpredictable disbursements and capacity constraints in the MDAs.
- ❖ Four new sets of policy guidance came out during the period: by DFID on harmonisation, working in fragile states and changing aid conditionality; and OECD guidance on security sector reform. Judged against these new standards the programme has been strongly compliant in harmonisation and working in fragile states; less so in terms of use of conditionality and only partially in security sector reform.
- ❖ Over the evaluation period, 42 programmes or projects were rated for results performance. Some 56% of projects received a satisfactory or better rating for purpose. Outputs were rated slightly higher with 58% as satisfactory or better.
- ❖ The initial three year agreement on budget support was a political decision and a brave leap of faith. Evidence suggest that this decision was correct, in that it facilitated the quick and easy financing of an extremely under-funded public budget and hence contributed to maintaining peace, macro-economic stability and allowed the financing of basic government salaries and some services.
- ❖ DFID technical assistance is generally regarded as being of high quality, but over-use of gap-filling PIU structures has drawn competent middle level staff out of government and limited the extent of increased capacity within GOSL.
- ❖ An independent evaluation of the Africa Conflict Prevention Pool in 2004 found inter-departmental information gathering and coordination in-country between UK stakeholders under the Strategy to be generally good and to have improved since pre-ACPP days. But improvements in coordination have not led to critical appraisal of strategy across the breadth of security and development.
- ❖ Devolution benefitted the programme and has led to improved relations with government and development partners. But the process could have been managed better and led to a loss of momentum as only one Deputy Programme Manager moved to Freetown from London, and none of the disciplinary advisers moved.
- ❖ Staffing has been a challenge within the advisory cadre, with the post conditions unattractive to many candidates and leading to a number of stop-gap temporary appointments. Officials in DFID and Whitehall consider the head of office post merits a SCS classification in view of the complexity of the programme and in respect of working relationships with other HMG departments. The office has not yet been successful at appointing any SAIC staff to advisory level posts.

## 5. Programme Impact

5.1 In this section, the overall development performance of Sierra Leone is discussed, including DFIDSL's contribution to the policy and governance environment. Progress towards DFIDSL's PSA targets is reviewed together with brief mention of the MDGs for which very little data are available. Sustainability and the extent to which DFIDSL has added to national capacity is also examined where evidence is found.

### Policy and Governance Environment

5.2 It is important to start with the acknowledgment that following the UK military intervention, DFID has made a significant contribution to the restoration of peace and stability across Sierra Leone. Whilst there may be questions over the sustainability of the present institutional configuration, and the 'peace dividend' is wearing off, peace has been restored. DFID made major investments in demobilisation of combatants from the civil war, supported development of the new security architecture (as part of wider HMG efforts) and also, through its initial budget support. DFID's budget support funding has undoubtedly contributed to restoration of GOSL's presence throughout the country, because without budget support it is doubtful that GOSL would have been able to pay returning civil servants. DFID's main rationale at that time was to help Sierra Leone qualify for IMF PRGF support and thereby signal to the international community that Sierra Leone was on the right track. PRGF qualification was also necessary to kick start the HIPC process. There is no realistic counter-factual in which another stakeholder would have provided this support.

5.3 Assessment of the governance context in Sierra Leone between 2002 and 2007 suggests slow but positive progress has been made in most areas, with some notable exceptions such as corruption and reform of the civil service.

### Good Governance and Accountability

5.4 In terms of government effectiveness and service delivery, there are signs of good progress in developing plans in some key sectors, principally health, education and private sector investment, all with support from DFID, but none of these plans were completed before 2008. Meanwhile, there is little evidence of previous plans, such as the PRSP, having had significant impact on what GOSL has done. Implementation of sector level plans will also be challenging, given the lack of progress in public sector reform and general capacity constraints across both central and local government.

5.5 Sierra Leone's PFM systems now compare relatively well with those of other low income countries, in large part owing to strong donor emphasis and support to the PFM agenda. Reforms in payroll, accounting and reporting, procurement and external audit have led to improvements in the general internal and external control and accountability environment. DFID has played a significant, and increasing role, in this area.

5.6 In terms of addressing under-lying causes of the civil war, developing a more transparent and rules based approach to control of the diamond fields, has been of great importance, given that revenue from this industry was the major source of funds during the war. The Drivers of Change Analysis highlighted this as a positive initiative.<sup>37</sup> But the ministerial decision not to promote service delivery and subsequent slow reversal since devolution of the office, has left this important area inadequately dealt with.

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<sup>37</sup> Drivers of Change reference to be inserted

5.7 **Transparency and Democracy:** There has been a notable improvement in political participation after the conflict, with the holding of free and fair elections and the peaceful transfer of power. DFID has contributed to the elections not only financially, but also as part of HMG, as a significant stakeholder working to ensure that election administration is transparent and effective. However, patronage politics remains prevalent with democratic contest based largely on personalities rather than issues.

5.8 Decentralisation has also been a significant change and a direct response to the previous situation, which contributed to the civil war, in which all decision making was held at the centre and there was no voice at local level. Local elections took place in 2004, functions and finances have been devolved more or less as planned and staff have been made available to the Local Councils. Thinking on taking the decentralisation program to the next stage has been initiated. There is some evidence that demand side pressures are emerging through local government and civil society organisations. However, the main impact may have been to establish a new political class that will not easily give up its power and authority. As is to be expected, the newly emerging political class no doubt poses a threat to the existing political and power groupings at the national level and sub-national level. There are visible tensions between the local councils and the traditional authorities as well as tensions between the local councils and the central government bureaucracy. DFID directly contributed to implementation of decentralisation by (i) funding drafting of the legislation; part funding administration of the elections; and making a commitment (£8 million) to support building local government capacity under the multi-donor trust fund.

5.9 Progress has been slower in other areas. Formal checks and balances remain largely ineffective and the capacity of civil society or Parliament to hold government to account is very low. There has been some improvement in the number and quality of media outlets, but only gradual improvement in increasing transparency in government since the conflict. DFID has attempted to work in these areas, but either the impact cannot be expected for several more years (civil society role in accountability) or experience has shown that there isn't the necessary support from other domestic stakeholders to take things forward.

5.10 The most significant failure has been in the area of corruption and integrity. The evidence is that there has been no real improvement in tackling corruption since the end of the conflict. The ACC is not really working, the Office of the Auditor General is in place but there are significant constraints on what it can deliver, and it is noteworthy that fighting corruption was a major plank underpinning the win by the opposition in the 2007 election. This lack of action is rightly seen as a risk to stability, given that corruption was a major root cause of the civil war and it is also salient that the opposition candidate for the presidency, who won the 2007 election, campaigned on a policy of anti-corruption. DFID's most high-profile support in this area, to the Anti-Corruption Commission, was a failure. The approach of the ACC, with its focus on pursuing 'big fish' may be critiqued with hindsight, and drawing on experience elsewhere, but it should be noted that this was also the strategy proposed initially by the President and Vice-President. An independent review commissioned by DFID in 2006 called for a broader-based approach building demand for improved services and accountability for the way national resources are used by government.<sup>38</sup>

5.11 The conclusion that the strategy of support to the ACC was flawed is borne out by experience elsewhere. Shah (2007) states that: *'support for anticorruption agencies and public awareness campaigns is likely to meet with limited success in environments in which corruption is rampant and the governance environment deeply flawed. In fact, in*

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<sup>38</sup> Otieno et al 2006



*environments where governance is weak, anticorruption agencies are prone to being misused as tools of political victimization. These types of interventions are more appropriate in a “low” corruption setting, where governance fundamentals are reasonably sound and corruption is a relatively marginal phenomenon.’* He argues that policies to detect and punish corrupt acts should come only after work to establish the rule of law, strengthen institutions of participation and accountability, define basic legal rights, including access to defined public services standards, empower citizens by supporting bottom-up reforms, disseminate information and introduce performance-based accountability to hold government to account for service delivery performance.

5.12 DFID has latterly also pursued a more broadly based, but tacit, approach to anti-corruption, mainly through its PFM work and support for the PETs. There is some evidence that such approaches have increased transparency in the system and lead to substantive changes, such as teacher salaries now being directly transferred from the MOF to school bank accounts, the introduction of an IFMIS across the main spending ministries and the introduction of new budget and accounting codes showing the distribution of resources by region.

5.13 **Security and Consolidating Peace:** There has been a positive trajectory in human security since the end of the conflict but Sierra Leone remains fragile and the ‘peace dividend’ is wearing off. The main concern, and critique of HMG support in this area, is in terms of the sustainability of peace and whether the new ‘security architecture’ can stop a repeat of instability caused by the armed forces. Access to justice for the poor has not improved significantly since the end of the conflict but strategies and systems are being developed that should address this over time.

5.14 **Pro-poor policy and growth:** Establishing a clear direct link between providing PRBS and economic growth is difficult in a post conflict environment where economic variables change quickly and data are poor. Nevertheless, data suggest that the direct impact of budget support on growth was probably stronger in the immediate post conflict years, where PRBS provided significant additional non-inflationary government funding fuelling demand through an increased spending on salaries and goods & services. In the later years, the private sector is likely to account for a higher share of aggregate demand. Real GDP growth in Sierra Leone was buoyant in the immediate post conflict period (18% in 2001 and 27% in 2002), stabilising at a more moderate rate thereafter of roughly 7-8% per year between 2003 and 2006. Growth was driven by an increase of agricultural output and a resumption of legal mining activities, as well as a resumption of health, education and other Government services. In recent years, growth remains driven by the agricultural and mining sectors but services and industries (especially construction) have significantly increased their contributions.<sup>39</sup>

5.15 There has been a positive trend in pro-poor policy formulation but with substantially less progress on implementation. DFID’s support to development of the PRSP may be seen to have been ineffective in terms of the PRSP being a tool to influence what government does, although it was obviously effective in ensuring that a PRSP was produced, so allowing continued access to IMF, World Bank and EC funding. Subsequent work to support sector planning is also positive. Given the role of inequality in the past civil war, it is important to flag that while some efforts to address youth exclusion have been made, progress has been slow. Progress, even at the policy formulation level, has also been slow in the areas of discrimination and gender equality, with evidence of some resistance to

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<sup>39</sup> DFID, Project Memorandum PRBS, Annex E Economic and Financial Assessment 2007/8 and interview with P. Toigo, MOF, WB and EC.

improving gender equality. DFID did start to develop a gender strategy in 2007, but it is too early to comment on it.

## Development Outcomes

5.16 Owing to the absence of a country programme strategy during the period of the evaluation, there are few clear targets for DFIDSL. Tables 12 and 13 bring together targets set out at regional level in two time periods and identify those which apply to Sierra Leone. The tables summarise progress where evidence is available.

