

# SIERRA LEONE HUMAN DEVELOPMENT REPORT 2007



Sierra Leone



Empowering Local Government for  
Sustainable Human Development  
and Poverty Reduction:  
The District Focus Approach to  
Development

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## Empowering Local Government for Sustainable Development and Poverty Reduction

### THE DISTRICT FOCUS APPROACH TO DEVELOPMENT

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## ACRONYMS & ABBREVIATIONS

AIDS	Acquired Immunity Deficiency Syndrome
BECE	Basic Education Certificate Examination
DAC	Development Assistance Committee (OECD)
DFID	Department for International Development, UK
ENCISS	Enhancing the Interaction and interface between Civil Society and the State
EU	European Union
FAO	Food and Agricultural Organisation
GDP	Gross Domestic Product
GER	Gross Enrolment Ratio
GHDR	Global Human Development Report
HDI	Human Development Index
HDR	Human Development Report
HIPC	Heavily Indebted Poor Countries
HIV	Human Immuno-Deficiency Virus
HPI	Human Poverty Index
IEC	Information, Education and Communication
IMC	Inter Ministerial Council
IMF	International Monetary Fund
I-PRSP	Interim Poverty Reduction Strategy Paper
IRCBP	Institutional Reform and Capacity Building Project
JSS	Junior Secondary School
LC	Local Council
LGA	Local Government Act
LGDG	Local Government Development Grant
LGFD	Local Government Finance Department
MAFFS	Ministry of Agriculture, Forestry and Food Security
MDAs	Ministries, Departments and Agencies
MDGs	Millennium Development Goals
MDRI	Multilateral Debt Relief Initiative
MEST	Ministry of Education, Science and Technology
MICS	Multi Indicator Cluster Survey
MHS	Ministry of Health and Sanitation
MLGCD	Ministry of Local Government and Community Development
MOHS	Ministry of Health and Sanitation
NaCSA	National Commission for Social Action
NHD	National Human Development
NHDR	National Human Development Report
NPISH	
NPSE	National Primary School Examination
NAS	National Aids Secretariat
NRS	National Recovery Strategy
OCHA	Office for the Coordination of Humanitarian Affairs
PGRF	Poverty and Growth Reduction Facility
PRSP	Poverty Reduction Strategy Paper
RFS	Right to Food Secretariat
RRI	Rapid Results Initiative
RSLAF	Republic of Sierra Leone Armed Forces
SLANGO	Sierra Leone Association of Non Governmental Organizations
SLIHS	Sierra Leone Integrated Household Survey
SLNHDR	Sierra Leone National Human Development Report
SLP	Sierra Leone Police
SSS	Senior Secondary School
SSL	Statistic Sierra Leone
UNAMSIL	United Nations Mission in Sierra Leone
UNCT	United Nations Country Team for Sierra Leone
UNDP	United Nations Development Programme
UNFPA	United Nations Fund for Population Activities
UNICEF	United Nations Children's Education Fund
UNIFEM	United Nations Fund for Women
WAEC	West African Examination Council
WARDC	Western Area Rural District Council
WASCE	West African School Certificate Examination
WFP	World Food Programme
WHO	World Health Organisation

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## Foreword

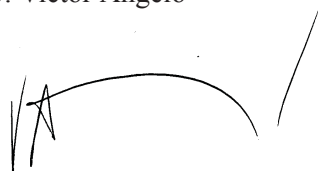
The current Sierra Leone National Human Development Report (SL-NHDR) is the third so far and the first to be published since the end of the civil war. The theme for the SL-NHDR is, 'Empowering Local Government for Sustainable Development and Poverty Reduction'. The Government of Sierra Leone has adopted decentralisation and local empowerment as a key strategy for consolidating peace and reducing poverty. The enactment of the Local Government Act, 2004 marked the beginning of the decentralisation process in the country. The current report seeks to explore this theme using information collected from the latest countrywide census of 2004 and the most current socio-economic data.

It is well recognised that decentralisation has great potential in bringing about many gains to human development by allowing local government to better formulate and implement policies that are conducive to local development, and facilitating broad based participation in the decision making process. However, successful implementation of decentralisation policies does also pose challenges that can undermine the potential gains. The report finds that despite some obstacles, the global phenomenon of government decentralisation is gaining ground in Sierra Leone and it highlights the importance of well-managed decentralisation for human development. Not only can decentralisation increase efficiency and equity by bringing governance to the people but it also has the potential to promote good governance through accountable public management.

The methodology of the SL-NHDR is to collect primary information and supplement it with secondary information to produce a coherent report to support the national government and their development partners in their efforts to achieve sustainable human development. The report also seeks to strengthen national capacity for analyzing development dynamics and coming up with effective strategies to address identified challenges.

The goal of empowering local government has gained vast political support and the people, government and development partners remain committed to human development. It is therefore hoped that this report will be used as an effective tool for the implementation of national poverty reduction and development strategies as well as an advocacy tool to remind the nation of its development priorities.

J. Victor Angelo

A handwritten signature in black ink, consisting of a stylized 'V' and 'A' followed by a long horizontal stroke and a diagonal line.

Resident Representative, UNDP

## EXECUTIVE SUMMARY

### HUMAN DEVELOPMENT REPORTS

This is Sierra Leone's third national Human Development Report; the first since the civil war. Its special theme is empowering local government for sustainable development and poverty reduction: the district focus approach to development. Chapters 1 to 4 describe Sierra Leone's human development situation, while chapters 5 to 7 focus on governance and decentralisation.

Annually, the UNDP produces a global Human Development Report (the GHDR). Increasingly, individual countries also produce national HDRs, focusing the HDR techniques in more depth on their own situation, informing national policy and advocacy for poverty reduction, helping to monitor human development. The GHDR showed the challenges facing Sierra Leone, including limited social services, environmental problems, gender inequity, lack of empowerment of the population, population growth, rising unemployment, and increasing poverty. This NHDR looks at these issues with a closer lens. It is based on the latest census, of 2004, and current socio-economic data.

### HUMAN DEVELOPMENT STATUS

**Human Development.** Nations' and donors' strategies give priority to basic human needs: education, health care for all, empowerment of people to develop their capabilities, and protection of basic human rights. Human development is "the process of enlarging people's choices", expanding the range of things a person can do and be. It requires opportunities for people to lead a long and healthy life, to acquire knowledge, and to have the resources for a decent standard of living. It focuses on "capabilities expansion", placing people at the centre of development, increasing human well-being. Economic growth to well-being, not an *end*. Human development must be sustainable, not compromising the needs of future generations, embracing productivity, equity, sustainability and empowerment. Women and men must have gainful employment, access to opportunities, and be part of decision-making processes. States must create an enabling environment for poverty alleviation, increased access to knowledge, better nutrition and health, better and secure livelihoods, living and working conditions, and enhanced community participation.

### Economic Situation

Sierra Leone's poverty is widespread in spite of its rich mineral and agricultural resources. The economy is small, relatively open, depending on foreign trade and external sources for investment, consumer goods and industrial inputs. Agriculture accounts for about 45% of GDP, with the bulk of the population engaged in subsistence arable farming. Mining provides 90% of exports and significant foreign exchange earnings: before the war rutile and bauxite earned 80% of foreign-exchange; subsequently diamonds have dominated, while other mineral production is increasing.

The brutal civil war of 1991-2002 cost tens of thousands of lives, traumatised a generation, destroyed much of the economy and social and administrative infrastructure. The displacement of people, and the exodus of trained and educated people, exacerbated the difficulties of reconstruction. Priorities after peace were political stability and internal security, promoting good governance, equity in service delivery, civil service reforms, and private sector development. With development partner support, government started to rehabilitate economic and social infrastructure and rebuild capacity. Government sees medium term macroeconomic stability and sustained high growth as key; it gives priority to pro-poor poverty reduction and social development programmes, emphasizing agriculture and food security.

Growth has been encouragingly high, but cannot by itself achieve the Millennium Development Goals. Huge resources will be needed for poverty reduction.

In 2004 Government reinstated decentralized governance and democratic local government, described below. Other changes included reform in public procurement, the judiciary and legal system, public enterprise, fighting corruption and strengthening transparent governance.

**Economic Developments.** Economic performance has improved broadly since the conflict, initially spurred by rehabilitation, and then recovery in agriculture, mining, manufacturing, construction and services.

- Real GDP rose by 50% between 2000 and 2002, and subsequently between 7 and 9% annually; growth is projected to continue.
- However, inflation has accompanied the production spurt. Consumer prices increased by 14% in 2004, 12% in 2005, and although inflation had been projected to fall in 2006, by mid-year it was again 12%.
- While exports grew, during the recovery imports initially grew faster. The current account deficit has remained between 12 and 14% of GDP, but is now expected to narrow, with growing mining exports and moderating imports, as flexible exchange rates are maintained.
- Fiscal performance has been mixed. Domestic revenue has been between 12 and 13% of GDP. Strict fiscal and monetary policies are in place to reduce the budget deficit, enhancing domestic revenue mobilization and improving expenditure management.

**Debt.** Sierra Leone has benefited greatly from debt relief. HIPC Completion was reached at end 2006. Full debt relief delivery will significantly reduce external public debt, to US\$110 million after both HIPC and MDRI relief: relief provided corresponds nominally to US\$1.6 billion. Care must be taken that new borrowing to finance development does not again make debt unmanageable.

## Poverty in Sierra Leone.

**Human Development Indicators.** To assess development, the HDRs use the **human development index** (HDI). The HDI embraces economic and social indicators: GDP per capita, life expectancy, basic adult literacy, and enrolment in primary school. It is complemented by the **Human Poverty Index** (HPI, which measures poverty through life expectancy, literacy, access to safe water, nutrition levels, and population below poverty expenditure lines); gender indices show disparities in women's access to services, and participation in political and economic decision making

**Poverty Definition.** Qualitatively, the participatory PRSP preparation defined poverty as “the lack of basic needs and services such as food, money, shelter, clothing, health facilities, schools and safe drinking water”. All socio-economic groups saw poverty as meaning lack of food, especially for children. Quantitatively, the 2004 Integrated Household Survey showed 26% of the population in extreme poverty, and 70% living in poverty: in other words, some 3.5 million people cannot afford basic necessities. Unfortunately, data are insufficient to show recent trends. Poverty is exacerbated by unemployment, and by deteriorating health: growing incidence of HIV/AIDS, typhoid, malaria and tuberculosis; high maternal, infant and child mortality rates. Fertility rates are high, estimated at 6.5 per woman. Children especially are severely affected by under-nutrition.

**HDI for Sierra Leone.** The HDI shows Sierra Leone as one of the poorest countries. The 2006 GHDR puts it at 176th in human development, of 177 countries listed. The Poverty Index, HPI, shows Sierra Leone at 48.6% in 2006 (team calculations), marginally better than before but amongst the 10 poorest countries. Contributing to the low HPI are low life expectancy (39% probability at birth of not surviving

to age 40), high illiteracy (61%, among the highest in the world), and a high 70% of the population below the national poverty line. The gender-related development index has improved, but places Sierra Leone as the second-least developed country for women. Within Sierra Leone poverty levels vary widely. In two districts (Kailahun and Kenema), about 90% live in poverty, and 40% in extreme poverty: by contrast, in the Western Rural district 15% were in extreme poverty, and in Western Urban (essentially Freetown), only 2%.<sup>1</sup>

## Development Strategies

Sierra Leone adopted an Interim Poverty Reduction Strategy Paper (I-PRSP) in 2001, followed in 2002 by a National Recovery Strategy (NRS). In 2003, “Vision 2025” outlined long-term development goals. The current PRSP, for 2005-07, prepared with wide participation, has three pillars: Good governance, peace and security; Pro-poor sustainable growth; and Human development. It strives to achieve the MDGs, to improve living conditions, to address the causes of conflict and poverty, and to tackle short-term human development challenges, such as priority diseases, providing quality primary education, especially for girls, affordable shelter, and job creation. Progress towards the MDGs has been uneven. Helped by development partners, Government is now undertaking an MDG-based needs assessment, to prepare the next Poverty Reduction Strategy, 2008-2010. Government must address weak institutional capacity, obsolete and inadequately enforced policies, and inadequate resources.

## Socio-Economic Trends

**Education.** Sierra Leone aims to promote basic education for all, in support of human resource development. Education expenditure is rapidly rising; half on basic education. Dramatically rising primary gross enrolment ratios (well above 100%, since those deprived of education by war are now in school) give hope for improved literacy. The focus on girls’ education has brought increasing female enrolment, to near equality in primary school. Investment in quality and access in basic and post-primary education, especially in rural areas, is however urgently needed. Primary schools are short of trained teachers; town schools are overcrowded. Key challenges include expanding junior secondary as more students complete primary, poor science teaching, and needs of higher education.

**Health.** The government continues efforts to improve primary and secondary health care, to reduce child and maternal mortality, and prevent communicable diseases. Public expenditure on health is increasing: in 2001 spending per capita was the lowest in the sub-region; by 2004 it was over US\$2.00. Coverage of health centres and clinics has expanded since 2005, but many are of poor quality, inaccessible, with inadequate personnel and medicines. Only Western Area meets WHO staffing ratios of one doctor per 12,000 population; Kailahun district has one per 191,340.

**Housing, Water and Sanitation.** The war destroyed over 350,000 dwellings and displaced more than one million people. Many did not return home, causing serious urban housing deterioration, especially in Freetown. Urban housing is inadequate and poor quality: most households live in poor shelter. Recently, with NGOs and others, Government has started to develop support programmes. Only 59% of the population – 74% of the urban population and 46% of the rural – have safe drinking water. Over half of rural households use contaminated water. Similarly, 70% households use inadequate sewage disposal, spreading disease. Some progress is taking place, especially through local councils. For example, 80% of the inhabitants of Moyamba District in the South were without safe drinking water: a council project in 2005 brought piped water. Water projects are among the initial fruits of local governance.

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All the HDI indices used in this report, except where otherwise indicated, are<sup>1</sup> derived from Team calculations using the most recent national data, and are presented in annex 3 of the report.

**Environment.** Demographic, economic and social pressures lead to environmental degradation. A cycle of poverty and deforestation exists: farmers still use slash and burn land-clearing, and most people use wood for cooking. Deforestation leads to drought and soil erosion, so the poor who depend on forest products lose their livelihood. In the north, 8,000 sq km lies bare due to overgrazing and bush fires, creating an ecological change from savannah woodland. Similarly, mining in the east and south has brought devastating degradation.

**Agriculture** .75% of the population work in agriculture, contributing about 45 % of GDP, but farmers are among the poorest in the country. Government gives high priority to food security and the first MDG: to reduce hunger, malnutrition, and extreme poverty. Policy includes boosting production of rice and other food, and improving marketing infrastructure. Rice is the main crop, grown by most small farmers. Sierra Leone was self-sufficient in rice in 1975, and production is again increasing. If the trend continues, rice imports could be zero by 2008. Current policy can have a lasting impact on poverty: improving farm incomes, diverting the rice import bill to fund social programmes, and stabilising prices.

**Employment.** The 2004 Census showed the 15-64 age group has 13% more women than men, an imbalance due to war and migration. Half the age group are self-employed; fewer than 6% are paid employees (for women, less than 3%). There are wide gender disparities: women are in jobs giving meagre incomes. About 65% of employment is in agriculture, mostly in low-paying, subsistence work. Acceleration of human development requires opportunities in sectors other than agriculture. Census data do not measure unemployment: a labour survey with clearer indicators is needed.

**Gender Balance.** There has been significant progress in gender issues. Female literacy increased from 17% in 1996 to 23% in 2004. In education the gender gap is falling as female enrolment rises: in primary, secondary and tertiary, female students are 47%, 38% and 33% of the total. Women hold 13% of ministerial posts, 11% of local council and 7% of paramount chieftaincy posts; also 19% of civil service posts, some at the highest level. The Local Government Act requires at least 50% female representation in District and Ward Committees. However, the status of women remains a major concern. Women face high maternal mortality and morbidity, poor nutrition, and domestic violence for many. Few women are in paid jobs; only a tiny minority have managerial or professional posts. The political will to address gender-sensitive issues exists, but culture and practices that discriminate against women remain major challenges.

## **DECENTRALISATION**

### **Why Decentralisation?**

Decentralisation is a global phenomenon, as governments seek to bring governance close to the people. Local, accountable public management is at the heart of good governance, essential for human development. It can bring improved efficiency and equity. Local participation can foster political stability, develop capacity of local decision-makers, create pressure for improved public service provision, and – by identifying local priorities – increase the efficiency and equity of resource use. Decentralisation can empower minorities in development and management of public services, addressing problems of neglected areas or diverse ethnic groups.

However, there are conditions to be met. Decentralisation needs a clear legal framework, strong political will, and effective coordination. Appropriate, meaningful powers have to be devolved to local authorities, together with resources to exercise those powers: enough responsibilities for genuine local participation, but not too many to manage. National and local governance are complementary: central government must

play its role. Financial resources are crucial: local power over revenue, and equitable allocation of funds to local authorities are necessary. Local institutional and human resource capacity have to be built, so local authorities can function effectively, and they must be democratic and representative. Local elites have to allow decentralisation to function, and not pervert it to their own ends.

Time is needed to reap the fruits of decentralisation. Frustrations will grow unless the process is well implemented. Checks and balances are needed, including proper audit and financial control, with local administration supervised by central governance, by locally elected bodies, and by the local population.

Experience of decentralisation in other countries has not all been positive for poverty reduction. An OECD study showed that in some countries, with weak institutions and political conflict, it actually made matters worse. Decentralisation's poverty impact seems to depend most on policy-makers' capacity and willingness. It is therefore very important that in implementing the decentralisation programme in Sierra Leone, appropriate cognisance is taken of some of the limiting factors.

### **Decentralisation in Sierra Leone**

**History of Local Administration.** Decentralisation is not new in Sierra Leone. The British colonial authorities used indirect rule, working through traditional Chiefs. In 1946, District Councils were created, eventually with direct elections, although Chiefs continued to dominate. The system reflected colonial priorities, but was an effective mechanism for service delivery. After independence, district councils were the main vehicle of service delivery and rural development in the early 1970s. However, decentralisation and authoritarianism are not bed-fellows: the Councils were abolished in 1972, centralizing control. Local management committees were manned by Presidential appointees.

### **Present Decentralisation Strategy**

Sierra Leone intends decentralisation to transform local government into effective, democratic institutions, deriving legitimacy from service delivery to the people, fostering participatory development, reflecting local demands and conditions, and working with transparency and accountability. The programme involves giving local authorities a greater proportion of public spending, and improved human resources. The intention is to eradicate the inequalities that led to civil war, to sustain the democratic transition, and to improve accountability, transparency and human capacities.

Decentralisation is being implemented in three phases, 2004 to 2008. The 2004-05 preparatory stage was to provide the institutional and legal framework for the 19 Local Councils (LCs); the take-off stage is January 2005 to May 2008, with progressive devolution of powers and functions; in Phase III Government will assess performance and sustainability. Within their areas, the LCs are political and administrative authorities, responsible for development, planning and budgeting, and coordinating activities of all development agencies. They will eventually cover a wide range of public services, including public health, roads, education, water and sanitation, electricity and agriculture. Such a list would entail huge responsibilities, overwhelming for new institutions. So the phased strategy is intended to give the LCs time to become operational. Until then, central government will continue to administer certain functions.

The approach is ambitious, striving to fundamentally restructure and strengthen local government in a short period. There seems a genuine government desire to devolve powers and resources. However, the programme is heavily dependent on donor funding. And the central government's over-riding powers within the national constitution remain unchanged. Reality does not yet, of course, live up to the local governance ideal. Communities still tend to be dominated by local elites, although increasingly other people speak out. Women are still marginalized, although less than in the past. Public participation is not always great, and some councils hold few public meetings.



**Institutional and Legal Framework.** Government initiated the programme in 2004 with the Local Government Act 2004 (the LGA), which established 19 Local Councils, within the four administrative regions (the three provinces and the Western Area including Freetown). The explicit objectives include empowerment, participation, accountability, effectiveness, efficiency and responsiveness. However the institutional framework for devolution is not yet fully developed. Decentralisation still suffers from confused roles and responsibilities. For example, the 2004 Education Act and the Hospital Board Act are inconsistent with the LGA. Similarly, the Constitution needs to be amended to give constitutional recognition to the new system. Finally, not all statutory bodies and NGOs seem to honour the LGA requirement that the LCs coordinate local activities. The Decentralisation Secretariat is working to harmonize legislation.

**Chieftaincy, Local Taxes and Dues.** One set of issues relates to the relative roles of the Chiefs and the LCs, some of which include 15 or more Chiefdoms. Chieftaincy is the highest authority in the chiefdom; although chiefdom councils are the lowest level of the new structure, they are intended to focus people's empowerment, and the LCs need them to implement programmes. However, the LGA gives the Chiefdoms no explicit executive functions; they lack administrations, and their councils act mostly as advisory structures. The lack of clarity on roles, and on collection and spending of taxes and market dues – a major issue which the Government is trying to resolve – are a source of tension. Legislation is needed to define the roles of chiefdoms, the relationship between Paramount Chiefs, Chairpersons of local councils, and Chief Administrators, and responsibility for collection and use of local taxes, market dues and licence payments.

**Institutional Infrastructure.** The LGA provides LCs with an institutional structure:

- **Ward Committees.** In each ward (average 20 in a district), Ward Committees are intended to facilitate community participation and communication with the LCs, and to build accountable and effective political leadership.
- **Local Government Finance Committee.** A national committee recommends to the Finance Minister the grant allocations to be made to each LC. Committee members are appointed by the President with Parliamentary approval.
- **Inter-Ministerial Committee.** An Inter-Ministerial Committee, chaired by the Vice President, monitors LGA implementation. It has met infrequently.
- **Local Government Service Commission.** A national Commission is intended to ensure equity, transparency and accountability in LC human resource management. It has published guidelines to enhance recruitment of LC staff.
- **Chief Administrator.** Each LC appoints a chief administrator, whose functions include ensuring accountability in the LC and its services. The Administrators and LC Treasurers are initially seconded central government officers.

**Capacity Building.** Capacity-building is costly. Central government has demonstrated its commitment but does not have resources to provide the LCs' full needs (although it did provide their initial operational expenses, together with the salaries of the unproductive staff they inherited – a commitment the government will honour until LCs have capacity to recruit and pay staff). Donors have contributed much to rehabilitate and transform local governance, to build capacity, and to provide funds for the programme to start. The UNDP, DFID and the EU have been particularly active in building institutional, human and physical infrastructure. The largest amount contributed was US \$25 million by the World Bank, for the 2004 Institutional Reform and Capacity Building Project (IRCBP), which established confidence in decentralisation, capacitating the impoverished Ministry of Local Government and Community Development (MLGCD) and providing initial capital.

Three central government institutions play the most significant roles in building LC capacity: MLGCD, the National Commission for Social

Action (NaCSA), and the Decentralisation Secretariat. The Finance Ministry also has a Local Government Finance Department to promote fiscal decentralisation.

- **MLGCD**, the Ministry responsible for implementing decentralisation, has human and financial constraints, with only two graduates among its professional staff. The Minister is an ardent supporter of decentralisation, but its capacity-building role had been negligible; it is now making meaningful contributions, organizing workshops for councillors.
- **NaCSA**, a government commission funded by the World Bank, has since 2004 been funding priority local development programmes for the LCs.
- **The Decentralisation Secretariat**, a World Bank-funded directorate within the MLGCD, monitors decentralisation and helps build LC institutional and human capacity. Training and capacity-building are its main activities. Its role now includes strengthening Government agencies to be active in decentralisation. The Decentralisation Secretariat is well staffed, equipped and funded. Its well-furnished offices are however separate from the MLGCD. Originally Secretariat staff were intended to work with MLGCD officers to prepare them to take over its work in 2007, but this has proved difficult.

**LC Sources of Funds.** LCs receive funds from their own-source revenue, from government grants, and also from the Local Government Development Grant (LGDG), established in 2004 for projects to improve local facilities and services. They are mainly dependent on central government and donors.

- Own-source revenues are mostly poor-yielding: local taxes (in urban areas especially property tax), licence fees and charges, market dues, and mining royalties. The potential of own-source revenue is low; councils also find it difficult to collect, although improvements are possible.
- The largest source of LC revenue is central grants, to finance programmes agreed with central government, like education, health, feeder roads and agriculture. LCs also receive grants for administrative costs, and some other, untied grants. Some least-developed LCs receive additional, equalizing grants.
- Their other source of funds is the Local Government Development Grant (LGDG), which is 90% funded by the World Bank, and 10% by government, established in 2004 to improve facilities and services for people in the localities.

The LGDG has led to progress in LC development activities. With US\$6 million of the World Bank IRCBP grant, the LGCD has substantially increased LCs' financial base, bringing positive changes especially in rural areas. The LGCD's Rapid Result Initiative (RRI) gives councils exclusive power to plan their development programmes, and allows them to implement their own projects. The RRI gave each LC US\$50,000 for community-based projects, implementable within 100 days, in areas such as pipe-borne water, road rehabilitation or rice cultivation. In general the LCs implemented their first projects successfully, yielding funds for more projects.

## Decentralisation Progress

The devolution timetable identified the services to be devolved by each Ministry. The Ministries of Health and Sanitation (MHS), Agriculture and Food Security (MAFS), and Education, Science and Technology (MEST), as the most deconcentrated, were the first to be asked to decentralize. Most functions decentralized in 2005 were deconcentrated services, with staff already located in the districts, who continue to be paid by the central government.

- **Health and Sanitation.** MHS began to deconcentrate primary health in 2005, but controls allocation of resources, employs health workers, and procures supplies. LCs have theoretical responsibility, but basic health services have not been devolved because they lack skills. MHS is building human resources, through training at all levels. Issues for decentralisation include the linkages between local primary health care and the national secondary and tertiary levels.

- **Education.** MEST has been slow in devolving functions. It had planned to transfer responsibility for primary schools. But it retained other responsibilities, under the 2004 Education Act, including hiring teachers. LCs' role in education is unclear: they have no responsibility for education personnel, curriculum or finance. However, MEST will now decentralize further.
- **Agriculture.** MAFFS was also slow to decentralize. Recently, however, it has been conducting workshops for councillors and farmers, and slowly decentralising services and relevant staff to the LCs.

**Experience with Decentralisation.** Decentralisation is relatively new, so bottlenecks are not surprising. Surveys have shown, for example, that some LCs have done little to respond to local needs, and found little evidence as yet of a more democratic system with people involved in decisions. Low capacity can lead to failure to meet expectations and low esteem for the LCs: the rural poor have a higher regard for chiefs than for LC representatives. There are exceptions: some LCs have built schools, markets and community centres, maintain roads and provide agricultural extension.

**Administrative Problems.** To prepare this report, a range of LC stakeholders were interviewed. Most respondents said LCs lacked capacity and resources to assume decentralized duties and powers; they found the allocation of powers among levels of government to be complex. While all LCs received intensive capacity-building efforts before devolution started, training did not do enough to develop LC management capacities: how to relate to communities, or develop strategies to meet local needs. Some LCs still lack basic institutional structures – even their own offices – and especially lack qualified staff. It is important to build a professional staff, but pay is low, so unqualified staff are recruited locally, particularly for example teachers and nurses. The position of the LC Chief Administrator is anomalous. As the highest local career civil servant, he/she should be accountable to the local council, but in fact owes allegiance to the centre as a central appointee.

Financial management causes particular concern: LCs manage significant amounts of public funds, so must have the capacity to use them efficiently and transparently. Generally, financial management, procurement and audit are weak, due to shortage of qualified staff. Hardly any LCs have been audited since local government came into being, while weakness of internal audit opens the way for corruption. Laws should be passed making councillors and administrators personally responsible to perform in the interest of their communities.

**Local Council Finance.** A major set of problems relates to the LCs' financial position: their financial viability is still doubtful. Ideally decentralisation would include fiscal decentralisation: transfer of fiscal resources, revenue-generating power, and authority over financial decisions. Local fiscal control, together with access to adequate resources, is key to proper decentralized decision-making, and so to developing local democracy. But currently there is a de-linkage between LC spending needs and their capacity to raise adequate funds. Local decision-makers cannot choose to improve service levels where that would increase spending, since they cannot choose to raise resources to pay for improved services. LCs also lack control of the money they receive: they are limited to decisions about a small part of the funds provided by central government, the rest of which are already committed. The allocation of government grants is seen as haphazard, so LCs also find budgeting difficult. The major exception is the LGDG programme, over which they do have power.

LCs differ widely in revenue-raising potential and in capacity. In large towns LCs face greater problems of poverty, but have better administrative and financial capacity. The limited powers and resources of some other councils pose a threat to their future, particularly in the north: present arrangements are not reducing regional imbalances.

**Experience with Community and Female Participation.** Decentralisation is intended to involve participation, as described above. Decentralisation and participation imply a radical redistribution of power, curtailing the power of the state and the rural elite, giving the poor more access to benefits. As yet, however, participation experience is mixed. Ward Committees are not widely recognized as the vehicle for community participation. In some places discussions mainly involve the paramount chiefs, with community members listening. Effective participation will require building the Ward Committees into functioning forums.

More optimistically, a Decentralisation Secretariat survey showed the “participation in planning” process to be working under the RRI. Responses of people interviewed in each LC area were grouped into different categories (for example, LC members, men and women, members of the public); in each area, people in the different categories identified similar development priorities to the others in that area. This implies broad consensus among development actors at the local level.

**Female Participation.** Decentralisation is expected to increase female participation in governance, which is necessary for it to succeed. Although the wisdom of male elders is critical for a society’s well-being, it is important to integrate within this wisdom the perceptions of women. Local government can also be an effective training ground for women to participate in national politics. There are encouraging examples of greater female participation in LC discussions, although traditional barriers remain, especially in some rural areas – LC decisions are still being made by village elders. Further work is needed to develop greater female involvement in local government. An important step was the LGA requirement that half the members of each Ward Committee be women, although this is not yet widely observed. Such arrangements to increase participation need to go together with enabling support programs.

## **CONCLUSIONS REGARDING DECENTRALISATION**

Decentralisation is gaining ground. The process has a strong political will; and elected LCs welcome devolved powers and responsibilities, although only selected public services (education, health and agriculture) have yet been partially transferred. There may be lapses at present, but decentralisation continues to promote socio-economic development, and community participation. As it progresses it needs proper balancing of responsibilities between central government, local councils, community members, and NGOs. Major effort is needed to build on the LCs’ resource and technical capacity, including at the ward level.

Decentralisation is far from being consolidated. It faces financial, organizational, administrative and political obstacles:

1. Shortage of administrative, technical and professional personnel, and inadequate funding.
2. The low institutional capacity of the LCs to perform devolved functions.
3. Inertia of central government institutions. Centralism will not disappear overnight.
4. Conservatism of councillors and traditional rulers, and restrictive rule by local elites.
5. The lack of coordination and cooperation among LCs.
6. The overlap of responsibilities among different levels of government.
7. Devolution requires a more radical transfer of decision-making to local government than does deconcentration: central policy being delivered locally.
8. The participation of women and the poor in decision-making is not yet adequate.
9. Some LCs have been susceptible to corruption: integrity has to be addressed.

Further legislation is needed to make policies and roles of central and local agencies consistent with the LGA. The Constitution will also need modification. The LGA’s legal provisions give the LCs a good

framework, but although LCs have extensive responsibilities, in most cases functions overlap with central sector agencies, who generally remain the primary responsible bodies.

Financial dependency on inadequate central government funding deprives LCs of fiscal autonomy, and renders them ineffective to fulfil their responsibilities. The success in implementing local projects through the RRI shows what LCs can do if they have resources. LCs could increase revenue to some extent by strengthening capacity to raise funds from their existing base, which would increase their scope of action, and augment democracy.

International support for decentralisation, poverty alleviation and capacity building remains high. Government efforts to promote governance have been central to obtaining this support. This has had benefits for the LCs, with the World Bank-supported LGDG helping them meet their development priorities.

Local governance is not yet fully democratic. Decentralisation entails loss of power by central government officials, by political parties and by local political bosses. These three groups shared power under the past centralised system, and are reluctant to part with it.

Coordination between ministries on decentralisation needs to improve; integration of sectoral decentralisation with local planning and budgetary mechanisms is needed. The LCs' lack of resources, weak community involvement, and shortage of competent personnel, weakens their contribution to planning and budgeting; LCs need to be involved in national policy formulation and overall programme management.

LCs are subject more to central than popular control, with the Ministry of Finance approving budgets, central ministries controlling key sector policies, MLGCD approving LC bye-laws, and issuing guidelines and instructions. The necessary appointment of central government officials to LC staff posts also encourages upward rather than downward accountability.

LCs have shortcomings in downward accountability, to their communities. LCs need to do more to exchange ideas and information, to stimulate local participation and make stakeholders more actively involved.

For financial transparency and accountability, rules and procedures must be clear to all, with penalties for lapses. Information must be available regarding the amount of resources transferred to local councils.

Finally, while there are many difficulties, Sierra Leone is building human development through local governance. The people, Government and development partners remain committed to this vital enterprise. There is no going back.

# SIERRA LEONE HUMAN DEVELOPMENT REPORT 2007

## Empowering Local Government for Sustainable Development and Poverty Reduction

### THE DISTRICT FOCUS APPROACH TO DEVELOPMENT

#### OVERVIEW

This is the third National Human Development Report for Sierra Leone (SLNHDR2007). It is the first to have been prepared since the war. It is in two main parts. The first part, Chapters 1 to 4, contains the standard information found in HDRs: it describes the status of human development, discussing the macro-economic situation, poverty status, and other socio-economic indicators. Chapters 5 to 7, on the other hand, discuss the special theme of this SLNHDR2007: they focus on strengthening local governance and decentralisation as means to addressing problems of sustainable development and poverty reduction. The Report's focus is **“Empowering Local Government for Sustainable Development and Poverty Reduction”**.

#### Box 1

A strong civil society is an important pre-requisite to any meaningful, vibrant, democratic and decentralized governance system.

The Government of Sierra Leone strongly believes that decentralisation, if properly implemented, is an effective way to:

- Promote democracy, good governance, and quality of life;
- Give the common man greater opportunities to determine his future; and

- Ensure sustainable development, including the delivery of basic public infrastructure and services.

Decentralisation is not a new phenomenon to Sierra Leone. Various local government structures (based on British law and practices) have operated since colonial times, and some still exist. However, with the passage of time and change in socio-political circumstances, many of these practices have become obsolete and irrelevant. The Government is undertaking a comprehensive reform of the whole system of local government, focusing on the creation of local government institutions that are based on democratic principles and devolution of powers. This policy on decentralisation and local government reform has been developed through a highly participative process and wide-ranging consultations. The remaining task in this vein is for the NHDR 2007 to show the extent to which decentralisation can serve as an enabling tool for policy and planning for the reduction of poverty.

Accordingly, the Government of Sierra Leone, assisted by its development partners, drafted legislation on Decentralisation and Local Government, which was approved by Parliament in 2004. The Legislation shows that Sierra Leone is approaching decentralisation from a wide angle, embracing devolution, deconcentration,

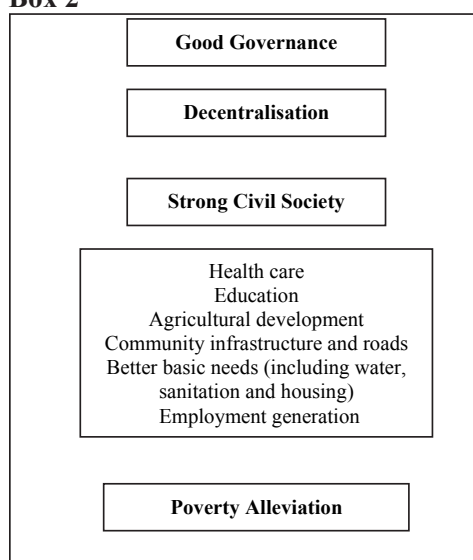
delegation, fiscal decentralisation and divestment.

The main thrust of Sierra Leone's decentralisation and local government reform efforts is:

- to empower local communities through the revitalization of Local Government institutions by strengthening their capacity to deliver services to the rural population,
- to stimulate development, and
- to provide an opportunity for local people to participate in governance at the local level and plan their own future.

