



Report Number: ICRR0022871

1. Program Information

Country Sierra Leone	Practice Area (Lead) Macroeconomics, Trade and Investment
Programmatic DPF	
Planned Operations 0	Approved Operations 0
Operation ID P156651	Operation Name Productivity and Transparency Support Cr

L/C/TF Number(s) IDA-61120,IDA-D2180	Closing Date (Original) 31-Dec-2018	Total Financing (USD) 41,127,503.99
Bank Approval Date 30-Jun-2017	Closing Date (Actual) 31-Dec-2018	
	IBRD/IDA (USD)	Co-financing (USD)
Original Commitment	30,000,000.00	0.00
Revised Commitment	30,000,000.00	0.00
Actual	30,932,879.98	0.00

Country Sierra Leone	Practice Area (Lead) Macroeconomics, Trade and Investment
Operation ID P168259	Operation Name SL Second Productivity and Transparency (P168259)



L/C/TF Number(s) IDA-61120,IDA-D2180,IDA-D4350	Closing Date (Original) 31-Oct-2019	Total Financing (USD) 39670774.19
Bank Approval Date 19-Mar-2019	Closing Date (Actual) 31-Oct-2019	
	IBRD/IDA (USD)	Co-financing (USD)
Original Commitment	40,000,000.00	0.00
Revised Commitment	40,000,000.00	0.00
Actual	39,670,774.19	0.00

Country
Sierra Leone

Practice Area (Lead)
Macroeconomics, Trade and Investment

Operation ID
P169498

Operation Name
Sierra Leone - Third Productivity and Tr (P169498)

L/C/TF Number(s) IDA-D4350,IDA-D6500	Closing Date (Original) 31-Dec-2020	Total Financing (USD) 101555484.57
Bank Approval Date 17-Jun-2020	Closing Date (Actual) 31-Dec-2020	
	IBRD/IDA (USD)	Co-financing (USD)
Original Commitment	100,000,000.00	0.00
Revised Commitment	100,000,000.00	0.00
Actual	101,555,484.57	0.00

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2. Program Objectives and Pillars/Policy Areas



a. Objectives

The wording of the program development objective of the First, Second, and Third Republic of Sierra Leone Productivity and Transparency Support Development Policy Operation (DPO) changed from the first operation - “to contribute to the Government of Sierra Leone’s objective of achieving sustainable and inclusive economic development through: (a) increasing productivity in selected economic sectors and (ii) improving transparency and accountability in selected government decision making processes” to the second and third operations - “to achieve sustainable and inclusive economic development by: (a) creating the conditions for increased productivity in selected economic sectors and (ii) improving transparency in selected government decision-making processes.”

This ICR Review parses the program development objective into two sub-objectives:

1. To create the conditions for increased productivity in selected economic sectors,
2. To improve transparency in selected government decision-making processes.

b. Pillars/Policy Areas

The programmatic series had two policy areas:

Creating Conditions for Increased Productivity in Selected Economic Sectors comprised policy, legislative, regulatory, and institutional reforms in agriculture and fisheries, including land tenure, marine resources, energy, and education. This policy area supported measures to: (a) expand the role of the private sector in the production and distribution of improved seeds; (b) expand the role of the private sector in the production and distribution of fertilizers; (c) improve the value chain in rice cultivation; (d) strengthen the land tenure regime; (e) revert marine fishing to sustainable levels; (f) reduce technical losses in electricity transmission and distribution; and (g) improve the quality of teaching for better student learning outcomes.

Improving Transparency in Selected Government Decision-Making Processes comprised legislative, regulatory, and operational reforms in the fiscal regime and public financial management, government procurement, and anti-corruption. This policy area supported measures to (a) establish a Single Treasury Account for government revenue collections; (b) rationalize and standardize the tax and contract regime for mining activity; (c) strengthen the land tenure system and improve the land management system for greater land tenure security; (d) introduce e-procurement for efficiency; and (e) improve the transparency of asset disclosures by government officials.

c. Comments on Program Cost, Financing and Dates

Program Cost and Financing. The first operation was estimated to cost Special Drawing Rights (SDR) 22 million (US\$30 million equivalent) and was financed by an IDA credit of SDR 16.1 million (US\$22 million equivalent) and a grant of SDR 5.9 million (US\$8 million equivalent), of which the amount of SDR 22 million (US\$41.1 million equivalent) was fully disbursed. The second operation was estimated to cost SDR 28.6 million (US\$40 million equivalent) and was financed by an IDA grant of SDR 28.6 million (US\$40 million equivalent), of which the amount of SDR 28.6 million (US\$39.7 million equivalent) was fully disbursed. The third operation was estimated to cost SDR 73.2 million (US\$100 million equivalent) and was financed by an IDA grant of SDR 73.2 million (US\$100 million equivalent), of which the amount of SDR 73.2 million (US\$101.6 million equivalent) was



fully disbursed.