**Table 12. Sierra Leone programmes' contribution to the achievement of DFID's WNAD PSA and SDA objectives 2002-2005**

Objectives	Sierra Leone <sup>40</sup>	Performance
<b>PSA Objective 1: poverty reduction in low and middle income countries</b>		
1c: Adoption and implementation of effective PRSPs by 2004	X	Work started on PRSP in 2003 but extensive delays held back completion until 2005. Not used effectively to influence GOSL strategy
<b>Delivery I:</b> Working with partners to deliver strategies that support poverty reduction	X	Effective collaborative and joint analytical work especially with WB and EC
<b>Delivery II:</b> Seek to improve the effectiveness of EC development assistance	X	Close relations maintained with EC leading to JSCP in 2006
<b>Delivery III:</b> Provide support to at least 12 partner countries by 2004 to develop and implement PRSPs	X	Extensive support given to Sierra Leone
<b>PSA Objective 2: promotion of sustainable development</b>		
2a: Relief of unsustainable debt by 2004 for all HIPC countries committed to poverty reduction	X	Sierra Leone achieved HIPC debt relief in 2002 and HIPC completion point in 2006
<b>Delivery III:</b> Successful integration of sustainable development into policies and programmes for 10 key countries by 2004		
<b>Delivery IV:</b> Work with public and private sectors to improve business environments, especially access for the poor		

<sup>40</sup> Objectives applied to Sierra Leone marked 'X'

Objectives	Sierra Leone <sup>40</sup>	Performance
<b>Delivery VI:</b> Work with EU and other partners to improve trading opportunities		
<b>Delivery VII:</b> Work with partners to develop and co-ordinate action on HIV/AIDS		
3: Improved effectiveness of UK contribution to conflict prevention and management	X	Improved coordination across Whitehall and effective use of Africa Conflict Prevention Pool funding.
<b>Delivery I:</b> Strengthen international and regional systems and capacity for conflict prevention	X	Effective international efforts in support of UN and regional efforts with ECOWAS, and promotion of Mano River Union to counter threats within neighbouring countries
<b>Delivery III:</b> Promote initiatives that help avert conflict and build sustainable security and peace	X	Consistent policy to contain destabilisation efforts of Charles Taylor, then President of Liberia. UK military intervention to end the civil war and substantial resources provided for peace building and security sector reform
<b>PSA Objective 3: Improved education outcomes in key countries</b>		
4: Improved education systems in the top ten recipients of DFID education support		
<b>PSA Objective 4: Improvements in health outcomes in key countries</b>		
5: Improvements in child, maternal and reproductive health in the top ten recipients of DFID healthcare assistance		
<b>Value for Money</b>		
6: Improved value for money and effectiveness of projects in DFID's bilateral programme	X	No clear trends in project effectiveness but around half of projects rated satisfactory at scores 1 or 2.

**Table 13. Sierra Leone programmes' contribution to the achievement of DFID's Africa PSA target 1 2005-2008**

Sub targets	Sierra Leone	Performance
A reduction of 4% percentage points in the proportion of people living in <b>poverty</b> across the entire region against the 1999 baseline;	No specific targets	No data available. Results from a 2007 CWIQ survey are due in 2008.

Sub targets	Sierra Leone	Performance
An increase in <b>primary school enrolment</b> by 18 percentage points against the 2000 baseline;	No specific targets	Primary school enrolments doubled from 2001/02 to 2004/05.
An increase in the <b>ratio of girls to boys</b> enrolled in primary school by 5 percentage points against the 2000 baseline;	No specific targets	Considerable progress has been made in increasing girls' attendance at primary school. Attendance at secondary school remains lower for girls than boys.
A reduction in <b>under-5 mortality rates</b> for girls and boys by 8 per 1000 live births against the 2000 baseline;	No specific targets	Infant and under 5 mortality rates are the worst in the world. There has been a gradual improvement since the war. GOSL has prioritised maternal and child health in the PRSP and DFID and other development partners are working to support GOSL on this.
An increase in the proportion of <b>births assisted</b> by skilled birth attendants by 11 percentage points against the 2000 baseline;	No specific targets	No reliable data
A reduction in the proportion of 15-24 year old pregnant women with <b>HIV</b> ;	No specific targets	No reliable data
Enhanced partnership at the country and regional level, especially through the G8, to increase the <b>effectiveness of aid</b> and ensure that international policies support African development.	No specific targets	Extensive use of MDBS, pooled funds and multi-donor trust funds as aid instruments.

5.17 Good progress is seen against DFID's regional objectives in the 2002-2005 period. A shortage of data limits the evaluation's ability to comment on progress towards poverty reduction as set out in DFID's PSA target 1 for 2005-2008. Although the current data on the MDGs (see Table 1, page 6, and Annex I) paints a depressing picture of low performance, the data do not reveal how badly living conditions deteriorated during the civil war. The limited progress seen today needs to be compared with that period rather than the mid-late 1990s.

5.18 DFID's Sierra Leone programme has not had a monitoring and evaluation framework during the evaluation period. The first approach to this has come with the results framework developed for the JCSP. Indicators from the strategy now form the basis for a results framework structured against planned outcomes for 2012 and annual milestones. The office reported against this for the first time in October 2007. It clearly has the potential to

be a useful management tool but will need to be integrated with the forthcoming Business Plan.

## **Capacity and Sustainability**

5.19 The long-term sustainability of the security sector reforms remain in doubt. For instance, the lack of sustainability of the present system is the major rationale being used for applying for funds from the ACPP in 2008. The most obvious problem is that the RSLAF is still too large to be funded out of domestic resources on a sustained basis. While there may be some justification for over-funding in the short to medium term, the more fundamental issue is whether the reluctance to downsize the army is actually an indicator of uncertainty over whether the military have been truly reformed and whether the new 'security architecture' will work.

5.20 The main focus in the security sector is now on personal security. DFID's main support is through its Justice Sector Development Programme, where there are indications that the foundations for a government led programme of sustainable justice sector reforms have been established. However, it is too early to see whether this programme will have a significant impact.

5.21 The evaluation found little evidence that donor support to building capacity within government has been effective. In some cases, such as local government, it is too early to tell. However, it is also probable that it would be difficult to reverse the current decentralisation process.

5.22 In the case of the central civil service, there is no evidence of capacity having been built. Whilst no systematic analysis has been carried out, the current perception is that the proliferation of Project Independent Units (PIUs) has drawn competent middle level staff out of government and into the PIUs, so further adversely affecting government's own capacity. In addition, despite proposals being introduced early in the period, only in 2008 was systematic work being taken to address the topping up of salaries across government. In consequence, it is not surprising that there is little evidence of TA contributing to building capacity within GOSL.

5.23 This partly reflects the divergence of opinion between the then government and the key donors on the acceptability of proposals for civil service reform. While this may have stymied moves to build capacity in a consistent and cost-efficient manner, it is clear that the donors' use of PIUs and topping up salaries of senior and medium level civil servants may have actually decreased capacity within the wider civil service.

## **Gains in aid effectiveness**

5.24 Notwithstanding the difficulties of working in a poorly harmonised aid environment, DFIDSL can take credit for improving aid effectiveness

5.25 The major potential gains have come in terms of increased harmonisation with other donors and the move into the use of pooled funding and multi-donor trust funds. Whilst only two such arrangements were in place by 2007, 2008 showed that nearly all DFID's significant new funding commitments (in health and education sectors especially) were through MDTFs.

5.26 In terms of alignment with government policy and use of government systems, PRBS is the most aligned instrument there is. In Sierra Leone this has had only limited

impact upon aid efficiency, since policy only weakly influences the budget process. In terms of TA provided, there is little evidence of enhanced aid effectiveness, given that complementary TA has been contracted using DFID, rather than government systems, and there are also indications that government has little influence in the selection, or management, of TA contracted.

5.27 The most significant challenge to enhancing aid effectiveness is in terms of government ownership. The objective outlined in the 2003 MOU of a genuine partnership between HMG and GOSL, with clarity in terms of expectations and conditionality and with mutual accountability has not been achieved. Whilst GOSL may have had ownership of particular policy objectives, such as decentralisation and management of the diamonds industry, the evaluation period shows that DFID and GOSL have not been able to develop an institutional mechanism that allows systematic discussion of priorities and expectations and development of a joint view with mutual accountability for delivery.

## Summary Chapter 5

- ❖ DFID has made a significant contribution to the restoration of peace and stability across Sierra Leone. DFID made major investments in demobilisation of combatants from the civil war, supported development of the new security architecture (as part of wider HMG efforts) and also, through its initial budget support, for restoration of GOSL's presence throughout the country.
- ❖ The PRSP has not been an effective tool to guide government, but with support from DFID there are signs of good progress in developing plans in health, education and private sector investment. There has been a positive trend in pro-poor policy formulation but with substantially less progress on implementation.
- ❖ Sierra Leone's PFM systems now compare relatively well with those of other low income countries. Reforms in payroll, accounting and reporting, procurement and external audit have led to improvements in the control and accountability environment. DFID has played a significant, and increasing role, in this area.
- ❖ Developing a more transparent and rules based approach to control of the diamond fields has been of great importance, given that revenue from this industry was the major source of funds during the civil war.
- ❖ There has been a notable improvement in political participation after the conflict, with the holding of free and fair elections and the peaceful transfer of power.
- ❖ Decentralisation has also been a significant change and a direct response to the previous situation, which contributed to the civil war, in which all decision making was held at the centre and there was no voice at local level. There is some evidence that demand side pressures are emerging.
- ❖ Progress has been slower in other areas. Formal checks and balances remain largely ineffective and the capacity of civil society or parliament to hold government to account is very low. There has been some improvement in the number and quality of media outlets, but only gradual improvement in increasing transparency since the conflict.
- ❖ The most significant failure has been in the area of corruption and integrity. There has been no real improvement in tackling corruption since the end of the conflict. This lack of action is rightly seen as a risk to stability, given that corruption was a major cause of the civil war. DFID's most high-profile support in this area, to the Anti-Corruption Commission, was a failure.
- ❖ There has been a positive trajectory in human security since the end of the conflict but Sierra Leone remains fragile and the 'peace dividend' is wearing off. Access to justice for the poor has not improved significantly but strategies and systems are being developed that should address this over time.
- ❖ Good progress can be seen against DFID's regional objectives in the 2002-2005 period. A shortage of data limits the evaluation's ability to comment on progress towards poverty reduction and the MDGs, all of which show very low levels of performance.
- ❖ The evaluation found little evidence that donor support to building capacity within government has been effective. In some cases, such as local government, it is too early to tell. The donors' use of PIUs and topping up

salaries of senior and medium level civil servants may have actually decreased capacity within the wider civil service.

- ❖ Despite working in a poorly harmonised aid environment, DFIDSL can take credit for improving aid effectiveness. The major potential gains have come in terms of increased harmonisation with other donors and the move into the use of pooled funding and multi-donor trust funds.
- ❖ The objective outlined in the 2003 MOU of a genuine partnership between HMG and GOSL, with clarity in terms of expectations and conditionality and with mutual accountability has not been achieved. DFID and GOSL have not been able to develop an institutional mechanism that allows systematic discussion of priorities and expectations and development of a joint view with mutual accountability for delivery.



## 6. Lessons and Recommendations

### Strengths and Weaknesses

#### Strengths

6.1 HMG provided leadership and clarity of purpose in the UK's relations with Sierra Leone. The decision to use military force to end the civil war was risky and bold. It paid immediate dividends and laid the foundation for a stable peace and return to development.