The institution of elected local councils is crucial for the decentralisation and local government reform process. Effective decentralisation should include accompanying reforms in the whole national legal and institutional framework, and the empowerment of sub-national institutions at all levels in the fiscal, administrative and legal processes.

**Box 2**



The enabling legislation for decentralisation is now in place and some elements are in operation. For example, a National

Recovery Committee (NRC) was established in 2001 to drive forward the restoration of civil authority and broader recovery throughout the country. District Recovery Committees were set up under the NRC, providing a focus for government efforts to make plans and set priorities at the district level, thereby promoting a bottom-up planning process (see National Recovery Strategy, 2002-2003, Government of Sierra Leone).

Powers are being devolved to local councils in services like health, education, agriculture, forestry and fisheries, technical assistance, community infrastructure (markets, libraries and civic centres), regulation of local commerce and industrial development, basic needs like water and sanitation, roads and waterways. Devolution is expected to improve living standards, generate employment and reduce poverty.

Against this background, SLNHDR2007 examines decentralisation and local government reform in terms of the potential to effectively promote good governance, development and poverty alleviation in Sierra Leone. It describes elements like enabling legislation, broad-based participation, and fiscal decentralisation; best practices from abroad are identified to bear on the Sierra Leonean context.

The First Human Development Report for Sierra Leone in 1996 focused on Poverty Eradication, and the second report in 1998 on The Transition From Civil Conflict to Human Security. These first two NHDRs were well received by government, development partners, NGOs and the general public. They became a source of reference for policy makers, researchers, development practitioners and students of development economics and other social sciences and the humanities. Due to the war,

no Human Development Reports were produced for Sierra Leone after 1998.

The key objective of this SLNHDR2007 is to analyse the potential, which the decentralisation programme holds for promoting peace, reconciliation and sustainable development in Sierra Leone after the civil war. The highly centralised state administration during the 1970s destroyed democratic local self-government institutions, which led to the failure to deliver public services and infrastructure, created political instability and contributed to the armed conflict. There is a growing recognition that people must take a greater part in decisions affecting their affairs and that government and administration must be more sensitive and responsive to its citizens. This report comments on the capability of the current decentralisation drive to realise the benefits of decentralisation for the people of Sierra Leone.

The SLNHDR 2007 draws on the latest census in Sierra Leone. It will supplement the Global Human Development Reports which are produced annually by UNDP (GHDR), with updated statistics and information. It is supported by data available from participating agencies with regard for example to health care, education, consumption patterns, agricultural production, and women's empowerment. Additional information is obtained from the Sierra Leone Integrated Household Survey (SLIHS) 2004 whose data is further analysed. The report will help stakeholders to identify challenges and formulate strategy. It will become a base material for students and researchers.

The report has analysed socio-economic information and data available on Sierra Leone from various sources, including interviews with critical partners regarding

their roles and perceptions on the process of human development. In this respect, issues of planning, programming, coordination and operational issues, challenges and accomplishments of different programmes meant for expanding people's choices for sustainable development are fully examined.

The assessment also makes use of relevant literature (reports and articles) on human development from other sources to enhance and enrich the analyses and presentation of the report. The NHDR was prepared with the participation of a task force of representatives from Government ministries (Finance, Social Welfare, Gender and Children's Affairs, Labour, Social Security and Industrial Relations, Health and Sanitation), the National Aids Secretariat, the Development Assistance Coordinating Office, Sierra Leone Association of Non-Governmental Organisations, Statistics Sierra Leone, the University of Sierra Leone, FAO, UNDP, UNFPA, UNICEF, WFP, ENCISS, and the Decentralisation Secretariat.

Data for the compilation of indicator tables were collected from field visits, from key line ministries, and some national and international institutions.

It is hoped that this report will help make a strong case for strengthening the decentralisation process in Sierra Leone, in as far as it relates to fostering broad-based participation and a bottom-up approach to development. Thus SLNHDR2007 should be seen as an advocacy tool in galvanising national energies towards the identification of key development priorities and strategies, and to ensure effective implementation of development programmes in a broad-based, participatory manner.



## CHAPTER ONE:

# LOCAL GOVERNANCE, HUMAN DEVELOPMENT AND POVERTY REDUCTION – CONCEPTS AND SIGNIFICANCE IN THE CONTEXT OF SIERRA LEONE’S DEVELOPMENT STRATEGY

## 1.1 Introduction

Poverty reduction is the over-riding goal of Sierra Leone’s development strategy. The choice of the specific theme of “Empowering Local Government for Sustainable Development and Poverty Reduction” is based on the conviction that people’s welfare will be improved if government and its development partners focus on the three thematic areas of local governance, sustainable development and poverty reduction. The theme is timely, considering the low levels of social indicators, pervasive poverty and limited involvement of local communities in the processes that are meant to improve their socio-economic status and well-being. This chapter seeks to give an overview of the inter-linkages between local governance, sustainable development and poverty reduction, both globally and in the context of Sierra Leone.

## 1.2 Poverty Reduction

Poverty is a phenomenon that has bedevilled mankind from time immemorial. The need to reduce or eradicate it has preoccupied many theorists and practitioners of development. However, there has been little or no consensus on how to deal with poverty. This is largely because of its multifaceted and multidimensional nature, which has made it difficult to come up with

a consistent conceptual framework of poverty, or with consistent policies and actions that can lead to poverty reduction, let alone eradication.

According to the OECD Development Advisory Committee guidelines on poverty reduction, a strategic approach to poverty reduction involves five analytical stages:

- What is poverty,
- Who are the poor,
- How can poverty be measured and monitored,
- How does poverty persist, and
- Which policy actions are required.<sup>2</sup>

Within this conceptual framework, poverty is seen as encompassing different dimensions of deprivation that relate to human capabilities, including consumption and food security, health, education, rights, voice, security, dignity and decent work. Other development practitioners, including the World Bank and UNDP, have subscribed to the multifaceted approach to poverty.<sup>3</sup> At the same time, poverty reduction needs to be undertaken in the context of environmental

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<sup>2</sup> The DAC Guidelines, Poverty Reduction, International Development, OECD, 2001.

<sup>3</sup> The World Bank has defined poverty as unacceptable human deprivation in terms of economic opportunity, education, health and nutrition, as well as lack of empowerment and security.

sustainability, while also taking concerns of gender inequality on board.

### **1.2.1 Commitment to MDGs**

At the World Summit for Social Development, held in March 1995 in Copenhagen, Governments reached a new consensus on the need to put people at the centre of development. The Social Summit pledged to make the conquest of poverty, the goal of full employment and the fostering of social integration overriding objectives of development.

Subsequently, in September 2000, at the United Nations Millennium Summit, world leaders agreed to a set of time bound and measurable goals and targets for combating poverty, hunger, disease, illiteracy, environmental degradation and discrimination against women, with an overall target date of 2015. These are the Millennium Development Goals (MDGs – see Annex 2). The Summit’s Millennium Declaration also outlined a wide range of commitments in human rights, good governance and democracy. Placed at the heart of the global agenda, the MDGs are the basis for the partnership for development, through which developed and developing countries match these commitments with resources and action, signalling a global deal in which sustained political and economic reform by developing countries will be matched by direct support from the developed world in the form of aid, trade, debt relief and investment. Sierra Leone has integrated the MDGs into its national development strategy.

## **1.3 Human Development**

### **1.3.1 Overview**

The basis for human development can be traced to the philosophical theory of universalism of life claims. This theory has been transformed to modern policies now adopted by nations and development partners to address basic human needs, in areas such as free education for children, provision of health care for all, empowerment of people to develop their capabilities and the protection of basic human rights, whether economic, social, civil or political.

Human development thus is “the process of enlarging people’s choices”. Among the many desirable opportunities needed for this process to progress, are three basic ones: for people to lead a long and healthy life, to acquire knowledge, and to have access to the resources necessary for a decent standard of living.

The enlargement of choices associated with higher levels of human development and human progress goes beyond availability of income, but more importantly concerns the use to which such income is put. Country experiences have shown several cases of high levels of human development at modest income levels and vice versa. That is to say, trying to improve the quality of peoples’ lives, which is the human development phenomenon, goes far beyond achieving economic growth with expanding GDP<sup>4</sup> and all its input and output factors. States should not merely focus on accumulating material and financial wealth, but should be able to create the enabling environment for poverty

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<sup>4</sup> For example, countries with very high per capita GDP, like the USA, do not necessarily have such a high human development index as countries with relatively moderate GDP per capita, like most of the Nordic countries.

alleviation, increased access to knowledge, better nutrition and health services, more secured livelihoods, better and secured living and working conditions and enhanced participation in community activities. Human development therefore, embraces four major elements, namely, productivity, equity, sustainability and lastly empowerment. In essence, people (both men and women) must have gainful employment with increase in output, equal access to opportunities for themselves and future generations and should be part of the decision making processes for sustainable development.

The concept of sustainable development follows from the human development paradigm. In particular, it emanates from Amartya Sen's theory of development, which focuses on "capabilities

### Box 3

The 1994 Human Development Report defines sustainable development as pro-people, pro-jobs and pro-nature. It brings human numbers into balance with the coping capacities of societies and the carrying capacity of nature. It also recognises that not much can be achieved without a dramatic improvement in the status of women and the opening of all opportunities to women. (UNDP, GHDR 1994)

expansion"<sup>5</sup>. In the concept of human development, which places people at the centre of development, development is about people's well-being. The expansion of material output, or economic growth, is a means to achieving this "people's well-being", and not an end in itself. Human development emphasizes sustainability, meeting the human development needs of the present generation without compromising those of future generations. Sustainable development has five aspects: equity, empowerment, co-operation, sustainability and security.

### 1.3.2 Reasons for a National Human Development Report

The production of National Human Development Reports (NHDRs) is a

<sup>5</sup> Professor Sen postulates that the purpose of development is to improve human lives through expanding the range of things a person can do and be. He first fully articulated the theory in Sen (1985); he discussed applications to development in Sen (1999).

response to the growing need to adapt the techniques of the Global Human Development Reports (GHDRs) to focus on individual countries<sup>6</sup>. The objectives of the NHDR are to inform national policy, and to further substantiate the global advocacy for increased emphasis on human deprivation and/or progress in the country concerned.

The analysis in the GHDRs brought to the fore the following critical challenges facing Sierra Leone:

- limited access to social services (particularly health and education),
- environmental problems (deforestation, soil erosion, coastal erosion),
- gender inequity in access to education,
- lack of empowerment of the population (particularly with regard to women),
- high population growth,
- rising unemployment, and
- increasing incidence of poverty.

The above are issues that can be better looked at with a closer lens in an NHDR. The GHDR gives a more general overview with serious limitations on access to data. A national report is expected to fill this gap, and provide a holistic and comprehensive report on the status of human development. Consequently, this SLNHDR is based on the latest census data in Sierra Leone (2004) and other current socio-economic data. It is supported by the indices and facts available from the participating agencies with regard for example to health care, consumption patterns, agricultural production, and empowerment of women. The report is expected to assist development actors in the

<sup>6</sup> Regional Human Development Reports are becoming increasingly popular, reflecting the need to address some issues from a regional perspective.

country to identify the challenges of development, and in strategy formulation. It is expected to serve as a base material for students and researchers interested in similar issues for further research.

The SLNHDR in 2007 is intended:

- to offer an agenda for advocacy for human development;
- to provide a basis for monitoring the status of human development;
- to facilitate the development of strategies and programmes for human development.

### **1.3.3 Human Development Indicators**

The human development index is an instrument developed for the United Nations in 1990 to measure and monitor human development in nations across the globe. The index is a composite measure of human development. It embraces economic and social indicators, such as Gross Domestic Product (GDP) per capita, life expectancy, basic adult literacy, and gross enrolment ratio in primary school. The indices are combined to get the Human Development Index. Other parameters subsequently introduced to improve the measurement of the level of human development include the Human Poverty Index (HPI), the Gender Related Development Index (GDI), and the Gender Empowerment Measure (GEM). These indices measure poverty, disparities between men and women in access to services, and participation in political and economic decision-making.

Tables 1.1 to 1.4 give a snapshot of Human Development Index indicators in Sierra Leone. Unfortunately, the indices can be computed only at a national average level. The lack of disaggregated data for districts does not allow more detailed calculations. This trend is consistent with the newly introduced social indicators of Human Development.

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### **1.3.4 Human Development Comparisons**

Since 1990, the United Nations Development Programme has been producing global human development reports. In these reports countries are ranked in order of human development levels, according to the HDIs. Coincidentally, the 1990s also set the stage in Sierra Leone for the ensuing dreadful conflict, starting in 1991. It is therefore not surprising that the country has been consistently ranked last for most of the reports. Table 1.5 gives excerpts from the 2006 GHDR, showing comparisons between Sierra Leone and other, comparable countries.

Looking at the trends in global human development computed by UNDP every year since 1990, it is evident that despite its massive potential wealth, Sierra Leone is one of the poorest countries in the world. Since 1996, it has been ranked among the lowest in the UNDP Human Development Index. The 2006 UNDP Human Development Report ranks Sierra Leone 176 out of 177.

Life expectancy at birth was 41 years in 2004 and adult literacy was estimated at 35% (GHDR2006); both of these are major determinants of the human development index. Figure 1.1 shows human development trends for Sierra Leone and Figure 1.2 makes comparisons with selected countries in the sub-region.

**Table 1.1: Sierra Leone Human Development Index**

Human Development Index (HDI) Value 2005	0.34
Life Expectancy at Birth (Years) 2005	48.4 <sup>7</sup>
Adult Literacy Rate (% ages 15 and above) 2005	34.0
Combined gross enrolment ratio for Primary, Secondary and Tertiary Schools (%) 2005	59.1
GDP per capita (PPP US\$) 2005	548
Life expectancy Index 2005	0.34
Education Index 2005	0.423
GDP Index 2005	0.28

Source: GHDR 2005

**Table 1.2: Sierra Leone Human Poverty Index**

Human Poverty Index (HPI-1) Value (%) 2005	52.8
Probability at birth of not surviving to age 40 (% of cohort 2000-2005)	47
Adult Illiteracy rate (%) ages 15 and above) 2004	66
Population without access to an improved water source (%) 2004	47
Children underweight for age (% under age 5) 2004	27
Population below poverty line US\$1.00 a day	57.0
Population below poverty line US\$2.00 a day	74.0
Population below poverty line national poverty line	70.0

Source: GHDR 2005

**Table 1.3: Sierra Leone Gender Related Development Index**

Gender- related development index (GDI) value		0.315
Life expectancy at birth (Years)	Female	49.4
	Male	47.5
Adult literacy rate (% ages 15 and above)	Female	23
	Male	46
Combined gross enrolment ratio for Primary, Secondary and Tertiary Schools (%)	Female	52.3
	Male	66.2
Estimated earned income (PPP US\$)	Female	325
	Male	783

Source: GHDR 2005

**Table 1.4: Sierra Leone Gender Empowerment Index**

Gender Empowerment Measure (GEM)	0.375
Seats in parliament held by women (% of total)	14.5
Legislators, senior officials and managers (women as % of total)	16.4
Professional and technical workers (women as % of total)	24.1
Ratio of estimated female to male earned income	0.42

Source: GHDR 2005

<sup>7</sup> The 2006 Global Human Development Report gives a life expectancy figure of 41 years.

### **1.3.5 Poverty Trends**

A recent study of poverty in Sierra Leone was detailed in the 2005 Poverty Reduction Strategy Paper. It showed that poverty increased as the economy declined during the 1990s. GDP per capita nearly halved during that period, reaching US\$142 in 2000. Eighty percent of the population lived below the poverty line, and with a Gini index of 66, Sierra Leone had one of the most skewed income distributions in the world.<sup>8</sup>

Currently, about 70 percent of the population live below the poverty line, and 26 percent cannot meet basic food needs. Since 1996, Sierra Leone has been perpetually ranked among the least in the UNDP Human Development Index, and was ranked bottom in the 2004 Index at 177, with a slight improvement in 2006 at 176 out of 177.

Poverty is exacerbated by high unemployment, and by deteriorating health as exemplified by the growing incidence of diseases such as HIV/AIDS, typhoid, malaria, tuberculosis, and high maternal, infant and child mortality rates.

As with most African countries, over the years, the worsening levels of poverty in Sierra Leone have been attributed mainly to poor economic performance resulting from both inappropriate domestic policies and external factors, such as declining terms of trade, rise in oil prices, debt burden, etc.

### **1.3.6 Poverty and Growth**

However, while there is need for high economic growth to generate employment and provide basic social services, economic growth per se, cannot bring about significant, sustainable poverty reduction. While economic growth is important for poverty reduction in developing countries, it is definitely not sufficient.

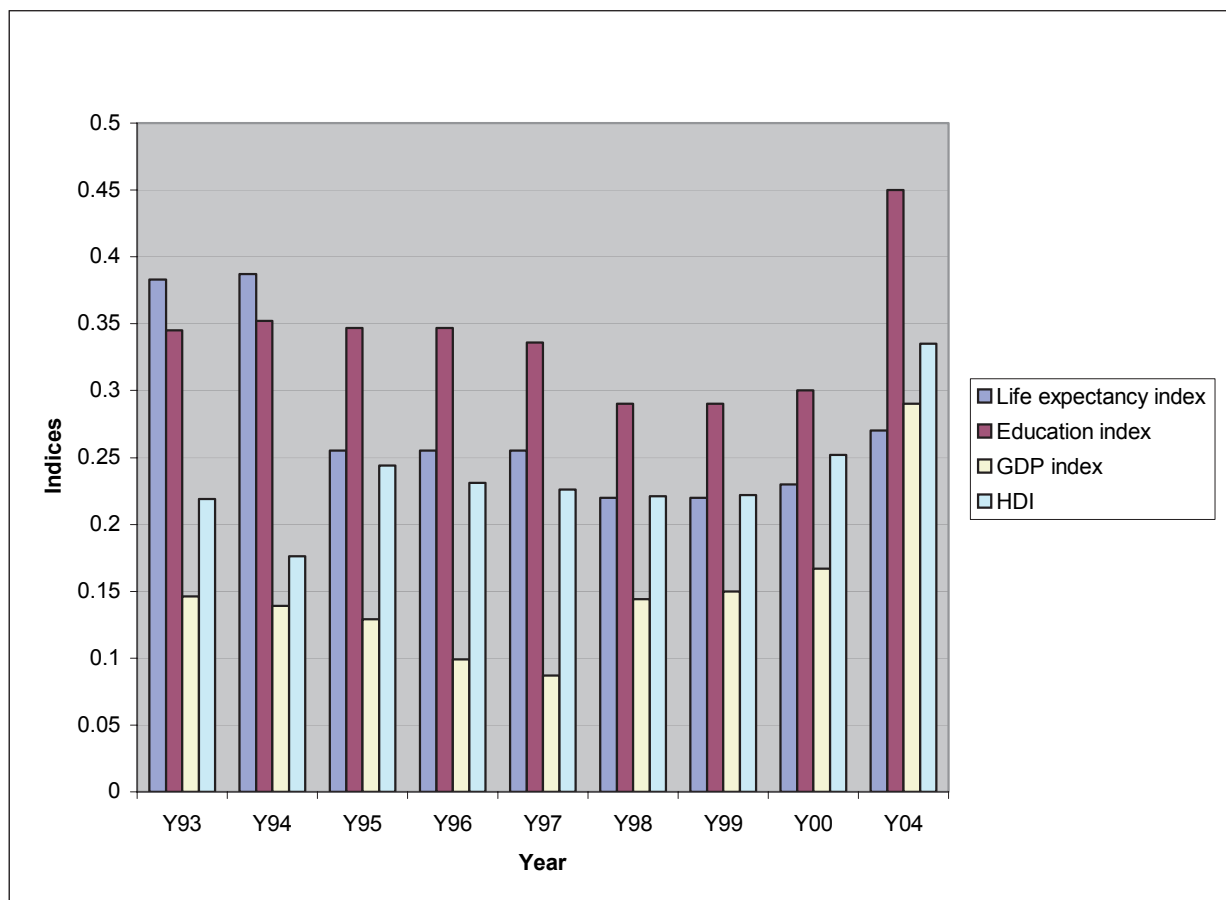
- On the one hand, for poor countries like Sierra Leone, rapid growth is a necessary and powerful tool in reducing poverty. Without growth, meeting the human development needs of the poor will continue to be hampered by inadequate public and private sector resources. Growth is expected to raise poor people's productivity and incomes, and expand their opportunities and choices in several ways. Sustained national GDP growth, rising wages and productivity have helped countries world-wide to rise from poverty.
- This means there is a missing link that makes it difficult to explain why Africa's response to poverty reduction via economic growth is abysmally slow. Perhaps either the pattern of growth is too narrowly-based, or too slow, or more importantly not pro-poor focused in terms of addressing the socio-economic needs of the poor.

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<sup>8</sup> This is the latest estimate of the Gini index that seems to be available.

The issue of good governance, especially the practice of decentralisation, has come to the fore as one of the most significant missing links between economic growth and poverty reduction. The priorities for human development in Sierra Leone are meant to enlarge people's choices and create opportunities for basic and sustainable development.

This entails letting people participate in decision-making at the grass roots level, reduce poverty, and enjoy a decent standard of living, to lead long, healthy and creative lives, as well as addressing many other political, social and economic issues that remain shortcomings to confound human development.

**Figure 1.1: Human Development Index Trends for Sierra Leone**

**Table 1.5: Human Development Index, Human Poverty Index  
Gender-Related Development Index  
Country Comparisons, (2004)**

HDI Rank	Country	HDI	HPI-1 (%)	GDI
155	Gambia	0.479	44.7	n/a
160	Guinea	0.455	52.0	0.434
170	Ethiopia	0.371	55.3	n/a
171	Chad	0.368	57.9	0.350
172	Central African Republic	0.353	47.8	0.336
173	Guinea-Bissau	0.349	48.2	n/a
174	Burkina Faso	0.342	58.3	0.335
175	Mali	0.338	60.2	0.329
176	Sierra Leone	0.335	51.9	0.317
177	Niger	0.311	56.4	0.292

**Notes**

HDI and GDI: index out of 1.000, with lower number indicating poorer development status.

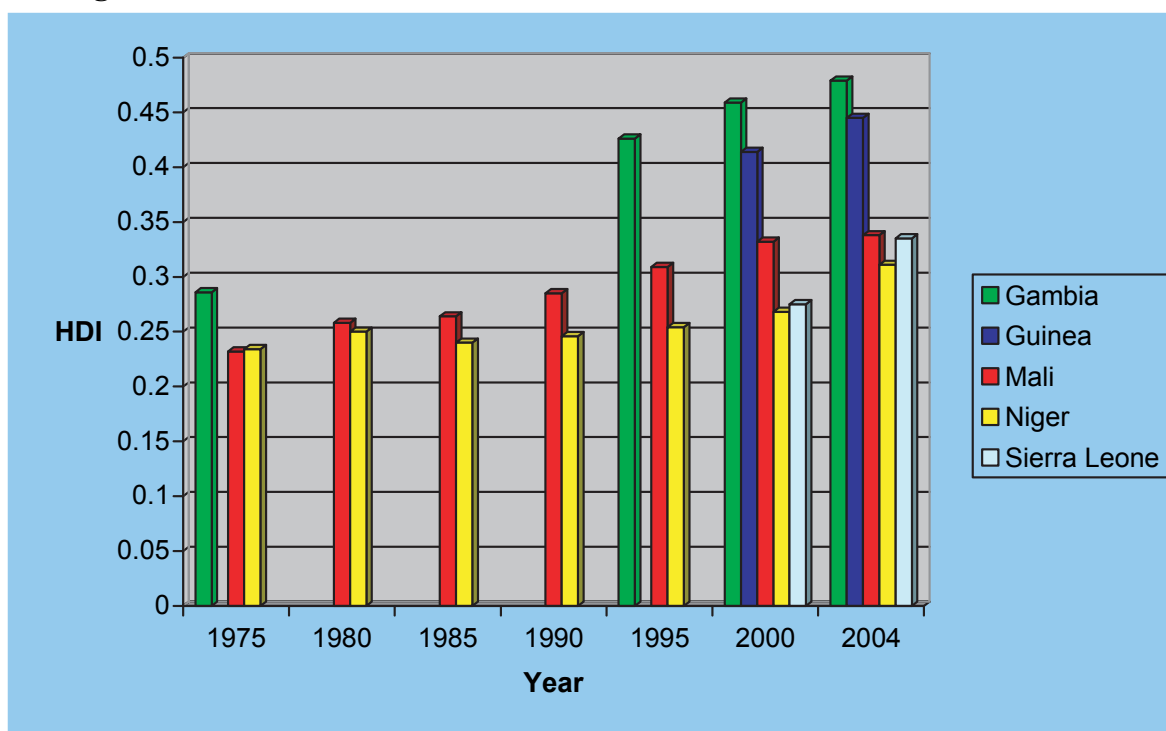
HPI: In percent, higher number indicating greater incidence of poverty.

For Sierra Leone, HPI-1 is the GHDR calculation for 2004-05. More recent calculations show a figure below 50%.

Source UNDP, GHDR 2006



**Figure 1.2 Human Development Trend for Sierra Leone and Selected Countries in the Sub-region**



Source: GHDR 2002, 2003, 2005, 2006

## **1.4 Governance, Poverty and Decentralisation**

Governance is defined as the direct and indirect management by the state of public affairs and the creation of an enabling environment for private activities that impinge on human affairs. Governance can also be defined as the exercise of economic, political and administrative authority to manage a country's affairs at all levels in a participatory, transparent and accountable manner. Good governance promotes the rule of law and ensures that political, social and economic priorities are based on broad consensus in society and that the poorest and most vulnerable are heard in decision-making concerning the allocation of development and other public resources.

Good governance, therefore, is a means of achieving sustainable development; it helps promote poverty reduction, employment creation, environmental protection and overall socio-economic development. The linkage between sustainable development and governance is very well established in the human resource development sectors, such as health and nutrition, education and management by improving on life

expectancy, reducing morbidity and mortality, increasing people's energy levels and stamina, and improving literacy, numeracy, technological and entrepreneurial skills, and managerial capabilities. On the global stage good governance through decentralisation has assumed prominence because of the failure of centralised control and planning. There is the perceived global success of market economies associated with democratic governance and reduced inefficiencies in state organs. Under centralised systems, bad governance has often been associated with heightened popular resentment, widespread corruption and uneven distribution of wealth, which negatively affects nation building.

One of the growing attributes of good governance that is being promoted in developing countries, including Sierra Leone, is the policy of the devolution of power and authority to sub-national governments, commonly referred to as decentralisation. Decentralisation is a gradual process, expected to enhance the opportunities of the population to participate in nation building by placing more power and resources at a level of government which is closer, more familiar to them, and which they can more easily influence.

**Box 4**

“The need to arrest the poverty situation in the country is now at the core of all government policies and programmes and the strategy also includes the devolution of central government functions to local communities. These elements are directly linked to the results of the poverty diagnostics from the Integrated Household Survey of 2003/04 and the Participatory Poverty Assessments, Focus Group Discussions and Participatory Learning and Action Forums conducted around the country during the period. Generally, the survey findings show the very low level of human development and the pressing need for moving towards the MDGs.”

**Box 5**

“The key features of good governance include legitimacy, freedom of association, responsive legal frameworks, bureaucratic accountability and transparency, availability and validity of information, effective and efficient public sector management, and co-operation between government and civil society organisations.”

Decentralisation as a feature of democratic good governance appears ideally to be the most effective mechanism for improving accountability and transparency, and for improving state-society relations. By gradually empowering local governance structures with greater levels of autonomy in service delivery, it can not only make government more efficient, but also help build society’s human and institutional capacities.

For these reasons, the government of Sierra Leone – which under the current democratic dispensation has always been committed to the principles of good governance – in 2004 reintroduced the system of local councils as part of a governance decentralisation process. Their intention is to include large sections of the population in the development process, who have been excluded.

## CHAPTER TWO:

# COUNTRY PROFILE AND MACRO-ECONOMIC SITUATION IN SIERRA LEONE

## 2.1 Country Profile

Sierra Leone is situated in West Africa, bordered on the northeast by Guinea, southeast by Liberia and on the west by the Atlantic Ocean. The country covers an area of 72,000 square kilometres (28,000 square miles). It is divided administratively into three provinces – eastern, southern and northern provinces – plus the western peninsula in which the capital Freetown is located. The country is further divided into thirteen administrative districts and nineteen local councils. The 2004 Sierra Leone Population Census results revealed that the total population stood at about 4.98 million people or 819,854 households. The population is also said to be growing at about 2 percent a year; about 66 percent live in rural areas.

Sierra Leone has abundant natural resources, including a range of mineral, agricultural, forestry and marine resources. It is rich in minerals, the most important being gold, diamonds, bauxite and rutile. Before the war forced the mines in the south of the country to close (January 1995), rutile and bauxite production contributed approximately 80% of foreign-exchange earnings (EIU Country Profile 1998-99).

The country remains poor despite its rich resource base. The 2004 Integrated Household Survey, used in the most recent PRSP (2005), showed

- About 26 percent of the population are in extreme poverty: they are food poor. This translates to about 1,248,000 persons who cannot even afford as basic a necessity as food.
- About 70 percent of the total live in poverty: in other words, some 3.5 million people cannot afford a full set of basic necessities such as food,

safe water and sanitation, shelter, good health, and basic education.

The poor economic situation, the high poverty rates and the poor human development conditions are trends that could not be dissociated from the long years of civil conflict. Though the pre-conflict years were not good, the conflict further intensified the decline in social and economic indicators, putting Sierra Leone at the bottom of the UNDP's Human Development Index for many years.

Between 1991 and early 2002 a brutal civil war cost tens of thousands of lives, traumatised a generation of inhabitants, and destroyed much of the economy and infrastructure. The destruction of assets, livelihoods, systems of management and administration of public and private services, the displacement of people, and the exodus of qualified middle-class Sierra Leonean intellectuals, professionals and all manner of formally educated people, were all serious consequences of this conflict. These are serious issues to address in the post-conflict phase, in order to avert the recurrence of conflict.

Consequently, with the onset of peace in 2002 the Government has been putting in place the foundations to rebuild the economy. Much can now be said to have been achieved and the country is steadily progressing.<sup>9</sup> As a result of the war and its aftermath, a number of priorities came into focus which included consolidating the peace, maintaining

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<sup>9</sup>For specific activities that the government engaged in since 2002, see chapter 3 on post-war development, where efforts towards poverty reduction are discussed.

political stability and strengthening internal security, complemented by promoting transparent and inclusive governance, equity in service delivery, civil service reforms, and the promotion of private sector development to boost confidence in the economy and promote social and economic growth, generate jobs and incomes and security for all.

Enhancing macroeconomic stability in the medium term is key to successfully addressing social and economic problems. The major macroeconomic objectives underlying the medium-term strategy include the maintenance of sustained high real growth and a stable macroeconomic environment. In this regard, agricultural expansion and food security are key medium-term objectives reflecting, in part, agriculture's importance for job creation. The considerable mineral endowments have continued to support the balance of payments and will be utilized to enhance fiscal sustainability and to facilitate job creation. Furthermore, private sector development and an improved investment climate will be vital for the achievement of high-sustained output growth.

Since the war, government's macroeconomic management and development endeavours have taken a fresh approach, largely focused on again stabilising the economy and promoting growth. With the support of its development partners, government adopted economic recovery programmes to re-establish macroeconomic stability, rehabilitate economic and social infrastructure and rebuild capacity.

These developments have been supported by positive steps in 2004 in reinstating decentralized governance and a democratic local government system dissolved for 32 years, including the restoration of local councils to decentralize service delivery. Other changes included introduction of reforms in public procurement, public financial management, judiciary and legal sectors, security sector, public enterprise, establishment of the Anti-Corruption Commission, Office of the Ombudsman, and many more.

Governance and the rule of law have continued to receive considerable attention. Political devolution has progressed with the enactment of the Local Government Act 2004. The first local government elections in 32 years were successfully held in May 2004. Nineteen local councils were installed; after extensive consultations with local communities, line ministries and other stakeholders, Government prepared a comprehensive plan for devolving central government functions to the local councils. The Devolution Plan also specified the sequencing of the devolution process.

However, the local governments must be empowered, legally and especially financially, to enhance sustainable development and hence reduce poverty. As noted by the IMF sixth PRGF report, local government elections in 2004 represented an important step in the government's strategy to empower the local governments and to provide key public sector services in social and economic sectors through them.

## **2.2 Macroeconomic Environment**

### **2.2.1 The Economy**

The Sierra Leone economy is small, relatively open, depending on foreign trade and external sources for investment, consumer goods and industrial inputs. The economy is predominantly based on agriculture, which accounts for about 45% of GDP. The bulk of the population is engaged in subsistence arable farming, with plantation agriculture significant only in certain areas. Mining is also of vital importance to the export trade. In post conflict years, mining has constituted close to 90% of total exports and significant foreign exchange earnings.

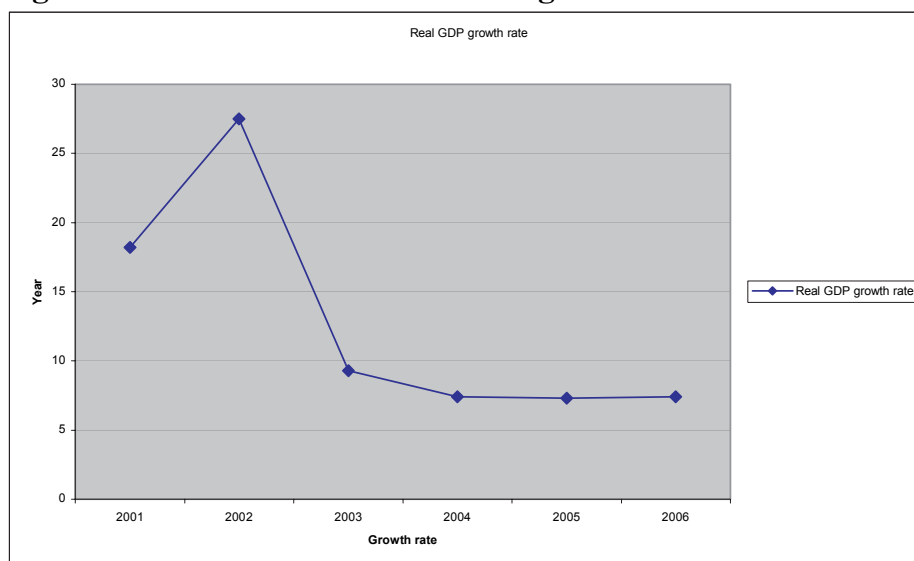
The civil war seriously disrupted the entire economy and especially the mining sector. Furthermore, it destroyed most of the economic and physical infrastructure, culminating in abandonment of economic activities in many other sectors. In addition, social services in the regions outside Freetown practically stopped, with widespread destruction of education and health facilities and services.

### **2.2.2 Patterns of Growth**

**Before 2000.** Annual economic growth averaged about 4 percent and 3.5 percent in the 1960s and 1970s, but declined to 1.5 percent in the 1980s, because of misguided economic policies, indiscipline in the public sector,

mismanagement and other problems. Efforts to introduce macroeconomic stabilization and structural reforms to redress economic decline and restore growth were abruptly disrupted by armed conflict in the 1990s, plunging the economy further into decline, with GDP falling by an average of 4.5 percent per annum between 1990 and 2000. During this period most of the country's revenue was spent on military expenditure. At the same time, Sierra Leone had to cope with displaced citizens as well as an influx of Liberian refugees equivalent to 5% of the indigenous population.

**Growth after 2000.** There has been a broad improvement in economic performance in the initial years after conflict, as Figure 2.1 and Table 2.1 show. The cessation of hostilities and eventual restoration of security country-wide strengthened confidence, which facilitated economic recovery during 2000-2004. Economic activity was initially spurred by the countrywide reconstruction and rehabilitation work, and then the broad recovery in agriculture, mining (mainly diamonds), manufacturing, construction and services. Real GDP rose sharply by 18 percent in 2001, further increased by 27.5 percent in 2002, between 7 and 9 percent annually from 2003 to 2005, and was projected to continue at about this rate in 2006 and the medium term.