Dates. The Bank approved the first operation on June 30, 2017. It became effective on July 20, 2017 and closed as scheduled on December 31, 2018. The Bank approved the second operation on March 19, 2019. It became effective on March 27, 2019 and closed as scheduled on October 31, 2019. The Bank approved the third operation on June 17, 2020. It became effective on July 3, 2020 and closed as scheduled on December 31, 2020.

3. Relevance of Design

a. Relevance of Objectives

Binding Constraints. The program development objectives were relevant to the development challenges facing Sierra Leone identified in the *Republic of Sierra Leone Systematic Country Diagnostic - Priorities for Sustainable Growth and Poverty Reduction (SCD)* of 2018. According to the SCD:

- Productivity in agriculture, the country’s primary livelihood source, was “constrained by failures in input markets.” Specifically, yields were below the productive frontier because of the low uptake of modern seeds, chemical and organic fertilizers, and mechanization. Additionally, the traditional land tenure system was unequal, with women, youth, and migrants from outside the community less able to access land, reducing tenure security and impeding long-term investment. “Output markets were not sufficient to promote sales and rural incomes.” In particular, poor storage, a lack of rural roads linking rural areas to the capital, Freetown, and other urban centers, and inadequate processing facilities constrained rice sales.
- The “infrastructure deficit in energy,” as well as in transportation and information and communication technology, “impeded private sector investment by increasing costs and preventing links between internal and external markets.” Moreover, access to electricity benefitted only about 10 percent of the total population, of which 95 percent lived in Freetown.
- Improving human capital would require a dramatic increase in the quality of public services. Access was not the only issue in education, but the “quality and relevance of instruction was lacking” as well, as reflected in students’ low levels of achievement on international tests.
- Mobilizing more domestic revenues would be the long-term solution to creating fiscal space. Apart from reducing the generous level of tax exemptions, tapping into revenues from mining would be opportune in the near to medium term. However, it was unlikely this would happen “unless the country improved the governance of the mining sector, including by adopting and enforcing credible legal, administrative, and institutional frameworks through amendments to the mining code”
- Public spending was inefficient, dragged down by “bottlenecks in public financial management and procurement.” In public financial management, there would need to be considerable institutional change and capacity development across central government ministries, departments, and agencies. On procurement, a government decision to implement e-procurement could focus on sustained incremental efforts at reform.
- Sierra Leone had “made some inroads” in building the foundations for an effective public administration, but these efforts were “frequently met with resistance.” As a result, the country still ranked far below the regional average on indicators of government effectiveness, the rule of law, and



control of corruption. The country had modernized the legislative frameworks for procurement and anti-corruption, but implementation lagged far behind.

Bank Group Strategy. The program development objectives reflected the priorities of the World Bank Group in Sierra Leone. The last Country Assistance Strategy covered FY2010-FY2013, before the appraisal of the first operation, and the first Country Partnership Framework covered FY2021-FY2026, after the closing of the third operation). The *Sierra Leone Completion and Learning Review (CLR) Review* of May 2020 imputed the country strategy in FY2014-FY2019 from the profile of the Bank Group’s operations in the country over the period. The CLR Review distilled the strategy as consisting of ten objectives focused on human development, promoting inclusive growth, and managing the extractive boom.