6.2 DFID has been well regarded in a number of ways:

- The approach in country has been responsive to government demands, with flexible procedures and good understanding of technical issues.
- The highest priority was given to consolidating the peace and rebuilding the state, with substantial resources committed including a bold political decision to use general budget support. DFIDSL made a correct decision to attempt to strengthen the demand side for improved governance as well, though later in the period.
- DFID has taken a systematic approach to programmes, commissioning independent analysis and using annual reviews to identify issues that affect performance.
- DFID and EC are the only donors with a significant advisory capacity in-country. Portfolio choices are driven by the availability of advisory staff and the office has worked both to recover the institutional understanding that was lost during devolution to Freetown in 2005 and overcome the narrowness of the disciplinary mix.
- Advisers and programme officers work well as teams and the office has used innovative approaches such as a private sector development TA to fill skill shortages.
- DFID has worked systematically, and with some success, on donor harmonisation and use of pooled funds and multi donor trust funds
- DFID has worked effectively within Whitehall to join up with other departments of HMG.

#### Weaknesses

6.3 There are also some important weaknesses:

- The early decisiveness over post-conflict strategy was not matched by review and reassessment about the security threat and approach to development. Large financial and policy commitments to security sector reform and anti-corruption were retained despite early signs of a lack of political commitment, when more flexible or different approaches should have been considered.
- Coordination across Whitehall is strong, but has not progressed much beyond information sharing to joint analysis.
- The office has found it difficult to integrate political analysis into their approach to engaging with the political elite and in design of projects. For example, the Drivers of Change clearly points up the dominance of informal systems, and brings implications for how the office needs to engage with GOSL. There was an over-reliance on individual champions of change, not based on analysis of whether the champion has the power or leverage to deliver change.

- A comprehensive risk analysis and risk management strategy was never carried out after HMG's initial military engagement.
- Despite development of new policies on conditionality during the period up to 2006/07 conditions were primarily unilaterally set by donors with little ownership of GOSL over the indicators. Not until near the end of the period did reviews report improvements with PFM related conditionality and a reduction in the number of conditions with movement towards an MDBS PAF. The office was slow to take on board general lessons that conditions can not force the pace of change.
- The clarity of using budget support to restart government programmes was not matched by similar thinking over a viable approach to building human capital within the civil service. Over-ambitious project designs coupled with an urgency to improve financial management systems led to reliance on external consultants and PIUs for implementation.
- The office has not managed to recruit experienced Sierra Leone staff into authoritative advisory positions.

## Lessons

### 6.4 For DFIDSL Sierra Leone:

#### Peace and state-building

- The MoU guidance talks of being open and explicit about expectations and mutual accountability between HMG and GOSL. This has not been achieved. DFID needs to examine the utility of the MOU and explore other approaches to engaging with government to achieve expectation in the MoU.
- The lack of a strategic risk management analysis and plan meant that the programme has not systematically focused on assessing and tracking a major risk; namely, whether the patrimonial system that operates in Sierra Leone is changing enough to ensure that the underlying causes of the civil war are addressed and the chances of future conflict are reduced. This analysis needs to be done because an assessment of the status should drive designs on both the composition of the portfolio and how to engage with GOSL.

*“In the wake of a conflict, it is natural to focus on reconstruction. But two dangers stand out. The first is the danger of reconstructing the political economy that led to the conflict in the first place. The second is that the war itself has produced changes in attitudes, notably in people’s awareness of their rights and the systems they live under; thus, even those elements of the old system that were considered acceptable might not be today.”<sup>41</sup>*
- DFID’s support for the Anti Corruption Commission responded to requests from government and was in line with practice in other countries. But the focus on high-profile prosecutions failed to recognise political realities in Sierra Leone and did not learn from comparable experience elsewhere, such as Kenya. Poor people are disproportionately affected by localised small scale corruption affecting access to services rather than the malfeasance of the ‘big fish’. While the anti-corruption message needs to be resolute at all levels a more broad-based and politically sensitive approach needs to be developed.
- The heavy reliance on international TA with concomitant PIUs and enhanced salaries may deliver good technical products but doesn’t build capacity within the

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<sup>41</sup> David Keen (n.d.) Understanding the war in Sierra Leone. DFID, London

government itself. This will not be achieved until the issue of donor funded staff and PIUs is effectively addressed. An exit strategy is needed. A better approach is to design projects that start small and allow government to demonstrate that it has capacity.

#### PFM

- Reforming the legal and regulatory framework and creation of institutions with wide ranging powers (e.g. OAG and NRA with independent terms and conditions) is not sufficient to reduce fiduciary risk. Enforcement and implementation of new procedures is key.
- Implementing new work processes and changing organisation structures will only bring about behavioural changes if supplemented with adequate change management strategies and changing organisational cultures focussing on performance and managerial accountability.
- Managing support in line with Paris declaration principles is fine, but systematically monitoring how effective other donor support has been in the PFM arena is key in bringing about a well prioritised, and sequenced reform process.
- DFIDSL involvement in strengthening transparency and accountability processes within the PFM arena has been important, but the main challenges for the future will be to complement this by improvements in overall budget management i.e. capacity in budget planning and execution, especially in MDAs.

#### Budget support

- Budget support can be an appropriate modality in a post conflict environment only if objectives are realistically and clearly set out from the start, and fiduciary risks are addressed through a credible PFM and governance reform programme with strong government ownership.
- Focussing on addressing fiduciary risks and the fulfilment of the eligibility criteria for budget support is important, but cannot replace the more fundamental question to ask what the DFID office wants to, and can realistically, achieve with a tool like budget support and how it can contribute to development.
- A large ratio of budget support to total government spending, as is currently the case, is not sustainable because (i) budget support and aid in general is relatively more volatile than domestic revenues with all its implications on macro and fiscal management, and (ii) it may crowd out government reform efforts to raise domestic revenues and hence undermine domestic accountability.
- As domestic revenue mobilisation has lagged behind, it has exposed Sierra Leone's vulnerability of the budget to high unpredictability and dependence on budget support.
- Donor driven conditionality cannot buy reform. Genuine government ownership over the reform agenda is key to a realistic pace of reform.

#### Private sector development

- Working with an external TA expert has been important in kick starting private sector development (PSD) reform in light of staffing constraints in the office, but it has worked less well in making DFID pro-poor growth portfolio more internally consistent and in generating ownership by DFID staff.
- Reforming the PSD enabling environment has had implications for other DFID supported areas (e.g. PFM & governance) but through the isolated management of the PSD portfolio, DFID missed opportunities for a more joined up policy dialogue

(e.g. tax policy, monitoring net fiscal burden of SOEs) and making linkages within the portfolio more systematic.

- Given the fact that agriculture contributes about 50% of GDP, DFIDSL has not presented a clear and convincing argument for its approach to the agriculture sector.
- Private sector development is not only important to stimulate growth and poverty reduction, but can generate greater demand for accountability and hence better governance (e.g. the Sierra Leone business forum as public-private dialogue broker).

#### Other

- The concerns of MDAs should be incorporated in projects during design. The proposal of the project on Malaria Outreach and Safety Initiative implemented by CARE was first sent to the Ministry of Health and Sanitation for comments before commencement of implementation. This is a good lesson, as is having NGOs work together with Government Ministries, where capacity permits, in the implementation of projects. The Youth Empowerment Project was implemented by SPW in line with the Ministry of Youths and Sports. This helped the transfer of skills from a well established international NGO in the area of training for youths to the Ministry that is in charge of this group.
- Long-term local capacity building requires a clear vision how to manage change and links with wider civil services reforms (e.g. results based management, pay and HRM/promotion policies). Because many ministries are involved with private sector development, inter-ministerial/departmental coordination and learning is crucial to take this area forward.

#### 6.5 For DFID Globally:

- Policy decisions made in the immediate aftermath of conflict need to be systematically reassessed. The ministerial directive to defer support for service delivery and leave that work to INGOs and other development partners is an example. The EC in particular failed to deliver and many citizens of Sierra Leone are as disempowered and neglected as they were before the conflict.
- It is possible to use budget support in a post conflict setting and thereby provide a substantial fiscal boost to rebuilding government.
- DFID should have adopted the draft CSP as an interim strategy and not wait for the PRSP where there was uncertainty about government's ability to develop a satisfactory product. Failure to do so meant the programme was driven by spending decisions rather than outcome objectives and meant that performance reviews were concentrated at sector and project level rather than country programme.
- Engagements within the security sector should be approached from a human security perspective. Prior to an engagement a joint Whitehall analysis must achieve consensus. This should include a conflict analysis, a description of the context and conclude by highlighting the gains and potential dangers of engaging with the security sector. This process and final product should be driven and owned by HMG (DFID, MOD and FCO) within the country
- Traditional military-to-military 'train and equip' still has value for creating entry points and building relationships within the SSR arena. The balance and sequencing of the approaches must be defined and controlled. Creating a more effective security sector within a fragile democracy holds inherent risks. It will always be quicker to train and equip than to develop a popular local constituency for change. In this regard sequencing and control are vital if a dual approach is adopted.

- Building intelligence architecture, where none existed before, makes an inherent assumption regarding the value of information and contribution to the decision-making processes. An analysis of both is required before constructing entities and processes that may not be appropriate to the context and are therefore not sustainable.
- The increase of state revenue should be a consideration when engaging in SSR in fragile and post-conflict states. Offshore capture fisheries are an example in Sierra Leone. If this is achieved the structures and reforms have inherent value to the state, and may ensure their affordability which enhances their sustainability.
- Direct army to army or police to police technical assistance is most effective when engaging with training programmes. It should be recognised that an ex-professional (police, soldier, civil servant) may not possess the skills or capacities to engage in capacity building and will end up gap-filling. New methods of capacity building need to be identified and implemented and individuals with skills that require transferring will require equipping with the skills to achieve the transfer.
- Rebuilding the state is about more than good public financial management at the centre, important though that is. Broad-based capacity building is necessary to help re-start service delivery.
- More support to service delivery would have required a larger programme budget or a reallocation of funds. The large commitments to SSR reduced room for manoeuvre and created rigidity in the programme. The late recognition that the main threat to national security was poverty and disempowerment failed to prompt a reconfiguration of the country programme.

## Recommendations

6.6 The presentation of strengths, weaknesses and lessons incorporates recommendations implicitly in the text. In this section, the issues raised are brought together into a small number of composite recommendations.

6.7 For DFIDSL in Sierra Leone:

- The status and purpose of the MOU needs to be reconfirmed within HMG in the light of the overarching HMG strategy. Engaging with government and getting a real agreement on priorities and accountability is a pre-condition for moving forward. If the MOU is to be retained it should be renegotiated with GOSL for the remaining years and include a revised process to ensure it brings value to DFIDSL's relationship with the whole of government.
- The structure of the country programme during the evaluation period was largely determined by the size of investment in consolidating the peace and building the state. The country office needs to reassess the extent to which the JCSP addresses the underlying causes of the conflict. In view of DFIDSL's intention to change approach to security sector reform a strategic risk analysis should be carried out both within Sierra Leone and regionally to ascertain the situation and determine priorities. To the extent that the main threat to security is confirmed as weak governance and underdevelopment, SSR should be treated as a cross-cutting issue, embedded within the country programme. DFID's adoption of a human security perspective will facilitate this process, as will viewing security and justice as a service delivery issue.
- A clear strategy needs to be developed jointly across FCO, MOD and DFID about how to reach IMATT's objectives and to develop a strategy to support GOSL's

reform of the RSLAF to a sustainable size and effective capability. There is a credible argument that the RSLAF, in its present form, represents a potential threat to stability and democratic governance.