**Figure 2.1 Gross Domestic Product growth rate**

Source: Joint Government of Sierra Leone and IMF staff calculations

**Table 2.1 Sierra Leone: GDP Growth and Inflation 2001-2007**

	2001	2002	2003	2004	2005	2006	2007
	Act	Est.	Est.	Est.	Est.	Proj	Proj
Real GDP	18.2	27.5	9.3	7.4	7.3	7.4	6.5
GDP Deflator	1.8	-3.6	8.2	16.0	13.3	13.1	8.7
Consumer prices (end of period)	3.4	-3.1	11.3	14.4	15.0	9.5	8.5
Consumer prices (annual average)	2.6	-3.7	7.5	14.2	12.5	11.7	9.0

Sources: Sierra Leonean authorities and IMF staff estimates.

**Inflation.** Thus economic recovery in the post conflict period has been promising. However, inflation remained relatively high, so that the economic gains risk being distorted by increased inflation. Consumer prices increased by about 14 percent in 2004, and 12 percent on average during 2005, due to higher oil prices, exchange rate depreciation and expansion in money supply. Average inflation was expected to fall slightly, with supportive fiscal and monetary policies including a stronger tax collection drive. However, although end of 2006 inflation was projected at a rate below 10 percent, by June 2006 annual average inflation had again risen to over 12 percent.

**External Balance.** While exports grew rapidly, from US\$115 million in 2002 to a projected level of nearly US\$300 million in 2006, imports initially ran ahead of exports. Sierra Leone experienced an adverse balance of trade in goods and services; the current account deficit has remained between 12 and 14 percent of GDP. However, the deficit is now expected to narrow by 2008 to 11 percent of GDP, and subsequently further, as exports grow following the resumption of rutile and bauxite mining, and with a moderation of imports, as flexible exchange rates are maintained and competition further increased from trade liberalisation.

**Debt.** Public external and domestic debts continued to be a burden on the economy. External debt including arrears was US\$1.7 billion as at the end of 2004, and US\$1.2 billion at the end of 2005; it then rose to \$1.7 billion in

June 2006.<sup>10</sup> However, Sierra Leone has benefited greatly from debt relief.

- Interim external debt relief from March, 2002 to October, 2005 amounted to US\$131 million.
- The HIPC Completion Point was reached at the end of 2006. Full delivery of debt relief under the HIPC Initiative and the Multilateral Debt Relief Initiative (MDRI) will significantly reduce Sierra Leone's external public debt. The stock of debt would be reduced to US\$483 million at end-2006 after HIPC relief and to US\$110 million after MDRI. The assistance provided in this way corresponds to approximately US\$1,603 million in nominal terms.

However, care must be taken to ensure that new borrowing to finance post-war development activities does not again increase debt burdens to unmanageable levels.

Government also had outstanding arrears with domestic debtors (suppliers, contractors and utilities). However, with the adoption of the World Bank sponsored scheme to buy back debt at a discount, most of the arrears have been settled.

To reach the HIPC completion point, Sierra Leone met the following conditions: (i) preparation of a full PRSP and implementation for at least one year; (ii) maintenance of macroeconomic stability as evidenced by satisfactory implementation of the IMF-supported program; (iii) completion of structural measures in governance and decentralisation, private sector development, education and health; and

<sup>10</sup> See EPRU, Ministry of Finance Economic Bulletin, January to June 2006



(iv) an increase in spending on designated poverty-reducing expenditure priorities that was proportionate to HIPC relief.

**Fiscal Situation.** Fiscal performance during the post-war period was mixed. Domestic revenue increased, from 7 percent of GDP in 1999 to remain at between 12 and 13 percent of GDP from 2001 to the present. Revenues were below the budgeted level during 2005, although they recovered to reach 12.4% of GDP. They are projected to be 12.6% in 2006 and 13.2% in 2007, albeit with a heavy dependence on trade taxes.

Strict fiscal and monetary policies are being instituted to reduce the budget deficit by enhancing domestic revenue mobilization and improving expenditure management.

Government is encouraging more investment in the agriculture, health, education, infrastructure and other economic sectors in line with its determination to improve on human development status. With the now established local councils, decentralized administration needs considerable resources to deliver services to the rural areas efficiently and effectively. (See Chapters 5 to 7 for more detailed discussion of decentralisation issues.)

### **2.2.3 Sectoral Composition of the Economy**

It is important not only to observe GDP and its growth rate, but also to analyse what constitutes GDP and what accounts for the growth. This is what Table 2.1 below presents. From this table, it is observed that the largest contributor to GDP is the service sector, especially in wholesale and retail trade up to

2003, followed by agriculture. From 2004, Agriculture now dominates services, suggesting an increase in farming activities as more peace and confidence was gained.

### **2.2.4 Macroeconomic Strategy and Poverty Reduction**

As shown above, Sierra Leone has for a long time been one of the poorest nations in the world. It has one of the lowest national incomes, mostly far below the Sub-Saharan African average. Social indicators have also been among the worst.

A pertinent question to ask at this stage is whether, in the current macro-economic situation, economic growth can empower the country to succeed in poverty reduction? Sierra Leone is clearly on the right path as far as economic growth is concerned. But the relevance of the current growth rate for economic development is important. Economic growth does not necessarily lead to economic development. To attain sustainable development, growth must be complemented with distributive policies and other approaches to enhance poverty reduction.

Economic growth in the post-conflict period has been broad-based, but current growth rates are not sufficient to achieve the Millennium Development Goals. Therefore Sierra Leone needs appropriate policies that will lead to meaningful, pro-poor growth. Even with very high economic growth rates, huge resources will be needed to reduce poverty, as well as strengthening mechanisms to deliver services to the poor. It is to strengthen services to reach the poorest of the poor in rural areas that the decentralisation strategy has been adopted.

**Table 2.2 Percentage of Sector Contributions to Gross Domestic Product**

		<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
<b>1.</b>	<b>Agriculture, Forestry and Fishing</b>	<b>39.85</b>	<b>42.89</b>	<b>40.97</b>	<b>44.47</b>	<b>46.36</b>
	1.1 Crops	25.01	27.62	25.89	29.28	30.85
	1.2 Livestock	2.42	2.89	2.73	2.62	2.96
	1.3 Forestry	5.70	4.89	4.53	3.98	3.92
	1.4 Fishery	6.73	7.49	7.82	8.59	8.82
<b>2.</b>	<b>Industry</b>	<b>7.87</b>	<b>9.26</b>	<b>10.42</b>	<b>10.20</b>	<b>9.07</b>
	2.1 Mining and Quarrying	3.05	4.20	5.70	5.93	4.97
	2.2 Manufacturing and Handicrafts	2.63	2.76	2.43	2.16	2.37
	2.3 Electricity and Water Supply	0.47	0.43	0.40	0.33	0.18
	2.4 Construction	1.72	1.87	1.88	1.77	1.15
<b>3.</b>	<b>Services</b>	<b>47.16</b>	<b>44.48</b>	<b>45.20</b>	<b>40.51</b>	<b>41.02</b>
	3.1 Trade and Tourism	17.33	18.06	18.48	17.19	15.47
	3.1.1 Wholesale & Retail	16.61	17.42	17.86	16.58	14.98
	3.1.2 Hotels & Restaurants	0.72	0.64	0.62	0.61	0.49
	3.2 Transport, Storage and Communication	6.75	5.32	5.18	4.77	7.20
	3.3 Finance, Insurance and Real Estate	6.42	6.17	5.90	5.53	5.44
	3.4 Government Services	3.83	2.78	4.43	3.10	3.79
	3.5 Other Services	5.85	5.08	4.56	4.23	3.60
	3.6 Education	2.36	2.25	2.22	2.00	2.51
	3.7 Health	3.74	4.07	3.76	3.08	3.15
	3.8 NPISH	0.89	0.76	0.67	0.60	0.46
<b>4.</b>	<b>Financial sector and banks</b>	<b>0.82</b>	<b>0.95</b>	<b>0.94</b>	<b>1.08</b>	<b>1.57</b>
<b>5.</b>	<b>Gross Domestic Product at Producer Prices (1+2+3-4)</b>	<b>94.05</b>	<b>95.68</b>	<b>95.65</b>	<b>94.10</b>	<b>95.48</b>
<b>6.</b>	<b>Indirect Taxes (Net)</b>	<b>5.95</b>	<b>4.32</b>	<b>4.35</b>	<b>5.90</b>	<b>4.52</b>
<b>7.</b>	<b>Gross Domestic Product at Market Prices (5+6)</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>	<b>100.00</b>

Source: Statistics Sierra Leone 2006 National Accounts

## CHAPTER THREE:

### POVERTY IN SIERRA LEONE

#### 3.1 Definitions of Poverty

Perhaps the most significant indicator of Sierra Leone's human development challenge is the degree of poverty. Poverty has both qualitative and quantitative definitions.

Qualitatively, through the participatory exercise used to prepare the PRSP, the people have defined poverty from a basic needs perspective as “the lack of basic needs and services such as food, money, shelter, clothing, health facilities, schools and safe drinking water”. Although both men and women also mentioned lack of money and shelter, the common perception of poverty from all socio-economic groups is the lack of food, and hunger is a primary concern for children in particular.

Quantitatively, the PRSP of 2005 used data obtained from the Integrated Household Survey of 2004 to compute two poverty lines: the line for expenditure below which an individual is in Food or Extreme Poverty, and the (higher) level for expenditure below which an individual is in Full Poverty. The Food or Extreme Poverty Line was defined as the level of expenditures required to attain the minimum nutritional requirement of 2700 calories per equivalent adult. This translated into an expenditure of Le1,033 per day (US\$1.00 equivalent), that is Le377,045 per year per equivalent adult, using 2004 prices. If a household was unable to provide the level of expenditure to attain the minimum nutritional requirement, it implied that even if the total household's expenditure were dedicated to food, the household would be unable to feed itself at a minimal level. Thus a household whose potential full expenditure fell

below this threshold was considered to be food poor, or to be in extreme poverty.

However, in assessing the level of poverty there is increasing focus on including non-income dimensions by paying special attention to such basic needs as access to safe water, education and health care, and adding these to the Food or Extreme poverty line. The necessary non-food expenditure, per adult equivalent, was estimated at Le393,633 per year for basic facilities such as health and education. Adding this figure to the Food Poverty Line gives the full poverty line of Le770,678 per year or Le2,111 per day per capita, as shown in Table 2.5 below. This “Full Poverty Line” is the National Poverty Line: a household whose expenditure on food and basic needs falls below this level is considered to be poor; these are also referred to as the “total poor”.

**Table 3.1 Poverty Lines in 2004**

	<b>Food/ Extreme Poverty</b>	<b>Full Poverty (Food and Basic Needs)</b>
<i>Daily (US\$)</i>	<b>1.00</b>	<b>2.00</b>
<i>Daily (Le)</i>	<b>1,033</b>	<b>2,111</b>
<i>Monthly (Le)</i>	<b>31,420</b>	<b>64,223</b>
<i>Annual (Le)</i>	<b>377,045</b>	<b>770,678</b>

*Source: PRSP, 2005*

#### 3.2 Poverty Levels

According to the above definitions of poverty, Figure 3.1 below shows that about 26 percent of the population is food poor, or in extreme poverty. This translates to about 1,248,000 persons who cannot even afford as basic a necessity as food. When minimum spending on other basic necessities are added, the percentage in poverty – the total poor whose expenditure is below the full

poverty line – increases to about 70 percent. The basic needs in the full poverty definition include those indicated by the participatory exercise: food, safe water and sanitation, shelter, good health, basic education, and a household's easy access – both in terms of affordability and distance – to various economic and social infrastructure such as schools, health facilities, markets and public transportation. Unfortunately, there are insufficient data to show recent trends in poverty levels.

### 3.2.1 Human Poverty Index

The HDR calculation of a Human Poverty Index (HPI), shown in Chapter 1 and discussed further in Chapter 4, allows

comparisons of the levels of poverty in Sierra Leone with those in other countries. The HPI (see Annex 3) assesses poverty on the basis of factors such as literacy, life expectancy, access to safe water, and the proportions of the population living with poverty-level incomes.

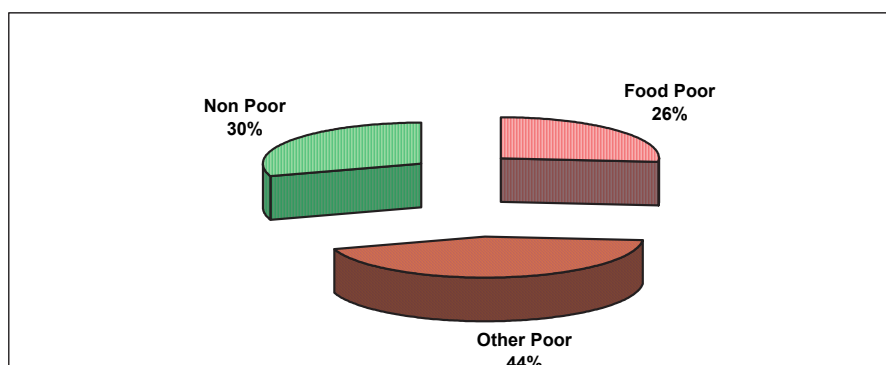
Table 3.2 shows a recent calculation of HPI for Sierra Leone with values for four neighbouring countries, all classed as having a poor socio-economic status as shown by their Human Development Index. Sierra Leone's HPI, of about 52 percent, places it among the 10 poorest countries in the world.

**Table 3.2 Comparing Sierra Leone's 2005 Human Poverty Index to other Developing Countries (Most recent available)**

Note: the countries shown are all classified as having low Human Development Index

	Gambia	Guinea	Mali	Niger	Sierra Leone
<b>HDI Rank in 2005</b>	<b>155</b>	<b>160</b>	<b>174</b>	<b>177</b>	<b>176</b>
<b>Human Poverty Index Value (%)</b>	44.7	52.0	60.2	56.4	51.9
<b>Probability at birth of not surviving to age 40 (% of cohort)</b>	27.6	30.0	37.3	41.4	47.0
<b>Adult illiteracy rate (% age 15+)</b>	62.2	70.5	81.0	71.3	64.9
<b>Population without access to an improved water source (%)</b>	18.0	50.0	50.0	54.0	43.0
<b>Population living below \$1 a day (%)</b>	59.3	..	72.3	60.6	57.0
<b>Population living below \$2 a day (%)</b>	82.9	..	90.6	85.8	74.5
<b>Population living below the national poverty line (%)</b>	57.6	40.0	63.8	63.0	70.2

Source: UNDP Human Development Reports, 2005 and 2006.

**Figure 3.1 National Poverty Headcount**

Source: PRSP, 2005

**Table 3.3 Poverty by District in 2004**

District	Total (%)	Poor (%)	Food Poor (%)	District	Total (%)	Poor (%)	Food Poor (%)
<b>National Average</b>	70.0		26.0				
Bo	64.0		25.0	Bombali	89.0		63.0
Bonthe	85.0		35.0	Kambia	69.0		9.0
Moyamba	68.0		16.0	Koinadugu	77.0		29.0
Pujehun	59.0		14.0	Port Loko	82.0		20.0
Kailahun	92.0		45.0	Tonkolili	84.0		32.0
Kenema	88.0		38.0	Western Urban	15.0		2.0
Kono	66.0		22.0	Western Rural	45.0		15.0

Source: PRSP 2005

### **3.3 Geographical Distribution of the Poor**

Table 3.3 gives the incidence of poverty by district in 2004. The poorest districts in order of the incidence of poverty were Kailahun, Bombali, Kenema, Bonthe and Tonkolili where more than 8 out of 10 people lived in full poverty. Furthermore, it shows over 4 out of 10 people in Kailahun and 6 out of 10 people in Bombali district were food poor, living in extreme poverty.

Kailahun District with a high incidence of poverty suffered very much from the civil war, with devastated economic and social infrastructure, exacerbated by its remoteness and isolation from other major towns. The war negatively impacted on agricultural output, particularly cocoa and coffee production, which was the main means of earning household income during peace time. Most of the tree crop plantations were abandoned for over ten years. The restricted source of income from agriculture needs to be diversified by engaging in other economic activities to broaden the income base of these farming households. In Kenema district the majority of the working populace are engaged mainly in alluvial mining activities, which is an unreliable income earner. Bombali District relies mostly on subsistence agriculture with no other economic activity or source of income and employment.

### **3.4 Demographic Characteristics of the Poor**

#### ***3.4.1 Incidence of Poverty by Age and Gender of Household Head***

Young household heads tend to have smaller and younger families, while older heads may have larger families. The low educational levels of older households with inappropriate work experience and skills for a rapidly changing global economy may reduce their chances for income generation. Likewise, young households, recent school leavers and recent migrants to urban areas usually starting life with inadequate capital are expected to be more vulnerable. However, as the household matures, it accumulates productive resources and other assets, and becomes less poor, but as the household head nears retirement, poverty will re-emerge in the absence of inadequate social security safety nets.

The incidence of poverty is highest in households headed by men aged 65 years and over (78.5 %), compared to those headed by women of the same ages (60%). Table 3.4 shows how age and gender relate to poverty.

#### ***3.4.2 Poverty by Household Structure***

About 56 percent of the population lives in a traditional household structure, one-man-one-wife, with the average

household size about 6 persons. Nearly 23 percent of the population lives in polygamous households, with one man and several wives, and an average of about 9 persons per household. Around 3 percent of the population lives in households which are single male-headed but de facto female-headed (where the man leaves the woman in charge to secure a job elsewhere), 18 percent in de facto female-headed households, and 15 percent in de jure female-headed households. The average household size is 4 for households headed

by a single male, and 6 for those that are female-headed. Polygamous households have the highest poverty level (see Table 3.4) and are the most prone to food security problems, as well as low literacy and more school attendance problems.

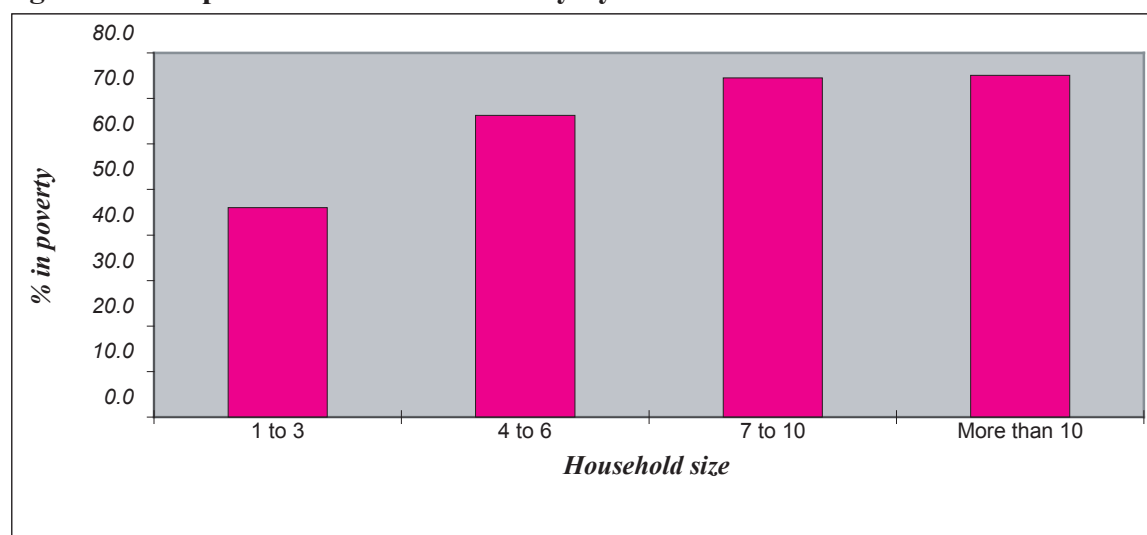
Figure 3.2 shows that many households are in poverty because there are too many dependants (many of them children) for too few workers, whose earning is inadequate to cater for their needs. Poor

**Table 3.4 Poverty in Sierra Leone by Age Group and Gender of Head**

Age Group	Male Headed			Female Headed		
	Incidence of poverty (P <sub>0</sub> )	Intensity of Poverty (P <sub>1</sub> )	Severity of Poverty (P <sub>2</sub> )	Incidence of poverty (P <sub>0</sub> )	Intensity of Poverty (P <sub>1</sub> )	Severity of Poverty (P <sub>2</sub> )
15-25	62.8	24.1	9.3	67.4	26.0	10.1
26-35	64.1	26.5	10.9	69.1	28.3	11.7
36-45	70.7	29.9	12.6	70.3	31.3	13.9
46-55	71.6	31.6	13.9	68.6	30.0	13.2
56-65	74.0	32.0	13.8	66.5	28.1	11.9
66 and Above	78.5	35.0	15.6	60.0	24.2	9.7
All	70.2	30.1	12.8	67.6	29.0	12.4

Source: PRSP, 2005

**Figure 3.2 Graphic Illustration of Poverty by Household Size**



Source: PRSP, 2005

households are generally larger than the typical Sierra Leonean household. Invariably, poverty increases with household size and households above six members are most likely to have poverty levels above the national average.

### **3.5 Strategies towards Poverty Reduction - Post-War Development Programmes**

The rebel war officially ended in January 2002 and national legislative and presidential elections were peacefully held in May of the same year. Sierra Leone's conflict emanated from decades of economic mismanagement, widespread corruption, ineffective state control over economic and political activities, and poor investment in crucial economic and social sectors. The decade-long dreadful civil war also curtailed the Government's ability to sustain economic, social and political reforms. However, considerable progress has since been made in stabilising the economy and removing many of the structural impediments to growth and development. The fundamental programmes developed and implemented include the Interim Poverty Reduction Strategy Paper (I-PRSP) of September 2001, National Recovery Strategy (NRS) launched in October 2002, and the Poverty Reduction Strategy Paper (PRSP) of March, 2005.

#### **3.5.1 Interim Poverty Reduction Strategy Paper**

The I-PRSP outlined Government's priority to address the challenges of transition from war to peace. It aimed at reconstructing the country by tackling the root causes of the war, through amenable poverty reduction and pro-poor economic growth programmes.

It emphasized: (i) restoring national security, good governance, justice and human rights; (ii) re-launching the economy for stability and employment creation to raise productivity; (iii) fighting poverty and delivering quality public services and (iv) providing basic social services to the neediest groups.

#### **3.5.2 National Recovery Strategy**

The NRS was intended to further build on the provision of social and economic services in the immediate post-war period and consolidate the gains made in implementing the I-PRSP. This strategy was based on in-depth district assessments of local needs, prioritised with community participation, to link emergency humanitarian assistance to longer-term development challenges. It focused on (i) strengthening state authority and human rights; (ii) promotion of peace-building and reconciliation; (iii) furthering resettlement, reintegration and rebuilding of communities; (iv) expanding access to previously inaccessible areas and expediting service delivery; and (v) stimulating economic recovery.

#### **3.5.3 Poverty Reduction Strategy Paper**

The PRSP sets out the nation's present Poverty Reduction Strategy. It underpins the importance of reducing poverty, as a primary focus in the development agenda. Though obvious achievements were made by the implementation of the I-PRSP and NRS, poverty reduction still remains urgent, now and in the foreseeable future. Some of the emerging post-conflict challenges to be pursued by Government



and the people of Sierra Leone include accountability, transparency and corruption, increased investment in health, education, infrastructure and trade, to help deliver economic growth and overall development. Included in this overall development package, the need to address the MDGs is paramount.

The government formulated the PRSP with wide participation, based on a national dialogue, as a comprehensive, medium-term development plan to support the gains from the I-PRSP and the NRS. The PRSP was endorsed by a donor's conference in November, 2005.

Its first three-year implementation cycle ends in 2007. The PRSP has three main pillars, shown in the Box. It strives to

achieve the MDGs and the long-term aims of Vision 2025, meant to impact on the living conditions of the people, and to provide a stable base for addressing the causes of conflict and poverty.

It proposes to tackle various short-term challenges that broadly impact on human development: in the health sector HIV/AIDS, malaria, typhoid and various communicable diseases; in the education sector the need to provide universal quality primary education, especially for girls; in the housing sector the need to provide affordable shelter for those that require it; and in the labour sector the need for creation of labour-intensive job opportunities, particularly in public works, mining and agriculture.

**Box 6**

**The Three Pillars of the PRSP**

**Pillar 1: Promote good governance, peace and security**

**Pillar 2: Promote pro-poor sustainable growth for food security and job creation**

**Pillar 3: Promote Human Development**

Source: Poverty Reduction Strategy Paper, March 2005

## **3.6 Other Poverty Alleviation Schemes**

### **3.6.1 Vision 2025**

“Vision 2025”, published in 2003, outlined the Government’s long-term development strategy. It identified the key objectives to be achieved for Sierra Leone to leave conflict behind forever and provide a better life for its people. Vision 2025 was based on the desire to create a better future – a future characterised by the virtuous circle of peace, stability and wealth creation, in place of the vicious circle of poverty and underdevelopment. With over three decades of exceptional political, social and economic failure, it has become increasingly important to tackle these downward trends, using strategic and comprehensive development approaches. The general focus is to build a better future through development programmes that will ensure sustained growth and human development, in a peaceful and secure setting. Considering its resource base, Sierra Leone has tremendous potential for raising the quality of life of its entire population. The goals and strategic analyses outlined in the document form the basis for a national vision. This vision, which was developed through consensus, appropriately summarises the development doctrines, which Sierra Leoneans have accepted as a guide for their development efforts. The strategic areas of focus chosen are to: (i) build a well-educated and enlightened society; (ii) create a high quality of life for all Sierra Leoneans; (iii) create a tolerant, stable, secure and well-managed society based on democratic values; (iv) attain a competitive, private sector-led economic development with effective indigenous participation; (v) ensure sustainable exploitation and effective utilisation of our natural resources while maintaining a healthy environment; and (vi) become a science and technology driven nation.

### **3.6.2 National Social Action Programme**

As part of the National Social Action Programme, a “social fund” was established in November 2001, to rebuild social and economic infrastructure at community level. Implemented by the National Commission for Social Action (NaCSA), it is the successor to the National Commission for Reconstruction, Resettlement and Rehabilitation (NCRRR) that coordinated post-conflict humanitarian, relief and reconstruction assistance and provided oversight to donor-funded projects. NaCSA is responsible both for completing the remaining tasks of the NCRRR in humanitarian co-ordination, reconstruction, resettlement and rehabilitation, while helping the transition from relief to sustained economic growth and development. The "Social Fund" approach was adopted to accelerate durable human and technical capacity building and provide effective assistance in multiple sectors in our post-conflict environment.

Other post war development efforts undertaken, by the Government and its development partners, include rebuilding of basic infrastructure (roads, schools, hospitals, clinics, court houses, etc.), improvements in agricultural outputs and provision of social services (education and health), strengthening of public financial management, financial accountability and reporting systems, enhancement of private sector activities, and the reintroduction of political devolution has also progressed with the enactment of the Local Government Act 2004.

## CHAPTER FOUR:

### STATUS OF SOCIO-ECONOMIC INDICATORS

#### 4.1 Introduction

Key socio-economic indicators have been selected in this chapter, showing their central role in enhancing human development, and hence poverty reduction, and how they relate to decentralisation. Human capacity-building issues remain central to human development, to enhance an individual's capacity to alleviate his or her levels of poverty.

- Consequently, the level of education and the status of health of the people are presented. In addition, access to shelter or housing, and water and sanitation are also selected. Water and sanitation complement the provision of health services in ensuring a healthy population.
- Agriculture has been selected as a key indicator, highlighting its importance in the economy, and hence its contribution to poverty reduction. Agriculture is also important because most of the poor participate in this sector for their livelihoods. The role of decentralisation is vital in enhancing the agriculture sector.
- A picture of the employment status of the people of Sierra Leone is also provided.
- The importance of gender dynamics in all of these indicators cannot be over emphasised warranting the inclusion of a sub section that gives a vivid picture of gender participation as it relates to women.

#### 4.2 Selected socio-economic indicators

##### 4.2.1 Education

Education is a major contributor to human development. It has both an intrinsic value (the benefits of being educated) and an extrinsic value (the potentials that exist for an educated person). Therefore the desire to educate the population is great, though the benefits of education are long term in nature; reaping these benefits tomorrow requires investment today. In Sierra Leone, investment in education has been identified as an important ingredient to future socio-economic growth. This is shown by the rising total expenditure on the education sector as Table 4.1 presents.

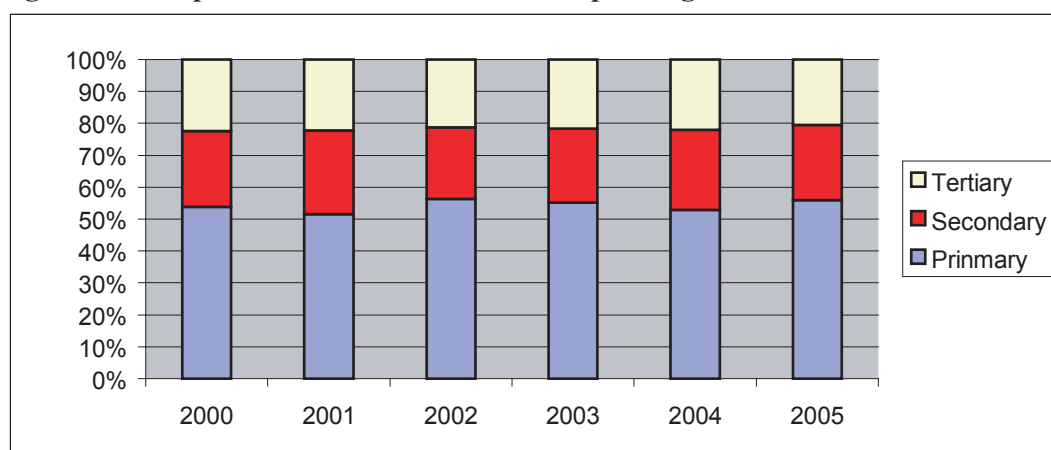
Figure 4.1 (and Table 4.1b in Annex 1) show the distribution of education expenditure on different sub-sectors of education. Between 2000 and 2005 nearly half of total education expenditure goes to basic education. This highlights the government's commitment to education for all.

The provision of widespread education is a fundamental prerequisite for human development. Education helps to empower the population, especially the poor, to enhance their income-earning potential, and to improve the quality of their lives. Without basic education, without basic skills and knowledge, the

**Table 4.1 Total Education Expenditure (Millions of Leones)**

Year	Expenditure	Gross Domestic Product	% of GDP
2001	68,137	2,324,143	3.4
2002	87,088	2,745,352	4.43
2003	110,008	3,415,884	4.41
2004	136,173	4,035,098	3.80
2005	126,825	3,579,881	3.39
2006 budget	163,484	3,928,858	3.81

Source: Budget Bureau, Ministry of Finance

**Figure 4.1 Proportions of Public Education Spending on Sub-Sectors****Table 4.2 Adult Literacy Rates by Administrative Districts**

District	Adult Literacy Rates (%)		
	Total	Male	Female
<b>Eastern Province</b>	27.00	38.00	17.00
Kailahun	28.00	41.00	17.00
Kenema	27.00	37.00	17.00
Kono	26.00	35.00	16.00
<b>Northern Province</b>	23.00	37.00	13.00
Bombali	28.00	41.00	17.00
Kambia	24.00	42.00	12.00
Koinadugu	16.00	26.00	8.00
Port Loko	25.00	38.00	14.00
Tonkolili	22.00	33.00	12.00
<b>Southern Province</b>	29.00	41.00	19.00
Bo	36.00	48.00	25.00
Bonthe	23.00	34.00	15.00
Moyamba	26.00	38.00	16.00
Pujehun	23.00	35.00	13.00
<b>Western Area</b>	63.00	73.00	53.00
Western Area Urban	66.00	75.00	56.00
Western Area Rural	48.00	60.00	37.00

citizens lack the tools to break the cycle of under-development and poverty. Basic education makes people more productive and more likely to develop. Multiple benefits are especially achieved by educating women. Statistics across the world show that educated women have lower fertility rates and their children have lower infant mortality rates. Likewise, educated mothers are more likely to use health services and to send their children to school. However, in Sierra Leone, as shown in Table 4.2, the percentage of adult literate males doubles that for females, especially outside the Western Area.

Sierra Leone's adult literacy rate of 34 % is one of the lowest in the world. The Western Area including Freetown has the highest literacy rate, 63 percent, whereas the mainly rural provinces are much lower (East 27 percent, North 23 percent and South 29 percent).

Government remains committed to the goals of Universal Primary Education and improving the quality of basic education. It also supports development of higher education, to produce high-level skills essential for economic growth and competitiveness. Therefore, a total of Le 58.7 billion was allocated from the recurrent budget for 2006 to cover (i) primary education text books, teaching and learning materials and fees subsidy; (ii) secondary education, to support payment of examination fees (NPSE, BECE, WASCE and WAEC); (iii) promotion of the girl child policy; (iv) support to tertiary educational institutions; (v) construction of primary schools and rehabilitation of Njala University and Bunumbu Teachers College and (vi) grant for the devolved functions in the education sector covering primary education-cost of textbooks, school fees subsidy, and teaching and learning materials for District Education Council schools.

**Table 4.3 Gross Enrolment Rate for Primary and Secondary Schools**

	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Primary school</b>	122%	121 %	117%	113%	109%
<b>Secondary school</b>	41%	22%	25%	26%	27%

Government's current policy on education of the girl child is commendable. The increasing enrolment of girls is not only encouraging but will narrow the male-female divergence in adult literacy. According to SLIHS 2004 results, the gender enrolment ratio increased from 87.2 percent in 2001 to 98 percent in mid 2003. The primary gender enrolment ratio is highest in the Western Area (112 percent) and lowest in the Northern Region (42 percent).

The ratios for the Eastern and Southern Regions are 52 percent and 76 percent respectively.

In Sierra Leone the outcome of investments on education is clear. In the early 1990's, the Gross Enrolment Rate (GER) was 51 percent and 17 percent in primary and secondary schools respectively.<sup>11</sup> In 2001, the Gross

<sup>11</sup> Primary education in Sierra Leone is for years 1 to 6, that is ages 6 to 12. Junior Secondary School (years 7-9) is for ages 13-14, and Senior Secondary covers years 10-12.

Enrolment Rate in primary school was estimated at 90.4 percent and rose to 121.8 percent at the end of 2002/03 school years (SLIHS, 2003/04). The percentage goes above 100%, since children outside the primary school age group were enrolled in primary classes, probably mainly because of over-age enrolment from those who missed primary education during the hostilities, while others are starting below primary age, or stay in school beyond the normal leaving age after repeating classes. Even so, the outcome is impressive. (Table 4.3)

The GER for secondary schools was 40.9 percent, with JSS having 46.7 percent and SSS 34.0 percent in mid 2003. According to the 2004 Population and housing census results, the GER for primary schools was 104%; while that for JSS and SSS were 41% and 22% respectively. Different types of survey always give different figures for enrolment rates.

One key reason for the increase in school attendance is that the government has introduced social safety programmes including specific support for education to assist the poor. These included school feeding programmes in some districts, and free primary education targeting all pupils in government and government assisted schools. Support for the girl-child (free tuition, books and uniforms) is provided in Junior Secondary Schools in the Northern and Eastern Regions, selected because they have relatively low school enrolment rates of girls. All of these have helped parents keep their children in school, particularly at the lower grades where they are more vulnerable to being withdrawn in order to work or forced into early marriage. Also, parents are increasingly aware of the benefits of educating their children and

make considerable sacrifices (selling some of their belongings, going without food, etc.) to keep their children in school.

The 2004 Census results showed marked disparities in gender and among local government areas in enrolment at the secondary school level. However, in recent years, the overall JSS gender enrolment ratio has improved significantly, rising from 0.63 in 2000 and 2001 to 0.72 in mid 2003.