- Reforms under the first policy pillar of this programmatic series supported the objectives to: “improve the efficiency and transparency of agriculture and fisheries;” “improve access to sustainable electricity infrastructure services;” and “improve the capacity to effectively and efficiently deliver education.”
- Reforms under the second policy pillar supported the objectives to: “improve predictability, expenditure control, and transparency in decentralization and public resource management” and “strengthen the capacity to manage the boom in the extractive sector.”

b. Relevance of Prior Actions

Rationale

DPO1	DPO2	DPO3
Objective 1 - Create the Conditions for Increased Productivity in Selected Economic Sectors		
<p>Seeds: PA1 - The Recipient has introduced legislation to regulate and promote foundation seed production, multiplication and distribution by the private sector, and, to such end, the Minister of Agriculture has duly submitted the bill entitled "The Sierra Leone Seed Certification Act of 2017" to Parliament for its approval.</p>	<p>Seeds: PA2 - The Recipient’s Parliament has passed the Seed Certification Agency Act, 2017, which inter alia provides for a sustainable seed delivery system and private sector participation in seeds production and marketing.</p>	<p>Seeds: PA3 - To enhance private sector participation and access to seeds for farmers, the Recipient has: (a) through its Minister of Agriculture and Forestry prepared and presented to Parliament the Seed Certification Agency Regulations and the Regulations have matured into law; and (b) established and operationalized the Seed Certification Agency, all as evidenced by: (i) the certificate of maturity for the Sierra Leone Seed Certification Agency Regulations, 2020 issued by the Clerk of Parliament; (ii) minutes dated July 25, 2019, for a board meeting of the Seed Certification Agency; and (iii) a letter dated April 2, 2020, from the Permanent Secretary, Ministry of Agriculture and Forestry</p>



<p>Fertilizers: PA4 - The Recipient has taken a decision in Cabinet (Memo No. CP (2017)8, dated March 15, 2017), approving a new fertilizer policy committing the Recipient to progressively reduce direct supply and distribution of fertilizer to farmers, in order to encourage private sector participation in the supply and distribution of fertilizers.</p>	<p>Fertilizers: PA5 - The Recipient's Parliament has passed the National Fertilizer Regulatory Agency Act, 2017 which inter alia provides for private sector participation in fertilizer supply.</p>	<p>(“MAF”) confirming the staffing at the Seed Certification Agency.</p> <p>Fertilizers: PA6 - To promote private sector participation in fertilizer supply and enhance farmer access to fertilizer, the Recipient has: (a) through the Minister of Agriculture and Forestry prepared and presented to Parliament the National Fertilizer Regulations and the regulations have matured into law; and (b) established and operationalized the National Fertilizer Regulatory Agency (NaFRA), including the appointment of its governing Board, all as evidenced by: (i) the certificate of maturity for the National Fertilizer Regulations, 2020 issued by the Ag. Clerk of Parliament; (ii) a certificate of passage indicating Parliamentary approval of the nomination of the chairperson for the NaFRA Board; (iii) minutes dated April 28, 2020, for a meeting of the NaFRA board; and (iv) a letter dated April 2, 2020, from the Permanent Secretary, Ministry of Agriculture and Forestry (“MAF”) confirming the staffing of NaFRA.</p>
		<p>Rice: PA7 - To boost local production of rice, the Recipient has through its Cabinet approved and adopted the National Rice Policy, 2020 and the Rice Value Chain Development Strategy, as evidenced by: (i) cabinet minute paper dated February 19, 2020 and confirmation of Cabinet decisions letter dated April 3, 2020, issued by the Secretary to Cabinet and Head of the Civil Service; and (ii) letter dated April 22, 2020 from the Permanent Secretary, MAF forwarding approved copies of the National Rice Policy and the</p>