- The programme needs to develop an exit strategy for PIUs and TA on enhanced salaries, with a coherent transition to migrate into capacity building for the civil service.
- A number of improvements can be made to enhance effectiveness of budget support: move away from in-year conditionality as this will improve predictability; align budget support disbursement schedules with the government budget calendar, so that resources are known before the start of the fiscal year; do not overload the MDDBS PAF with further indicators - instead strengthen sector dialogue and monitoring processes; and align the conditionality approach more with international best practices.
- During the preparation of a programmatic approach that will support the GOSL national action plan on PFM, undertake a political economy analysis of the reform programme; focus on “getting the basics right” before moving into more advanced areas like MTEFs and performance budgeting; strengthen basic linkages between policies and budgets by moving away from dual budgeting, strengthening sector policy formulation skills and dialogue processes, and fiscal & budget monitoring skills; strengthen efforts in domestic revenue mobilisation; undertake more joint analytical work in PFM.
- A more broad-based and politically sensitive approach needs to be developed for fighting corruption with a stronger emphasis on tackling the effects poor people suffer from localised small scale corruption affecting access to services.

#### 6.8 DFID globally:

- Good work has been done in Sierra Leone and other countries to analyse the political economy of change. But as the situation here has shown, country office staff lack the tools and approaches to use that analysis to improve programme design and dialogue with government. Capacity needs to be developed within DFID to support country programmes and explore greater linkages with the FCO in this area.
- The long running support to IMATT has been a significant factor in fostering peace and stability, even if the so-called ‘green beret’ effect in Freetown is over estimated. The ability of the UK to staff and implement a programme with so many military advisors is in stark contrast to the thinly spread support to the civil service. The IMATT experience needs to be carefully evaluated and consideration given to ways to implement parallel intensive arrangements in key sectors such as health and education.

## **7. DFID Sierra Leone Response To The Country Programme Evaluation Report**

We welcome the findings of the country evaluation report and note that it is particularly timely as we embark on drafting our own Business Plan. The collaborative process of the evaluation, the openness of the team and the report itself has fostered some very helpful debates as we set the strategic direction for the country programme over the next 3 years.

As the report concludes, DFID has made a significant contribution to the restoration of peace and stability across Sierra Leone. The re-establishment of the state and its related functions is very much work in progress but in the 5 years (to 2007) since the end of a very brutal civil war Sierra Leone has come a long way.

We would like to have seen the CPE extend its chronological coverage to be more current. A number of the observations and criticisms have been addressed in the last year as the country programme has shifted its focus from security to basic service delivery and human development. The context in Sierra Leone is fast moving and we have seen a peaceful transition of power through transparent and fair elections since the evaluation period.

We do believe that we have a good story to tell about cross-Whitehall coordination and feedback from FCO and MOD colleagues reinforces that. There are clear lessons to be learned for other post conflict programmes – in particular our relationship with IMATT and the level of integration in strategic planning for the whole security sector.

We take on board the recommendation that we should revisit the MOU and will discuss this further with our in country HMG partners. It fits well with the drafting of the new HMG strategy and our own Business Plan.

The other recommendations made in paragraph 6.7 reinforce the actions we have been taking over the last year and as such are less valuable. We have, since the start of 2008, been discussing with GoSL and donor partners moving to a new strategic approach to the provision of capacity within Government Ministries. We have already sought a decision on a multiyear funding regime for PRBS and will revisit this once again later in the year.

The suggestion that we develop sector strategies to attract new donors does not take into account the human capacity constraints we already face in delivering a wide ranging programme. DFID is the donor of first and last resort in Sierra Leone and the breadth of the programme reflects this and the vast need for engagement in every sector. A more robust international response coupled with an increase in development partner capacity on the ground would be very welcome.

Finally we welcome the report's comment on the provision of PRBS. It is a challenging environment in which to deliver this modality and we have worked hard to mitigate the risks with our budget support partners. However we continue to assess those risks versus the developmental benefit for the people of Sierra Leone. We need to ensure that our programme – and the PRBS element in particular – delivers greater gains in human development for a country that finds itself bottom of the Human Development Index.

Joanna Reid  
Acting Head  
DFID Sierra Leone





## ANNEX A: TERMS OF REFERENCE

### TERMS OF REFERENCE FOR EVALUATION OF DFID COUNTRY PROGRAMMES - 2007-8<sup>1</sup>

#### Introduction

*DFID's performance management system is supported by periodic independent evaluations at project, programme, sector and thematic level. Evaluation Department (EvD) carry out four to five Country or Regional Programme Evaluations (CPEs or RPEs) annually. These terms of reference (ToRs) set out the scope of work for the 2007/08 period.*

*The CPEs provide important accountability and lesson learning functions for DFID. The primary audience for the evaluations is the UK government and DFID senior managers including heads of country offices. All evaluation reports are published externally.*

*Countries/ Regions proposed for evaluation in 2007/08 are Central Asia, South Caucasus and Moldova (CASC) region, Pakistan, West Balkans Region, Zambia and Sierra Leone. Each evaluation will use the countries' most recent Country Assistance Plan (CAP)/Regional Assistance Plan (RAP), and related policy documents.*

*While country-led approaches are central to the way that DFID works, socio-political and environmental contexts will influence the progress and form of the development process. The CAPs articulate the country offices' plans for operationalising corporate objectives within the country context, and in most cases they will build upon or reflect the national Poverty Reduction Strategy Paper (PRSP). These plans are therefore the logical starting point for the evaluation.*

#### Overarching objectives

*The main objectives of the country programme evaluations are to assess:*

- Country strategy and links to poverty outcomes and DFID's corporate objectives*
- Choice of aid instruments*
- DFID's role as a development partner*

*2.2 The CPEs will assess the DFID country programmes in terms of standard criteria although these may be customised to a degree for individual studies. The generic evaluation matrix can be seen at Annex A. It is based on DAC evaluation criteria and considers:*

- The **relevance** of country programme objectives and the logic behind them given domestic policy objectives for poverty reduction, as well as DFID's own corporate level objectives*
- The **effectiveness** of the overall programme in achieving the objectives set out in the country strategy, including DFID's choice of aid instruments, harmonisation with other stakeholders, policy dialogue and influencing*
- The **efficiency** with which programme plans are translated into activities, including human resource and office management, collaboration and harmonisation with other stakeholders, policy dialogue and influencing, the use of financial instruments*

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<sup>1</sup> The Annexes referred to in these TOR are not provided in the report except for the Evaluation Framework, which is given in Annex D and called the Evaluation Matrix.

And to the extent possible

- **Sustainability** – are the reforms/ changes supported by DFID’s country programme moving in the right direction and are they likely to be sustained? Has local capacity been built? Has transparency and accountability improved?
- **Outcome** – What did the country programme achieve the objectives set? Did the positive outcomes DFID achieved justify the financial and human resources used in the programme?
- **Attribution** – Given the direction of travel and external factors, overall how far did the country programme make a positive contribution to poverty reduction? How good a development partner was DFID?
- The success with which the programmed had mainstreamed the cross-cutting issues of **poverty, gender, HIV/AIDS and environment** into all of its activities. What were the variables influencing the process of inclusion? What was the impact on the achievement of wider programme objectives?
- Ensure that any information collected or evidence produced on multilateral effectiveness in each CPE that may be relevant to the MEFF is highlighted and forwarded to EvD.

### Methodology, Outputs & Timing

The consultants will produce one study report and executive summary for each country or region. The report shall be approximately 30-40 pages long (excluding annexes) and will include detailed lessons and recommendations. The evaluation summary (EvSum), should be approximately 4 pages, and will include the response from the relevant DFID office/Department, which EvD will obtain.

The other outputs required from this contract include:

- Inception reports detailing the way in which each individual CPE/ RPE is to be carried out and showing the customised evaluation matrix.
- A presentation of preliminary findings to country offices before the end of the fieldwork for each study
- A publishable synthesis report pulling together findings across individual CPEs; this may cover all countries in the year, but is likely to attempt to synthesise like-studies (e.g. regional programmes or ‘fragile states’).

DFID also requires access to the evaluation team’s interim evidence summaries, e.g. completed matrices, although it is not expected that these should be of publishable quality.

Each evaluation will involve an ‘inception visit’ and ‘fieldwork mission’. EvD and the consultant team leader will undertake the inception visit. A team of 3-6 consultants will undertake the fieldwork, generally involving up to 3 weeks in country. In the case of regional programmes the inception phase may be undertaken in the UK and the fieldwork may be organised a little differently to visit a number of countries.

The ‘inception visit’ has four key objectives:

- i. Ensuring staff in the DFID country office are fully informed about the evaluation, its purpose and how it will work;
- ii. Ensuring country/ regional office staff have an opportunity to feed in key questions they want the evaluation to address and decide whether they wish to undertake self-evaluation as part of the process

- iii. Determining the exact nature of the individual evaluation and resolving key methodological / practical issues.
  - iv. Ensuring the evaluation team has access to all relevant contacts - including all those who have worked in the country/ regional programme over the fieldwork period and all relevant partners;
- 2.3 *Between the inception visit and fieldwork the consultants will amend the standard evaluation framework for the study to address any country-specific issues raised during the inception visit. An inception report containing this matrix will be signed off by the country office.*
- 2.4 *If the DFID country office does wish to undertake self-evaluation they will be encouraged to produce a log-frame for the entire country programme, detailing the logic of their interacting projects and programmes and assessing what has been achieved. If the country office does not undertake this work, the evaluation team will attempt to create a similar log frame as part of the evaluation approach.*
- 2.5 *EvD will provide supporting documentation relevant to each CPE to the consultants in good time. This will include project documentation and relevant documentation about the design, implementation and monitoring/ evaluation of the country/ regional strategy and individual programmes (but not background policy information). Prior to undertaking fieldwork, the evaluation team need to be familiar with the DFID programme, the country context and the full range of DFID policy papers that are relevant to the country programme.*
- 2.6 *The consultant is responsible for identifying and engaging a team of consultants appropriate to each country context from within their company/ consortium. The team must have good evaluation skills, understanding of DFID and the local context and ability in the languages of the country. The team should cover all the major sectors of the country programme and should include at least one locally based consultant as a full team member. The consultant is responsible for setting up and planning the main field visit. If EVD wish DFID staff members to accompany the consultant CPE team, additional terms of reference specifying the roles and responsibilities will be developed.*
- 2.7 *During the main fieldwork the sector specialists and evaluation team leader will interview DFID staff (current and past) and partners (in government, multilaterals, other donors etc.) about all aspects of the programme over the five year evaluation period – using checklists and stakeholder matrices as appropriate. Web based surveys of staff and other stakeholders (e.g. other donors and NGOs) will also be trialled on a pilot basis. The evaluators will systematically scrutinise the available documentation and supplement this where possible, and then use all evidence gathered to complete the evaluation matrix. One matrix should be completed for each sector and the evaluation team leader (and deputy) will use these to compile the final report. Fieldtrips outside the capital city are not a standard part of a CPE but may be used on occasion if applicable.*
- 2.8 *Before leaving the country the evaluation team should make a presentation to the country office on emerging findings.*  
*Within 4 weeks of the fieldwork finishing a high quality draft report of 30-40 pages (excluding annexes and with an Executive Summary) will be submitted to EvD. Following initial checks within EvD this will be sent to the country office and staff there invited to correct any factual errors and make comments. Although country offices may challenge findings they disagree with, and sometimes have additional information to support a claim, EvD will support the evaluation team to ensure that the report remains a true independent evaluation. A second draft report and evaluation summary will be produced taking account of relevant comments. These will be subject to external quality assurance against the criteria shown at Annex D.*