Investment in basic education and increasing access at the post-primary level, especially in the rural areas, are still key challenges. Poverty remains at the heart of the problem: the rural poor lack essentials of life, and are isolated, while in many locations the primary schools do not have trained and qualified teachers for the same reasons. In villages and towns with qualified teachers, the pupil to teacher ratio is very high, causing overcrowding in schools. The overcrowding is exacerbated by the recent government drive to encourage more children to go to school.

Other key challenges for human resource development and capacity building in the education sector in Sierra Leone include the need to expand facilities at junior secondary level to meet the growing demand from children successfully completing primary, the inadequate number of qualified teachers for all the basic and tertiary levels, the poor state of science teaching and the absence of Information Communication Technology (ICT) in secondary schools. There is also the relative neglect of higher education, with resource constraints, shortages of essential personnel for science and technology teaching, as well as for applied agricultural

research and extension. This state of affairs in education risks prolonging the present, low-technology phase, which affects the country's ability for sustainable development and poverty reduction.

#### 4.2.2 Health

Like education, the provision of basic health services will help promote human development. The state of health of Sierra Leone's population is poor. The government continues to intensify efforts to improve health care systems to reduce infant, under-five and maternal mortality, and prevent communicable diseases. As Table 4.4 shows, Government expenditure on health has been generally increasing over the years and this is of particular importance as the public health services in Sierra Leone are the major source of health care for the large proportion of people living below the poverty line, and in rural areas, who are not serviced by the private sector. Compared to other countries in the sub region, Sierra Leone's health expenditure per capita was the least in 2001- see table 4.3b in Annex 1. However, by 2004 government expenditure represented just over US\$2 per head of population. For fiscal year 2006, Le29.2 billion was allocated under the recurrent budget to the Ministry of Health and Sanitation for primary, secondary and tertiary health care services, and drugs and medical supplies; Le9.1 billion was allocated for the devolved health care services; Le1.4 billion for solid waste management and Le600 million to complement donor resources for rehabilitation of tertiary hospitals and the strengthening of district health services.

By the end of the conflict, health standards had declined to very low levels. The clearest indications are declining life expectancy at birth from 42 years in 1990 (before the

conflict) to 34.3 years in 2002 (end of conflict).

**Table 4.4 Total Health Expenditure (Millions of Leones)**

Year	Expenditure	GDP	% OF GDP
2001	23,515	2,324, 143	<b>1.20</b>
2002	33,999	2,745,352	<b>1.71</b>
2003	40,214	3,415,884	<b>1.74</b>
2004	25,802	4,035,098	<b>0.89</b>
2005	38,000	3,578,881	<b>1.08</b>
2006	56,123	3,928,858	<b>1.31</b>

Source: Budget Bureau, Ministry of Finance

Similarly, infant and under-five mortality rates were estimated at 165 and 284 deaths per 1000 live births in 2002 compared to 185 and 323 in 1990. The maternal mortality rate during 1985-2002 was estimated at 1,800 deaths per 100,000 live births. Child mortality rates are directly linked to the incidence of poverty, mother's educational attainment and most important of all provision of basic health facilities. Urban mortality rates are lower relative to rural rates.

Fertility rates are high, estimated at 6.5 per woman between 2000 and 2005. In 2001, 50 percent of the population were undernourished, with children under five severely affected, especially those with illiterate mothers in poor rural communities. Table 4.5 summarizes demographic and other health-related indicators.

Diseases such as malaria and tuberculosis are prevalent and widespread, and recently the HIV/AIDS epidemic has been posing a particularly serious challenge. According to the Sero-Prevalence survey done in 2005, the estimated national prevalence of HIV/AIDS is 1.5 percent, with the Koinadugu district having the highest, at 3.0 percent. According to this result, at least 70,000 Sierra Leoneans may be living with the HIV virus. These figures further demonstrate the urgent need for assistance to control or rapidly stem a potential increase in the epidemic.

Despite all the difficulties, Sierra Leone has been able to establish a network of health centres and clinics throughout most parts of the country. Although these are numerous they are not of particularly high quality, are inaccessible, inadequately stocked with basic medicines, and run by inadequate, poorly motivated and poorly trained personnel. Furthermore, poorer families are often deterred by user charges or the need to pay prescription charges and meet other out-of-

pocket expenses. Only the Western Area meets the WHO recommended staffing ratio to population of one doctor per 12,000 population, with Kailahun district having a doctor-population ratio of 1:191,340, a very big divergence from the WHO recommendations. The general population utilisation rate of health care facilities is estimated at 0.5 contacts per capita per annum, implying that only one-half of the population attends a health care facility at least once a year.

**Table 4.5 Demographic and Other Health Indicators, 2004-2005**

Population	4,976,871	Contraceptive Prevalence	4 percent
Crude Birth Rate	48.2/1000	Disability Prevalence	2.4 per thousand
Crude Death Rate	20.1/1000	Underweight Prevalence	31.8 percent
Infant Mortality Rate	170/1000	Stunting Prevalence	40 percent
Under Five Mortality Rate	286/1000	Prevalence of HIV	1.54 percent
Maternal Mortality Rate	1,800/100,000 live births	Access to Health Services	40 percent
Life Expectancy at Birth (2004)	48.4 years	Access to Safe Water	46 percent
Average Completed Fertility	5.9 births/woman	Access to Sanitation	30 percent
Total Fertility Rate 2002-2005	6.1 births/woman		

Sources: Census 2004, MICS-3 2005, Annual Statistical Digest 2005-2006, and MOHS Directorate of Planning and Information

The importance of tackling these health problems, in order to have a healthy workforce and people, is immense. Good health, like education, is desirable for itself but also for its wider effects. A well educated but unhealthy woman or man will be less productive. Also, with a low life expectancy, the known knowledge of education to produce positive effects in the long term will not be achievable. Children who are in poor health learn ineffectively. There is the need therefore to treat these two indicators – education and health – simultaneously. Their relevance is further recognised considering that poor human capacity is a hindrance to proper local governance. Decentralisation creates the opportunity for people in the country to use their skills. But if skilled persons are lacking, either because of low levels of education or poor health, then these opportunities cannot be taken advantage of.

#### **4.2.3 Housing**

Sierra Leone's housing situation is in a serious crisis. This is another demonstration of the high level of poverty in both rural and urban areas. Well over three hundred and fifty thousand dwellings were destroyed during the war and more than one million people were displaced. Much of the displaced population returned and resettled mainly in rural communities, with less than 20 percent of them receiving support for family shelter from the NGO community or from government through NaCSA. Those who refused to return to their previous rural settlements have stayed in urban areas, causing a rapid increase in urban population and a serious deterioration in housing conditions (slums), congestion, overcrowding and acute shortage, especially in Freetown. This problem is both quantitative in terms of the number of



facilities for the population, and qualitative in terms of the type of housing units they occupy. The majority of households are poor and generally live in poor shelter.

According to the 2004 Population and Housing Census, about 75 percent of households own the houses they occupy, while about 19 percent live in rented housing, 3.4 percent live in subsidised housing. However, the quality of houses is low. Over 70 percent of houses are constructed with mud bricks or mud and wattle; about 26 percent are roofed with thatch or other poor quality roofing.

In the past, government had done little to alleviate the housing situation, apart from a few low-cost houses in Freetown, and government quarters in large towns. Recently, with support from NGOs, it has made strides to reconstruct houses in selected rural communities during the post-conflict reconstruction phase. The recent strides by the National Social Security and Insurance Trust (NASSIT) to tackle the housing problem are worth commending, even though this project is still at its initial stage.

#### **4.2.4 Water and Sanitation**

The situation with drinking water and sanitation facilities is described in the SLIHS and the MICS-2. Nearly 59 % of the population had access to improved drinking water in 2004 according to SLIHS. There is a

general disparity between urban and rural areas, with about 74 % of the urban population and 46 % of the rural having access to safe drinking water. Some 34% of households depend on rivers or streams, 13% on ordinary wells, 11% on mechanical wells, 15% on public taps, 5% on a tap in their compound and 2% on pipe indoor for water supply. As shown in Table 4.6, the sources of drinking water are inadequate and appalling, particularly for the majority of the rural population who use water from untreated, contaminated sources such as rivers, pools, shallow wells, springs and swamps, which largely contributes to their poor health situation.

During the ten-year war, existing water facilities in various towns and villages were not maintained or were destroyed. As Table 4.6 shows, while the overall water situation is poor, some regions are even worse off. The Northern Province particularly registers a high percentage of people without access to safe drinking water. However, some progress is taking place. For example, although Moyamba District in the South had about 80% of its inhabitants without safe drinking water in 2004, that situation greatly improved in 2005. The Moyamba District Council has successfully implemented a water project; Moyamba Township inhabitants now enjoy pipe-borne water. These are the initial fruits of local governance which, in selection and execution of relevant projects within a short period, signal efficient service delivery.

**Table 4.6 Population without access to an improved water source**

DISTRICT	Percent of Population		
<b>Eastern Province</b>	<b>46.1</b>	<b>Southern Province</b>	<b>52.1</b>
Kailahun	46.2	Bo	30.7
Kenema	43.2	Bonthe	67.5
Kono	50.3	Moyamba	79.7
<b>Northern Province</b>	<b>65.5</b>	Pujehun	51.5
Bombali	57.6	<b>Western Area</b>	<b>12.7</b>
Kambia	67.7	Western Area Rural	21.3
Koinadugu	69.2	Western Area Urban	10.8
Port Loko	64.8		
Tonkolili	71.2		
<b>National</b>	<b>47.0</b>		

**Source: 2004 National Population and Housing Census**

The sanitation situation is also unsatisfactory. Nearly eighty-three percent of households nationwide use pit latrines, buckets, bush and rivers or streams for human waste disposal. Almost all rural villages have inadequate toilet facilities, which poses serious health and environmental problems for the communities. The situation in urban areas is not much different with generally deplorable systems of solid waste disposal. Most households dump refuse on roadsides, in drains, or in backyards. The problem has been further compounded by the increasing rate of urbanisation coupled with the inadequate infrastructure and services for solid waste disposal. The 2005 MICS-3 reported 70 percent of households using inadequate sewage and refuse disposal facilities, contributing to the spread of water-borne diseases, malaria and general pollution. The urban poor are also exposed to atmospheric pollution, and are the most likely to live close to waste dumps.

#### 4.2.5 Environment

Sierra Leone's economic growth and, by extension, human development and the quality of people's lives, depends largely on activities based on utilization of natural resources for agriculture, mining, fisheries and tourism. Therefore, as economic progress continues to emphasize rapid growth, especially in agriculture, fisheries and tourism, there is urgent need to maintain its environmental resources for subsequent generations.

The country is confronted with challenges of environmental degradation as a result of demographic, economic and social demands. Rapid population<sup>12</sup> increases, migration and poverty due to poor economic performance have increased demands on natural resources and the environment, resulting in its poor and uncontrolled use, as evidenced by rapid deforestation and land degradation.

<sup>12</sup>The average annual population growth rate of Sierra Leone from 1978 to 2002 was 1.8%; this is projected as 2.3% from 2002 - 2015.

**Box 7****Selected Indicators of Environmental Sustainability in Sierra Leone**

- Proportion of population depending on fuel wood as main energy source: 95%
- Total area of Forests (1990): 6.3 million hectares
- Annual Deforestation (1990): 3,000 hectares per annum or 0.05% annually
- Current Deforested Area: 87% of Total Forest Area
- CO2 Emissions from Industrial Processes (metric tons): 400,000 to 600,000 Mt
- Annual Fresh Water withdrawal (1970-1994): 0.4 Cu Km or 20% of Total Water Resources

**Source:** UNDP Human Development Reports 1995-2000.

As stated earlier, inadequate sanitation continues to present adverse environmental and health hazards to city dwellers, with toxic and mobile chemicals entering the air, water and soil. Sadly, no statistics relating to such destructive practices are available for comparative purposes. There are continuous land clearing activities for urban expansion and for development projects involving housing and industrial construction, with further severe environmental implications.

**Deforestation.** Agricultural production, discussed below, is vital to development and especially so for the poor. A cycle of poverty and deforestation exists especially among the small subsistence farmers who cultivate ecologically fragile land. Farmers still engage in traditional slash and burn land-clearing (with reduced bush fallow periods). The majority of the population uses firewood and charcoal for cooking (over 80% of energy used is derived from biomass), and bush poles for construction. These practices also contribute adversely to increased use of biomass, consequently leading to deforestation, estimated at 3,000 hectares per annum. It is also estimated that 600,000 hectares of forested lands (or 8% of total arable uplands) have been cleared for farming. About 4 million cubic meters of wood

biomass is extracted annually to meet domestic energy needs. With the cutting down of forests, which leads to drought and soil erosion, the poor who depend on forest products suffer most as they lose their sources of livelihood.

Destruction of forests affects women and children who have to forage for fuel. This limits their choices with respect to family fostering activities, school attendance, etc. On the whole, the poor are highly vulnerable to environmental degradation. The rich can often purchase alternatives. Health can be seriously affected by the use of biomass for cooking, since inhalation of smoke causes respiratory infections, especially in women and children who are usually involved in cooking chores.

**Degradation of savannah.** Over 60% of the cattle and small ruminant population is concentrated in the northern region, with over 8,300 sq km of land lying bare due to overgrazing. There is complete lack of range and pasture management; bush fires affect nearly 200,000 hectares of savannah woodlands annually. The combined effects of overgrazing and bush fires have created a noticeable ecological change from savannah woodland in these areas.

**Mining degradation.** The uncontrolled exploitation of mineral resources and the apparent lack over the years of mitigating policies and conservation programmes, especially in the eastern and southern regions, have contributed to environmental degradation with devastating consequences. An estimated area between 80,000 and 120,000 hectares has been mined in different parts of the country causing vast deforestation and degradation with minimal efforts at reclamation.

#### **4.2.6 Agriculture**

Agriculture, including livestock and fisheries, is the sector where the largest numbers work (75 percent of the population). It is an important contributor to the overall economy, contributing 45 % on average to the GDP. Unfortunately, farmers, especially subsistence food crop farmers, are among the poorest people in the country.

The government gives a high priority to achieving food security. In May 2002, His Excellency, the President declared that "...no Sierra Leonean should go to bed hungry (by the year 2007)." The overall objective is to reduce hunger and malnutrition and accelerate attainment of the MDGs, especially MDG 1: the eradication of extreme poverty and hunger by 2015.

Attaining food security will contribute significantly to the improvement of other important human development indices, especially the reduction of child malnutrition and mortality and improvement in maternal health. For this purpose a Right to Food Secretariat (RFS) has been set up by Government and its partners to coordinate activities of key partners to accelerate the

achievement of food security, especially at the household level. The food security policy has several main elements, including boosting the production of rice, other food crops and animals through intensive use of farm inputs and improved techniques, improving on infrastructure for processing, storage and marketing of food, institutional restructuring and capacity building for efficiency.

The emphasis on agriculture is reflected in the national plans since 2002, in which agriculture was allocated Le1,373 million of the development budget with increasing expenditures since then (see Table 4.7). For fiscal year 2006, Le15.8 billion was allocated to agriculture under recurrent expenditure.

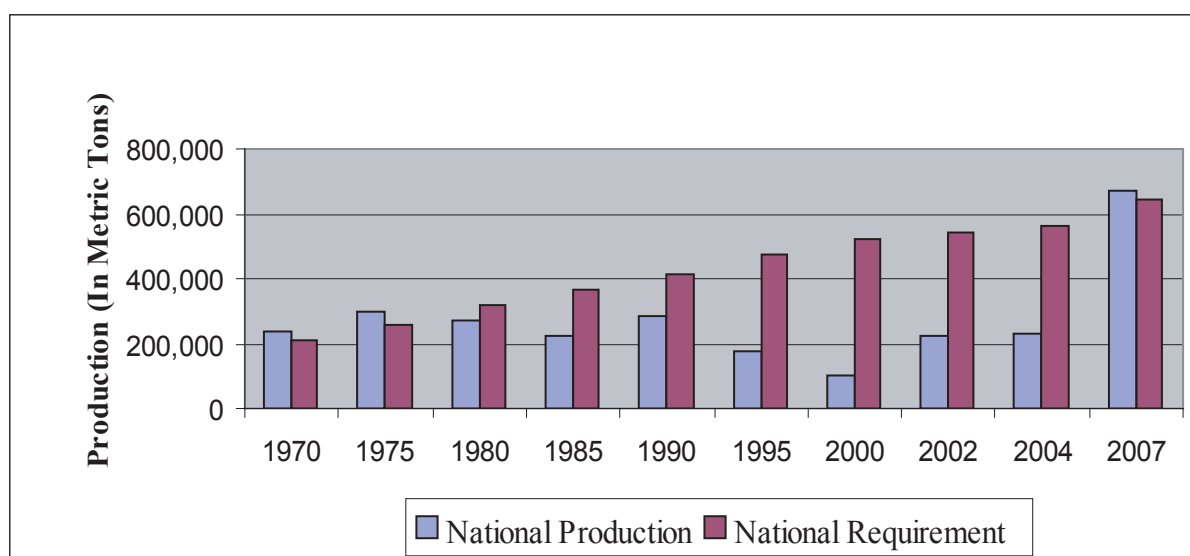
Rice is the main staple crop, grown by almost the totality of small-scale farm families. Thirty years ago, in 1975, Sierra Leone is said to have experienced self-sufficiency in rice. Records of paddy rice produced of over 600,000 tons are reported at the end of the seventies, nearly twice the level at the end of the war. The recent policies of government have now begun to pay dividends. Rice production increased from 310,620 tons of paddy in 2001 to over 750,000 tons in 2005. Similarly, production of other food crops increased, as indicated in Table 4.8.

Figure 4.2 depicts the national production of milled rice and the national requirement before and after the war. The figure shows that after the war, rice production has been steadily increasing to meet daily requirements. If the trend

**Table 4.7 Expenditure on Agriculture (Excluding Net Lending, Millions of Leones)**

	Development Expenditure on Agriculture	Recurrent Expenditure on Agriculture	Total Expenditure
2001	842.00	1,988.46	2,830.46
2002	1,373.44	3,932.73	5,306.17
2003	2,473.90	15,829.00	18,302.90
2004	517.50	11,307.48	11,824.98
2005	830.00	14,539.70	15,369.70
2006		15,800.00	

Crop	Crop production in Metric Tons						
	2001	2002	2003	2004	2005	2006*	2007*
Cassava	741,216	895,817	1,091,168	1,758,000	2,287,000	2,973,100	3,865,030
Sweet Potato	38,200	45,450	84,446	153,196	160,121	168,129	176,537
Maize	10,032	16,060	16,060	32,125	39,051	48,813	54,944
Rice	310,620	422,065	446,633	542,000	758,800	1,062,320	1,432,800
Groundnut	48,900	58,400	70,500	91,125	104,730	115,203	126,723



Source: PEMSD, MAFFS 2005

continues Sierra Leone's rice import bill will drop considerably; by 2008, the country will import very little or no rice. The current food policy if sustained will have a lasting impact on poverty reduction, by improving farm

incomes; by diverting the saved import bill on rice to fund social programmes in health, education and the like; and by stabilising prices at a reasonable level, especially for urban consumers.

## 4.3 Labour and Employment

### 4.3.1 *The Labour Force*

Regular labour surveys are done by Statistics Sierra Leone to (i) determine the size, nature and skills of the labour force with the objective of utilizing the findings for human resource and macroeconomic planning and monitoring, and (ii) to determine and relate employment data to income, education level and other socio-economic characteristics, to facilitate formulation and monitoring of employment policies, training programmes and income-generating schemes. The 2004 Population and Housing Census is the last overall survey done in this direction.

Table 4.9 shows key statistics on the labour force, drawn from 2004 Census data for the age group 15 to 64. This is the age group in which people are considered to be economically active. The first striking fact is that the age group contained 155,000 more women than men, that is about 13% more, whereas normally there would be roughly the same numbers. The difference is probably due to a combination of the effects of war and migration: possibly also a statistical effect of internal migration, where men away from home might be more difficult for the Census to register.

### 4.3.2 *Employed Labour Force*

Among the economically active age group, about 5.6 percent overall (6.2% of males, 5.0% of females) said they were not working, whether looking for work or not, which would imply that over 94 percent of the economically active population was

employed.<sup>13</sup> This statistic might be misleading, due to the way the employment question was posed in the census questionnaire. If we treat unpaid family workers and household workers as individuals who could potentially be in remunerative employment but are not, then the unemployment level could be as high as 30 percent. Further still, some of those who have responded as self-employed may in fact be unemployed, but did not want to sound irresponsible. Thus unemployment in Sierra Leone could be anything between about 5 percent and 30 percent of the age group. For a more balanced approach to the unemployment-employment dilemma, it is recommended that a labour survey with unambiguous indicators be carried out.

Among those in the economically active age group who show that they are working, self employment remains the main source of employment, accounting for 50 percent overall (53% for males, 47% for females). The next biggest categories are household work (13.4% overall, 2.9% for males and 22.6% for females) and unpaid family work (11.2% overall, 9.5% for males, 12.7% for females). Paid employees are less than 6 percent of total (9.3% of males but only 2.6% of females). The employment type is not categorised by skills area, but an acceleration of human development would require opening up opportunities in other sectors such as the service industry, mining, etc. to provide many more high paying jobs that can rapidly enhance the standard of living of the population.

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<sup>13</sup>The employed population was defined by the Census questionnaire as those engaged in a form of economic activity for at least one hour during the reference period. Economic activity was defined as any form of activity for pay or profit either for someone else or oneself.

There are wide gender disparities among the types of employment. Of the 1.3 million women and girls in the economically active population, as well as the 47 percent who are self-employed, 35 percent are either unpaid family workers or household workers (compared with 12 percent of males). Women workers dominate these categories, which give meagre or no incomes. Thus women typically earn less from employment than do men. Table 4.9 also shows that more men have access to paid jobs (76.1% of those in paid employment). Thus females are still left out of jobs which males have traditionally dominated, and tend to have low or no income.

The distribution of employment by key industrial categories is given in Table 4.10. Agriculture is the main source of employment, accounting for about 65 percent (about 68% for women); followed by trade (14%), community-related services (4.4%) and mining (3.6%). Agriculture dominating the economic scene has implications for income, as most of the available jobs are low-paying, subsistence activities. Though these jobs are essential and need to be performed, a parallel rise in the number of jobs at the higher level in this sector, for example in Agribusiness, as Farm Managers or Technicians, would increase income. Furthermore, an acceleration of human development would require opening up opportunities in other sectors such as services, mining, etc. to provide more high paying jobs that can rapidly enhance the standard of living of the population.

The distribution of population by occupations is shown in Annex 1. It tells the story that more men have access to high paying jobs: managerial, professional and technician jobs provided 9.6 percent of male employment but

only 3.4 percent of female. This observation substantiates the fact that females are still left out of jobs which males have traditionally dominated, and are still relegated to, for example, the clerical field. The data in Annex 1 reveals that most of those in employment lack formal education. There are also gender and rural/urban disparities in job opportunities.

### **4.3.3 Youth in the Labour Force**

The status of human development in Sierra Leone vis-à-vis the labour force will be incomplete if the youth situation is not reflected. This segment of the population perceives itself as being most vulnerable and marginalized, which creates a condition for their participation in anti-social behaviour, especially in the informal sector where most are to be found<sup>14</sup>. Youths here are defined as persons aged fifteen to thirty-four years: in other words, youth so defined accounts for 59 percent of the entire labour force. Table 4.11 shows the employment status of the 15-34 age group. The most significant difference between the 15-34 age group and the full 15-64 age group is that only 4% of the younger group are paid employees.

Much more attention and resources need to be invested in youth programmes to create jobs immediately. The inability of the youths to cope with growing hardship has increased their participation in criminal activities and other grave social problems. Allowing the prevailing conditions to continue unabated will lead to no tangible improvement in the living

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<sup>14</sup>One of the problems faced by the youth is that most of them lack education and skills, making them less employable.

**Table 4.9 Main Labour Force Indicators by Gender (2004)**

<b>Employment Status</b>	<b>National</b>	<b>Males</b>	<b>Females</b>		
Total Household Population	4,930,532	2,391,998	2,538,534		
Population in Economically Active Age Group ( 15-64 Years.)	2,471,937	1,158,470	1,313,467		
Proportion of Total Population in the Economically Active Age Group (%)	50.1%	48.4%	51.7%		
Proportion of those in Economically Active Age Group who are male/female:	100.0%	46.9%	53.1%		
<b>Occupation of those in economically active age group (% of total in age group):</b>				<b>Percent in employment category who are:</b>	
	<b>National</b>	<b>Males</b>	<b>Females</b>	<b>Males</b>	<b>Females</b>
Paid Employee (%)	5.7	9.3	2.6	76.1	23.9
Self Employed (%)	50.0	53.5	47.0	50.1	49.9
Unpaid Family Worker (%)	11.2	9.5	12.7	39.7	60.3
Looking for work (%)	2.5	3.6	1.5	68.3	31.7
Not Working, Not Looking for Work (%)	3.1	2.6	3.5	39.2	60.8
Household Work (%)	13.4	2.9	22.6	10.2	89.8
Student (%)	12.0	16.4	8.1	64.0	36.0
Retired (%)	0.2	0.2	0.2	57.5	42.5
Others (%)	2.0	2.3	1.8	53.4	46.6

**Table 4.10 Employed Labour force by Industry and Sex**

<b>Industry or Sector</b>	<b>Total</b>	<b>Male</b>	<b>Female</b>	<b>Industry or Sector</b>	<b>Male</b>	<b>Female</b>
Crop Farming	64.5	61.4	68.2	Hotels/Restaurants	0.3	0.3
Livestock	0.4	0.4	0.4	Transport, Storage & Communication	0.8	1.5
Poultry	0.1	0.1	0.1	Financial Intermediation	0.4	0.4
Hunting	0.1	0.1	0.1	Real Estate	0.6	0.6
Forestry	0.3	0.4	0.2	Public admin. (1)	1.4	2.2
Fishing	2.7	3.4	1.9	Education	2.0	2.5
Mining	3.6	6.0	1.1	Health & Social Work	1.0	1.0
Manufacturing	0.5	0.7	0.2	Other Community & Social services	4.4	4.5
Electricity, Gas & Water	0.4	0.7	0.1	Private house hold paid employee	4.4	0.4
Construction	2.0	2.9	1.1	Extra Territorial (2)	0.2	0.3
Trade / Repair	14.0	10.0	17.5			

Note 1: Public administration & Defence, compulsory social security

Note 2: Extraterritorial Organizations and Bodies

Source: 2004 Population and Housing Census



**Table 4.11 Employed and Unemployed Youth Population Labour Force**

Employment Status	% For ages 15-34Yrs (Youth Employment)		
	Both Sexes	Male	Female
Paid Employee	4	6	2
Self Employed	45	45	44
Unpaid Family Worker	11	10	13
Looking For Work	3	4	2
Not Working, not Looking for Work	3	3	3
Household Work	14	3	23
Student	20	28	13

Source: 2004 Population and Housing Census

conditions of this critical group. The private sector is also still not operating at optimum capacity, given the low level of private investment, and therefore cannot provide the required job opportunities for this segment of the population. Human development again will be seriously undermined rather than improved under these circumstances.

#### 4.4 Gender Dynamics

Despite slow progress on opportunities available to women, as shown in various sections of this report, there has been some significant progress in gender-related issues, especially in education and to some extent in governance. For example, the female literacy rate has increased from 17% in 1996, to 24% in 2004 (GHDR, 2006).

The female gross enrolment ratio at primary level, which was 68% in 1990, reached 107% in 2004. The gender gap in education fell at all levels. The gross enrolment ratio of females at Junior Secondary and Senior Secondary levels rose from 21% and 12% to 33% and 15% in 2004 respectively. According to the 2004 Population and Housing Census, female students constituted 47%, 39%, 35%, and 33% of total students at

the Primary, Junior Secondary, Senior Secondary and Tertiary levels respectively.

However, according to the SLIHS report of 2004, 93% of women in urban areas and 94% in rural areas who are economically active are not paid employees. In terms of formal employment, only 0.7% of women in rural areas had managerial responsibilities, 0.3% clerical, and 3.9% professionals.

In 2004 women held approximately 19% of the civil service positions including some at the highest level. During the 2002 Presidential elections one of the four candidates was female, and in 2006 women held 13 % of ministerial positions, 20% deputy ministerial, 10.9% of local council and 6.8% of paramount chieftaincy positions. Government included clauses in the Local Government Act of 2004 requiring at least 50% female representation in the District and Ward Development Committees. Table 4.12 compares women in politics in Sierra Leone with other West African countries.

Regardless of these moderate achievements, the status of women in society remains a major concern for overall human development. As noted in the 2005 national MDG report for Sierra Leone, there is a demonstrated political will to address gender-sensitive issues. However, the country's gender discriminatory laws, paternalistic culture, traditions and practices that discriminate against women in primary decision-making in households, remain some of the major challenges to gender equality. Various forms of domestic violence continue to affect women in society. Women have continued to experience high maternal mortality, estimated at 1,800 for 100,000 live births. Women also face high risks of maternal morbidity due to weak service delivery networks and systems and poor maternal nutrition.

**Table 4.12 Participation of women in politics in Sierra Leone and selected countries in the sub-region**

	<b>Nigeria</b>	<b>Gambia</b>	<b>Senegal</b>	<b>Guinea</b>	<b>Sierra Leone</b>
HDI Rank	151	155	157	160	177
Seats in parliament held by women (% of total)	6	13	19	19	15
Women in government at ministerial level (% of total)	10	20	21	15	13

Source: GHDR, 2005 and Sierra Leone CEDAW report 2006

## 4.5 Human Development Indices

The concept of Human Development Indices (HDI, HPI-1, GDI and GEM) was described in Chapter 1 (Tables 1.1 to 1.4). Building on the description of Sierra Leone's key socio-economic indicators in Sections 4.1 to 4.3, the following Section presents calculations of the HDIs. The details of the calculations are shown in Annex 3.

The HDI is a summary measure for monitoring long-term progress. It measures the achievement in a country in three basic dimensions of human development: a long and healthy life (as measured by life expectancy at birth), knowledge (as measured by adult literacy rate and combined gross enrolment ratio for primary, secondary and tertiary schools), and a decent standard of living (as measured by GDP per capita in PPP-US\$). The index is not suitable for tracking short-term changes – at least two of the components, life expectancy and adult literacy rate, are not very responsive to short-term policy interventions (GHDR2005).

Sierra Leone seems to be recovering from the unprecedented reversals in human development in the 1990s. There are significant increases in the HDI from 0.273 in 2002 to 0.298 in 2005, to 0.384 in 2006; although this is below the 0.515 average HDI

for sub-Saharan Africa. With regards to the three basic dimensions of human development, life expectancy, for instance, had improved from 34.3 years in 2002 to 44.4 years in 2006.

While the HDI measures average achievement, the Human Poverty Index (HPI-1) measures deprivations in human development. It focuses on the proportion of people below a threshold level in the three basic dimensions of human development – living a long and healthy life, having access to education, and a decent standard of living. The HPI measures human poverty in developing countries:

- Vulnerability to death at a relatively early age, as measured by the probability at birth of not surviving to age 40.
- Knowledge: exclusion from the world of reading and communications, as measured by the adult illiteracy rate.
- Standard of living – lack of access to overall economic provisioning, as measured by the unweighted average of two indicators, the percentage of the population without sustainable access to an improved water source, and the percentage of children under-weight for age.

There have also been significant improvements in the Sierra Leone's HPI value from 54.9% in 2004 to 48.6% in 2006. An HPI-1 value of 48.6% shows that just under half of the population are deprived of the three basic dimensions captured in the HDI. Mali and Niger (HPI-values of 60 and 56%) are the only countries in the Sub-Region might still be worse off than Sierra Leone. (See Table 3.2 above).

The gender-related development index (GDI) adjusts the average HDI achievement to reflect the inequalities between men and women. It measures achievements in the same dimensions using the same indicators as the HDI but captures inequalities in achievement between women and men. It is the HDI adjusted downward for gender inequality. The greater the gender disparity in basic human development, the lower is a country's GDI relative to its HDI. The GDI value has increased from 0.279 in the GHDR 2005 to 0.363 in 2006. This moderate increase is a result of the improvements gained in the adult literacy rates, life expectancy and the combined gross enrolment ratios over the years.

The Gender Empowerment Measurement (GEM) captures gender inequality in three key areas: (i) Political participation and decision-making power, as measured by women's percentage share of parliamentary seats, (ii) Economic participation and decision-making power, as measured by two indicators – women's percentage shares of positions as legislators, senior officials and managers, and women's percentage shares of professional and technical positions; and (iii) Power over economic resources, as measured by women's estimated earned income (in PPP US\$) relative to men. The GEM had not previously been computed for Sierra Leone

due to data unavailability. However, the 2004 census results make it possible to calculate the index. Table 4.13 summarizes the four human development indices.

**Table 4.13 Summary of Sierra Leone's Human Development Indices in 2006.**

Indicator	Value
Human Development Index (HDI)	0.384
Human Poverty Index (HPI-1)	48.6.8%
Gender Development Index (GDI)	0.363
Gender Empowerment Measure (GEM)	0.435

## 4.6 The Challenge of Improving Socio-economic Indicators

Progressively, Sierra Leone has now shifted focus from addressing the post-conflict emergency needs of its population to long term economic growth and social development. Implementation of the PRSP ultimately aims to achieve the MDGs: the PRSP and the MDGs have the same overall goals, to be achieved within different time frames.

### 4.6.1 PRSP Targets

In the year 2005 the government of Sierra Leone, using a national participatory approach, developed and, together with its development partners (national and international), adopted the PRSP as a medium term strategic plan for the three years 2005 to 2007. The PRSP objectives and strategies form the building block to the MDG targets, which aim at improving human development by 2015, and Sierra Leone's Vision 2025. Its main human development objective is to reduce poverty by improving the health, education, living standards and livelihoods of people, empower women, ensure environmental sustainability, and develop a global partnership for development, as emphasised in Pillar Three.

#### **4.6.2 MDG Targets**

Sierra Leone adopted and remains strongly dedicated to achieving the MDG targets (Section 1.2 above and Annex 2), which are aimed at improving human development by 2015. The MDGs form a set of time-bound, measurable goals and targets for the promotion of human development and the reduction of global inequalities. For their successful implementation the national government together with the international community are collaborating and cooperating jointly to achieve these goals. Sierra Leone's task of meeting the MDG targets in 2015 was made especially difficult by the late start of its MDG programme, in 2002 after the war. Although there is progress towards the MDGs, it is uneven and perhaps too slow. The 2005 MDG report for Sierra Leone highlights the status and trends, major challenges, supportive environment, priorities for assistance and monitoring and evaluation of programmes. At the same time, GOSL with support of UNCT and other development partners, is undertaking an MDG-based needs assessment in line with the recommendations of the Millennium Project Report. This exercise will result in formulation of an MDG-based Poverty Reduction Strategy, for the period 2008-2015 on the basis of which will be formulated a medium term PRS (2008-2010) to succeed the current PRSP (2005-2007).

#### **4.6.3 Constraints to Development Efforts**

To achieve the human development goals outlined in this report, several constraints face

the government. These include weak institutional capacity, obsolete policies, inadequate resources and budget provision. There is thus a general requirement to strengthen institutions, build capacity, reform policy, and development and technical assistance, in the various sectors. Support is especially needed in education, health and nutrition, water supply and sanitation, agriculture and environment. The government needs to promote measures that address these key constraints to improve the efficiency of delivery, operation and maintenance, administrative and financial management of development programmes for long term sustainability.

The institutions responsible for development in the various sectors have serious weaknesses, including the shortage of trained technical and professional staff, low remuneration, unreliable monitoring, evaluation and management information systems, wasteful duplication of efforts resulting from lack of clarity of roles and responsibilities among various institutions, and the allocation of insufficient resources. In addition, there is inadequate enforcement of existing regulations, because of inadequate coordination and participation of local governments, local communities (especially women) and the private sector in the design and execution of development programmes. The need to standardise and practice international protocols and domestic policies beneficial to sustainable development programmes cannot be over-emphasised.