*The Synthesis Report will be guided by a workshop, scheduled for late 2007/ early 2008, focused on emerging themes.*

*The consultants will work to the strict deadlines set out in Annex B and the timeliness of the delivery of reports is of the essence. Any changes to these deliverables must be agreed in advance with EvD. Team composition and timelines will be agreed prior to commencement of each of the country studies, including the necessity of any follow up visit to the country if major issues remain unresolved. The consultancy should start in May 2007.*

*An 'optional extra' within the CPE programme is the possibility of producing short papers for a couple of key areas of interest to the country office. These recognise that the evaluation will gather more detailed information than will be presented in the final report. Such 'sector papers' will be agreed during the inception visit and produced by individual sector specialists at about the same time as the first draft CPE report. The costs of this work are supplementary to the main contract. Terms of reference for the recent sector papers are shown at Annex C*

### **3. Competence and Expertise Required**

- 3.1 One consultancy organisation or consortium will be appointed to deliver the outputs described above.
- 3.2 A managing consultant with extensive evaluation experience and a track record of managing country/strategic level evaluations will be required to manage the planning and delivery of the CPEs. This individual will be expected to have strong written and oral communications skills as he/she will play a role in communicating lessons learned both to country programme personnel and to a wider DFID audience.
- 3.3 Each CPE should have a named team leader with expertise in evaluation methodology and monitoring and performance management issues. This must include understanding of the complexities of country programme evaluation. The Team Leader must also have up to date knowledge of DFID policies and performance, planning and data systems. Access to our online systems will be provided.
- 3.4 Each CPE team will be made up of a combined skill set covering governance, economics, social and institutional development and human resource management and the number of team members will be appropriate to the country programme. There is not one model that will work for each country/ region being evaluated, so flexibility in team composition is essential. The team members for each country evaluation will need expertise in evaluation methodology and familiarity with development issues in the CPE countries. They should also have up to date knowledge of DFID policies and systems. Relevant experience in cross-cutting issues like gender mainstreaming, HIV and AIDS and the environment. The team must include a strong national/regional component.
- 3.5 The consultancy team will have responsibility for:
  - maintaining ethical standards in implementing the evaluation
  - the timely production of evidence based conclusions, lessons and recommendations to demanding quality standards
  - managing logistics in country

## **Reporting and Dissemination**

*The consultants will report to the Country Programme Evaluation Team Leader or the Deputy Programme Manager in DFID Evaluation Department.*

*Reports will be published and distributed, electronically and in hard copy, to a wide ranging internal and external audience. The consultants should be prepared to present their findings to DFID staff and others as appropriate. Specific dissemination arrangements will be determined on completion of each country report and synthesis.*

***Evaluation Department May 2007***

## ANNEX B: PERSONS CONSULTED

<b>Type of Org.</b>	<b>Name</b>	<b>Title</b>
<b>DFID</b>	<i>Dave Fish</i>	<i>Director, East &amp; Central Africa Region</i>
	<i>Marcus Manuel</i>	<i>Former Director WNAD</i>
	<i>Mark White</i>	<i>Former programme manager DFIDSL</i>
	<i>Jim Maund</i>	<i>Former programme manager DFIDSL</i>
	<i>Charlotte Duncan</i>	<i>Former governance advisor DFIDSL</i>
	<i>Carew Treffgarne</i>	<i>Senior Education Adviser, Africa Region</i>
	<i>Nirosha Gaminiratne</i>	<i>Former economist DFIDSL</i>
	<i>Lindsay Wallace</i>	<i>Former economist DFIDSL</i>
<b>DFID SL</b>		
	<i>Richard Hogg</i>	<i>Head of Office</i>
	<i>Joanna Reid</i>	<i>Deputy Head and Health Advisor</i>
	<i>Morag Baird</i>	<i>Infrastructure Advisor</i>
	<i>Jane Hobson</i>	<i>Social Development Advisor</i>
	<i>Pietro Toigo</i>	<i>Economic Advisor</i>
		<i>Intern Economic Assistant</i>
	<i>Chris Gabelle</i>	<i>Governance Advisor</i>
	<i>Daniel Shimmin</i>	<i>Assistant Governance Advisor</i>
	<i>Rebecca Stringer</i>	<i>Deputy Programme Manager</i>
	<i>Denise Hill</i>	<i>Deputy Programme Manager</i>
<b>HMG</b>		
<i>FCO London</i>	<i>Jonathan Drew</i>	<i>Head, West Africa Section</i>
<i>MOD London</i>	<i>Robert Musk</i>	<i>Policy and Defence Relations South</i>
<i>BHC Sierra Leone</i>	<i>Rachel Cooper</i>	<i>Deputy High Commissioner</i>
<i>BHC Sierra Leone</i>	<i>Robert Colette</i>	<i>Political Secretary</i>
<i>IMATT</i>	<i>Brigadier Powe</i>	<i>Commander, IMATT</i>
	<i>Colonel C Vernon</i>	
	<i>Colonel D Scouller</i>	
<b>Consultants &amp; TA</b>		
<i>NSC</i>	<i>Garry Horlacher</i>	<i>Security Sector Coordinator</i>
<i>MOD</i>	<i>Adele</i>	
<i>IBIS Consulting</i>	<i>Trevor Robinson</i>	<i>PSD consultant</i>
	<i>Grant Wilson</i>	<i>(Mines)</i>
	<i>Ian Buchanan</i>	
<i>World Bank/DFID</i>	<i>Tony Bennett</i>	<i>EC-funded TA to PFM</i>
<i>World Bank</i>	<i>Alison George</i>	<i>Consultant on EITI, Sierra Leone</i>
<i>DFID</i>	<i>Lisa Curtis</i>	<i>PSD Consultant/Advisor</i>
<b>Development partners</b>		
<i>World Bank</i>	<i>Engilbert Gudmundsson</i>	<i>Country Manager</i>
<i>World Bank</i>	<i>Alison George</i>	<i>Consultant on EITI, Sierra Leone</i>
<i>World Bank</i>	<i>Doug Addisson</i>	<i>Economist</i>
<i>World Bank</i>	<i>Nicola Smithers</i>	<i>Task Manager IRCBP</i>
<i>World Bank</i>	<i>Gary Reid</i>	<i>Lead Public Management Specialist</i>
<i>European Commission</i>	<i>Hans Aallden</i>	<i>Head of Delegation</i>
<i>European Commission</i>	<i>Marc de Bruycker</i>	<i>Head of Operations</i>

<b>Type of Org.</b>	<b>Name</b>	<b>Title</b>
<b>European Commission</b>	<b>Chiara Bellini</b>	<b>Adviser, Governance, Institutional Strengthening and Social Services Section</b>
<b>European Commission</b>	<b>Claudi Ferrer</b>	<b>Project Officer</b>
<b>European Commission</b>	<b>Franklin Bendu</b>	<b>Project Officer</b>
<b>UNDP</b>	<b>Bernard Mokam</b>	<b>Country Director</b>
<b>UNDP</b>	<b>Samuel Harbor</b>	<b>Deputy Resident Representative (programmes)</b>
<b>UNDP</b>	<b>Jorge Gusman</b>	<b>Programme Manager, Electoral Reform Project</b>
<b>UNDP</b>	<b>Edward Kamara</b>	<b>Programme Specialist, Head of Governance</b>
<b>UNDP</b>	<b>Nana K.A. Busia</b>	<b>Senior Adviser, Human Rights, Rights of Law &amp; Justice Sector Reform</b>
<b>UNICEF</b>	<b>Gerrt Cappelaere</b>	<b>Country Director</b>
<b>UNICEF</b>	<b>Maud Fortyn</b>	<b>OVC Project Officer</b>
<b>Irish Aid</b>	<b>Grainne O'Neill</b>	<b>Country Representative</b>
<b>African Development Bank</b>	<b>Cecil Narthey</b>	<b>Principal Country Programme Officer</b>
<b>GOSL</b>		
	<b>Solomon Berewa</b>	<b>Former Vice-President</b>
<b>Anti-Corruption Commission</b>	<b>Abdul O B Tejan-Cole</b>	<b>Commissioner</b>
<b>Development Assistance Coordination Office</b>	<b>Rashid Sesay</b>	<b>Poverty Coordinator</b>
<b>Development Assistance Coordination Office</b>	<b>Sheka Bangura</b>	<b>M and E Officer</b>
<b>Development Assistance Coordination Office</b>	<b>Sofie Moody Conteh</b>	<b>Programme Officer</b>
<b>Development Assistance Coordination Office</b>	<b>Naomi Jefferies</b>	<b>ODI Fellow</b>
<b>Public Sector Reform Secretariat</b>	<b>E B Osho Coker</b>	<b>Director</b>
<b>Public Sector Reform Secretariat</b>	<b>Stephen Catchpole</b>	<b>Resident Projects Leader</b>
<b>Institutional Reform and Capacity Building Project</b>	<b>Peter M Kaindaneh</b>	<b>Project Coordinator</b>
<b>National Security Commission</b>	<b>Brig (retd.) Kellie Conteh</b>	<b>National Security Coordinator</b>
<b>Ministry of Defence</b>	<b>K O Bah</b>	<b>Director General</b>
	<b>A R Bayoh</b>	<b>Former Director General</b>
<b>NRA</b>	<b>Alfred H. Demby</b>	<b>Director Modernisation Programme Commissioner Non-Tax Revenue</b>
<b>NRA</b>	<b>David McLean</b>	<b>Consultant coach</b>
<b>MOF</b>	<b>Dr. Samura Kamara</b>	<b>Former Financial Secretary</b>
<b>MOF</b>	<b>Matthew Dingie</b>	<b>Director of Budget</b>
<b>MOF</b>	<b>Alimany Bangura</b>	<b>Director, Economic Policy Research Unit,</b>
<b>MOF</b>	<b>M.K. Warritay</b>	<b>Deputy Director, Economic Policy Research Unit,</b>
<b>MOF</b>	<b>Ciprien Kamaray</b>	<b>Accountant General</b>
<b>OAG</b>	<b>Anna.A.Caesar</b>	<b>Auditor General</b>

<b>Type of Org.</b>	<b>Name</b>	<b>Title</b>
OAG	Leslie Sylvester Johnson	Deputy Auditor General
OAG	Lara E. Taylor Pearce	Deputy Auditor General
OAG	Abdula Assiz	Acting Deputy Auditor General
Bank of Sierra Leone	Samura M W Kamara	Governor & Chairman Board of Directors
Bank of Sierra Leone	Mohammed S. Jofana	Deputy Governor
MOTI	Beatrice Dove Edwin	
MOH	Dr. Clifford Kamara	Director, Policy and Planning Unit
Sierra Leone Police	Kamara	Inspector General of Police
Sierra Leone Police	Cheavy Harding	Head, Estate Department
Ministry of Mines	Mark Johnson	Policy Adviser
Ministry of Mines	Ken Wright	Institutional Reform Adviser
Parliament of Sierra Leone	Ahmed Abu Kemokai	Clerk of Parliament of Sierra Leone
National Electoral Commission	Christiana Thorpe	Chairperson
Ministry of Youths and Sports	Anthony Koroma	Director of Youths
<b>Projects</b>		
Institutional Reform and Capacity Building Project	Emmanual Gaima	Director
Institutional Reform and Capacity Building Project	Peter M Kaindaneh	Project Coordinator
CESPA	Dr Sullay Kamara	Chief Executive
Justice Sector	Lynn Keogh	
<b>NGO</b>		
ENCISS	Jeanette Eno,	PM
ENCISS	Phylinda Peters John	Programme Support Manager
ENCISS	Andrew Lavalı	Youth Adviser
ENCISS	Ernest Cummings	Operations/Planning Manager
ENCISS	Morlai Benya-Kamara	Grants Manager
CARE International in Sierra Leone	Brian Larson	Country Director
CARE International in Sierra Leone	Chris Necker	Deputy Country Director
CARE International in Sierra Leone	Yuki Suehiro	Health & HIV/AIDS Coordinator
Search for Common Ground	Frances Fortune	Director
SPW	Jodi Kammno	Financial Director
SPW	Edward Francis	In-coming Country Director
SPW	Sebastien Barraud	Out-going Country Director
SPW	Nik Hartley	Director of Operations and Programme



## ANNEX C: DOCUMENTS

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## ANNEX D: MATRIX FOR SIERRA LEONE COUNTRY PROGRAMME EVALUATION

EVALUATION CRITERIA	KEY QUESTIONS	Evidence Base to consult (key documents to be identified in inception phase)
	<p><b>(Chapter 1: Introduction and Methods)</b></p> <p><i>Context</i> (to form Chapter 2 of report: Context: Sierra Leone 2002 - 2007)</p>	
	<p><i>Political and post-conflict situation. Key events over period including factors beyond control of development partners, MDG progress (and variation by gender, rural/ urban, ethnic group etc.); progress with peace-building. Importance of aid to the country and no. of donors active in area. Key agreements / strategies / reviews that influenced DFID's work.</i></p>	
	<p><b>Relevance</b> (to form Chapter 3 of report: <b>To what extent did DFID Sierra Leone's strategic approach allow it remain relevant in a changing context?')</b></p>	
<p>Overall strategy and areas/sectors selected for intervention {<i>New question 8</i>}</p>	<ol style="list-style-type: none"> <li>1. Throughout the evaluation period and as the context evolved, did DFID have clear and focussed country/ sector strategies that explained the rationale for interventions supported? (eg options considered, analysis done, choices made and why etc.)</li> <li>2. Over the period, how far were strategies aligned with development needs and policy priorities of the country, (eg aligned with the PRSP where one available)? Related to off-track MDGs?</li> <li>3. How far were strategies aligned with or determined by broader HMG objectives? How were the links between political, security and development objectives addressed?</li> <li>4. How far were strategies updated based on a realistic analysis of the evolving country situation / PRS, including political economy analysis?</li> <li>5. To what extent were strategies in line with corporate priorities? (e.g Fragile states policy (2005), Conditionality paper (2005), conflict guidelines, cross-Whitehall working and relevant sector strategies)</li> <li>6. Were strategies in line with a focus on state-building – strengthening core functions of the state (e.g. security and justice, revenue mobilisation) and improving accountability and legitimacy?</li> </ol>	<p>10 year MOU (DPA), Sector Strategies, PRSP, Govt. Strategies, DFID Policy Papers eg Conditionality paper, DAC conflict guidelines</p>

EVALUATION CRITERIA	KEY QUESTIONS	Evidence Base to consult (key documents to be identified in inception phase)
	<p>7. Were changes to strategies appropriate given the context or were there too many/ too few adaptations?</p> <p>8. To what extent was an appropriate exit strategy developed for the conflict prevention and security sector reform aspects of the country strategy?</p>	
Risk Management	<p>9. How systematically did DFID assess the external risks (ie political governance, conflict, economic and fiduciary) and the internal threats to the country strategy? Were regional factors assessed?</p> <p>10. How comprehensive were plans to minimise the identified risks? What tools were used – e.g. scenario and contingency planning</p>	
Portfolio profile	<p>11. What interventions did DFID support over the evaluation period? Did these fit with the strategic priorities?</p>	Analysis of PRISM data by MOU pillars
DFID's choice of aid instruments	<p>12. What mix of aid instruments was intended and how did this change over the evaluation period? Was there a sufficient balance between use of long term and shorter term instruments? And between pooled funding, multi-lateral and bi-lateral funding?</p> <p>13. To what extent did choices about aid instruments reflect the political economy and governance / conflict context of the country and DFID policy? Was there an appropriate balance between support through government and non-governmental channels?</p> <p>14. Was funding shifted between instruments, or delayed / suspended? Was this in line with the DPA / conditionality policy?</p>	
DFID's partnership working {New question 17}	<p>15. How did DFID approach working with: a) Government (central and local, b) civil society, c) multi-lateral organisations (WB, UN, EU), d) other bilateral donors? Were there explicit strategies? What was the basis of any influencing agenda? Was the balance among partners right?</p> <p>16. How did the content of DFID's substantive work shift as a consequence of having a devolved office?</p> <p>17. How did DFID work with OGDs – FCO, MoD, No. 10. (Was there a joint HMG strategy? Was there pooled funding / staff / systems? Was security sector work integrated with OGDs?)</p> <p>18. How effectively did DFIDSL work with Africa Directorate and Policy Division (e.g. on fragile states and governance)</p>	

EVALUATION CRITERIA	KEY QUESTIONS	Evidence Base to consult (key documents to be identified in inception phase)
	<p>19. To what extent did DFID seek to strengthen harmonisation across the donor community? (was there joint analysis, pooled funding, joint reporting etc?)</p> <p>20. How well did DFID consult with and communicate its aims and objectives to development partners?</p>	
DFID's approach to cross-cutting themes	21. Did DFID have a strategy for mainstreaming cross-cutting issues such as gender, social exclusion, human rights, HIV/AIDS and environmental protection? (and was this consistent with corporate policy on these issues?)	
Level and allocation of resources	<p>22. Were strategies appropriate to the level of resources anticipated?</p> <p>23. How far did planned spending and use of staff time reflect strategic objectives?</p> <p>24. Was geographic coverage too narrow / wide for resources available?</p> <p>25. Were other donor resources and plans in the country taken into account to avoid over / under –aiding and aid volatility?</p>	
Results focus	<p>26. How far were DFID's planned interventions sufficiently results-focused and monitorable?</p> <p>E.g were there results frameworks?, Was there a sufficient balance between quantitative and qualitative indicators to fully understand impact?</p> <p>27. How far were the results of reviews used to reconsider design/ direction of work and resourcing and staff allocation priorities?</p>	PRISM documents
	<p><b>II. Effectiveness and III. Efficiency (Chapter 4: How successful was DFIDSL in terms of engagement in development and delivering results in a time of conflict?)</b></p>	
Delivering on strategy	<p>28. How far were objectives set out in strategies achieved in practice (MOU performance objectives and other strategic outcomes)? What explains any areas of divergence?</p> <p>29. How effectively did the country office manage the strategic risks that emerged? To what extent did effective risk analysis allow DFID to remain engaged through the post-conflict transition?</p>	
Results	<p>30. How far were the objectives and performance indicators for individual DFID interventions achieved (drawing on data from project reviews and PRISM scores)?</p> <p>31. How did individual DFID programmes function during the post-conflict transition? What explains key successes and failures with regard to programme objectives? What was the role of govt and non govt. actors?</p>	

EVALUATION CRITERIA	KEY QUESTIONS	Evidence Base to consult (key documents to be identified in inception phase)
Efficiency	<p>32. Was DFID's actual disbursement in line with expectations and plans? Were there any significant changes or delays?</p> <p>33. How was staff time spent? (influencing/ policy work, project/ programme work, field work, corporate reporting/ activities, liaising with OGDs and other donors)</p> <p>34. Was the skill mix and continuity of staff appropriate to the country context and strategy?</p>	<p>Analysis of spending patterns</p> <p>Analysis chart of staff complement</p>
Aid effectiveness	<p>35. How effective was the mix of aid instruments in achieving objectives? Were the different instruments used in a complementary way?</p> <p>36. How effective has DFID been in pursuing its development agenda (including peace building) with partners including other parts of the UK Government, Sierra Leone Government, Civil Society, NGOs?</p> <p>37. Has DFID operated in accordance with principles of aid effectiveness and emerging principles of aid effectiveness in fragile states?</p> <p>38. How well has DFID communicated its results / lessons/ good practice?</p>	
DFID's delivery on cross-cutting themes	<p>39. How well were issues of gender, social exclusion, human rights, HIV/AIDS and environmental protection actually integrated across the programme?</p> <p>40. Were results disaggregated by gender, social group etc. and what does the data show?</p> <p>41. To what extent was DFID's programme managed as 'pillars' from the MOU and to what extent through other organising structures?</p>	
<b>Impact and Sustainability Chapter 5: What impacts has DFID Sierra Leone helped to achieve?</b>		
Outcomes and sustainability	<p>42. What is the evidence to support the view that DFID helped contribute to the peace building process and improve the security situation in Sierra Leone?</p> <p>43. To what extent has the policy and governance environment (eg accountability, action on corruption) been strengthened?</p> <p>44. What is the evidence to show that DFID has helped contribute to specific development outcomes and PRS achievements? (PSA/ DDP/ direct project/ programme impacts and 'indirect' benefits around policy dialogue)</p> <p>45. Are the development changes or reforms supported by DFID's country programme likely to be sustained / difficult to reverse? Have parallel systems been set up to deliver projects, and if so is there a plan to integrate them into government systems? To what extent has local capacity been built?</p>	

EVALUATION CRITERIA	KEY QUESTIONS	Evidence Base to consult (key documents to be identified in inception phase)
	46. Has DFID added value through gains in aid effectiveness? Eg contributing analysis/ tools/ support on harmonisation?	
<p>What lessons can DFID draw from the evaluation for informing future country, regional or corporate planning and operations?</p> <p><b>Chapter 6: Lessons and recommendations</b></p>		
Strengths and weaknesses of DFID	47. What are the key strengths demonstrated by the DFID office? 48. What are the key weaknesses demonstrated by DFID?	
Lessons	49. What lessons (from positive and negative findings) can be drawn for DFID's future work in Sierra Leone? 50. What lessons can be drawn more widely for DFID and its work in other post-conflict and fragile situations?	
Recommendations	51. What recommendations can be made based on the evaluation findings?	