## CHAPTER FIVE:

# CONCEPTUAL ISSUES OF LOCAL GOVERNANCE FOR SUSTAINABLE DEVELOPMENT AND POVERTY REDUCTION

## 5.1 Advantages of Decentralisation for Human Development

Decentralisation is now a global phenomenon with the support of development partners, governments world-wide are seeking to bring governance closer to the people.

The advantages of decentralisation can be broadly summarized as improved efficiency, governance and equity. Local, accountable public management is at the heart of the concept of good governance, essential for human development. Unrepresentative governance that is not accountable often ignores peoples' needs, leading to the exploitation of resources for the interest of the few, especially those who hold the wealth and power. If decentralisation is designed well, local decision-making can broaden citizen participation and partnership among local stakeholders. This promotes democracy, and fosters political stability by granting local power to groups who might feel excluded at a national level. If it is allowed to function, local democracy can offset the control of entrenched local elites who may be unsympathetic to national policies and insensitive to the needs of the poor.

Local involvement in service management produces pressure for better performance from service providers. Further, by giving service beneficiaries a greater say in decisions about local policies, public service delivery, and development, decentralisation can ensure

that these decisions respond to local priorities, promoting poverty reduction and equity. Decentralisation increases economic efficiency, in selecting development projects that are high priority, and targeting limited resources to immediate needs: it can lead to more effective use of public resources, and more efficient service delivery.

As decentralisation widens the scope of political participation, local people gain experience of decision-making and democratic activity. The positive link between decentralisation and democracy can empower minorities and vulnerable groups to be involved in the development process and management of public services. So long as resources are distributed equitably among different areas, local governance can better address problems of neglected areas or diverse ethnic groups. Thus decentralisation has a positive effect on human development – but the converse is also true: human development facilitates decentralisation, since decentralized governance will work more effectively with well-established institutions and strong human capacity.

Decentralisation enables interaction among all strata of society. Local governments and communities are the most effective institutions for solving local problems, having better knowledge of their needs and

priorities. Also, because effective decentralisation allows better information about the real needs of the population to reach the centre, governments at all levels can take more effective and relevant policy decisions in the areas for which they are responsible.

## 5.2 Conditions for Successful Decentralisation

However, there are necessary conditions to be met if local governance, and local management of service delivery and development, are to function. Without a clear legal framework, strong political will, and effective coordination among authorities, decentralisation can have negative results, as local managers fail to gain access to resources or to deliver the services for which they are responsible, or as other pressure groups prove too strong for them.

- National and local governance are complementary and must be coordinated. Local activities are dependent on large-scale infrastructure, which local government cannot provide, and on institutional conditions over which local governments have no control. Central government must provide a viable macro-economic, social and legal environment to empower local governments; it must ensure that national level investments equitably reflect local needs; there must be security and the rule of law.
- Financial resource availability is crucial for the success of local administration, and for decentralized governance. Local power over raising revenue, and adequate mechanisms for allocation of central resources to local authorities, are both necessary if decentralized decision-making is to function.
- Local institutional and human resource capacity have to be built, so that local administrations and decision-makers

have the staff and working conditions to enable them to function. Local management of, for example, teacher employment has to function efficiently: otherwise decentralisation will be discredited. Local managers have to owe allegiance first to the local authority, not to the central ministry for which they may previously have worked.

- Local elites have to allow local democracy to function; the central authorities have to provide a framework to ensure that local elites do not pervert decentralisation to their own ends. Non-transparent local management may be worse than well-managed and transparent central control.
- An appropriate mix of powers has to be devolved to local authorities, together with the resources for them to exercise those powers: not too great a range of responsibilities for them to handle but enough to allow genuine local participation in shaping local conditions and service delivery.

In any country, time is needed to reap the fruits of decentralisation. The process needs to be carefully implemented if frustrations are not to build up in the infant stage. Full decentralisation of administration is probably not possible anywhere. There need to be checks and balances, so that local administration remains under constant supervision: by central governance, by locally elected bodies, and by the local population. Proper audit and other transparent financial control mechanisms are needed. This is particularly essential since local bodies are not likely to be subject to the discipline of having to raise most of their fiscal resources locally from the voters who elect them, reducing the political incentive to use funds effectively.

A World Bank 1999 report noted that achieving decentralisation's potential depends largely on how the reforms are designed and implemented: it said that four minimum criteria must be met:

- Decentralisation must result in a transfer of meaningful powers — including fiscal powers — to a local institution.
- The institution to which power is transferred must be representative of the local populace in its diversity — not just elite interests — and have a broad knowledge of the local situation.
- The local public must be able to hold the institution accountable through elections, hearings, or other democratic means.
- Fiscal and regulatory incentives must be in place to promote sustainable management of resources over the long term.

Meeting all four criteria is not easy.

### 5.3 Experience in Other Countries

Given the difficulty of making decentralisation work well, it is not surprising that an OECD study of 19 countries that had decentralized (OECD, 2004) shows mixed results. More countries concluded that decentralisation had been neutral or negative for poverty reduction than thought that its effects had been positive. Factors leading to a negative impact could include, for example, weak institutions and political conflicts. Also, the degree of political, fiscal, and administrative decentralisation might have been inadequate: a country needs to complement political decentralisation with the requisite devolution of function and resource availability. The study noted that in some poor countries characterised by weak

institutions and political conflicts, decentralisation could actually make matters worse. The poverty impact of decentralisation would appear to depend most on the capacity and willingness of policy makers to ensure a pro-poor devolution process. The authors drew two important policy lessons. First, where the central state is not fulfilling its basic functions, decentralisation could be counterproductive and therefore should not be a priority. Secondly, in countries that are fulfilling their functions, decentralisation could be a powerful tool for poverty reduction, improving representation of the poor and better targeting of service delivery.

### 5.4 Degrees of Decentralisation

Decentralisation can take different forms, depending on the extent of powers that are transferred. It is convenient to think of three levels of decentralisation: deconcentration, delegation and devolution. Each of these represents a progressively greater degree of decentralisation.

- **Deconcentration**, or administrative decentralisation, describes the transfer of specific functions to the peripheral agencies of central government institutions, without the transfer of decision-making to local government. In this type of decentralisation, the decentralized agencies remain dependent on the central government. Local political bodies are not involved.
- **Delegation** is the attribution of certain specific functions to semi-autonomous or parastatal organizations, which operate independently, without owing direct responsibility to either local or sectoral central government institutions.

- **Devolution** refers to the transfer of specific functions to local authorities together with the legal responsibility, with capacity for generation of material and human resources, and with discretionary decision power. The decentralized agencies in this context have little reliance on the central government, except to the extent prescribed in the legal basis for the devolution; however, almost always local authorities remain dependent on the centre for much of their financial resources.  
All of these forms have been evident to some degree in the democratisation process being evolved in Sierra Leone since 2004.



## CHAPTER SIX:

### DECENTRALISATION IN SIERRA LEONE

#### 6.1 Introduction

Historically, authoritarian regimes in Sierra Leone (civilian and military alike) have, since the mid-1970s, constrained local development through a highly centralized approach. A skewed allocation of resources at the centre resulted in uneven development across the country. Thus the motives for introducing decentralisation now are many and varied. Some are fuelled by the desire to sustain the democratic transition that is underway, since there is a positive link between decentralisation and democracy; also, during the post-conflict era, democratic decentralisation is seen as indispensable, since it not only entails the devolution of power to elected local authorities but also widens the scope of political participation at the local level.

#### 6.2 Policy and Legislative Environment

Unlike many African emergent states, Sierra Leone entered independence in 1961 with a well-established two-party system, centred around the ruling Sierra Leone Peoples Party (SLPP), and the opposition, the All Peoples Congress (APC). The system drew upon liberal ideas, of parliamentary institutions and the concept of the rule of law and civil liberties from the previous experience as a British Colony.

Between independence and 1964, when the first Prime Minister, Sir Milton Margai, died, Sierra Leone enjoyed legitimate rule. There was popular support and government leadership committed to efficient management of the country's resources. The unquestioned legitimacy of the immediate

post-independence government, and its acceptance as representative of the nation, made Sierra Leone the envy of other newly independent states of Sub-Saharan Africa.

Unfortunately, Sir Milton Margai's death was followed by mismanagement and misrule, by both civilian and military regimes. Patterns of political instability, alternating between civilian authoritarianism and military dictatorship, became well established after 1964. Hence, since independence, Sierra Leone only enjoyed four years of democratic rule; in 1967 it witnessed its first military intervention. The country became increasingly caught up in a process of failed socio-economic development and political instability. Three things characterized public life: the trivialization of political power; indifference to moral values (with corruption a de facto institutionalised tradition); and finally, tribalism. If any one idea may be said to have dominated the period up to 1992, it was the total decadence of the state. The results included a high rate of illiteracy, serious education deficiency, widespread health problems, intractable regionalism or tribalism, abuse of human rights, bad governance, drugs and prostitution among youths, a restless military, the dominance of entrenched special interests – indeed a whole catalogue of social ills characterized Sierra Leone of this period.

##### 6.2.1 Democratization Process

The democratisation process began in earnest in 1996, after nearly thirty years of civilian and military authoritarianism. The transition from authoritarian to democratic rule could be traced to the intervention of the middle cadre of the

army in 1992. After four years of inefficiency, corruption and ruthlessness, they themselves were forced by the powerful “will of the people” to abandon their ostentatious life-styles for the barracks, leaving national politics in the hands of the civilians. Hence, from 1996, the democratisation process in Sierra Leone was set in gear.

All indications were that Sierra Leone’s experiment with democracy this time would be successful. In many ways, the new Constitution reflected all the major features of a liberal democracy. As the supreme law of the country, the Constitution subjected all citizens from the President to the ordinary man in the street to its provisions. It established the authority of the national government and provided for fundamental human rights, as well as elaborate safeguards for a multi-party democracy, free and fair elections, checks and balances, and an independent judicial system.

Three central features emerged with striking clarity in this experiment with multi-party democracy: the relative orderliness of the elections; the increase in female participation in the elections and soon in government; and, although the Presidential election was criticized as fraudulent, there was a peaceful democratic transfer of power.

### **6.3 Historical Background of Decentralisation**

Decentralisation is not new in Sierra Leone. Its history can be traced to the introduction of indirect rule by the British colonial authorities in 1896. Indirect rule was a method of local colonial administration based on the exercise of local government functions by chiefs, modifying the indigenous system to suit modern conditions. Traditional authorities were organized to handle law and order. Their main responsibility of direct relevance to modern socio-economic changes was initially the recruitment of labour for public works, and tax collection. This was a

form of deconcentration, in which authority for implementation of rules was shifted to the chiefs, who had no power over making those rules. From the standpoint of the metropolitan power, indirect rule was a form of colonialism-on-the-cheap. Its immediate consequence was to identify chiefs as agents of British rule.

Indirect rule, as a form of deconcentration, was the first step in decentralisation. By the 1920s, the role of the Chiefs was widened, to perform a small range of health, sanitation, and medical services, in addition to road making, agriculture and education. Subsequently, in 1937, a “Native Administration” system was introduced, establishing separate financial institutions (Chieftom Treasuries), granting tax authority to each chieftom unit of administration; and giving greater authority to tribal authorities.

This was supposed to be the first step towards a representative form of local government. The new system was extended to provide for the chiefs, councillors and men of note to be elected by the people according to native law and custom. But the function of local government required units of government representative of the new changing forces, which the Chiefs were basically not. Indirect rule, after all, was a method of administration more suited for controlling backward people undergoing colonial change than it was for promoting democratic decentralisation or modernization.

In 1946, a second tier of local government was created: District Councils were advisory bodies on matters affecting the people, later with executive functions for water supply, roads, health and agricultural services. The District Councils (in the twelve Districts) were intended to replace the unrepresentative Native Administrations, but the colonial district commissioners could not afford to forego their paternalistic relationship with chiefs, for a new system that would later be open to commoners.

Instead, the District Councils co-existed with the Native Administrations, and their development into full-fledged executive bodies was characterized by fierce competition. Popular representation through direct elections was finally given to District Councils, though Paramount Chiefs still remained ex-officio members and continued to dominate the council presidency.

Decentralisation under colonial rule might not have been satisfactory, as the process was calculated to reflect colonial priorities rather than local needs. Nevertheless, it did serve as an effective mechanism for service delivery through the traditional leadership in the rural areas throughout the colonial and immediate post-colonial periods.

At independence some adjustments in local government administration were made to improve efficiency and respond to the demands and changing circumstances. In 1964, for example, the Tribal Authorities Act redesigned Tribal Authorities as Chiefdom Councillors, Native Administration as Chiefdom Administration, and Native Law as customary law. The Chiefdom Council was re-organized to comprise the Paramount Chief, Chiefs, and Councillors elected on the basis of one representative for every twenty tax-payers in each Chiefdom. Although some mismanagement and financial misappropriation or outright corruption prevailed, local councils remained as the main vehicle of service delivery and rural development in the early 1970s.

Decentralisation and authoritarianism are not bed-fellows. Thus, when the APC came to power in 1968, and was on its way to transforming Sierra Leone into a one party state, Siaka Stevens abolished District Councils in 1972 so as to centralize local control. In their place management committees manned by the President's appointees were introduced.

## 6.4 Transition to Democratic Decentralisation

The objective of democratic decentralisation is to transform local government into autonomous, strong, effective and democratically governed institutions, deriving legitimacy from service delivery to the people, fostering participatory development, reflecting local demands and conditions, and lastly conducting activities with transparency and accountability. The decentralisation programme involves enhancing good governance, increasing resources available to and the proportion of total public spending made by local authorities, and improved human resource development and management.

The motives for introducing democratic decentralisation in Sierra Leone are many and varied. They include the desires: to eradicate the social, economic and political inequalities that were responsible for civil war; to sustain the democratic transition, since decentralisation implies not only the devolution of power to elected local authorities, but also to widen the scope of local political participation; and finally, to improve accountability, transparency, and human and institutional capacities.

According to the Institutional Reform and Capacity Building Project (IRCBP), implementation of the decentralisation programme was divided into three phases over four years (2004 to 2008).

- Phase 1: (2004 to 2005) was intended to be the preparatory stage, concerned with providing the enabling institutional and legal framework for decentralisation and capacity of the 19 councils.
- Phase 2: (January 2005 to May 2008) is the take-off stage, involving the progressive devolution of powers and functions to the local councils.
- Phase 3: (June 2008 and beyond) is the final phase, which will assess the performance of the local councils over the three-year period, in terms of service delivery; and determine whether the experiment in democratic decentralisation is feasible or will be sustainable.

A major reason for this strategy is that the local councils are yet to be fully operational, especially in terms of institutions and capacity to carry out their functions. Until this is achieved, the central government will continue to administer certain functions. This strategy, however, provides evidence to support the popular view that decentralisation will only be accomplished over time, through a logical process. Two things are noticeable here, first there seems to be a genuine desire on the part of government to devolve substantial powers and resources to the lower levels of government. Secondly, the new local government programme is heavily donor driven and dependent on donor funding.

This new approach to decentralisation is very ambitious, striving to fundamentally restructure and strengthen local authorities in a short period. But while the aim is to create

autonomous entities that are financially viable, and which control their own staff and resources, the central government's over-riding powers within the framework of the national constitution remain unchanged.

#### **6.4.1 Institutional and Legal Framework for Decentralisation**

Sierra Leone's current decentralisation programme was initiated in 2004, when the government introduced a major piece of legislative reform – the Local Government Act 2004. This Act established 19 Local Councils within Sierra Leone's four administrative regions. Each of the 19 new Councils consists of no fewer than 12 members. Explicit objectives of decentralisation, in the Act and supporting documents, include empowerment, participation, accountability, effectiveness, efficiency and responsiveness.

**Box 8**

#### **Objectives of Decentralisation**

Specifically decentralisation in Sierra Leone has been designed to:

- devolve political and state power in order to promote participatory democracy through local level institutions;
- deconcentrate and devolve administration, development planning and implementation to the local councils (local government units);
- introduce an effective system of fiscal decentralisation which give local councils control over a substantial portion of their revenue;
- establish a national development planning system to intergrate and coordinate development planning at all level and in all sectors, and
- uncomparate economic, social, and environmental issues into development planning process on an intergrated and compensive basis.

#### **6.4.2 Local Government Act, 2004 and Existing Laws: Critical Analysis**

It should be observed that the LGA 2004 does not make provisions for any special categories/groups. As such, there is still a tendency for communities to be dominated by local elites, although increasingly people are prepared to speak out. Women are often still marginalized in decision-making and their interests not taken seriously, although less so than in the past. The formal representation of the youth and disabled on councils seems to be largely symbolic. Participation by the public is not always that great; the poor in particular

may not have the time, and public meetings at the Ward Committee level are not always held as often as they should be.

The first obligation of a democratically revised local government system is to establish the fundamental legal framework, the institutions, and the instruments which will enable the new system to operate, as well as to tackle the factors which inhibit their effectiveness. Emphasis should be placed on the dispersal of power and authority to subordinate units within the legal framework of the state.

Before the LGA 2004 came into force, several laws had come onto the statute books, which had not made provisions for the decentralisation process. This is related to the inadequacy of the legal framework to guarantee the autonomy of the new local government system. For example, there is a conflict between the LGA, on the one hand,

and the 2004 Education Act and the Hospital Board Act on the other. These examples contradict the rational intent of decentralisation. Fortunately, the Decentralisation Secretariat is at present working to harmonize all the Acts that conflict with the LGA.

**Box 9**

**LGA and the Education and Hospital Boards Acts**

The 2004 Education Act makes the Ministry of Education responsible for delivering education, a direct contradiction of the LGA 2004, which provides for delivery of education by local councils. Similarly, the Hospital Board Act of 2003 vests control of public hospitals in Hospital Boards, accountable to the Ministry of Health and Sanitation. The LGA states that management of hospitals lies with the local council.

**Constitution.** Another important inconsistency is with the Constitution, which makes no reference to decentralisation. The Constitution has not yet been amended to consolidate the aim of decentralisation within an overall liberal democratic context. The national Constitution needs to be amended to give constitutional recognition to the new local government system.<sup>15</sup>

**Chieftaincy.** A particular set of issues relates to the relative roles of the Chiefdoms and the Local Councils. The institution of chieftaincy is the highest traditional authority in the chiefdom, according to an Act of 1967. But chiefdoms are the lowest but one level under the local government structure. They have no executive functions; although they can assume executive powers as their capacity increases, in most cases few powers and duties have been devolved to them. Generally, they do not have their own administration, and are little more than

advisory structures for local councils. They rely on local councils for policy direction, and for administrative and financial support. They are given only limited functions by the LGA, the traditional functions of Paramount Chiefs from time immemorial. The local councils on the other hand have broad authority to play the leading developmental and legislative roles within their areas, which can include up to 15 Chiefdoms in the larger districts. This arrangement could be seen as replicating colonial “indirect rule”.

Local government does not lend itself to judicial functions, nor can it speak on traditional affairs or act as custodian of custom and culture. However, there is lack of clarity on roles such as collection of local taxes and spending of market dues and license fees, which is a source of tension between the Paramount Chiefs and Local Councils. By an Act of 1967, the Chiefdoms are mandated to prevent the commission of offences, prohibit or restrict illegal gambling, make and enforce bye-laws and hold land in trust for the people of the chiefdom. The Local Councils, on the other hand have legislative and executive powers, and are responsible generally for promoting the development and welfare of the people in

<sup>15</sup>A proposal has been made to the Constitutional Review Commission to rectify this anomaly. At the same time, there are over 28 Laws that require to be reviewed to make them consistent with the provisions of the LGA 2004.

their localities. As a result, there are misunderstandings on most of these issues thereby hampering the promotion of local democracy in many chiefdoms.

Chiefdoms, as the second lowest of the local government structure, are intended to be the implementation level of local government, and the focus of people's empowerment in local governance. Without them the local councils would find it difficult to implement the poverty reduction programmes of the PRSP at the local level. During recent consultations by the author, with traditional authorities and their communities and other stakeholders, a number of suggestions were made regarding a suitable modification of the relationship between traditional authorities and elected councils. Proposals ranged from traditional authorities becoming the primary local government in their areas, to a clear and exclusive division of powers and functions between elected local authorities and traditional rulers.

### 6.4.3 Revenues

Among the most contentious matters to be clarified is who has the right to collect local revenues. Under the LGA, local revenue collection in local communities is the responsibility of the elected local councils. However, the Minister of Local Government & Community Development has made the following clarifications on the various revenue sharing areas of market dues, local tax and mining royalties:

- In the Urban (City or Town) Council areas, market dues are collected by the councils and not shared with other councils;
- In the district council areas, the Chiefdom Administrations collect dues, and a percentage (not more than 20%) is paid to the district council;

- The district council, in consultation with the Chiefdom Administrations, determines the rate of local tax, but collection is the sole responsibility of the Chiefdom Administrations, who pay a precept to the district councils on a sharing ratio agreed by both parties.

Mining royalties or funds for leases are distributed as follows:

- District Councils – 20%<sup>16</sup>
- Paramount Chiefs – 20%
- Chiefdom Administrations – 20%
- Land owning facilities – 40%

This regularization notwithstanding, problems still persist over local finance matters. There is need for new legislation clearly defining the roles of chiefdoms and the relationship between Paramount Chiefs, Chairpersons of district councils, and Chief Administrators, as well as the collection of local taxes, market dues and licenses.

Finally, the LGA empowers the local councils to coordinate and harmonize the execution of programmes and projects promoted by public operations of NGOs and other statutory bodies, including the National Commission for Social Action (NaCSA). The various bodies do not seem to honour this provision. For example, councillors and paramount chiefs have frequently complained to the Minister of Local Government about NaCSA not involving them in arrangements concerning community development programmes. Furthermore, they have complained that most of the projects undertaken by both NGOs and NaCSA are neither of their approval nor their preference. For example, councillors in the Mountain Rural District Ward pointed out that the community wanted a junior secondary school, since their children were walking long distances to the city. NaCSA instead provided a community centre.

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<sup>16</sup> The Bonthe and Sherbro Urban Councils receive 15% and 5% of rutile royalties respectively.

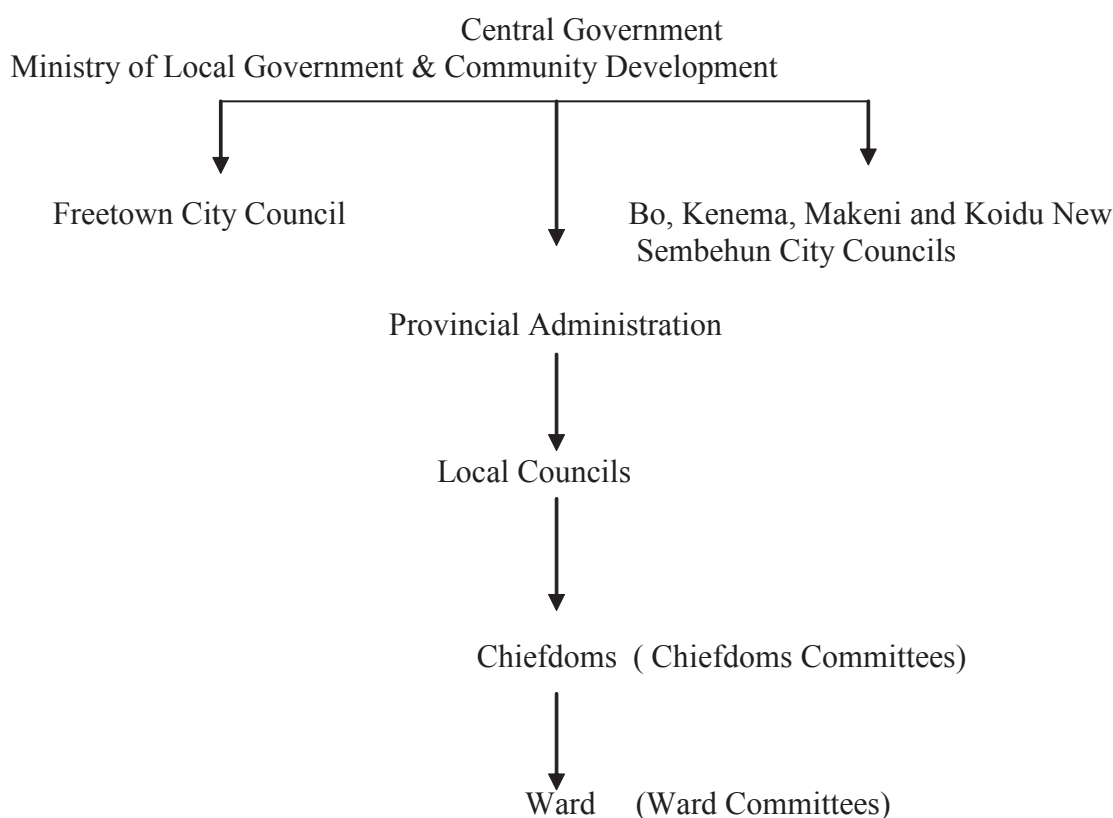
## 6.5 Institutional Infrastructure

### 6.5.1 Establishment of Local Councils

A well-structured local government system requires clearly defined institutions to provide

checks and balances. This means not only the existence of physical structures, but also people to carry out well-defined functions. The newly decentralized system has a marked institutional framework indicating the various levels of institutional responsibilities.

**Figure 6.1: Structure of Local Government Administration**



### 6.5.2 Composition of Local Councils

Administratively, Sierra Leone consists of a Western Area (the former Colony), and three Provinces (formerly the Protectorate). The Provinces are further divided into twelve districts, comprising 149 Chiefdoms, ruled by Paramount Chiefs (also referred to as natural rulers), with 394 wards nationwide.<sup>17</sup>

In each of the three provinces there is a Local Council (LC) for each district. Southern Province has four districts (Bo, Bonthe, Moyamba and Pujehun), five in the Northern Province (Port Loko, Kambia, Bombali, Tonkolili and Koinadugu) and three in the Eastern Province (Kenema, Kono and Kailahun). There are five City Councils<sup>18</sup>; the Bo City Council, Kenema, Bonthe, Koindu-New Sembehun, and Makeni City Councils. In addition there are the Freetown Municipality or City Council, and the Western Area Rural District Council (WARDC), established through the amalgamation of four rural districts (Koya, York, Waterloo and Mountain).

This arrangement shows two things: First, there is intended to be a decentralized system of administration in which functions, powers, responsibilities and resources are transferred from the

<sup>17</sup> See annex 4 for districts and their numbers of chiefdoms and wards

<sup>18</sup> In 2006, the President elevated the five to City Councils.

central government to the local units, referred to by the LGA as Local Councils. Secondly, decentralisation involves a delegation of power, and changed power relationships and distribution of tasks between levels of government.

The present local government is made up of 475 councillors (367 District councillors and 108 City councillors). The LGA 2004 provides for four councillors per ward in City Councils, and one councillor per ward in the District Councils.

**Table 6.1 The Distribution of Councillors in the Local Councils**

LOCAL COUNCIL AREAS	ELECTED LOCAL COUNCILLORS				
	ALL	M	F	%M	%F
Kailahun District Council	33	27	6	81.8	18.2
Kenema District Council	48	42	6	87.5	12.5
Kenema Town Council	12	8	4	66.7	33.3
Kono District Council	29	26	3	89.7	10.3
Koidu Town Council	12	11	1	91.7	8.3
Bombali District Council	26	24	2	92.3	7.7
Makeni Town Council	12	10	2	83.3	16.7
Kambai District Council	20	19	1	95.0	5.0
Koinadugu District Council	21	21	0	100.0	0.0
Port Loko District Council	46	45	1	97.8	2.2
Tonkolili District Council	22	20	2	90.9	9.1
Moyamba District Council	40	37	3	92.5	7.5
Bo District Council	41	39	2	95.1	4.9
Bo Town Council	12	9	3	75.0	25.0
Bonthe District Council	18	17	1	94.4	5.6
Bonthe Town Council	12	9	3	75.0	25.0
Pujehun District Council	22	19	3	86.4	13.6
Western Area Rural	16	15	1	93.8	6.3
Western Area Urban	32	28	4	87.5	12.5
National Totals	474	426	48	89.9	10.1

Source: National Electoral Commission 2006

**\*Note: The number of wards in Port Loko is 47, but only 46 Councillors have been confirmed by the NEC.**



### **6.5.3 Ward Committees**

The local government system is made up of 394 wards, each of which is serviced by a ward committee. According to the LGA, Ward Committees consist of all Councillors from the Ward, together with the Paramount Chief of the Chiefdom (if there is one) and not more than ten other persons, at least five of whom should be women, resident in that ward and elected in a public meeting. Ward Committees should be chaired and convened by a councillor elected for that ward.

The central role of Ward Committees is the facilitation of local community participation in decisions which affect it, the articulation of local community interests, and representation of these interests within the entire local government system. They are expected to:

- Mobilize ward residents to implement self-help and development projects;
- Provide a focal point for discussion of local problems and needs, and to take remedial action where necessary, or make recommendations to the local council accordingly.
- Organize communal and voluntary work, especially with respect to sanitation;
- Make proposals to the local council for levying and collection of rates for special projects and programmes; and
- Educate residents on their rights and obligations in relation to local government and decentralisation.

Ward Committees provide a structured channel of communication between communities and their representatives at the ward and council level. In other words, Ward Committees are established to strengthen support to ward councillors and build accountable and effective political leadership.

### **6.5.4 Provincial Coordinating Committees**

The LGA gives each province a committee to coordinate the activities of the local councils, by ensuring that LCs collaborate for effective execution of development programmes of common interest, and to review and coordinate the provision of public services in the province.

### **6.5.5 Local Government Finance Committee**

A national Committee is established to recommend to the Minister of Finance the amount of grant allocation to each local council, indicating the formulae used in arriving at the various amounts recommended. The Finance Committee members are appointed by the President with the approval of Parliament.

### **6.5.6 Inter-Ministerial Committee**

A crucial device for bringing into being the new local government system is the Inter-Ministerial Committee, chaired by the Vice President. It monitors the implementation of the LGA, and oversees the progress of decentralisation. According to the LGA, the Committee was to meet every three months, but since 2004 it has only met a few times.

### **6.5.7 Local Government Service Commission**

A Commission established at the national level is intended to ensure equity, transparency and accountability in human resource management at LC level. Specifically, it was required to develop guidelines for recruitment, promotion, remuneration, discipline and training of local council staff, and has published the "Guidelines for Human Resource Management for Local Government", to enhance the recruitment of competent staff to run the LCs.

Local councils are accorded wide-ranging powers by the LGA within their designated area. They are the highest political and administrative authorities: they are responsible for planning, development, budgeting and rating. There seems a clear intent that the LC as the principle authority has the overall responsibility to coordinate, integrate and harmonize the activities of all development agencies in the district, inclusive of central government ministries, departments and agencies (MDA) and non-governmental organizations. The local council is also responsible for the overall development of the district and is required to formulate and implement a short-term development plan and budget, subject to approval by central government.

The functions are sub-divided to cover the whole range of public services, including matters of public health, roads, education, water and sanitation, electricity, agriculture and so forth. At face value, such an extensive list entails huge powers and responsibilities for delivery of those public services that cover basic economic and social rights. Yet, it would be quite overwhelming for relatively new and poorly resourced institutions to carry out these enormous responsibilities. This is why the devolution of functions to the LCs has been planned to proceed progressively.

## 6.6 Devolution

The greatest challenge to decentralisation begins when functions are to be devolved from central to sub-national institutions. The problems range from the political, such as central decision-makers frequently resisting any diminution of their powers, to the practical: especially shortages of resources and difficulties arising due to weak local administrative capacity. In some cases, sub-national units tend to resent the fact that they are made responsible for service delivery without the necessary resources. All of these problems have been evident since the beginning of the decentralisation process.

Allocation of functions is complicated by the fact that the LCs lack the management capacity to assume all their new responsibilities at the same time. A universally cited problem confronting them is the lack of competent staff.<sup>19</sup> Devolution imposes increasing demands for service at the local level and requires well-trained local functionaries; the poor quality of local staff has been widely acknowledged by all, including the Minister of Local Government himself.

For these reasons, a system of total transfer of responsibilities can hardly be workable. A system of piecemeal transfer is likely the ideal; since local units would be the ones that are to request that a given responsibility be transferred to them from the central government, once they feel they have sufficient management capacity to administer the new service.

In relation to the list of functions to be devolved, (third schedule of LGA), and as per Section 126 of the LGA, a Statutory Instrument #11 was developed with devolving MDAs, detailing the first functions to be devolved and the schedule of devolution thereafter. The criteria used for the devolution were based on the ease with which the task could be done at the Council level, tasks needing little or no skilled supervision were the first to be devolved whilst those requiring more intensive technical skills be devolved in phases. Most of the functions devolved in 2005 were mostly deconcentrated functions, with the associated staff already in place in the respective locations. The central Government will continue to pay staff associated with the devolved functions up to the end of 2008.

<sup>19</sup>It is for this very reason that the Ministry of Education, Science and Technology opted to initially use deconcentrated staff, thereby giving the LCs more time to prepare for the recruitment of their own staff.

GOSL focused its support to devolution on the three ministries, namely; Education, Science and Technology, Health and Sanitation, and Agriculture and Food Security, “as the three big ministries with enough resources to have the most direct impact on human lives. The three ministries identified for devolution are discussed below, highlighting their successes or failures, as the case may be, to meet the LGA devolution timetable.



### **6.6.1 Devolution of Powers and Functions**

The decentralisation process is now in its second phase of implementation, which is the devolution of powers and functions. Indeed, decentralisation has enabled some local people to show some interest in their own affairs and to participate (even minimally) in the programmes of their areas. But while some local councils are active and have made progress in extending services, they are constrained by poor organization of self-initiative, and lack of trained personnel and technical expertise. All the inherited weaknesses of the old administrative system remain intact and the huge infrastructural problems resulting from the war still persist. The transitional process has clearly shown that delivery on the new local government mandate cannot be achieved within the existing institutional framework.

### **6.6.2 Devolved Functions in Education**

The Ministry of Education, Science and Technology has been relatively slow in devolving its functions. According to its roll-out plan, for the school years 2004/2005 and 2005/2006, the Ministry undertook to transfer responsibility to the 19 LCs “for more than 3000 primary schools, a little over

1,000,000 pupils, some 17,000 teachers, over 100 supervisors, supporting staff and a whole range of educational infrastructure, including school buildings, equipment, and teaching and learning materials in a phased manner”. The Ministry promised to work in close collaboration with the LCs at all stages of devolution of these functions (see table 6.2). But the Ministry went on to state that “education will remain to be synonymous with the Ministry of Education, with officials and officers, supervisors, inspectors, headmasters and headmistresses trained in special institutions”. This indicates that the Ministry is reacting to the provisions of the 2004 Education Act, which empowers it to control all matters pertaining to education. The Ministry still maintains its responsibility to hire and fire most teachers, and everything else that has to do with education. The Decentralisation Secretariat states that the Ministry of Education, Science and Technology is willing to devolve its stipulated functions but has lacked the required data to facilitate the process. But with the release of the results of the 2004 national census, the process will now be expedited.

The mere shifting of workload from the centre to sub-national units, without the opportunity to exercise any substantial discretion in

decision-making, cannot be regarded as decentralisation in the true sense of the word. At this stage, services for education, as for health, can in reality only be deconcentrated. But unlike health, the role of the LCs in education is unclear. Resources are not transferred from the centre to the councils, and councillors are not given direct responsibility for managing personnel, designing aspects of school curriculum, or having any financial control. There remains a lack of clarity about relative roles due to confusion between the LGA and the Education Act.

This situation has not been well received by the Councillors. In a collective protest to the Minister of Local Government in one of his provincial tours, the Councillors complained that the Education Ministry was performing a function that had been devolved to local councils, by the LGA. They drew his attention to the establishment of a School Management Programme within the various districts without consulting the councils <sup>20</sup>.

### **6.6.3 Devolved Functions in Health and Sanitation**



The Ministry of Health and Sanitation has decentralized more of its services than Education. It began to deconcentrate primary health care in the context of a nation-wide approach around July and August 2005. Even though planning and budgeting have been



delegated to local councils, the Ministry maintains control over the overall allocation of resources, setting standards, employment of health workers, and procurement of essential drugs and supplies. From this perspective, the health system is deconcentrated. However, as the local councils are new, and do not have a staff of their own or adequate logistics and infrastructure, the operation of the health system is still under the Ministry. While the LCs have frontline responsibilities for providing services, maintaining primary health care facilities, and assuring availability of equipment and supplies, functions have not been fully devolved because of the lack of skills to successfully carry out a health care programme.