## ANNEX E: TIMELINE OF MAJOR EVENTS IN SIERRA LEONE

	2001	2002	2003	2004	2005	2006	2007
<b>Sierra Leone events</b>		<ul style="list-style-type: none"> <li>• National elections May</li> <li>• Paramount Chieftaincy elections Jun</li> <li>• Paris CG meeting Nov</li> <li>• Special Court Convened Jul</li> <li>• Truth &amp; Reconciliation Commission Jul</li> </ul>	<ul style="list-style-type: none"> <li>• Vision 2025</li> <li>• UNDAF Mar</li> </ul>	<ul style="list-style-type: none"> <li>• Local Government elections May</li> <li>• Local Government Act</li> </ul>	<ul style="list-style-type: none"> <li>• NACS launched</li> <li>• London CG meeting Nov</li> <li>• UNAMSIL departure Dec</li> <li>• GoSL National Anti-Corruption Strategy Feb</li> <li>• PRSP 2005-07 Feb</li> </ul>	<ul style="list-style-type: none"> <li>• Freetown CG meeting</li> </ul>	<ul style="list-style-type: none"> <li>• National elections</li> </ul>
<b>HMG events</b>	<ul style="list-style-type: none"> <li>• I-PRSP</li> <li>• Sierra Leone Critical path route map HD2</li> </ul>	<ul style="list-style-type: none"> <li>• Draft HMG Medium Term Strategy 2002-2005 Jun</li> <li>• Draft ACPP Sierra Leone Strategy</li> <li>• Draft UNAMSIL Post-election strategy</li> <li>• Visit by CDS May</li> </ul>				<ul style="list-style-type: none"> <li>• HIPC completion</li> </ul>	

	2001	2002	2003	2004	2005	2006	2007
<b>DFID Events</b>		<ul style="list-style-type: none"> <li>• WNAD PARP 2002-05</li> </ul>		<ul style="list-style-type: none"> <li>• 'Poverty Reduction Budget Support' Policy paper issued</li> </ul>	<ul style="list-style-type: none"> <li>• DFID Fragile States Paper</li> <li>• PARIS declaration</li> <li>• Medium Term Action Plan on Aid Effectiveness</li> </ul>	<ul style="list-style-type: none"> <li>• 3rd White Paper Making Governance Work For The Poor</li> </ul>	
<b>DFID Sierra Leone Events</b>	<ul style="list-style-type: none"> <li>• Governance reconstruction &amp; reform visit March</li> <li>• Governance monitoring visit August</li> </ul>	<ul style="list-style-type: none"> <li>• HR Adv visit January HD7</li> </ul>	<ul style="list-style-type: none"> <li>• HIV/AIDS Review March HD21</li> </ul>	<ul style="list-style-type: none"> <li>• Evaluation of the Conflict Prevention Pools</li> </ul>	<ul style="list-style-type: none"> <li>• Africa DDP 2005-08</li> </ul>		
	<ul style="list-style-type: none"> <li>• SOS visit</li> </ul>	<ul style="list-style-type: none"> <li>• HIV/AIDS strategy visit Jan/Feb</li> <li>• Draft version of CSP</li> <li>• Corruption &amp; Governance speech by SOS</li> <li>• Governance &amp; Corruption Study</li> <li>• Justice sector review with WB</li> </ul>	<ul style="list-style-type: none"> <li>• Note on prospective CAP July HD23</li> </ul>		<ul style="list-style-type: none"> <li>• Review of MOU Aug</li> </ul>		
					<ul style="list-style-type: none"> <li>• SOS visit Jul</li> </ul>		
					<ul style="list-style-type: none"> <li>• Drivers of Change study</li> </ul>		



	2001	2002	2003	2004	2005	2006	2007
<b>PFM</b>		<ul style="list-style-type: none"> <li>• National Commission for Privatisation Act passed</li> <li>• PER Health Sector</li> <li>• CFAA finalised by the World Bank</li> <li>• National Revenue Authority Act passed</li> </ul>	<ul style="list-style-type: none"> <li>• Establishment of Commission on Restructuring of the Senior Civil Service.</li> <li>• Public Accounts Committee issue report on the Public Accounts for 1996-1999; release of the corresponding audit reports</li> <li>• PET study on selected expenditures in 2002</li> <li>• MTEF Guidelines issued by MOF</li> </ul>	<ul style="list-style-type: none"> <li>• Launch of World Bank Institutional Reform and Capacity Building Project, co-financed by UK-DFID and EC</li> <li>• Public Expenditure Review and CPAR issued by WB</li> <li>• Procurement Act passed December</li> </ul>	<ul style="list-style-type: none"> <li>• Anti-Money Laundering Act passed</li> <li>• Government Budgeting and Accountability Act passed</li> <li>• IFMIS core modules installed in MOF, using a new chart of accounts, and cheques issued from May</li> <li>• Debt sustainability analysis conducted by IMF and BoSL</li> <li>• Enhanced terms and conditions of service of external auditors gazetted</li> </ul>	<ul style="list-style-type: none"> <li>• Budget support partners &amp; GOSL agree Improved Governance &amp; Accountability Pact</li> <li>• Adoption of the Extractive Industries Transparency Initiative</li> </ul>	<ul style="list-style-type: none"> <li>• First independent PEFA assessment</li> </ul>
		<ul style="list-style-type: none"> <li>• MOU signed Nov</li> </ul>					

## ANNEX F: Annex on Government Expenditures

Table 1: Sierra Leone Expenditure (recurrent) on Services (as % of GDP)

	2000	2001	2002	2003	2004	2005
General Public Services	3.7	4.9	5.9	5.7	4.2	3.9
Defence	3.7	4.0	3.4	3.6	2.2	1.9
Education	4.4	4.6	5.2	5.5	3.9	3.9
Health	1.1	1.6	2.0	2.2	1.2	1.1
Social Security and Welfare	0.5	0.6	1.2	1.1	0.7	0.7
Housing and Community Amenities	0.1	0.1	0.1	0.1	0.0	0.0
Other Community and Social Services	0.4	0.3	0.5	0.3	0.3	0.2
Economic Services	1.2	1.9	2.0	2.1	1.6	1.4
Other purposes	1.5	1.5	2.2	1.1	0.8	1.0
Total non debt Recurrent	16.6	19.5	22.5	21.7	14.9	14.1

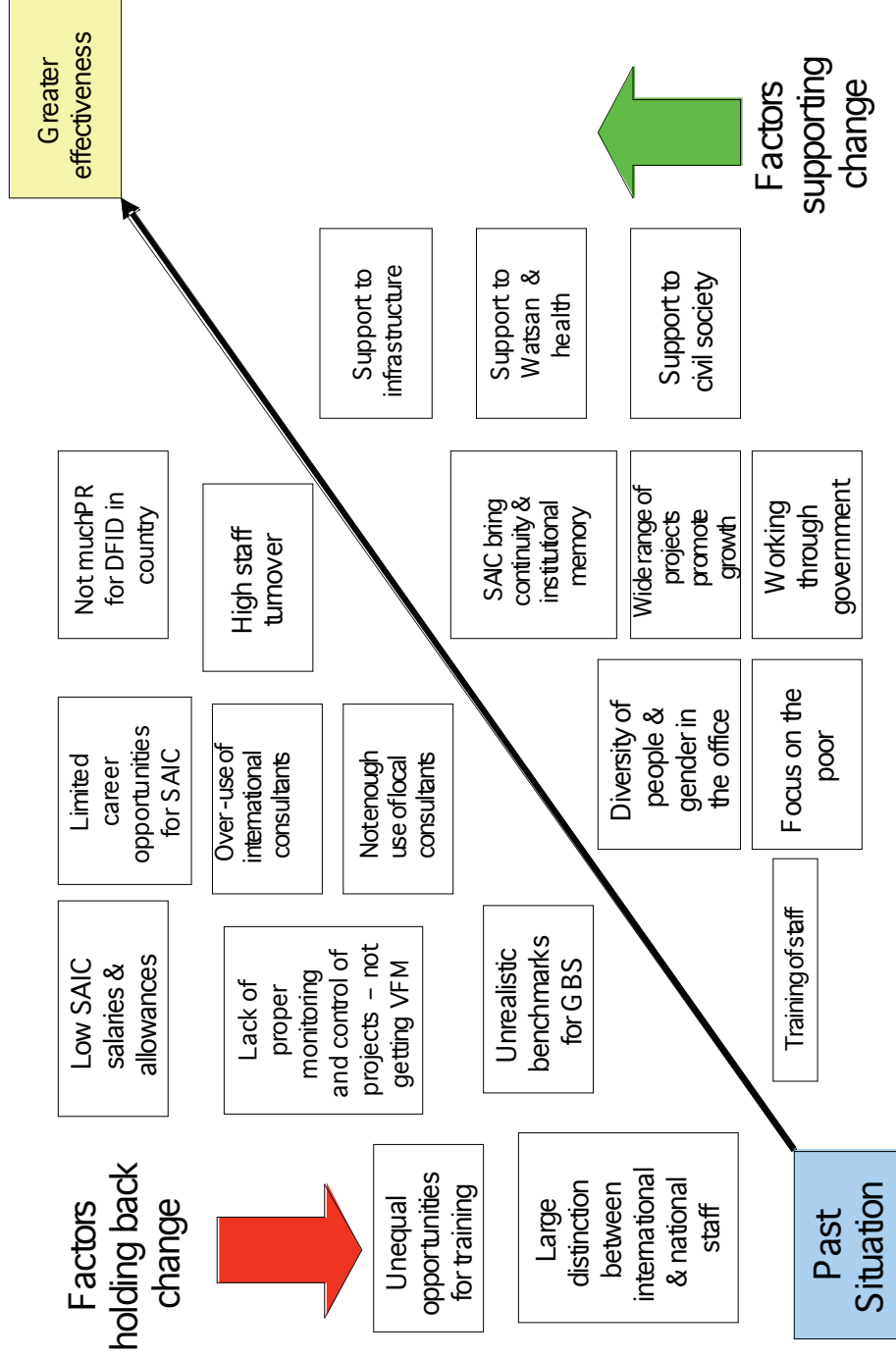
Source: Ministry of Finance

Table 2: functional classification of expenditure

Functional Classification	2000	2001	2002	2003	2004	2005	2006
	(% total recurrent spending)						
General Public Services	16.3	20.1	20.6	21.7	21.7	21.9	14.3
Defense	16	16.4	11.9	13.8	11.2	11	9.5
Education	19.4	18.8	18.1	21	20.3	21.9	21.8
Health	4.7	6.5	7	8.3	6	6.1	5.9
Social security	2.3	2.4	4.2	4.2	3.8	4	3.8
Housing	0.3	0.4	0.4	0.3	0	0	0
Other Community services	1.6	1.3	1.6	1.2	1.4	1	0.7
Economic Services	5.4	7.8	6.8	8	8.4	8.1	10.7
Public Debt Interest	27.5	20.1	21.8	17.2	23.3	20.2	17.2
Other Purposes	6.4	6.3	7.5	4.4	3.9	5.9	16.1
Domestic capital expenditure (as % of GDP)	6400	14602	20541	30372	26,100	27,600	44,100
(as % of total expenditure)	5.4	3.3	3.7	5.1	4.5	3.3	4.8
Total Recurrent Spending (Leones millions)	304,848	362,907	480,331	486,092	555,045	620,728	699,200
as % of GDP		22.7%	24.4%	21.0%	19.2%	17.6%	16.6%
GBS disbursements (Leones millions)	0	57,606	43,222	39,283	112,876	189,980	180,803
GBS as % of Tot Recurrent		15.9%	9.0%	8.1%	20.3%	30.6%	25.9%

## ANNEX G: Force Field Analysis

**Figure Force Field Analysis of SAIC staff views of factors acting for and against DFID effectiveness in Sierra Leone**



## ANNEX H: STAFF TIMELINE - DFID SIERRA LEONE

(Start of devolved office shown as red dotted line)

	2001	2002	2003	2004	2005	2006	2007
<b>Africa Directorate</b>							
<i>Directors</i>							
Brian Thompson		x	x	x	x		
Marcus Manuel		x	x	x	x		
Dave Fish							
<b>London based programme staff before devolution</b>							
Phil Evans (ACPP)							
Jim Maund		x	x	x	x		
Alison Kennedy			x	x	x		
<b>BHC-based staff before devolution</b>							
Ian Stuart	x	x	x	x	x		
Nancy Stuart	x	x	x	x	x		
<b>DFID Sierra Leone</b>							
Richard Hogg (Head of Office)							
Joanna Reid (Deputy HOO; Senior Health Advisor)							
Robert Watt (Deputy HOO)							
Emerica Adams (Executive Assistant to Head & Deputy Head)							
<b>Management Unit</b>							
Desmond Wood (Transition Manager)							
Ina Ismail (Head)							
Kumba Wonday (Finance Manager)							
Sahr Mondeh (Finance Assistant)							
Sylvia Boyle (HR Manager)							
<i>Vacant</i> (HR Assistant)							
David Conford (Facilities Manager)							
Donald Murray (Facilities Assistant)							
Jonathan Jonah (IT Manager)							
Alaine Williamson-Taylor (Accommodation & Transport Officer)							

	2001	2002	2003	2004	2005	2006	2007
<b>Programme Staff</b>							
Lucy Balmer (Head of Programmes)							x x x
Mark White (Deputy PM)					x x x	x x x	x x x
Rebecca Stringer (Deputy PM, Security Sector, Justice Sector, Private Sector, Human Development)							x x x
Denise Hill (Deputy PM, PSR, PFM, Budget Support, Civil Society)					x x x	x x x	x x x
Mari-Anna (Assistant PM)							x
Annette Babita (Assistant PM)						x x	x x
Baindu Massaquoi (Assistant PM)							x
Chinsia Caesar (Programme Assistant)					x x	x x	x x
Ada Holloway (Programme Assistant)					x x	x x	x x
Samuella Conteh (Programme Assistant)							x x
Abigail Robinson (30% Sierra Leone)							x x
<b>Advisers</b>							
Regina Kamara (Exec Assist to Advisers)					x	x x	x x
<b>Infrastructure</b>							
Morag Baird						x x	x x
<b>Social Development</b>							
Emma Morley			x x	x x			
Anna Miles					x		
Jane Hobson							
Ian Shapiro							
Frances Rubin							
<b>Health</b>							
Joanna Reid (see above Deputy HOO)							
<b>Economic</b>							
Nirosha Gaminratna							
Andrew Keith							x
Pietro Toigo							x
Richard Erlebach					x	x x	x x
<b>Governance</b>							
Garth Glentworth	x x	x x x	x x				




	2001	2002	2003	2004	2005	2006	2007
Keith Bastin			x	x	x		
Chris Gabelle				x	x	x	x
Charlotte Duncan						x	
Daniel Shimmin (Assistant Governance Adviser)					x	x	x
<b>Important consultants</b>							
Lisa Curtis (Private Sector)							
Ray England (Police Project)							
Witek Nowosielski (Ministry of Defence - MOD)							
Garry Horlacher (Office of National Security - ONS)							x
Alison George (Mining Section)							x
Antonio Bojanic Ministry of Trade & Industry							x
<b>Secondees</b>							
Aldo Gaeta (MOD)			x	x	x	x	x
Chris Rampe (ONS)			x	x	x	x	
Chris Pearce (MOD)			x	x	x	x	
Peter Ditchfield (Anti-Corruption Commission - ACC)				x	x		
Andrew Felton (ACC)				x	x		
David Rees (ACC)				x	x		
Hamish Campbell (ACC)							
Catherine Evans (MOD)							
Adele McGookin (MOD)							

## Annex I: Sierra Leone's POVERTY MDGS






### Key Facts:

- The population is around 5 million with 70% living on less than \$1 per day and 26% in extreme poverty (2003/04)
- GDP per capita is around US \$200
- Life expectancy is 41 years
- In 2004, 286 out of every 1000 children died before the age of five (the highest rate in the world)
- In 2006 Sierra Leone ranked 176 out of 177 in the UN Human Development Index

### Progress towards the Millennium Development Goals in Sierra Leone

Goal	Latest data	Trend/comments
<b>1. Poverty and hunger</b> 	<p>In 2003, 70% of the population lived below the national income poverty line which is defined as L.2,111/day (£0.65)</p> <p>In 2003, 26% of the population lived in extreme poverty (below a calorific intake of 2700 calories per day)  <i>2003/2004 Sierra Leone Integrated Household Survey</i></p> <p>50% of people are undernourished (2004 data)  <i>World Development Indicators 2004</i></p> <p>Malnutrition: 31% of children under 5 are underweight for their age  <i>UNICEF MICS-3 2005</i></p>	<p>No data yet to show the trend until CWIQ (Core Welfare Indicator Survey) results, due mid-2007</p> <p>Negative trend - increase from 44% in 1998.</p>
<b>2. Universal Primary Education</b> 	<p>Net primary school attendance rate: 69%</p> <p>Net primary completion rate: 11% (of relevant age group)  <i>UNICEF MICS-3 2005</i></p>	<p>Primary school enrolments doubled from 2001/2 to 2004/5. Despite this impressive progress, Sierra Leone far from reaching the target of all primary aged children to complete a full course of primary schooling by 2015.</p>
<b>3. Gender Equality</b> 	<p>Proportion of seats held by women in parliament: 15%</p> <p>Primary school net attendance ratio 69% boys and 69% girls with a ratio of 1.01</p> <p>Secondary school net attendance ratio: 17% girls and 21% boys with a ratio of 0.78  <i>UNICEF MICS-3 2005</i></p> <p>There is a lack of recent reliable data on labour force participation but women's participation in the non-agricultural sector is low with little sign of significant change.</p>	<p>Women are underrepresented in political and public life, although there has been some progress. After the 2002 elections, 15% of parliamentary seats were held by women, showing an increase from 9% in 1996.</p> <p>Considerable progress has been made in increasing girls' attendance at primary school. Attendance at secondary school remains lower for girls than boys.</p>

<sup>2</sup> Government of Sierra Leone data taken from the draft PRSPII summary, and Population Census Organisation

<p><b>4. Child Mortality</b></p> 	<p>The infant mortality rate is 170 deaths per 1000 births.</p> <p>The under-five mortality rate is 286 per 1000 live births <i>UNICEF MICS-3</i></p>	<p>These rates are the worst in the world. There has been a gradual improvement since the war. GOSL has prioritised maternal and child health in the PRSP and DFID and other development partners are working to support GOSL on this.</p>
<p><b>5. Maternal Mortality</b></p> 	<p>2000 maternal deaths per 100,000 live births <i>UNICEF State of the World's Children 2006</i></p>	<p>Other sources show 1800 per 100,000; Both figures show the worst rate in the world. No significant signs of improvement yet but see comment under MDG 4 above.</p>
<p><b>6. HIV/AIDS, Malaria and TB</b></p> 	<p>There is no reliable data on HIV prevalence with estimates varying between 1 and 5%</p> <p>Only 5% of women use any form of contraception <i>UNICEF-MICS-3 2005</i></p> <p>Malaria accounts for almost 40% of outpatient attendance; Prevalence among the population under five is 47%; Bed-net usage by pregnant women and under-fives is estimated at less than 7 per cent. <i>UN MDG Monitoring Report 2005</i></p> <p>Incidence of infection of Tuberculosis: 443 per 100,000 <i>World Development Indicators 2004</i></p>	<p>It is clear that the rate is increasing and the data probably shows an underestimate.</p> <p>Compares negatively to 224 in 1990.</p>
<p><b>7. Environmental Sustainability</b></p> 	<p>The Environment Act 2000 provides a legal and institutional framework supporting environmental sustainability</p> <p>Access to safe water: 46 per cent <i>UNICEF MICS-3 2005</i></p> <p>Improving the lives of slum dwellers: no data; a significant proportion of the Freetown population lives in slums.</p>	<p>Current trends show widespread environmental degradation and resource depletion.</p> <p>The UNICEF MICS data from 2000 to 2005 shows that access to safe water and sanitation has been getting worse<sup>3</sup>. DFID and other development partners are developing programmes with GoSL to reverse this decline.</p>
<p><b>8. Global Partnerships</b></p> 	<p>Sierra Leone is highly donor dependent with 46% of total revenue coming in the form of foreign grants and loans in 2005.</p> <p>Aid per capita was \$67 in 2004 <i>World Development Indicators 2004</i></p> <p>Fixed line and mobile phone subscribers: 27/1000 (2004) <i>World Development Indicators 2004</i></p> <p>Unemployment, particularly youth unemployment, is high and of concern. Some data suggest that up to 60% of 15-35 year olds are unemployed. <i>UNDP: 'UN Support to the National Youth Employment Programme in Sierra Leone', June 2006</i></p>	<p>The trend shows an increase from \$15 in 1990 (before the war) but a more recent decrease from \$74 in 2001</p> <p>An increase from 3/1000 in 1990</p> <p>Creating youth employment is a priority concern of GOSL and donors are working to support this. DFID is also supporting a Private Sector Development Programme.</p>





## Department for International Development

DFID, the Department for International Development: leading the British Government's fight against world poverty. One in six people in the world today, around 1 billion people, live in poverty on less than one dollar a day. In an increasingly interdependent world, many problems – like conflict, crime, pollution and diseases such as HIV and AIDS – are caused or made worse by poverty.

DFID supports long-term programmes to help tackle the underlying causes of poverty. DFID also responds to emergencies, both natural and man-made.

DFID's work forms part of a global promise to:

- halve the number of people living in extreme poverty and hunger
- ensure that all children receive primary education
- promote sexual equality and give women a stronger voice
- reduce child death rates
- improve the health of mothers
- combat HIV and AIDS, malaria and other diseases
- make sure the environment is protected
- build a global partnership for those working in development.

Together, these form the United Nations' eight 'Millennium Development Goals', with a 2015 deadline. Each of these Goals has its own, measurable, targets.

DFID works in partnership with governments, civil society, the private sector and others. It also works with multilateral institutions, including the World Bank, United Nations agencies and the European Commission.

DFID works directly in over 150 countries worldwide, with a budget of some £5.3 billion in 2006/07. Its headquarters are in London and East Kilbride, near Glasgow.

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