The capacity for health care delivery is weak even at the national level. In this context, the Ministry has, since the development of its roll-out plan, embarked on building the human resource in the health sector to meet requirements for health delivery to the rural areas. Intensive training of personnel at all levels began in June 2004. Table 6.3 shows the gap between personnel needed and those in post.

<sup>20</sup> They also complained that the Ministry was spreading the SABABU Education Project throughout the provinces without consulting them. The SABABU project however predates local councils and should not be seen as undermining the devolution process. The Decentralisation Secretariat states that councils have now found a way of working closely with the project, to consult and to supervise implementation of SABABU projects in their locality.

The decentralisation of health facilities will significantly improve health planning and bring real cost savings and improvements in service delivery. However, this exercise has major implications for both local and central government, which need to be considered. These include:

- the relationship between the conditions of services of national health authority staff and those of local government.
- the linking of national health services to primary health care, which have financial implications for local government.
- transportation facilities to enable the effective delivery of local council health facilities by local authorities.

#### **6.6.4 Devolved Functions in Agriculture, Forestry and Food Security**

In 2006 the Ministry of Agriculture devolved most of its functions as per statutory instrument # 13 (see table 6.4). At the start of the decentralisation process it was apparent that Councils could not recruit their own staff due to funding constraints. In this regard the Ministry, with request to the Establishment Secretary's Office, assigned staff to the Councils for the implementation of the devolved functions.

In 2005, the Ministry of Agriculture and Food Security conducted workshops to familiarize councillors and farmers with the techniques of large-scale farming, and slowly devolved the services prescribed by the Statutory Instrument to the local councils and the relevant staff.



**Table 6.2: Ministry of Education, Science and Technology: devolved functions that should be performed by local councils**

Devolved function	Expected activities to be carried out by local council/assigned staff
Payment of Salaries of Staff	Oversee the actual payment exercise of salaries. Ensure that payment vouchers are timely returned to the treasury. Verify the names on the vouchers and actual number of existing staff.
Payment of School Subsidies	Oversee how payments are made to individual schools (Le2000/00 per pupil, per term) Verify the current enrolment against payment made.
Provision of Teaching and Learning Materials	Verify the quantum of teaching and learning materials delivered in the district/town. Verify with contractor for contract details. Write report on the findings.
Rehabilitation and Reconstruction of Schools	Verify SABABU and IDA data at the local level. Provide oversight services on the on going construction. Write report on the status of the progress made.
Payment of examination fees for Primary to Mid-Secondary Schools	Produce statistical data of teachers roll for each school in the locality and taking into consideration the employment status and sex.
Verification of Teachers roll	Undertake audit of teachers roll
Verification of Assets	Validate the identified assets Prepare a verified assets register

Source: Sierra Leone Local Government Act 2004

**Table 6.3 Distribution of MOH Medical Personnel**

Staff Specialization	Number in Post in 2006	Established Posts	Gap
Medical Officers	88	300	212
Obstetrician/Gynaecologists	6	30	24
Public Health Specialists	24	30	6
State Registered Nurse	202	600	398
Community Health Officers	183	500	317
State Certified Midwives	227	300	73
State Enrolled Community Health Nurse	788	1,500	712

Source: Human Resource Department, MOHS, 2006

**Table 6.4: Ministry of Agriculture, Forestry and Food Security: devolved functions that should be performed by local councils**

Devolved Functions	Expected Activities to be carried out by Local Councils/assigned Staff
Forestry Division	Conservation of national Forests, Community Forest woodlots, Environment, Fire prevention and control, Forest Utilisation, Sensitisation campaigns on forest conservation, Professional development, Energy conservation, Wildlife Conservation
Crops Division	Extension service, Tree/Cash Crop Nurseries, Plantation development and maintenance, Seed production/multiplication, Produce inspection grading and licenses, Input delivery services, Vegetable Production, Food Science and Nutrition, Post Harvest and agro-processing, Marketing, Farmers Training, Staff training, Off-farm income generation etc.
Livestock	Animal Health, Animal Production, Cattle settlement schemes, Settlement of crop/livestock disputes, Administration of livestock markets
Land and Water	Small scale IVS/Upland Rehabilitation, Small scale Swamp Development

Source: Sierra Leone Local Government Act 2004

## 6.7 Some Problems with the Devolution Process

Bearing in mind that the decentralisation process is relatively new in its sophisticated form in Sierra Leone, it will not be surprising that there are some bottlenecks in devolution. These bottlenecks are discussed with a view to attract the necessary action for progress.

### 6.7.1 Weak Implementation Capacity

A common problem of the existing local government structures in ensuring devolution is that they do not have the necessary capacity to assume their expanded responsibilities. There is a resultant failure to meet raised expectations in support for local democracy. Since mid-2005, the local government system in some places appears to be suffering from a legitimacy gap. For example, in a recent survey in the Lbesayghun and Gbendembu Gowahun Chiefdoms, it was discovered that the rural poor are more inclined to consult chiefs or chiefdom councillors than to go to local government representatives; 45% of respondents were satisfied with the performance of local government representatives, compared with 60% with paramount chiefs. Capacity-building of district level institutions is clearly essential if the legitimacy of democratic local governance is not to be undermined.

Issues of district level capacity concern the deliberative, legislative and executive functions.

- Deliberation and legislation occur in the local council itself, including its committees. As a relatively new institution, the local government system remains weak. There is need to strengthen the local councils as key institutions of local

democratic politics, for instance through upgrading training programmes for local council members and staff, strengthening committee structures, infrastructural development and enhancement of human resources.

Clearly, multilateral and bilateral development agencies would continue to fund such capacity building.

- With regard to executive capacity, the key issue concerns the operationalization of the Local Government Civil Service. Although it has been set up, with funds provided for operational expenses, it is not yet carrying out its functions.<sup>21</sup>

**Chief Administrator:** Each local council is empowered to appoint a Chief Administrator as Secretary to, and head of the administration of, the local council. The functions of the Chief Administrator include, among others, ensuring that accountability and transparency are upheld in the management and delivery of the LC's services. Until now (2006), the functions of Chief Administrator, Deputy Chief Administrator and Treasurer have been performed by central government civil servants, who were assigned for two years to keep the Councils operational whilst strategies were put in place for the Councils' recruitment of their own senior personnel.

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<sup>21</sup>It is also worth noting that the LCs have just been newly established while the traditional Chiefs have existed for a long time. As such, it will take a considerable amount of civic education for the citizenry to fully understand the exact role of the LCs vis-a-vis the chiefs.

The delay in operationalizing the Local Government Civil Service means that the position of the Local Council Chief Administrator is particularly anomalous. As the highest career civil servant, he/she should be appointed by and be accountable to the local council as head of the Local Government Service, with district officials accountable to him/her. Instead, as a central government appointee, the Chief Administrator owes his/her position and allegiance to the central government.

Particular concerns are also expressed regarding the capacity of the local councils for financial management. As institutions with responsibility for significant amounts of public funds, local councils must possess the capacity to put such funds to efficient use. Otherwise their demands for additional funds from the national revenue and their legitimacy in the eyes of the electorate would be undermined.

Devolution or devolved public services entail full power and responsibility residing in the hands of the LCs, which should have legislative power to make bye-laws (subject to approval of the Minister for Local Government), revenue-raising power, be accountable to the electorate for their actions, and be responsible in the use of financial resources. Alongside accountability are requirements for transparency in local government affairs, and exposure and elimination of corruption. There are systems in place that mitigate in favour of accountability through the Ministry of Local Government and Community Development, Auditor General to the Decentralisation Secretariat and other Ministries to the Anti Corruption Commission and the Residence Minister.

Systems are in place to ensure upward accountability but questions remain over

their effectiveness. For example, monitoring LCs by local council chairpersons often appears politically motivated. Downward accountability includes requirements for consultation on budget setting and, in the final analysis, through the electorate. For downward accountability, reporting mechanisms by local councils to the public on financial matters are weak although some evidence has been found recently that participation by civil society and the independent press is leading to demands for greater accountability and exposure of corruption in local councils.

Generally, financial management, procurement and audit systems are weak, due to shortages of qualified accountants at all levels of government. Of the 19 local councils, hardly any have been audited since local government came into being. The weakness of internal audit systems tends to open the way for corruption<sup>22</sup>.

Since the beginning of the second year of decentralisation, local councils have come under severe criticism for inefficiency and mismanagement. Additionally, there have been frequent complaints of insensitivity on the part of the councillors to grassroots proposals. Similarly, inefficiency in project implementation is widespread. At the end of the first year, about half the planned projects were either incomplete or deficient in one way or other. Some of the projects were not feasible. Also, careless evaluation led to a lot of waste and probably some of the funds being misappropriated.

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<sup>22</sup> Of late, a number of positive developments have taken place in this regard, as a number of Audits have been conducted, management letters have been issued and responded to and reports are being prepared for tabling in Parliament.



Improved capacities to expose corruption and impose corrective measures are needed in areas such as:

- facilitating accountability and combating corruption;
- increase in capacity of accountancy and auditing, for more openness about finance and budgeting, and
- strengthening coordination mechanisms.

For financial transparency and accountability, the rules and procedures governing decentralized planning and financing must be explicitly clear to all from the beginning, with obvious penalties for lapses from anyone. In addition, independent and reliable information must be made available to the people regarding the amount and nature of resources that are transferred to local councils through recognised outlets.

The existing codes of conduct tend to lay emphasis on the prohibition of certain actions, such as corruption or financial and ethical misconduct. While these prohibitions are important and must be retained, laws should also be passed imposing a rigid due process on councillors and administrators, making them personally responsible and legally liable when they fail to perform in the best interest of their communities.

Coupled with the problem of corruption and shortages of materials is the staffing situation of the local councils. It is thus important to build the capacity of a professional staff to deliver services in a difficult environment, with limited financing and serious service problems. Pay level for teachers and nurses and other critical groups needed to deliver better services are particularly low. This leads to unqualified staff being recruited locally, including employment of secondary school leavers as teachers.

### **6.7.2 Administrative Problems**

All the local councils have undergone training in administration. Yet, many are still characterized by poor coordination with line MDAs. Certainly, capacity-building efforts by the central government, NGOs and more especially the Decentralisation Secretariat were intensive before devolution started. The training system, however, has been inefficient and unresponsive to the needs of local government. As a result, there has been no systematic programme to develop the high-level management capacities essential for effective LC administration and service delivery. Activities in the first phase of training were largely concerned with technical problems. Little attention was given to encourage councillors to think critically about how to operate and relate to local communities, how to develop their own strategies for meeting local needs, or how to promote the social and economic development of communities in their areas.

For most of the respondents interviewed in preparing this report, the main weaknesses in decentralisation were seen as practical and administrative: LCs generally lacked sufficient capacity and resources to assume formerly-centralized duties and powers, while the allocation of powers and duties among various levels of government is complex. In the first place, decentralisation in the provision of public goods has to permit the diversification of supply according to regions, taking into consideration the existence of differentiated demands.

In some places, the local councils still lack basic institutional structures. Indeed, there are still a few LCs without their own offices. The Makeni and Sembahun Town Councils, for examples, are still carrying out their functions in temporary locations. This issue is receiving the critical attention of the Decentralisation Secretariat. Contracts have been awarded and sites handed over to contractors for construction of some offices.

Many administrations are still organized in much the same way as they started, and most have not made any progress in delivering services to their localities. There are however exceptions, for example, in Kenema and Kailahun, local councils have owned primary schools, built markets, community centres and maintained roads and provided critical agricultural extensions.

### **6.7.3 Finance for Decentralized Administration**

LCs are constrained in exercising decision-making powers by lack of control of the money they receive. They receive funds to pay for their activities from:

- Own source revenue consisting of a number of poor-yielding local taxes, especially property tax; market dues, licence fees and similar charges; and royalties from mining activities;
- Grants from government paid directly to LC accounts to help them meet their administrative costs, and to pay for devolved functions (such as health, education, agriculture);
- The Local Government Development Grant (LGDG), established in June 2004 to improve local facilities and services. The LGDG is 90% funded by the World Bank, and supported by the government with a counterpart funding of 10%.

The potential contributions of LC's own-source revenue are relatively low; the councils also have inadequate administrative capacities for collecting the revenue that might be available to them. Thus they are almost entirely dependent on central government and donors for the funds they need to carry out their responsibilities.

Furthermore, the system of allocation of central government grants has been described by many as haphazard. Thus LCs find that planning and budgeting is difficult, making for uneven provision of local government services.

The de-linkage between the calls for spending by LC and their capacity to raise funds to meet expenditure weakens local democracy. Neither local decision-makers nor the local people can make choices about increasing service levels where that would lead to a significantly different level of spending, since they cannot decide to raise more resources to pay for those increased services. They are limited to making relatively minor decisions about allocating part of the funds provided by central government, most of which are already committed, for example to pay salaries of teachers and health workers. The major exception to that general statement are the local projects funded by the LGDG programme.

Revenue issues and the experience to date with the LGDG are discussed in greater depth in Chapter 7.

**Box 10**

**Principles for Effective Community Participation in Public Services**

- Consultation, i.e., local people should be consulted about the level and quality of public service they receive, and where possible, should be given a choice about the services provided
- There should be in-built mechanisms for grassroots participation in policy initiation, formation, monitoring and evaluation of decision-making and implementation
- Participatory budgeting initiatives aimed at linking community priorities to capital investment programmes
- Focus groups and participatory action research conducted in partnership with community-based organizations, which can

**6.7.4 Participation in the Policy Process**

Decentralisation may lead, through greater involvement of local communities in the decision-making process, to a more democratic system in which local people control the major decisions affecting their lives. Indeed, the principles of participatory democracy and downward accountability to the electorate are emphasized in the LGA. However, although it is early to make such conclusions, there is little evidence to suggest that ordinary people are involved in decisions on most of the activities that affect them. For example, usually councillors suggest programmes or projects at LC meetings without prior consultation with the electorate. There is a general feeling that ordinary

people are apathetic to local government issues, because they are primarily concerned with day-to-day subsistence. This assertion may or may not be true: the heart of the matter is that local councils in many places have not been able to arouse ordinary Sierra Leoneans.

For many community people their contact with local government is through consumption of local council services; and it is here that local councils need to be responsive to the needs of both the community and end-users of local services. A useful approach to building the culture and practice of effective participation in consumer service should be based on the principles shown in the Box 10 above.

**Box 11**

**Challenges to Sierra Leone's Local Governance System**

- The new LCs took off with little or no institutional foundations to build on
- The workforce inherited was unskilled. Recruitment in the previous local administrations was simply to enhance patronage and nepotism for political support: the inherited staff was unsuitable for the new LCs
- Financial, human and institutional capacities, which are indispensable prerequisites for successful decentralisation, were very low in some areas and non-existent in others. Office buildings and staff quarters of district, city/town, rural and chiefdom councils

## 6.8 Capacity Building for Local Government: Human Resources Development

The potential for effective decentralisation depends crucially on human and financial resources to strengthen the sub-national units. Local governments all over Africa are faced with the challenge of managing viable and sustainable local government systems. Sierra Leone's current local government system faces additional challenges, described in Box 11 above. In addition, the success of decentralisation has a lot to do with the economic state of the national government. For a country emerging from a ten-year war, and that had been constantly rated as the poorest in the world, the prospect of meeting the capacity needs of decentralisation are challenging. The new local government administration needs to address the weaknesses of the defunct centralized system, and build the capacity of the new local councils to address the challenges they face.

Capacity building, as the word itself implies is the mobilization of available capacity for effective institutional building. This includes mobilizing skilled personnel through proper incentives; while ensuring that the materials with which to carry out their functions are available. The Decentralisation Secretariat sees capacity building of Local Councils as a priority ongoing activity. Emphasis is now placed on demand-driven capacity activities, rather than supply-driven.

### 6.8.1 The National Government

The national government is responsible for the coordination and management of this transition period. It should ensure, above all, that the new local government system operates within an enabling framework and is structured and capacitated in a way that best enables it to promote the development of the local communities.

Capacity-building is costly. Thus, even though the central government has in many ways demonstrated its commitment towards strengthening the new local government system, it does not have the wherewithal through which to provide the human, financial and institutional infrastructure to do so. Despite its severe financial constraints, however, the government was able to provide money for the first six months to enable the decentralisation programme to take off. The money provided covered operational expenses for the 19 local councils, as well as allowances and

remuneration for the councillors. At the same time, government took up the responsibility of paying the salaries of the unproductive staff inherited by the new local government – a commitment the government undertakes to honour until the LCs have capacity to recruit and pay their staff.

Government ministries, departments and agencies (MDAs) provide policy frameworks, guidelines and advice to local councils. They also help with the technical aspects of the services to be devolved to them. The Ministry of Finance, for example, provides contract guidelines for them, assists in the preparation of their budgets and model development plans. Three central government institutions, however, play the most significant roles in the implementation of policies, and capacity-building. These are the Ministry of Local Government and Community Development (MLGCD), the National Commission for Social Action (NaCSA), and the Decentralisation Secretariat.

**MLGCD.** As its designation implies, this is the Ministry responsible for implementing the Local Government Reform Decentralisation Programme. But MLGCD faces serious human and financial challenges in playing an effective role in guiding programme implementation. It has a limited budget and reportedly suffers annual draconian cuts in negotiation with the Budget Department of the Ministry of Finance. Thus, even though the Minister is an ardent supporter of decentralisation, the MLGCD implementation role has been negligible.

A great problem of the decentralisation process from the onset has been lack of professional capacity in the MLGCD itself. With only two graduates among its professional staff (including the Director of Local Government), MLGCD capacity-building is limited to frequent tours by the Minister and Director to the provinces to preach about the virtues of local government, and to settle disputes between Paramount Chiefs and councillors over market dues and local tax collection. Even in this peripheral role it faces acute transportation constraints, having mostly dilapidated vehicles that frequently break

down. However, with support from the UNDP, DFID, EU and particularly the World Bank, the MLGCD has been making meaningful contributions lately. It now organizes workshops and seminars for councillors around the country.

**NaCSA** is a government-owned Commission funded by the World Bank. Since the inception of decentralisation, NaCSA has been active in providing programmes of high priority for the local councils. These include, among other things, the construction of community centres, markets, schools and health centres for the local councils. NaCSA also recruits and assigns Peace and Development Corps (PADCO) volunteers to the 19 local councils to assist them in preparing their project proposals and access funds.

**The Decentralisation Secretariat.** With World Bank funding the Institutional Reform Capacity Building Project (IRCBP) established a Decentralisation Secretariat in May 2004, as a directorate within the MLGCD to monitor the decentralisation process and coordinate the necessary capacity-building activities of the local councils and guide them through the principles and policies laid down in the LGA. The Decentralisation Secretariat is the coordination hub through which the various MDAs are directly involved in the decentralisation process. Training and capacity-building are an integral part of institutional development, and are the area most emphasized among the activities of the Decentralisation Secretariat. A Capacity-Building Unit was set up within the Decentralisation Secretariat primarily to train and develop the capacity of the LCs and their councillors throughout the transitional process.

The Decentralisation Secretariat, unlike the MLGCD, is adequately staffed by professionals from various academic backgrounds, well-equipped and fully funded by the World Bank. To perform its functions effectively, the Secretariat is accommodated in well-furnished offices; which are however separate from the MLGCD, due to space constraints. The idea was to enable the staffs of the Secretariat and MLGCD to consult regularly and work together, to prepare the MLGCD officers for the time, in 2007, when the Secretariat would cease to exist. Currently, while regular meetings are held between MLGCD officers and the Decentralisation Secretariat to discuss and plan respective work programmes and resolve issues, the collaboration between the two staffs is not optimal due largely to physical separation. The present arrangement gives the semblance of the much internationally criticized form of capacity-building approach that consists of the rapid installation of a parallel organizational structure, leaving untouched the institution whose capacity was to be upgraded.

With its capable staff, the Decentralisation Secretariat has undertaken several meaningful capacity-building activities, including training workshops for councillors and LC staff (including chief administrators and treasurers); while providing LCs with vehicles, computers and other equipment. The role of the Secretariat has been maintained and expanded. Its role now includes improving the knowledge and skills of MDAs, and strengthening them to be actively involved in decentralisation. The Secretariat sent a coach to each of the LCs to facilitate implementation of approved LC projects, amongst other responsibilities.

### 6.8.2 International Donors

Decentralisation was already high on the agendas of major international donors. Since the early 1990s, their attentions have been directed towards decentralisation to local government as part of the agenda to deliver good governance. The World Bank, for example, in its World Development Report 1999/2000 argued, “decentralisation improves the efficiency and responsiveness of the public sector while accommodating potentially explosive political forces”.

The United Nations Development Programme (UNDP) recognizes the importance of decentralisation. In its “Poverty Report 2000”, UNDP considers that “decentralised decision-making is a priority for promoting democracy, provides a conducive environment for poverty reduction and fosters participation”. The African Development Bank also supports decentralisation, stating in its 2001 Report that “effective local governance, which will facilitate long-term growth and development, will require decentralisation”.

Even before the inception of the future LCs, donors had committed themselves to assisting the government in its capacity-building efforts to transform the existing system. The UNDP, for example, through its Interim Governance Project, provided US\$2.00 million of core funding to the decentralisation programme, and through its Educational Programme and Transitional Support Team Initiative provided technical assistance in agricultural decentralisation.

Other donors such as DFID and EU have been giving enormous assistance towards building

the capacity of the LCs. Both have been engaged in rehabilitation and construction of LC offices. In the immediate post-war years, DFID in particular funded the Chiefdom Governance Reform. It helped to facilitate the return to their chiefdoms of Paramount Chiefs (who were displaced or living in exile) to establish order and government in the rural areas.

In 2005, DFID pledged £10 million during the period 2006–10 to support programmes to enhance LC capacity. Examples are the revision of the legal regulatory framework related to local governance, support to the strengthening of an Information Management Unit, capacity-building to the Local Government Service Commission, capacity building of local councils in records management, and information, education, communication (IEC) activities on decentralisation.

The largest single contribution to decentralisation in Sierra Leone was made by the World Bank through the Institutional Reform and Capacity Building Project (IRCBP). The IRCBP, with a total budget of US \$25 million, started in May 2004. It has four components to be implemented over four years: Decentralisation and Capacity Building (\$14.3 m), Public Financial Management (\$6.3 m), Development Learning Centre (\$2.9 m), and IRCBP Coordination. This is the contribution that actually established confidence in the whole decentralisation process. Apart from capacitating the impoverished MLGCD, it provided the initial capital of US\$6 million for the programme to take off.

## 6.9 Chapter 6 Conclusion

Despite the progress that has been achieved so far, decentralisation efforts are far from being consolidated.

1. Financial, organizational, administrative and political obstacles impede the process. Shortages of administrative, technical and professional personnel, and inadequate funding, are the main problems contributing to the poor performance of local government.

2. The inertia of central government institutions. Centralism in Sierra Leone lasted for well over thirty years. Clearly, the institutional habits created by this tradition will not disappear overnight.

3. Perhaps the greatest obstacle to effective innovative decentralisation is the conservatism of central government officials (minister and civil servant alike) in monopolizing resources and initiatives.

4. This conservatism is shared by councillors and traditional rulers. Restrictive rule by elites can exist as much in local government as central. Since colonialism, traditional rulers have been accustomed to obtaining services and favours from the central government in return for support. Similarly, local authorities have long depended on central government for resources, initiatives and ideas, even when that has a negative effect on their autonomy.

5. The lack of coordination among LCs limits the ability of local government to be a formidable democratic force. Local councils each have jurisdiction over a specific geographical area: there is little cooperation between them. Their pre-occupation remains issues of survival, of making ends meet, while overriding powers remain at the centre.

6. The overlap of responsibilities among different levels of government stemming from the structure of government bureaucracy and the LGA itself. The overlap of functions and lack of clarity in inter-governmental transfers create conflict, and can also impede the delivery of services.

7. The focus of democratic decentralisation is on devolution, which requires a more radical step of transferring power for decision-making to local government, rather than deconcentration,

that is central policy being delivered more locally.

8. The low capacity of the local councils (financial, human resources, etc.) to perform decentralisation and devolved functions. An example is the low level of education of most councillors.

9. The participation of women and the poor in the decision-making process is crucial in achieving good governance objectives, poverty reduction and sustainable development. It is not yet adequate.

10. Some LCs have been spawned with corruption. A high level of poverty among most councillors and local government functionaries has made them susceptible to corruption. Questions of integrity have to be addressed, both for the needs of the people that the councils serve, and (since this is a local government programme that is heavily donor-driven and dependent on donor funding) to be a partner with donors, entrusted with fiscal responsibilities.

The conclusion is reached that decentralisation has not yet brought the full opportunities for good governance, with local communities being able to participate in decisions affecting them, and facilitating greater accountability in local government. It will not do so, until it can be made to work properly. In theory it should provide better services, tailored to local circumstances and so tackle poverty alleviation in a sustainable manner. However, all is not so simple when attitudes and resources are considered.

While there have been successes in implementing local projects, as described in Chapter 7, institutional constraints, including lack of data, poor planning, shortage of personnel, have posed a lot of challenges in implementation. But there is still reluctance by central government to transfer relevant powers and functions, while financial, human and material resources available to local government are severely limited, restricting the capacity to provide the quality and quantity of service needed by local communities. No doubt, decentralisation could deliver good governance and sustainable service improvements, but only providing there is the commitment and resources to do so.

## CHAPTER SEVEN:

### DECENTRALIZING FOR POVERTY REDUCTION

#### 7.1 Introduction

This Chapter addresses the specific channels through which decentralisation has or is likely to reduce poverty in Sierra Leone. To see decentralisation yield its positive fruits of reducing poverty, resources are needed, but especially the allocation of resources is key to the process. Fiscal decentralisation is accordingly discussed in this chapter, highlighting the various sources of finance for local councils. Also, problems in access to finance for LCs are highlighted.

The effects of decentralisation on poverty reduction in Sierra Leone are discussed. The LCs are key vehicles for driving PRSP implementation. Key areas of current intervention by local councils are shown, and especially ways to strengthen such interventions are suggested. LCs are now able to identify, plan and implement their own projects: the success of decentralisation so far is shown by the projects that LCs have implemented or are in the process of implementing.

However, decentralisation in Sierra Leone, does have constraints and challenges. The Chapter ends with a discussion of these constraints and challenges.

#### 7.2 Fiscal Decentralisation

Fiscal decentralisation means the transfer of fiscal resources and revenue-generating powers, inclusive of authority over budgets and financial decisions, to local councils, elected politicians, deconcentrated officials, and central government appointees at local levels. Local power over fiscal resources and

spending choices is key to proper decentralisation of decision-making, and so to development of local democracy.

Cognisant of the critical role fiscal decentralisation plays in the realisation of decentralisation, the GOSL set up a Local Government Finance Department (LGFD) in the Ministry of Finance in June 2005 to assist in implementing fiscal decentralisation. The LGFD constitutes the interface between local councils and the central government on all financial matters, including budget preparation, grant distribution, financial management and revenue mobilization for local councils. The major functions of the LGFD are to indicate the formula to be used to calculate grant allocations to each LC, and to make recommendations to the Ministry of Finance on the amount to be allocated. It also receives and validates the budgets and financial statements prepared by the local councils.

##### 7.2.1 Inter-Governmental Transfers

Inter-governmental transfers are important to the fiscal relationship between central and local government. The weak financial position of the local councils vis-à-vis their extensive responsibilities is recognized. The government's response to providing financial resources to the LCs has been essentially four-fold. First, through making available "own-source revenue": a number of mostly poor-yielding local taxes (especially property tax), licence fees and charges, market dues and mining royalties have been transferred to the local councils. Central Government also pays, directly to council accounts:



- Grants for devolved functions (such as health, education, agriculture), and
- Grants for administrative expenses (to help councils meet their administrative costs).<sup>23</sup> According to the LGFD, about 75% of all LCs' current revenue is grants from the central government.
- identified in development plans.
- Finally, equalizing grants are paid as a special provision based on the extent to which least developed councils lag behind the national average standard for a particular service

### **7.2.2 Local Council Revenue-Collection**

The fourth source of funds is the Local Government Development Grant (LGDG). This is mainly funded by the World Bank (90%) and supported by the government with a domestic counterpart funding of 10%. The LGDG was established in June 2004 to improve facilities and services for people in the localities. It was created with an initial provision of US\$6 million of the World Bank's IRCBP grant of US\$25 million. Together with this fund, a manual intended as an operational guide was prepared by the Ministry of Finance for all local councils. It is clear that the LGDG has substantially increased the financial base of the local councils. However, from observation of councils' activities, their financial viability is still doubtful.

Despite the extensive responsibilities decentralized to local authorities, it is generally recognized that their financial position is weak. Although they have powers of budget and revenue collection, LCs generally are unable to access adequate financial resources for all their needs. The tax base and tax powers that have been devolved to them are low, and mostly politically challenging to effectively accomplish. Local government accordingly has little independence, since it remains overwhelmingly dependent on central government for financial resources, which mostly comes in the form of tied grants.

There are three main ways grants are transferred from central to local government:

- Untied or unconditional grant, which local councils can determine their own priorities for spending it, provided it is in line with national priority areas;
- Tied or conditional grants, by far the largest source of revenue for local councils. Tied grants finance programmes agreed upon between central government and the LCs, and are paid to councils for services like education, health, feeder roads, etc. The LGDG allocations are also paid to LCs for specific projects

LCs have limited revenue raising ability: the lucrative sources for taxation, for example, income tax, import and export duties, all belong to the centre, while local government has access only to low-yielding taxes. Generally, the major source of local taxation is property tax (rates), which is currently levied only in urban areas. Local discretion on spending comes from the smaller part of their revenues which are locally generated – and these are not properly managed, since LCs also lack financial management skills.

Revenue generation by LCs is highly under-developed. There is a lot to do in strengthening their capacity to raise funds from their existing revenue base. The problem is compounded by the councils being unable to collect all revenues to which they are entitled, because of poor financial management and inadequate enforcement when people evade paying taxes and license fees.

<sup>23</sup>LCs also receive support from NGOs who deal with them directly, so their mode of transfer of funds is not clear.

Success from rates and taxes and other forms of local taxation is limited for a number of reasons. First, even if resources are there to be mobilized, the councillors are naturally hesitant to impose higher taxes on their constituents not to render themselves unpopular. Second, the long history of the failure of local government in Sierra Leone, and misuse of locally mobilizable resources, has made taxpayers cynical about what local councils may do with their local contributions or tax revenues. They are therefore generally unwilling to pay taxes. Third, an even greater problem is the frequent complaints about corruption in the local councils. Fourth, the controversy over market dues between councillors and Paramount Chiefs. Fifth, in many cases mechanisms used for taxation in the provinces are inefficient.

Therefore, LC capacities need to be enhanced to gain direct access to a variety of revenue sources to augment state budgetary allocations. A new challenge posed in this area is on the issue of tax coordination and harmonisation to avoid duplication of payment by citizens.

Historically, most local government revenue in urban Sierra Leone was self-generated. This is particularly true of the capital, where property tax, market dues and license fees would have been adequate only to pay for solid waste management. However, even though the Freetown City Council has more revenue base than other councils, the reality is that the Council has not put in place any meaningful mechanism to mobilise revenue, despite the rise in rural-urban migration to the city resulting from the war.

Urban local councils are now responsible for a wider range of public services. Rural LCs

have fewer responsibilities, but also less ability to raise revenue; their reliance on central government will undoubtedly continue. This may lead to widening disparity between rich and poor regions in the rate of development if the distribution of equalization grants is not introduced.

### **7.2.3 Differences in LC Capacity**

Table 7.1 shows the allocations of LCDG and matching grants to LCs. There are glaring differences in the economic endowments of the various regions, and the formula system used in the distribution of LGDG raises quite a few questions.

Most importantly, there are major variations in the revenue-raising potential and capacities of local councils serving provincial headquarter towns and other large towns on the one hand, and small towns on the other. LCs in large towns face problems of poverty and uneven development, but have relatively good administrative and financial capacity. This enables them to address their current responsibilities to a greater extent with their own resources.

Many small town LCs, on the other hand, do not have the financial, administrative or service delivery potential for them to provide adequate services and governance without strong central government support. The limited powers and resources of such councils, and their consequent inability to serve their local communities, have diminished their credibility. This poses a threat to the future of local government in many areas, particularly in the northern region. Thus, if the focus of decentralisation is to minimize economic imbalances between regions, that is not adequately reflected in the new arrangement.

### **7.3 Promoting Broad-Based Participation**

Effective participation in decentralized development is a key aim of the PRSP and of Vision 2025: national strategy emphasizes the role of the general public in influencing the activities of government in providing for community needs. Effective participation here means people's contribution to the design of, and involvement in, development programmes that are undertaken by the state and other outside agencies, as well as in the provision of public services and decision-making about the social and economic environment. Participation therefore constitutes an essential factor for the success of rural development projects and community development programmes. This adoption of the participatory approach to development is seen as one of the key solutions to Sierra Leone's mounting social, economic and political problems. In economic terms mass participation is expected to lead to improved agricultural production and productivity; in political terms, grass root organizations are expected to contribute to the democratization process and the curtailment of state power.

The participatory approach is regarded as more efficient than bureaucratic control, as it is more likely to lead to project sustainability and more equitable distribution of benefits. Participation can however be handicapped by state intervention and socio-economic and political divisions within the rural communities.

Decentralisation and participation in the development process together imply a radical redistribution of economic and social power.

For the majority of the rural poor, their success implies the curtailment of state power and that of the rural elite, to give the poor more opportunity for effective participation in decision-making and access to benefits: however, elite interests need to be weakened for decentralisation to make a real difference to the way rural people can effectively participate. Furthermore, if the same elite interests continue to dominate at local government level as at the national level, then decentralisation of power and functions of government will not lead to greater democracy.

#### ***7.3.1 The District Focus Approach to Development***

The success of decentralisation will be judged by the extent to which local communities participate in the identification, design, implementation and monitoring and evaluation of development activities that are meant to address their development aspirations. Decades of over-centralisation has not only limited the level of development at the periphery, but has also limited local involvement in development activities. Devolution has been introduced in a situation where a top-down development culture has been strongly entrenched. This has created dependency and apathy among the local populace. Thus one of the key functions of the agents who are entrusted with operationalizing decentralisation is to change the mindset of the local population by making them realise that there is much they can do to improve their lot. Thus at the heart of the decentralisation drive is the desire to promote popular participation, to identify, discuss and consolidate good governance, and to mobilize resources both within and outside local areas, with the objective of fostering local ownership of development initiatives.

**Table 7.1 Distribution of Local Government Development Grants (LGDG) and Matching Grants for FY2006**

	National Total	Bo District	Bo Town	Bombali District	Makeni Town	Bonthe District	Bonthe Town	Freetown	Kailahun District	Kambia District
Weighted Population (Urban 1.5 and Rural 1.0)	5,858,474	321,706	250,716	324,629	127,526	134,156		1,180,350	404,612	302,902
Infrastructure Composite damage Index (ICDI)	2.88	2.51	2.51	3.02	3.31	2.55		2.51	3.31	2.53
ICDI weighted with Population	2.88	0.16	0.08	0.20	0.06	0.07		0.40	0.24	0.14
LC Share of LGDG and Matching Grant	100.0%	5.5%	3.7%	6.0%	2.1%	2.3%		17.6%	7.5%	5.1%
LGDG (Le million)	8,000.00	430.68	295.99	477.68	165.51	182.03	100.00	1,393.50	590.02	400.12
Matching Grant (Le million)	1,000.00	53.70	36.91	59.56	20.64	22.70	15.00	173.75	73.57	49.89
Kenema District		Kenema Town	Koinadugu District	Kono District	Koidu/New Sembehun	Moyamba District	Port Loko District	Pujehun District	Tonkolili District	Western Area Rural District
Weighted Population (Urban 1.5 and Rural 1.0)	383,603	206,544	247,872	284,831	131,684	265,134	493,361	242,827	368,745	187,271
Infrastructure Composite damage Index (ICDI)	3.11	2.85	3.09	3.05	3.31	2.85	2.87	2.76	3.30	3.16
ICDI weighted with Population	0.22	0.22	0.08	0.15	0.16	0.15	0.26	0.13	0.23	0.10
LC Share of LGDG and Matching Grant	7.0%	3.2%	4.6%	5.1%	2.2%	4.8%	8.7%	4.3%	7.0%	3.4%
LGDG (Le million)	551.94	254.11	360.88	401.83	170.90	378.54	688.94	339.96	550.91	266.47
Matching Grant (Le million)	68.82	31.68	45.00	50.10	21.31	47.20	85.90	42.37	68.69	33.23

### **The National Recovery Strategy**

Capacity building for broad-based participation in development commenced under the National Recovery Strategy, when District Recovery Committees (DRCs) were established throughout the country.<sup>24</sup> The NRS was seen as a process of building capacity, both human and economic, for the Government and Civil Society to be able to take responsibility for all aspects of the future development of Sierra Leone. It focused on consolidation of state authority, rebuilding communities, peace-building and human rights, and restoration of the economy.<sup>25</sup> NRS implementation was district-focused, whereby the DRC was to take the lead role in assessment, planning, prioritising and budgeting in order to inform the planning process at the centre. The DRCs were intended to lay the foundations for decentralized governance once civil structures were properly restored. Most of the objectives of the NRS were met. However, those pertaining to capacity building were not, largely due to the fact that, rather than focusing on building the capacities of local level institutions, including civil society, by involving them in assessment, planning, prioritising and budgeting, the NRS took a paternalistic approach whereby such functions were undertaken by representatives of line ministries, UN agencies and donors.

**Poverty Reduction Strategy Paper.** During the post recovery era, the role of the DRCs passed to the Local Councils. Government adopted decentralisation as a key strategy in the PRSP. Implementing the PRSP, like its

<sup>24</sup>The DRC comprised local government representatives including the chairperson of the District Management Committee, District Officer, line ministry representatives in the district, NaCSA, SLP, RSLAF, a civil society representative, a women's representative, a youth representative. UNAMSIL, Civil Affairs, and OCHA were also part of the Committee.

<sup>25</sup>See Sierra Leone National Recovery Strategy Assessment, Final Report, December 24, 2003.

formulation, requires effort and participation from the local as well as the central government. The PRSP process affords local councils the opportunity to contribute to policy formulation in partnership with government and donors. It improves substantially the access of people in the rural areas to public policy-making.

By the middle of 2005, PRSP policy priorities were being translated into concrete activities, resources allocated and detailed plans designed and implemented at the local level. This is the most challenging part of the process; it requires effective participation of all development partners, and especially the local councils.

The central Government has overall responsibility to implement the PRSP, and will play the leading role. The line ministries and other agencies already have statutory responsibilities for formulating policies, designing programmes, and supervising public sector interventions to address the needs of the population. Each of these central bodies has provincial and district level units. With the decentralisation of governance and the establishment of the LCs, the role of central government will drastically change. Although sector policy decisions and budgeting will be retained at the centre, most other functions will be devolved over time, not only for the MDAs' traditional functions but especially for the PRSP.

However, as described above, many weaknesses prevent LCs from playing a more meaningful role. Capacity remains a serious issue, limiting the functions that are currently devolved. During the post-transition era, a number of efforts have been made to strengthen the capacity of local institutions. One such effort has been the setting up of Transition Support Teams (TST) and the UN District Teams by the UN Country Team (UNCT), to focus primarily on building the capacities of the Local Councils in terms of identification,

formulation and implementation of transitional projects, based upon District Development Plans, and monitoring and evaluation of the implementation of the projects. To substantiate this effort the UNDP/UNCT has created the Transition Initiative Fund (TIF), to which donors have contributed an amount of \$4.5 million to date. However, this initiative has had little success in promoting grassroots participation largely for the same reasons cited for the NRS.

For example, at the beginning of 2005, UNCT/UNAMSIL had formulated a Transition Plan to assist in laying the foundations for durable peace and sustainable development. To operationalize this plan, the UN team presented UN Agency work plans at the district level. In a number of districts, the TST, the LC and NaCSA visited every ward for consultations and prioritisation of activities. This exercise revealed that the plans which UN Agencies and NaCSA presented were not always in line with the priorities of the beneficiaries. What was actually needed was to give a chance to the wards and District Councils to identify their plans of action, and for NaCSA and the UN Agencies to buy into them. It is disappointing that this exercise has not been repeated since nor replicated in other areas.<sup>26</sup>

In situations where local people have been encouraged to identify their priority development problems, the funding provided by the UNCT and other donor agencies has led to successful implementation of local projects. For example, a partly TIF-financed Waste Management Project for five main towns has been successfully initiated by means of “write shops”, in which a broad section of society participates, defining aims, objectives and strategies.

<sup>26</sup>In a number of Wards the people have developed simple methods for identifying and prioritising development projects. For example, in Kabala District the ward committee members have developed a voting and ranking system using various symbols to represent different development projects, such as schools, health centres, roads, bridges, market places, etc.

It is disturbing to note that, in many instances Ward Committees are not really recognized as the vehicle for community participation, either by the councils or the chiefs. A good example of this aspect concerns some TIF- and Japanese-funded projects, identified mainly in discussions between the TST/UNCT and the LC concerned. Afterwards the ideas are discussed between the TST, members of the Council, and the particular community. However, partners in those discussions are mainly the paramount chiefs, with members of the community listening in. So far no definite system has been established, with identified responsibilities and channels of communication, for communities to participate in planning and evaluation of the process. Effective grassroots participation will require building the capacities of the Ward Development Committees.

### **7.3.2 Women's Participation**

The PRSP recognizes the importance of female participation in decision-making if decentralized approach to development is to be successful. Traditional and cultural barriers to female participation in decision-making are most entrenched in the rural areas and need to be addressed. Arrangements need to go together with enabling and empowering support programmes.

An important step for participation is the LGA requirement that women be represented in the Ward Committees. This is to help counter the traditional approach where, in Sierra Leone as in many African countries, women are marginalized and often treated as second-class citizens. The requirement for women to comprise half of the membership in each ward should in itself be enough to ensure women's representation in a culture where their involvement in politics is often frowned upon.

How successful it has been, however, is another matter. Experience is mixed. During interviews for preparation of this report, one female local councillor in Rotifunk,

Moyamba district, who was in charge of Yankassay ward, was positive about the participation of women at the local council level (Box 12). This shows there is prospect for the increased consideration of female participation in decision making, although this was only one female councillor interviewed out of 48 female councillors in all local councils.

**Box 12**

**Women in Community Decision-Making**

“Women are part of decision-making in my community. Decentralisation is good because it affords women the opportunity to be included in decision-making process. Women in my ward can now go to the Court Barry and join their male counterparts in discussing development projects and other issues.”

**7.3.3 Need for Checks and Balances**

Local governments are more familiar with local issues, and so may be in the best position to more equitably distribute public resources and target poverty within their own jurisdictions. However, they will not necessarily choose to pursue redistribution in their jurisdictions, or to more generally seek the interests of the poor, unless forced to do so by broadly inclusive local political processes or interventionist central governments. Local governments should not be left on their own: checks and balances are needed.

**7.3.4 Role of NGOs and Private Sector**

To further realise the goal of poverty reduction, partnerships and coordination between non-governmental organisations and local governments should be strongly encouraged. One of the benefits that NGOs – especially local NGOs – enjoy, as opposed to the national government, is a comparative advantage in knowledge of local areas. As a result, NGOs’ expertise in this field should be positively utilised. NGOs might be the only institutions to have worked in certain rural areas, especially in supporting community participation in delivery of public services. Involving as many development actors as possible is more likely to yield positive results, as expertise from different angles will be co-opted. NGOs can also provide much-needed civic education for the decentralisation process.

Arrangements to increase female participation should go together with enabling and empowering support programs. The national emphasis on educating the girl-child in the past years is an appropriate long-term strategy, but short-term solutions are also needed.

Also important is Sierra Leone’s awakening to the importance of the private sector for development and poverty reduction. Programmes to enable private sector development in the economy now occupy the heart of government’s policies. The private sector is well positioned to undertake service delivery roles, and should be further encouraged to seize the opportunities that exist in decentralisation.

**7.4 Poverty Reduction Interventions**

Poverty reduction strategy requires long-term commitment, additional resource mobilisation, and capital formation at the local level and creation of income and employment opportunities. Specifically, the decentralisation process in Sierra Leone addresses education, health, agriculture, and gender equity as key areas for poverty reduction.

**7.4.1 Education**

Human development through education is one of the most effective means of fighting under-development at the individual, community and national levels. Given the serious disparities in education opportunities in Sierra Leone, enhancement of equity is a foremost concern. There is a vital need for increased resource provision directed towards those areas currently disadvantaged, and so for redistribution measures in educational policy to reflect the objectives of decentralisation.

In general, the education sector aims to promote basic education for all Sierra Leoneans, in support of manpower development in key sectors for rapid economic growth and poverty reduction. This is in line with Government's commitment to the attainment of the second MDG, achieving universal primary education by 2015. The strategic sector framework is provided by the New Education Policy. Some of the key focuses of this policy are to promote education of the girl-child, expand and improve access to basic education, to develop technical and vocational skills, and to strengthen tertiary training to enhance sustainable development and poverty reduction.

For these overall goals to be achieved the decentralisation process has to be intensified to improve equity in education. For example, the two most important challenges for the education sector currently are the serious congestion in schools in the urban areas, and the shortage of trained and qualified teachers, especially in the rural areas. The decentralized education administration will need an effective and efficient mechanism to ensure that expenditure is allocated in a prioritised manner to help provide primary and junior secondary schools for isolated rural communities, and to contribute equitably to new facilities to meet the most urgent needs of beneficiaries in all parts of the country.

#### **7.4.2 Health Care and Sanitation**

Evidence from most of the country indicates that service provision is relatively improving in the health sector. However, the transfer of primary care clinics to the local communities has not resulted in extending coverage or improving the quality of services, largely because of the financial constraints faced by the central government, which limit the resources that can be budgeted for health care, and lack of professional supervision. Thus, despite government's vigorous efforts to promote health provision and to delegate public health care provision through local councils, problems still affect the quality of public health care.

The area of focus in the health sector is strengthening primary and secondary level care. This is consistent with government's overarching objective of decentralising the provision of basic services. Local Hospital and District Management

Boards for devolution of health system responsibilities have already been established. These need to be strengthened. Equally important is government's plan to accelerate the establishment of Nurses Training Schools in all the regions to address the huge shortage of trained personnel who administer basic health care at the primary and secondary levels. Since the local councils lack the necessary management capacity to assume all of their new responsibilities at the same time, total transfer of responsibilities for health can hardly be workable. A better system is likely to be piecemeal transfer, with LCs requesting that a given responsibility be transferred to them from the central government, once they feel they have sufficient management capacity to administer it.

However, the results so far for widening access to health service delivery are relatively good. Prior to decentralisation, the only hospitals to be found were one in each provincial headquarters town. Since the beginning of the devolution of health care in 2005, nearly every chiefdom or district in the country, if not all, has a health care facility within less than 3 - 5 km. Clearly, there has been a rapid expansion of health services to the provinces. For example, recently the Makeni hospital has begun to provide the administrative framework within which most health care activities take place. Services from the Bathkanu Community-Based Health Centre have been extended to all parts of the chiefdom.

#### **7.4.3 Agriculture**

Decentralisation puts the onus for agricultural development and poverty mitigation on communities, chiefdoms and districts. These agencies are held accountable for the disposition and use of resources, for providing support, and for the performance achieved in services devolved to them. The farmer is expected to become an active player in the design and formulation of agricultural policy. Central government agencies, as well as their policy-making, regulatory and facilitating roles, become centres of knowledge, value and guidance in technical and socio-economic support. It is against this background that the Ministry of Agriculture and Food Security decided to formulate and implement



policies and programmes for the development of the agricultural sector, to increase domestic production of food, with a view to achieving food security in the medium and long term; to increase agricultural productivity, output, rural incomes and employment, while ensuring adequate protection of the environment; to ensure a balanced regional agricultural growth and equitable distribution of income; and to maximize foreign exchange earnings from the agricultural sector.

While the local agencies are building capacity, the central departments and agencies need to be more engaged in supporting them. They need to provide assistance to districts when analysis of the problems being confronted, or of the opportunities being looked at, exceeds local capability. This would mean that while the staff and other resources required by central agencies could be considerably reduced, their specific competencies, required logistics and rewards would need to improve. Full decentralisation also implies that funding for programmes, projects and service provision would arrive at the level of the chiefdom, community or village group that was responsible for the operation concerned, with minimal erosion of value on the way down. The policy and strategy framework for most of these changes already exists; what is needed now is for the provisions to be implemented without further delays.

#### **7.4.4 Gender Mainstreaming and Women's Empowerment**

It is necessary and justified that all members and levels of society should have sufficient power to protect their own interests. As the interest or priorities of women and men differ almost at all times, these two groups should be given adequate, equal power to influence decisions that address their interests. The existence of laws intended to improve representation of women and weaker segments

of society, and increase their influence on local decision-making, should not be seen as having solved the problem. It is the implementation of these laws that poses challenges for many in developing countries. The positive role of women in development of their communities has long been established and widely accepted. Making a case for gender mainstreaming and women's empowerment in Sierra Leone's decentralisation therefore is advocating for better service delivery and success for the process.

Impediments to gender mainstreaming and women's empowerment are however still widespread. Even where traditional power structures have been broken, the problem of historical bias and ignorance remains. The biases of gender, plus a reluctance to examine new ideas and ways of understanding, constitute another impediment to effective local decision-making: for example, LC decisions continue to be made by village elders though it is mostly the younger generation that has had access to education. Similarly, even decisions about women are made by men. Although the wisdom of the elders and men is critical for a society's well-being, it is equally important to integrate within this wisdom the knowledge and perceptions of women.

Thus in exploring links between decentralisation and gender mainstreaming and women's empowerment, a starting point is to consider and address the structure of the society. The low representation of women in the LCs suggests that power structures have not greatly changed. Women's influence in politics is growing, but resistance to their political advancement persists. However, there is every indication that since the beginning of the democratisation process in 1996, gender sensitivity has been improving.

Decentralisation focuses on special groups, such as women, for whom escape from poverty is particularly difficult. Women face special social and economic constraints in acquiring and using human capital. From a gender perspective, local government is the closest and the most accessible level of government to women. Local governments traditionally provide services utilized by individual households such as water, schools, health clinics, waste disposal, public transport and other social services. The decisions of local governments therefore have a direct impact on women's lives, because they are traditionally responsible for caring for the family and the home. Women also have important contributions to make to the development and management of these services. They must be fully part of the local democratic system and have full access to the decision-making structure. Until the interests of women have been fully represented at the local level, the system is not fully democratic.

For a nascent democracy like Sierra Leone's, local government could be a most appropriate training ground for women. Local government is the closest to women's sphere of life and easier to combine with raising children. It can be the first level that women can break into and as such it may serve as a springboard to national politics, by developing capacities and gaining experience. Likewise, local politics can be more interesting to women, as they are well acquainted with their community, being the major users of its services. They also participate actively in organizations in their neighbourhood, and it is easier to involve these organizations in formal political decision-making at the local level.

Decentralisation is expected to create a special opportunity for increased female participation in decision-making. This is because the process does not prohibit the participation of women either directly or indirectly. One of the

key things that deters women's participation in politics at the central level in Sierra Leone is usually their educational status. This is not an issue for a councillor since meetings at the local level are held in the indigenous language of the village or chiefdom. The main thing that might impede women's increased participation is their self-perception. The existing gender inequalities in the decision-making processes at both the national and local levels could be addressed through the introduction of a system of proportional representation as in 1996, or a district-based system as in 2002, in local council elections. This could encourage political parties to ensure that at least half of the candidates on the party lists in subsequent elections are women.

## **7.5 Mechanisms to Track Delivery of Public Resources for Poverty Reduction**

One of the strong cases put forward for decentralisation is that it ensures efficient delivery of services. As service delivery is key for poverty reduction, the government has designed two mechanisms to track delivery of public resources for poverty-related expenditure, the Public Expenditure Tracking Survey (PETS)<sup>27</sup> and the Public Perception Survey (PPS).

### **7.5.1 PETS**

Poverty cannot be effectively reduced unless and until the resources allocated reach the intended beneficiaries. The PETS mechanism checks whether resources meant for poverty reduction in fact do reach them. The use of PETS will empower citizens to demand information on resources and services intended for them, thereby making public officials more accountable. To monitor service

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<sup>27</sup>Conducted by the PETS Task Team at the Economic Policy and Research Unit, Ministry of Finance.

delivery, the PETS is a systematic way of tracking the flow of resources through various layers of government bureaucracy to determine how much of the originally allocated and disbursed resources reach each layer and how long resources take to get there. The survey assesses the leakage (if any) of public funds and hence, the efficiency of pro-poor public spending and is strongly linked with an assessment of service delivery. PETS also assess the communities' perceptions of the quality of service delivery.

The PETS report for 2003 confirmed that transfer discrepancies or leakages of public funds remained a critical problem in the distribution of resources in the key poverty-focused sectors. This has serious implications for poverty reduction and especially for the attainment of the MDGs. The fourth PETS, which focused on selected expenditures in the Agriculture, Education and Health sectors for 2003, traced the distribution of seed rice in Agriculture, the supply of school furniture to primary schools in Education, and the distribution of essential drugs in Health. 56.8 % of Farmer's Associations reported receiving seed rice after the planting date.

### **7.5.2 PPS**

The PPS aims to gauge the perception of beneficiaries of public expenditure as to the quality of services delivered. For example, the community perception of technical advice provided through extension officers to farmers revealed that 48.5 percent of respondents reported that extension officers visited their communities, and 76.9 percent of those rated the extension services as useful. Nearly all of the communities interviewed reported not paying any charges for these extension services during 2003.

About 87 percent of respondents rated education services delivered during 2003 as better than in the previous year, while 95 percent reported that the schools in their communities faced lots of problems. Lack of trained and qualified teachers, low salary for teachers, and inadequate teaching and learning materials, were some of the reasons given.

Overall, the survey revealed that 61 percent of community respondents perceived health service delivery as satisfactory.

### **7.5.3 PETS & PPS Findings**

The PETS and PPS mechanisms are limited in their coverage and have only recently been introduced. It is not surprising that they do not yet give adequate information on the extent to which decentralisation has improved the effectiveness, efficiency and quality of service delivery and the use of public resources. However, from the information they provide, it could be deduced that while some progress has been made in improving health care and education in the first year of decentralisation, more needs to be done, and that improvement in these areas requires a reasonable gestation period. Preliminary indications are that in health facilities and primary education, the increased government expenditure has resulted in increased provision throughout the rural areas; with a drastic reduction in users' distance to basic services, tending towards wider and more equitable access to services.

## **7.6 Development Projects Implemented by Local Councils**

Decentralisation in Sierra Leone is still in too early a stage for a thorough assessment of its impact. However, on a more optimistic side, some progress can be seen by development activities carried out by most of the LCs.

**Table 7.2 Ranking of Development Priorities by personalities in different Local Councils**

Note: Ed=Education, W=Water, El=Electricity, R=Road, HI=Health, Ho=Housing and Ag=Agriculture

Ranking reduces from left to right; e.g. in Makeni town council, under general local council, the order of development priorities is water, electricity and roads

District/Town Council	General LC			Men in LC			Women in LC			Opinion Leaders			Community Members		
	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>	1 <sup>st</sup>	2 <sup>nd</sup>	3 <sup>rd</sup>
Makeni Town	W	El	R	W	El	HI	W	El	R	W	R	El	W	El	R
Bombali	Ed	HI	W	Ed	HI	W	Ed	HI	W	HI	R	Ed	Ed	HI	W
Port Loko	Ed	Ag	Ho	Ed	Ag	Ho	Ed	Ho	Ag	Ed	HI	Ag	Ed	Ag	Ho
Tonkolili	Ed	Ho	R	Ed	R	Ho	Ho	Ed	R	Ed	R	Ho	Ed	Ho	R
Kambia	Ed	W	HI	W	HI	Ag	Ed	HI	W	Ed	W	Ag	HI	Ed	W
Koinadugu	R	Ed	W	R	Ed	HI	R	Ed	W	R	Ed	HI	R	Ed	W
Bo Town	Ed	R	W	Ed	W	R	Ed	R	W	HI	R	Ed	Ed	HI	R
Bo District	Ed	R	HI	Ed	R	HI	Ed	R	W	Ed	R	W	Ed	W	R
Moyamba	Ed	HI	Ho	Ed	HI	Ho	Ed	HI	Ho	Ed	HI	Ag	Ed	HI	Ho
Pujehun	Ho	Ed	HI	Ho	Ed	R	Ho	Ed	W	Ed	HI	Ho	Ho	Ed	W
Bonthe Town	HI	Ed	El	Ed	HI	El	HI	Ed	El	R	El	W	HI	El	Ag
Bonthe District	Ed	HI	Ag	Ed	HI	Ag	Ed	HI	Ag	Ed	Ag	HI	Ed	HI	Ag
Kenema Town	R	W	HI	R	W	HI	R	W	HI	R	W	HI	R	W	HI
Kenema District	HI	Ed	R	Ed	R	HI	HI	Ed	R	R	HI	Ed	HI	R	W
Koidu Town	R	W	Ed	R	W	Ed	R	Ed	Ho	R	Ho	HI	Ed	R	W
Kono	R	Ed	HI	R	Ed	HI	R	Ed	HI	R	Ed	Ho	R	Ed	HI
Kailahun	Ho	R	Ed	Ho	R	HI	Ho	R	Ed	Ho	R	W	Ho	Ed	W
Western Area Rural	R	Ed	W	R	W	Ed	Ed	R	HI	W	HI	R	R	Ed	W
Western Area Urban	W	El	R	W	El	R	W	El	R	W	R	HI	W	El	R

Source: Baseline snapshot-public services, priorities and perception survey. Devolution Workshop June 28, 2001.

### **7.6.1 Identified Development Priority Areas for Decentralisation**

Decentralisation is seen to be bearing fruit for development. With the additional support provided, lots of positive changes can be seen especially in rural areas. A good example is that district and town councils now plan their development programmes having the exclusive power to indicate priority areas. From a recent survey carried out by the Decentralisation Secretariat, Table 7.2 above shows areas of development priority identified by and for local councils. The people who were interviewed were asked to rank their development priorities in seven areas.

Results are shown first for the general local council overall, then separately for men and women in the councils, for opinion leaders, and for ordinary community members. A striking observation from this survey is that the five different sets of people interviewed demand similar development projects but with varying degrees of priority. For example, in the Makeni Town council, except for the men who choose health as one of their demands, every one else wanted water, electricity and good roads. Similarly, in Bo Town council every one wanted education, road and water, except opinion leaders who listed health. This observation is consistent with other councils. What this implies is the presence of broad consensus among development actors at the local level, which will ease policy-making. The respondents in 16 councils out of 19 (84 percent) listed education as a major priority development project.<sup>28</sup>

The laudable fact shown by this survey is that local councils can now make conscious decisions about their development priorities, unlike the centralised system where decisions

<sup>28</sup>The exceptions were Makeni Town Council, Kenema Town Council and Western Area Urban.

were made far away from local communities' concerns. And LCs are now implementing their own projects, through the Rapid Result Initiative.

### **7.6.2 The Rapid Result Initiative Projects**

In the past two years, LCs have been given the opportunity to implement their own development projects by the Rapid Result Initiative for Local Councils (RRI). The RRI was introduced in 2004, to fast track the relevance of the new councils. It was a World Bank-funded programme, intended to initiate the newly elected local councils into the art of developing and managing projects. Each local council was provided, through the Local Government Finance Department, with approximately \$50,000 to pursue projects which would be implementable within 100 days. The fund was the first tranche of the LGDG and its objective was to finance projects that were community-based, in areas such as provision of pipe-borne water, rehabilitation of roads, construction of slaughter houses, or cultivation of rice, all geared towards fostering participation of local communities.

Table 7.3 presents projects carried out by each LC, indicating the status of implementation.<sup>29</sup> In general the councils implemented their first projects successfully. Initial results were displayed in an experience-sharing forum held in Bo in February, 2005. These successes yielded funds to LCs to carry out multiple additional RRI projects. As the table shows, there is indeed a considerable amount of work being done by the LCs. With increased support and especially commitment to the devolution process, more positive results will be seen in coming years.

<sup>29</sup>A more detailed table is provided in the annex that gives all ongoing development projects in the local councils; below is just a selection of completed projects as at January 2006.

Table 7.3 RRI Projects Carried out by Local Councils

	<b>RRI Focus Area</b>	<b>Project Start Date</b>	<b>Estimated End Date</b>	<b>Implementation Status</b>
<b>Makeni Town</b>	Boli land rice production in Gbanti Chiefdom	July, 2005	November, 2005	Threshing in progress
<b>Port Loko District</b>	Artisanal Fishing			Boat construction completed Fishing gears procured
<b>Tonkolili District</b>	Construction of recreational centre	August, 2005	November, 2005	Completed
<b>Koinadugu District</b>	Construction of Court barrier	September, 2005	4th January, 2006	Completed
	Construction of six grain stores in six Wards	September, 2005	January, 2006	Completed
<b>Bombali District</b>	Construction of 23 culverts and rehabilitation of roads in five Wards in four Chiefdoms	August, 2005		80% completed
	Construction of Market	August, 2005	December, 2005	Completed
<b>Kambia District</b>	Food Production	August, 2005	December, 2005	Completed
	Construction of Market	19th August, 2005	December, 2005	Completed
	Construction of Vocational centre	16th August, 2005	December, 2005	Completed
<b>Bo Town</b>	Cultivation of 250 acres of IVS in Bo Township	July, 2005	November, 2005	Completed
	Construction of 20 parking shed for motorbike riders	September, 2005	October, 2005	Completed
<b>Bonthe District</b>	Cultivation of Nerica	May, 2005	January, 2006	Completed
	Fabrication of School Furniture	November, 2005	January, 2006	Completed
<b>Bo District</b>	Inland Valley Swamp Rice Production	July, 2005	December, 2005	Completed
	Construction of grain stores, toilet and drying floor	10 <sup>th</sup> August, 2005	January, 2006	Completed
	BDEC Primary Quarters Rehabilitation in Jimmy	10 <sup>th</sup> August, 2005	January, 2006	Completed
<b>Moyamba District</b>	Scale –up of Water provision in the Township	October, 2005	February, 2006	Completed with 58 stand pipes
	Gbangbatoko	September, 2005	November, 2005	Completed
<b>Pujehun District</b>	Development/ Rehabilitation of 250 Acres IVS and 70 acres boli with Rice cultivation.	June, 2005	September, 2005	Harvesting in progress
	Construction of rafter	October, 2005	January, 2006	Completed
<b>Freetown City Council</b>	Rehabilitation of Victoria Park in Free Town Central I	Unknown	Unknown	unknown
	Construction of market in Freetown central II	Unknown	Unknown	unknown
	Construction of Community Centre in East I of Freetown	Unknown	Unknown	unknown

Western Area Rural District	RRI Focus Area	Project Start Date	Estimated End Date	Implementation Status
<b>Western Area Rural District</b>	Construction of four mile Road	September, 2005	December, 2005	Completed
	Rehabilitation of Mountain Rural Secondary School	September, 2005	December, 2005	Completed
<b>Koidu New/Sembehun Town</b>	Construction of Water Dams	September, 2005	December, 2005	Completed
	Construction of Market	September, 2005	December, 2005	Completed
<b>Kono District</b>	IVS Rice cultivation and post harvest facilities	September, 2005	December, 2005	Harvesting in progress and grain store at wall height, drying floor completed.
	Rehabilitation of feeder roads	September, 2005	December, 2005	Grading of road and drainage completed, 72 culverts constructed and awaiting installation
	Rehabilitation of feeder roads	September, 2005	December, 2005	Road completed and two major bridges contracted.
	Construction of a Community Centre	September, 2005	December, 2005	Completed
<b>Kenema District</b>	Feeder roads rehabilitation	September, 2005	December, 2005	All culvert construction and installation completed. Remaining construction of one bridge, grading and drainage construction. This has delayed due to the water table
	Construction of 25 Ventilated Improved Pit Toilet (VIP)	September, 2005	December, 2005	Excavation of pit completed, slabs constructed, superstructure completed..
	Inland Valley Swamp Rice cultivation	September, 2005	December, 2005	Harvesting completed, remaining threshing, recovery, drying and storage.
<b>Kenema Town</b>	Rehabilitation of fish and meat market	September, 2005	December, 2005	Completed
	Installation of 13 taps in the township	September, 2005	December, 2005	Completed
<b>Kailahun District</b>	Construction of market			Contract awarded
	Construction of Guest House			Contract awarded
<b>Bonthe Town</b>	Fencing of the Bonthe Town Hall	September, 2005	December, 2005	90% completed
	Construction of Abattoir	September, 2005	December, 2005	90% completed
	Construction of Butcher market	September, 2005	December, 2005	90% completed
	Construction of fish market shed	September, 2005	December, 2005	90% completed

In summary, international support for decentralisation, poverty alleviation programmes and capacity building in Sierra Leone has been, and remains, at a high level. The role of the government has been central to obtaining this support, due to its efforts to promote good governance and seeking to eliminate mismanagement and corruption. This has had benefits for the local councils, with the World Bank funding 90% of the LGDG to help them meet their development priorities.

### **7.7 Challenges and Constraints of Decentralisation**

Decentralisation can live up to its promise – if local governments are given access to the necessary resources, if the public expenditure management system can monitor and control the pace and allocation of spending, if local and national bureaucrats are of equal quality, and if legal frameworks are clearly defined and enforced. Otherwise, the results tend to be disappointing. The key to successful decentralisation should mean devolving both spending responsibilities and revenue sources, and determining the magnitude of both simultaneously and in advance.

Commitment to decentralisation seems to be positive from both the central and local governments, but in practice, this is not yet carried through into delivery. It is constrained by several factors – the key elements which have already been highlighted include transfer of power, administration of local councils, and most importantly, resource availability. The latter includes finance and personnel, without which power and competence cannot be effective.

The central government's commitment has resulted in the institutional framework being

firmly established through the 2004 LGA. However, there remains an issue over central government transferring adequate resources to the local councils for their use in accordance with locally determined priorities. Decentralisation entails loss of power by the central government, by political parties and by the local political bosses. These three groups constituted the governance capacity under the past centralised system. While LGA 2004 clearly bestows on the LCs extensive responsibilities in a range of sectors, in practice, there are a number of instances where powers and functions overlap with central government agencies, who generally remain the primary responsible bodies. This is certainly true in the key areas of education, agriculture and health. Especially in education, LC involvement remains marginal compared with deconcentrated MDAs, despite the local coordinating responsibility.

Second, with regard to key actors in the new local government system, there are clear shortcomings with respect to representation and downward accountability. The appointment of central government officials to local councils obviously encourages upward accountability. For example, even though a secretariat for the Local Government Service Commission (charged with the recruitment of local council personnel) has been established, the Chief Administrator (the highest career civil servant in the district and secretary to the local council), the Deputies and Treasurers, are still drawn from the national civil service and therefore owe their positions and allegiance to central government structures. As would be expected, their recruitment, career progression and dismissal are done by the national headquarters of the departments or ministries and not by the local councils.



Third, the exercise of local council authority is subject to:

- Monitoring of LC performance by a Provincial Coordinating Committee (PCC) – chaired by the Residence Minister, an appointee of the central government. Although the PCC is to play a secondary role in the decentralisation process, it is in practice very powerful, especially when it is given the power to “coordinate the activities of local councils in the Province” (LGA). This means the PCC not only has the power to control the activities of the councils, but the power to approve or reject LC bye-laws can also be delegated to it by the MLGCD.
- The general guidance and discretion of the President on matters of national policy. The most important reserved intervention of the central government is the power of the President to “assume the power of local council, where the council persistently acts beyond its powers” (LGA). Although the situation has never arisen, the practical implications of this provision are predictable.

Fourth, the fiscal independence of the local councils. Certainly, a degree of fiscal decentralisation has occurred, in particular with the creation of the LGDG, but the adequacy of financial resources transferred to local government is severely questioned, and the democratic control over financial matters is limited. Even though LCs are budgeting authorities, they are required to submit their budgets to the Local Government Finance Department (whose members are appointed by the President) three months before the

beginning of each year. The Local Government Finance Committee (LGFC) recommends “to the Minister responsible for finance the amount of grant allocations to each local council” (LGA). In other words, it is the Ministry of Finance that eventually approves the LCs’ budget estimates. Such control mechanisms, though prudent in some respects, tend to stifle local initiatives, and leave local authorities looking upwards to central government to undertake major development projects. They also indicate how local councils are subject more to central control than popular control.

A further key restriction on LCs’ ability to respond to their obligations, as already stated above, stems from their severe financial constraints. The minimum allocation of Le44.7 billion, 8.8 percent of total revenue for 2004-2008, is insufficient for the councils to have any significant impact on poverty.

Finally, the devolution of authority to LCs has been circumscribed by the MLGCD. The MLGCD monitors the decentralisation process and the effectiveness of local councils and also advises the government on all local government issues. Consequently, it approves all bye-laws of the local councils, issues guidelines for the making and levying of rates in the localities, and issues instructions, after consultation with the Ministry of Finance, for better control and efficient management of finances of the local councils. There are complaints that directives from the MLGCD tend to undermine the LCs’ autonomy and independence.

## CHAPTER EIGHT:

### CONCLUSION

#### 8.1 Introduction

This national human development report has raised a number of important issues relating to the economy, local governance, poverty reduction and sustainable development to inform stakeholders and to advocate for enhancing development. The concluding and recommendation section here is based on the discussions in the report, highlighting the pertinent challenges in the various thematic areas relevant to local governance, poverty reduction and sustainable development. See also the conclusions at the end of Chapter 6.

#### 8.2 Looking Ahead

##### 8.2.1 Decentralisation

From the above discussion decentralisation is gaining grounds in Sierra Leone. The process has a strong political will, as exemplified by pronouncements and actions from the political leadership. After so many years of central influence, the elected local councils welcome the powers and responsibilities devolved to them from the central government, especially in the areas of planning, formulation and execution of programmes.

The legal provisions in the Local Government Act do give the local councils the environment to enable them to determine their development priorities through decentralisation of planning and budgeting processes. Only selected socio-economic activities have yet however been transferred to councils, for example in education, health, water, social welfare and agriculture.

The Local Government Act and the decentralisation policy specifically define operational terms; the extent and limits of actions by central government; provincial administration; and municipal and district councils. However, from the analysis in this document there is need to further develop the legislation to accommodate policies and procedures that cover inter-governmental, non-governmental and other agency relations.

The adoption of good macro-economic policies is supposed to transform the economy to enhance overall development, growth and stability. Within this framework the public sector, which includes local councils, will be responsible for improving social conditions and developing the infrastructure. Therefore, the need to have LCs closely associated with aspects of macro-economic management cannot be overemphasized. However, for now the central government has more control in matters of taxation and public expenditure.

For example, under fiscal decentralisation local councils are empowered to raise revenues for their development activities. However, this study shows that districts can only raise a small proportion of the funds they require, thereby making them heavily dependent on remittances from the central government, depriving them of fiscal autonomy, and rendering them ineffective to fulfil their numerous responsibilities. According to the LGFD, about 75% of all LCs' current revenue is grants from the central government.

Invariably there is a mismatch between allocated resources from central government and the expected responsibilities for the councils to perform. In such circumstances the councils are under pressure to adopt a coping mechanism, such as borrowing from financial institutions. However, such borrowing has to be strictly monitored because it has implications for macro-economic management, and the need to reduce the overall public debt burden. With time and as the decentralisation process develops, expenditure responsibilities of the councils must be encouraged to be harmonised in line with their revenue generation capabilities.

The involvement of local councils and community members in the policy formulation process and overall management of programmes need to be improved. As has been observed, the central government exerts much control over key policy areas, thereby reducing LC influence on these issues. The lack of adequate resources, minimal involvement of community members, and shortage of competent personnel in the local councils, weakens their contribution to the planning exercise. In many instances plans are hurriedly done, with tight submission deadlines, rendering them unrealistic in many respects.

There should be improved coordination between key ministries, and a coherent integration of sectoral decentralisation with local planning and appropriate budgetary mechanisms.

For civil society actors to effectively influence government policies and actions, they need to be well informed, as information is power. There should be rapid exchange of ideas and information to promote civic participation in the development of their communities, perhaps through empowering community media using

both print and electronic sources to reach more local, poor and marginalized people, and thus enhance their active involvement in local governance.

To ensure the sustainability of local government interventions in service delivery issues, the various stakeholders should be actively involved in both decision-making and implementation processes using an unlimited combination of delivery options to maximise output to all. The involvement must be backed by availability of local diversity of experiences, knowledge, energies and resources to the different actors.

For financial transparency and accountability, the rules and procedures governing decentralized planning and financing must be explicitly clear to all from the beginning, with obvious penalties for lapses from anyone. In addition, independent and reliable information must be made available to the people regarding the amount and nature of resources that are transferred to local councils through recognised outlets.

Revenue generation by LCs is highly under-developed. There is a lot to do in strengthening their capacity to raise funds from their existing revenue base. Therefore, LC capacities need to be enhanced to gain direct access to a variety of revenue sources to augment state budgetary allocations. A new challenge posed in this area is on the issue of tax coordination and harmonisation to avoid duplication of payment by citizens. The tax base and tax powers that have been devolved to local councils are low, and mostly politically challenging to effectively accomplish.

In summary, though the current wave of decentralisation is in its nascent stage, it continues to promote positive aspects of socio-economic development, through larger participation of community members. There may be some lapses in the present system, but as the process progresses there is need to see proper balancing of responsibilities between all the key players – central government, local councils, community members, NGOs. Further measures should be taken to build on the resource and technical capacity of the LCs, especially at the ward level, to strengthen decentralisation.

The main essence of decentralisation and local governance is to increase access to public services and nurture democratic culture at the local level. Government together with its development partners should work in strengthening the local governance capacities by designing and implementing national strategies for decentralising authority and responsibility with an emphasis on the rights of women and the poor. This is already progressing somewhat satisfactorily.

### **8.2.2 Poverty Reduction**

Sierra Leone's economy continues to be characterised by widespread poverty. Hence the Poverty Reduction Strategy has been designed to facilitate combating poverty and inequality. These anti-poverty strategies are closely linked to the achievement of the MDGs, for consistency, policy reformation and avoiding duplication of efforts towards addressing human development goals. Poverty reduction requires economic growth, but with persistent negative external economic factors (such as an unsustainable debt burden and unfair rich country trade barriers, including tariffs and subsidies to agricultural and manufacturing industries), countries like Sierra Leone will continue to struggle with poverty. As part of the global village, Sierra

Leone has to attain and sustain political and economic reforms in exchange for direct support from the developed world in the form of aid, trade, debt relief and investment. The formation of New Partnership for Africa's Development (NEPAD), trade negotiations at the World Trade Organisation (WTO) and other trade mechanisms such the US Africa Growth and Opportunity Act, are all instruments to eventually help Sierra Leone shape its economic policies and improve on regional cooperation and integration for further economic growth, and to promote anti-poverty programmes, with the poor people at the centre in a participatory manner. In short, pro-poor policy formulation and adoption, capacity building and pro-poor resource allocation are needed to address the poverty situation.

### **8.2.3 Millennium Development Goals and Human Development**

Sierra Leone adopted implementation of the MDGS as part of its strategy to promote human development. The country has the right political will, but can only make steady progress and achieve the MDGs with substantial support from donors, in the form of resources, advocacy, expertise and the total involvement of partners in civil society and the private sector. The MDGs are part of Sierra Leone's set of eight time-bound, measurable goals that need to be addressed to contribute to overall human development.

Key determinants of human development as identified in this report relate to health, housing, water and sanitation, education, and agriculture, as well as improving the status of women. The positive trends scored with the emergence of democracy and some economic progress (increase in school enrolment, and stemming the spread of HIV/AIDS) are helping drive achievements in human development, moving the country a step upwards.

**Health.** In the health sector, there are forces threatening to forestall the progression of these positive trends, amongst which are the fight against infectious and communicable diseases, maternal and child mortality. Though the spread of HIV/AIDS is currently in check, there is no need for complacency, and together with malaria and tuberculosis, they remain of particular significance. Their spread needs to be reversed to achieve the PRSP and MDG objectives. There is a need to strengthen the multi-sectoral approach and partnership with government agencies, UN agencies, civil society groups, and donor organisations, through a range of coordinated actions with clear implementation plans and measurable expected outcomes. Also needed is improvement in the capacity of service providers, and strengthening institutional systems, especially in areas such as service delivery, professional data collection, and transparent public dissemination of available statistics to inform the formulation of policies. Social sector projects should continue to refurbish hospitals and health centres, provide essential equipment and supplies to restore health services disrupted by the civil conflict.

The population, especially the poor, should have access to good quality, essential health care by ensuring continued availability of basic health, nutrition, and family planning services to those most at risk. Emphasis should be placed on decentralized service delivery to improve efficiency. Government budget allocations should be provided to health centres in proportion to the number of poor and vulnerable groups covered by each local council.

Housing, clean water and sanitation for the population. The provision of potable water and increased access to proper sanitation for the over one million people now living without it will require more support from the developed nations. The country has to adopt new policies and technologies, and make significant improvement in the way housing and water

resources are managed and used. An integrated approach is required, through good governance over water resources and sanitation issues, using the local councils, civil society, public and private domains. The participation of affected communities and NGOs in project planning, design, and implementation should be emphasized to ensure commitment by all stakeholders to the changing needs of communities. Also, private sector involvement in management and maintenance activities should be encouraged for sustainability. Institutional capacity building must be supported to improve efficiency of delivery, operation and maintenance. The market-based pricing of services should be given serious consideration to promote good governance through decentralisation of authority in the local councils. The willingness and ability of the population to pay for services and the extent of private sector involvement in development and management of infrastructure will be factors to consider in enhancing the quality of services provided.

**Education.** In education emphasis should be placed on strengthening service delivery through the decentralisation mechanism, and strong monitoring and evaluation of programmes. The programmes supported by government and donors should continue to undergo reforms, where necessary, in order to mobilize more resources and improve efficiency, sustainability, accountability and transparency, through building partnerships with communities and other stakeholders. As has already commenced, government budget allocations should be provided directly to local councils in proportion to the student population in each council area. There is need for construction/rehabilitation and equipping of more schools with educational materials and qualified staff to provide quality education for the ever increasing student population.

**Agriculture.** Interventions in agriculture should focus on production: diversification into high-value crops; microfinance for farmers; livestock and fisheries development; rural roads; storage, processing and market improvements; natural resource management and environmental protection. In addition, provision should be made for capacity building, strategic planning and institutional reforms and improvements. The projects and investments must have design and implementation strategies that involve stakeholder groups such as farmers' associations, government agencies, local councils, NGOs and community-based organisations. Since the majority of the work force is engaged in agriculture, investments in this sector will be able to create more jobs and directly contribute to poverty reduction.

**Improving the Status of Women.** To achieve the goal of enlarging people's choices in the national human development drive, attention has to focus on improving the status of women. Despite the fact that women significantly contribute to the economy and overall development of the country, both in the formal and informal sectors (e.g. unpaid labour in the home and in communities), they remain unduly disadvantaged in all spheres of development, including access to resources, essential services and decision-making.

Economic opportunities should be provided for women, especially the poor, to improve their incomes under the poverty reduction strategy. Policy changes must be made to favour women, and investments in women across all sectors must be increased to provide them with greater access to education, health care and employment opportunities, especially in decision making roles.

### 8.3 Summary Recommendations

In summary, the following broad areas should be pursued, addressed or promoted to forge ahead with human development in Sierra Leone:

- macroeconomic constraints that trouble the poor, such as inflation, tariffs and adverse internal and external trade policies;
- market-driven, effective private sector development that benefits the poor and free public resources for improving social development and reducing poverty;
- equity in access to and use of production factors, such as land, capital, knowledge, labour and other factor markets;
- economic development that generates income and employment for the poor;
- socio-economic development through decentralisation and sub-regional and regional cooperation;
- location of infrastructure projects in poor areas, or incorporation of specific components to ensure the poor have increased access to project facilities and services;
- sustaining economic growth by enhancing the quality and productivity of the environment and natural resources;
- information sharing on issues of mutual concern to all stakeholders in the development process;
- consensus building on key development issues and problems;
- facilitation of dissemination of best practices;
- strengthening of policy making for government and other key stakeholders;
- facilitation of the monitoring of programme activities and recommendations made in various public forums;
- promotion of participatory development process and constructive networking among stakeholders in the communities.

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## ANNEX 1

## Social Indicator Tables

**Table: 4.1b Percentage of Total Expenditure on Primary, Secondary and Tertiary Education (Millions of Leones)**

Year	Total Education Expenditure	Primary Education	Secondary Education	Tertiary Education
2000	59,024.00	46.67	20.58	19.47
2001	68,799.00	44.94	22.90	19.39
2002	88,561.00	51.00	20.34	19.16
2003	124,614.00	48.52	20.44	19.00
2004	112,643.00	46.02	21.80	19.14
2005	126,825.00	49.93	20.91	18.35

Source: Budget Bureau, Ministry of Finance

**Table 4.3b Regional comparison of Health Expenditure in 2001**

HDI Rank	Countries	Public health expenditure (% of GDP)	Health expenditure per capita (PPP US\$)
151	Nigeria	0.8	31
155	Gambia	3.2	78
157	Senegal	2.8	63
160	Guinea	1.9	61
177	Sierra Leone	2.6	26

Sources: Columns 1, 2: WHO (World Health Organization). 2004. Correspondence on health expenditure. March. Geneva.

## Employment Tables

**Table 4.8c Employed Labour Force by Occupation and Sex (%)**

Employed labour force by Occupation	% Employed		
	All	Males	Females
Legislators, Senior Officials & Managers	0.8	1.1	0.6
Professionals	3.7	5.1	2.2
Technicians & Associate Professionals	2.0	3.4	0.6
Clerks	0.5	0.6	0.4
Service Workers, Shops & Market sales Workers	17.5	13.8	21.3

Source: 2004 Population and Housing Census



## Annex 2

## The Millennium Development Goals

Goal	Target
Goal 1: Eradicate extreme poverty and hunger	<i>Target 1: Halve, between 1990 and 2015, the proportion of people whose income is less than \$1 a day</i>
	<i>Target 2: Halve, between 1990 and 2015, the proportion of people who suffer from hunger</i>
Goal 2: Achieve universal primary education	<i>Target 3: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling</i>
Goal 3: Promote gender equality and empower women	<i>Target 4: Eliminate gender disparity in primary and secondary education, preferably by 2005 and in all levels of education no later than 2015</i>
Goal 4: Reduce child mortality	<i>Target 5: Reduce by two-thirds, between 1990 and 2015, the under-five mortality rate</i>
Goal 5: Improve maternal health	<i>Target 6: Reduce by three-quarters, between 1990 and 2015, the maternal mortality ratio</i>
Goal 6: Combat HIV/AIDS, malaria and other diseases	<i>Target 7: Have halted by 2015 and begun to reverse the spread of HIV/AIDS</i>
	<i>Target 8: Have halted by 2015 and begun to reverse the incidence of malaria and other major diseases</i>
Goal 7: Ensure environmental sustainability	<i>Target 9: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources</i>
	<i>Target 10: Halve by 2015 the proportion of people without sustainable access to safe drinking water</i>
	<i>Target 11: Have achieved by 2020 a significant improvement in the lives of at least 100 million slum dwellers</i>
Goal 8: Develop a global partnership for development	<i>Target 12: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system (includes a commitment to good governance, development, and poverty reduction—both nationally and internationally)</i>
	<i>Target 13: Address the special needs of the least developed countries (includes tariff- and quota-free access for exports, enhanced program of debt relief for and cancellation of official bilateral debt, and more generous official development assistance for countries committed to poverty reduction)</i>

## ANNEX 3

### CALCULATING THE SIERRA LEONE HUMAN DEVELOPMENT INDICES<sup>30</sup>

#### The Human Development Index (HDI)

The HDI measures the achievement in a country in three basic dimensions of human development: (i) a long and healthy life, as measured by life expectancy; (ii) knowledge, as measured by the adult literacy rates (with two-thirds weight) and the combined primary, secondary and tertiary gross enrolment ratio (with one-third weight); and (iii) a decent standard of living, as measured by GDP per capita (in PPP US\$). For each of the three dimensions, an index is calculated using:

$$\text{Dimension Index} = \frac{\text{actual value} - \text{minimum value}}{\text{maximum value} - \text{minimum value}}$$

Values for Calculating the HDI

Indicator	Maximum value	Minimum Value
Life expectancy at birth (Yrs)	85	25
Adult literacy rate (%)	100	0
Combined gross enrolment ratio (%)	100	0
GDP per capita (PPP US\$)	40,000	100

Based on recent national data for Sierra Leone

Life expectancy at birth	=	48.4
Adult literacy rate	=	39
Combined gross enrolment ratio	=	65.0%
Adjusted GDP per capita in PPP US\$	=	561

*The Life expectancy index (longevity)* for Sierra Leone, which measures the relative achievement of the country in life expectancy at birth, is 0.390. That is,

$$\text{Life expectancy index} = \frac{48.4 - 25.0}{85.0 - 25.0} = \frac{16}{60} = 0.390$$

*The education index* measures a country's achievement in both adult literacy and combined primary, secondary tertiary gross enrolment. First, an index for adult literacy and one for combined gross enrolment are calculated. Then these two indices are combined to create the education index, with two-thirds weight given to adult literacy and one-third weight to combined gross enrolment.

<sup>30</sup> Unless otherwise stated, data were sourced from Sierra Leone's 2004 Population and Housing Census (published in November 2006).

For Sierra Leone, which has an adult literacy rate of 39% and a combined gross enrolment ratio of 65.0% in 2004, the education index is calculated as:

$$\text{Adult literacy index} = \frac{39.0}{100} = 0.390$$

$$\text{Gross enrolment index} = \frac{65}{100} = 0.650$$

The Education index (educational attainment) =  $\frac{2}{3}$ (adult literacy index) +  $\frac{1}{3}$  (gross enrolment index)

$$\begin{aligned} & \frac{2}{3} \cdot 0.390 + \frac{1}{3} \cdot 0.650 \\ & 0.667(0.390) + 0.333(0.650) \\ & 0.476 \end{aligned}$$

**The GDP index** is calculated using the adjusted GDP per capita in PPP US\$. The 2004 GDP per capita for Sierra Leone is \$561 (in PPP US\$). Thus

$$\text{GDP index (standard of living)} = \frac{\log(561) - \log(100)}{\log(40,000) - \log(100)} = 0.288$$

$$\text{The HDI} = \frac{1}{3} (X_1 + X_2 + X_3)$$

Where  $X_1$ ,  $X_2$  and  $X_3$  are the respective indices for each of the three dimensions - longevity, educational attainment and standard of living.

$$\begin{aligned} & \frac{1}{3}(0.390 + 0.476 + 0.288) \\ & = 0.384 \end{aligned}$$

### **The Human Poverty Index (HPI-1)**

While the HDI measures average achievement, the HPI-1 measures deprivations in the three basic dimensions of human development captured in the HDI:

μ A long and healthy life<sup>31</sup> vulnerability to death at a relatively early age, as measured by the probability at birth of not surviving to age 40.

μ Knowledge: exclusion from the world of reading and communications, as measured by the adult illiteracy rate.

μ A decent standard of living<sup>32</sup> lack of access to overall economic provisioning, as measured by the unweighted average of two indicators, the percentage of the population without sustainable access to an improved water source and the percentage of children under weight for age.

#### Measuring *deprivation in a decent standard of living*:

For Sierra Leone,

Population without access to an improved water source	= 46.92%
Children underweight for age	= 31 %
Adult illiteracy rate	= 61.0%

<sup>31</sup> Based on 2004 census analytical reports; percent of households using unprotected wells and rivers & streams

<sup>32</sup> Using MICS3 2005 data

Unweighted average =  $\frac{1}{2}$  (population without access to an improved water source) +  $\frac{1}{2}$  (children underweight for age)

$$= \frac{1}{2}(46.92) + \frac{1}{2}(31)$$

$$= 38.96$$

The formula for calculating the HPI-1 is given as:

$$HPI - 1 = \left[ \frac{1}{3}(P_1^\alpha + P_2^\alpha + P_3^\alpha) \right]^{1/\alpha}$$

Where:

$P_1$  = Probability at birth of not surviving to age 40 (times 100)

$P_2$  = Adult illiteracy rate

$P_3$  = Unweighted average of population without access to an improved water source and children underweight for age

$\alpha = 3$

Based on the 2004 Census and 2005 MICS3 data:

$P_1 = 38.8\%$ ,  $P_2 = 61\%$ ,  $P_3 = 38.96\%$

$$HPI - 1 = \left\{ \frac{1}{3} (38.8^3 + 61.0^3 + 38.96^3) \right\}^{1/3}$$

$$= 48.6$$

### Gender Related Development Index (GDI)

While the HDI measures achievement, the GDI adjusts the average achievement to reflect the inequalities between men and women in the following dimensions:

- A long and healthy life, as measured by life expectancy at birth.
- Knowledge, as measured by the adult literacy rate and the combined primary, secondary and tertiary gross enrolment ratio.
- A decent standard of living, as measured by estimated earned income (PPP US\$).

Female and male indices for the constituent dimensions are first calculated separately, and then combined to produce the GDI. The whole procedure can be completed in three steps:

*Step 1: Calculate the three dimension indices for female and male*

*Step 2: Calculate the equally distributed index (EDI) for each dimension by combining the female and male dimension indices*

*Step 3: Calculate the GDI by combining the three EDIs in an unweighted average*

Thus the male and female indices are calculated for achievements in life expectancy, education and income using the general formula for dimension indices:

$$\text{Dimension Index} = \frac{\text{actual value} - \text{minimum value}}{\text{maximum value} - \text{minimum value}}$$

Values or Goalposts for calculating the GDI

Indicator	Maximum Minimum	
	value	Value
Female life expectancy at birth	87.5	27.5
Male life expectancy at birth (years)	82.5	22.5
Adult literacy rate (%)	100	0
Combined gross enrolment ratio (%)	100	0
Estimated earned income (PPP US\$)	40,000	100

#### Female

Life expectancy = 49.4yrs

$$\text{Life expectancy index} = \frac{49.4 - 27.5}{87.5 - 27.5} = 0.365$$

#### Male

Life expectancy = 47.5yrs

$$\text{Life expectancy index} = \frac{47.5 - 22.5}{82.5 - 22.5} = 0.417$$

The female and male indices in each dimension are combined to create the equally distributed life expectancy index using the general formula for equally distributed indices<sup>1</sup>.

$$\text{Equally Distributed Index} = \left\{ \left[ \text{female population share} (\text{female index}^{-1}) \right] + \left[ \text{male population share} (\text{male index}^{-1}) \right] \right\}^{-1}$$

Using the following values:

#### Female

Population share = 0.514

Life expectancy index = 0.365

#### Male

Population share = 0.486

Life expectancy index = 0.417

$$\text{The equally distributed life expectancy index} = \left\{ \left[ 0.514(0.365^{-1}) \right] + \left[ 0.486(0.417^{-1}) \right] \right\}^{-1} = 0.389$$

To calculate the equally distributed education index, first, indices for adult literacy rates and the combined primary, secondary and tertiary gross enrolment ratio are calculated separately for females and males

#### Female

Adult literacy rate = 29%

Adult literacy index = 0.290

Gross enrolment ratio = 55.0%

Gross enrolment index = 0.550

#### Male

Adult literacy rate = 49%

Adult literacy index = 0.490

Gross enrolment ratio = 75.0%

Gross enrolment index = 0.750

<sup>33</sup> The exponents of the gender indices in this general formula should actually be  $1-\epsilon$ ,  $\epsilon$  being a measure of aversion to (gender) inequality, which in this case is 2. See GHDR 2006 for additional details.

The education index, which gives two-thirds weight to adult literacy index and one-third weight to gross enrolment index, is computed separately for females and males:

Education index =  $\frac{2}{3}$  (adult literacy index) +  $\frac{1}{3}$  (gross enrolment index)

$$\text{Female Education Index} = \frac{2}{3} (0.290) + \frac{1}{3} (0.550) = 0.377$$

$$\text{Male Education Index} = \frac{2}{3} (0.490) + \frac{1}{3} (0.750) = 0.576$$

The male and female education indices are combined to create *the equally distributed education index*.

**Female**

Population share = 0.514

Education index = 0.377

**Male**

Population share = 0.486

Education index = 0.576

$$\text{The equally distributed education index} = \left\{ \left[ 0.514(0.377^{-1}) \right] + \left[ 0.486(0.576^{-1}) \right] \right\}^{-1} = 0.453$$

To calculate the *equally distributed income index*, first, female and male earned income (in PPP US\$) are calculated. The income index is then calculated for each gender. As for the HDI, income is calculated by taking the logarithm of estimated earned income (in PPP US\$):

$$\text{Income Index} = \frac{\log(\text{actual value}) - \log(\text{minimum value})}{\log(\text{maximum value}) - \log(\text{minimum value})}$$

**Female**

Estimated earned income (PPP US\$) = 325

$$\text{Income index} = \frac{\log(325) - \log(100)}{\log(40,000) - \log(100)}$$

= 0.196

**Male**

Estimated earned income (PPP US\$) = 783

$$\text{Income index} = \frac{\log(783) - \log(100)}{\log(40,000) - \log(100)}$$

= 0.343

Second, the female and male income indices are combined to create the equally distributed income index:

**Female**

Population share = 0.514

Income index = 0.196

**Male**

Population share = 0.486

Income index = 0.343

$$\text{The equally distributed income index} = \left\{ \left[ 0.514(0.196^{-1}) \right] + \left[ 0.486(0.343^{-1}) \right] \right\}^{-1} = 0.247$$

$$\text{Equally distributed income index} = \{ [0.514(0.196^{-1})] + [0.486(0.343^{-1})] \}^{-1} = 0.247$$

***Calculating the GDI***

The GDI is then the unweighted average of the three component indices: the equally distributed life expectancy index, the equally distributed education index and the equally distributed income index.

$$\text{GDI} = 1/3(\text{life expectancy index}) + 1/3(\text{education index}) + 1/3(\text{income index})$$

$$\text{GDI} = \frac{1}{3}(0.389) + \frac{1}{3}(0.453) + \frac{1}{3}(0.247) = 0.363$$

**Gender Empowerment Measure (GEM)**

The GEM captures gender inequality in three key areas:

Political participation and decision-making power, as measured by women's and men's percentage shares of parliamentary seats.

Economic participation and decision-making power, as measured by two indicators – women's and men's percentage shares of positions as legislators, senior officials and managers and women's and men's percentage shares of professional and technical positions.

Power over economic resources, as measured by women's and men's estimated earned income (PPP US\$)

For each of the above three dimensions, an equally distributed equivalent percentage (EDEP) is calculated as a population weighted percentage according to the general formula:

$$\text{EDEP} = \{[\text{female population share}(\text{female index}^{-1})] + [\text{male population share}(\text{male index}^{-1})]\}^{-1}$$

***Calculating the EDEP for parliamentary representation*****Female**

Population share = 0.514

Parliamentary share = 14.5%

**Male**

Population share = 0.486

Parliamentary share = 85.5%

$$\text{EDEP for parliamentary representation} = \{[0.514(14.5^{-1})] + [0.486(85.5^{-1})]\}^{-1} = 24.31$$

This initial EDEP was then indexed to an ideal value of 50%.

$$\text{Indexed EDEP for parliamentary representation} = 24.31/50 = 0.486$$

***Calculating the EDEP for economic participation***

An EDEP was calculated for men's and women's percentage shares of positions as legislators, senior officials and managers, and another for women's and men's percentage shares of professional and technical positions. The simple average of the two measures gave the EDEP for economic participation.

**Female**

Population share = 0.486

Percentage share of positions as legislators, senior officials and managers = 65.6

Percentage share of professional and technical positions = 75.7

**Male**

Population Share = 0.514

Percentage share of positions as legislators, senior officials and managers = 34.4

Percentage share of professional and technical positions = 24.3

EDEP for positions as legislators, senior officials and managers

$$= \{[0.514(34.4^{-1})] + [0.486(65.6^{-1})]\}^{-1}$$

$$= 44.74$$

Indexed EDEP for positions as legislators, senior officials and managers = 44.74/50

$$= 0.894$$

EDEP for Professional and technical positions =  $\{[0.514(24.3^{-1})] + [0.486(75.7^{-1})]\}^{-1}$

$$= 36.27$$

Indexed EDEP for professional and technical positions = 36.27/50

$$= 0.724$$

The two indexed EDEPs are then averaged to create the EDEP for economic participation:

$$\text{EDEP for economic participation} = 0.894 + 0.724 = 0.809$$

### *Calculating the EDEP for income*

Earned income was estimated for men and women separately and then indexed to goal posts as was in the case of the HDI and GDI. For the GEM, the earned income is based on unadjusted values, not the logarithm of estimated earned income.

#### **Female**

Population share = 0.514

Estimated earned income (in PPP US\$) = 325

#### **Male**

Population share = 0.486

Estimated earned income (in PPP US\$) = 783

$$\text{Income index} = \frac{325 - 100}{40,000 - 100}$$

$$0.006$$

$$\text{Income index} = \frac{783 - 100}{40,000 - 100}$$

$$0.017$$

The female and male indices are combined to create the equally distributed index:

$$\text{EDEP for income} = \{[0.514(0.006^{-1})] + [0.486(0.017^{-1})]\}^{-1} = 0.009$$

### *Calculating the GEM*

GEM = (EDEP for parliamentary representation + EDEP for economic participation + EDEP for income)/3

$$= (0.486 + 0.809 + 0.009)/3$$

$$= 0.435$$



**ANNEX 4****Number of Chiefdoms and Wards per District**

<b>REGION</b>	<b>DISTRICT</b>	<b>CHIEFDOMS</b>	<b>WARDS</b>
<b>SOUTHERN</b>	BO	15	44
	BONTHE	11	18
	SHERBRO URBAN	-	3
	MOYAMBA	14	40
	PUJEHUN	12	22
<b>EASTERN</b>	KENEMA	16	51
	KONO	14	32
	KAILAHUN	14	33
<b>NORTHERN</b>	PORTLOKO	11	47
	KAMBIA	7	20
	BOMBALI	13	29
	TONKOLILI	11	22
	KOINADUGU	11	21
<b>WESTERN</b>	FREETOWN URBAN	-	8
	FREETOWN RURAL	-	4
<b>NATIONAL TOTALS</b>		<b>149</b>	<b>394</b>

Source: National Electoral Commission (NEC)

**Annex 5**  
**LOCAL GOVERNMENT DEVELOPMENT GRANT PROJECTS FOR FY 2005**

		<b>DETAILS</b>						
<b>REGION</b>	<b>COUNCIL</b>	<b>RRI Focus Area</b>	<b>RRI Challenge</b>	<b>RRI Goal</b>	<b>Start Date</b>	<b>Estimated End Date</b>	<b>Implementation Status</b>	
<b>NORTH</b>	<b>Makeni Town</b>	Boli land rice production in Gbanti Chiefdom	reduce the level of hunger	Increase the level of production in Gbanti Chiefdom from 10-50% within 100 days	July, 2005	November, 2005	Threshing in progress	
		Rehabilitation of road and construction of culverts	Improve on the road network in Makeni township	Increase the free Flow of goods and services in Makeni town from 40-80% within 80 days	September, 2005	November, 2005	on hold	
	<b>Port Loko District</b>	Construction of Conference centre	Improve social services and revenue generation	Increase revenue of Council from council infrastructure from 0-50% and in Port Loko District 120 days.	To be supplied later	To be supplied later	Contract awarded	
		Artisanal Fishing	Increase income from fish catch	Increase the income level of fish farmers in Bailom and Kafu Bullom from 10 - 40% within 80 days	To be supplied later	To be supplied later	Boat construction completed Fishing gears procured	
<b>Tonkolili District</b>	Construction of recreational centre	Provide play ground and recreational facilities for children and youths	Increase the revenue generated in Tonkolili council from 20 to 75% within 100 days	August, 2005	November, 2005	Completed		
	Production of cassava in 22 Wards in Tonkolili District	Improve agricultural economic activities	Increase the cultivation of cassava from 0-220 acres in the district within 100 days	October, 2005	January, 2006	In progress		

<b>Tonkolili District</b>	Construction of lorry park .	Create a conducive environment for passengers and vehicles	Increase revenue generated by Council from lorry park from 20-80% in Kholifa Rowalla within 100 days	August, 2005	November, 2005	
	Construction of weekly market in Yele and Massingbi	Improve economic activities	Improve the income level of women traders from 30-60% within 100 days	September, 2005	January, 2006	
<b>Koinadugu District</b>	Construction of Court barrier	Improve Governance	Enhance Governance in Musaya from 30-70% within 100 days	24th September, 2005	4th January, 2006	<b>Completed</b>
	Construction of six grain stores in six Wards	Improve agricultural production	Reduce post harvest loss from 25-5% in six Wards in the District within 100 days	September, 2005	January, 2006	<b>Completed</b>
<b>Bombali District</b>	Construction of 23 culverts and rehabilitation of roads in five Wards in four Chiefdoms in Bombali District	Improvement on Infrastructure	Increase the income level of farmers in Five wards from 20-40% within 100 days.	August, 2005		80% completed
	Construction of Market	Enhance Council revenue collection	Increase revenue generated by Council from 20-80% within 100 days.	August, 2005	December, 2005	<b>Completed</b>
<b>Kambia District</b>	Food Production	Increase Nerica production	Increase the production of Nerica 50-3000 bushels within 100 days	August, 2005	December, 2005	<b>Completed</b>
	Construction of Market	Enhance Council revenue collection	Increase the rate of revenue generated by Council from market dues from 20-80% within 100 days	19th August, 2005	December, 2005	<b>Completed</b>

<b>SOUTH</b>	<b>Bo Town</b>	Construction of Vocational centre	Improve access to Vocational Education	Increase access to Vocational education for Youths in Masungbala Chiefdom from 10-75% with 100 days.	16th August, 2005	December, 2005	<b>Completed</b>
		Cultivation of 250 acres of IVS in Bo Township	Increase rice production in Bo township	Increase IVS rice production from 1500 to 5200 bushels in town within 100 days.	July, 2005	November, 2005	<b>Completed</b>
		Construction of 20 parking shed for motorbike riders	Increase revenue collection from motor cycle riders in Bo town	Increase revenue collection from motor bike riders from 5-30% in Bo Town within 100 days.	September, 2005	October, 2005	<b>Completed</b>
	<b>Bonthe District</b>	Cultivation of Nerica	Increase Nerica production	Increase rice production from 0 acres to 110.5 acres within the planting season	May, 2005	January, 2006	<b>Completed</b>
		Fabrication of School Furniture	Improve the quality of Education	Increase the sitting accommodation of school pupils from 30-60% within 60 days.	November, 2005	January, 2006	<b>Completed</b>
		<b>Bo District</b>	Inland Valley Swamp Rice Production	Reduce Hunger in the District	Increase IVS rice production from 320-730 acres in Bo District within 100 days	July, 2005	December, 2005
	Construction of grain stores toilet and Dying floor		Reduce Post Harvest loss in Bo District	Reduce post harvest Losses of cereal crops from 25-10% within 100 days.	10th August, 2005	January, 2006	<b>Completed</b>
		<b>Moyamba District</b>	BDEC Primary Quarters Rehabilitation in Jimmy	Improve Quality of Education	Improve the accommodation facilities of Teachers from 0-30% within 100 days	10th August, 2005	January, 2006
	Completion of Mini Stadium		Improve the recreational facilities	Increase Council revenue from Mini-Stadium from 10-50% within 300 days	October, 2005	February, 2006	<b>Perimeter wall completed Superstructure construction in progress.</b>

	Scale -up of Water provision I the Township Gbangbatoke	Reduce pipe-borne water related diseases	Increase the water stand pipes facilities from 30 - 58 stand pipes within 100 days	October, 2005	February, 2006	Completed with 58 stand pipes in total
		Increase revenue from trade fair market	Increase the income from the trade fair in Gbangbatoke from 10-40% within 80 days	September, 2005	November, 2005	Completed
<b>Pujehun District</b>	Development/ Rehabilitation of 250 Acres IVS and 70 acres boli with Rice cultivation.	Increase the production and sales of rice and improve access too riverine areas in the Pujehun District.	Increase Rice production in 10 Chiefdoms in Pujehun District within 100 days	June, 2005	September, 2005	Harvesting in progress
	Construction of rafter	Increase access in the riverine areas	Increase access to riverine areas from 20 -80% within 100 days in Pujehun District.	October, 2005	January,2006	Completed
<b>Freetown City Council</b>	Rehabilitation of Victoria Park in Free Town Central I	Reduce insecurity in the Social Service in Freetown	Reduce crime rate from 30-10% in WARD ii , Central I of Freetown within 100 days.	unknown	unknown	Unknown
	Construction of market in Freetown central II	Reduce street trading and congestion in Freetown	Increase free flow of vehicular and pedestrian traffic from 30-80% around Peter's Brook market within 100 days	unknown	unknown	Unknown
	Construction of Community Centre in East I of Freetown	Improve on social services in Freetown	Increase access to recreational facilities in the Fourah Bay Community from 20-50%	unknown	unknown	Unknown
<b>Western Area Rural District</b>	Construction of four mile road	Infrastructure improvement(Road)	Improve income level of women traders from 30-50% in Koya and Forgo villages within 100 days.	September, 2005	December, 2005	Completed

	Rehabilitation of Mountain Rural Secondary School	Improve the quality of education	Increase access to Secondary School education in Regent Mountain Ward from 30-60% within 100days	September, 2005	December, 2005	Completed
	Construction of Water Dams	Increase access to water facilities in York Ward	Increase access to safe drinking water from 10-60% in York Ward within 100 days.	September, 2005	December, 2005	Completed
<b>Koidu New/Sembehun Town</b>	Construction of Market	Increase Income Level of Council	Increase Council's revenue in Ward 111 from 10-85% within 100 days	September, 2005	December, 2005	Completed
	IVS Rice cultivation and post harvest facilities	Increase food Production and promote food security	Reduce hunger from 60%-20 % within 100 days.	September, 2005	December, 2005	Harvesting in progress and grain store at wall height, drying floor completed.
<b>Kono District</b>	Rehabilitation of feeder roads	Improve service delivery and accessibility in the Kono District.	Increase accessibility in Jiama section from 10-55% within 100 days	16th September, 2005	December, 2005	Grading of road and drainage completed, 72 culverts constructed and awaiting installation
	Rehabilitation of feeder roads	Improve service delivery and accessibility in the Kono District.	Increase accessibility in Jiama section from 10-55% within 100 days	September, 2005	December, 2005	Road completed and two major bridges constructed.
	Construction of a Community Centre	Improve the social activities of people in Nemesedu, Kamara Chiefdom, from 20%-50% within 100days.	To increase the social activities of the people in Nemesedu, Ward 11, Kamara Chiefdom from 20%-50% within 100days.	September 2005.	December, 2005	Completed



The current Sierra Leone National Human Development Report (SL-NHDR) is the third so far and the first to be published since the end of the civil war. The report finds that despite some obstacles, the global phenomenon of government decentralisation is gaining ground in Sierra Leone and it highlights the importance of well-managed decentralisation for human development. Not only can decentralisation increase efficiency and equity by bringing governance to the people but it also has the potential to promote good governance through accountable public management.

The report also seeks to strengthen national capacity for analyzing development dynamics and coming up with effective strategies to address identified challenges. It will therefore serve as an effective tool for the implementation of national poverty reduction and development strategies as well as an advocacy tool to remind the nation of its development priorities.