		Rice Value Chain Development Strategy with said Cabinet-approved copies attached.
<p>Fishing: PA8 - The Recipient, acting through its Ministry of Fisheries, has published on its public website a list of all industrial vessels with an active license and certified in writing to the Association that all licensed vessels have a Vessel Monitoring System (VMS) or Automatic Identification System (AIS) and observers on board, in order to increase transparency and reinforce monitoring, control and surveillance of fishing activities.</p>	<p>Fishing: PA9 - The Recipient's Parliament has passed the Fisheries and Aquaculture Act, 2017 which inter alia provides for long-term conservation and sustainable management of fisheries resources.</p>	<p>Fishing: PA10 - To strengthen governance in the fisheries sector, the Recipient has: (a) through its Minister of Fisheries and Marine Resources, prepared and presented to Parliament the Fisheries and Aquaculture Regulations and the regulations have matured into law; and (b) through its Cabinet, approved and adopted the National Plan of Action to prevent, deter and eliminate illegal, unreported and unregulated fishing (“National Plan of Action”), all as evidenced by: (i) the certificate of maturity for the Fisheries and Aquaculture Regulations, 2019 issued by the Clerk of Parliament; (ii) cabinet minute paper dated February 19, 2020 and confirmation of Cabinet decisions letter dated April 3, 2020, issued by the Secretary to Cabinet and Head of the Civil Service; and (iii) a memorandum dated April 14, 2020, from the Deputy Minister, Ministry of Fisheries and Marine Resources copied to the Country Manager, World Bank, Sierra Leone office forwarding a copy of the approved National Plan of Action.</p>
<p>Land: PA11 - The Recipient, acting through its Ministry of Lands, has adopted the Land Policy Implementation Framework and Land Policy Implementation Plan (2016-2026) and submitted the same to Cabinet for endorsement.</p>		<p>Land: PA12 - To improve land administration systems and increase access and security of tenure, especially for women and other vulnerable groups, the Recipient has through its Ministry of Lands, Housing and Country Planning, prepared advanced drafts of the Land Commission Bill and Customary Land Rights Bill (the “Bills”) and conducted</p>



		<p>consultations in the East, South, North and North West regions of the Recipient's territory, fully documenting the input and recommendations of said consultations into a final report fully considered by its Cabinet, as evidenced by: (i) the advanced drafts of the Land Commission Bill, 2020 and the Customary Land Rights Bill, 2020 both of date March 16, 2020, (ii) final Report on Regional Consultations dated February 12, 2020, endorsed by the Permanent Secretary, Ministry of Lands, Housing and Country Planning documenting input from consultations; and (iii) a confirmation of Cabinet decision letter dated May 6, 2020, from the Secretary to the Cabinet and Head of the Civil Service confirming that the Report on Regional Consultations was presented to the Cabinet and that the report will inform the drafting of the Bills.</p>
<p>Energy: PA13 - The Recipient, acting through its Electricity Distribution and Supply Authority ("EDSA"), has approved a strategic plan to improve the financial situation of EDSA and reduce technical and commercial losses.</p>	<p>Energy: PA14 - The Recipient's Board of Electricity Distribution and Supply Authority (EDSA) has issued the Resolution dated August 30, 2018, to adopt the Network Configuration Optimization Plan (NCOP) to reduce Technical Losses on the transmission and distribution network and implementation of the NCOP has commenced as evidenced by the signed contract dated October 29, 2018 between EDSA and Network Energy Services Corporation.</p>	<p>Energy: PA15 - To strengthen the Electricity Distribution and Supply Authority's (EDSA) governance and technical efficiency, the Recipient has through the board of directors of EDSA: (a) approved and adopted a new organizational structure; and (b) appointed staff to fill senior management positions, as evidenced by: (i) a Board resolution dated November 25, 2019, and (ii) appointment letter dated January 22, 2020, for a distribution and technical services director, appointment letter dated December 24, 2019 for a quality assurance and compliance manager, appointment letter dated November 18, 2019, for a head of management accounts and financial planning and appointment</p>



		letters dated September 18, 2019, for a chief financial officer and a commercial services director.
	<p>Energy: PA16 - The Recipient has pursuant to the Public Financial Management Act, 2016, (a) eliminated the subsidies on petroleum products; and (b) adopted the automatic fuel price indexation formula to determine fuel prices based on international prices and the prevailing exchange rate in the Recipient's territory as evidenced by the Supplementary Budget.</p>	
<p>Education: PA17 - The Recipient's Ministry of Education, Science and Technology ("MEST") has issued the transition plan dated May 22, 2017 defining the timeline and milestones for the transfer of files, records and functionaries from MEST to the Teaching Service Commission ("TSC"), in accordance with the Teaching Service Commission Act of 2011.</p>	<p>Education: PA18 - The Recipient's Ministry of Basic and Secondary Education (MOBSE) has transferred all the responsibilities and records linked to teacher management to the Teaching Service Commission in accordance with the Transition Plan as evidenced by the letter from the Ministry of Finance dated January 31, 2019.</p>	<p>Education: PA19 - To promote equitable deployment of teachers across the country, the Recipient has through the Teaching Service Commission (TSC) established a pilot for a nationwide teacher attendance monitoring system (TAMS) and through the TSC's Board of Commissioners approved and adopted a teacher deployment protocol and incentive strategy, as evidenced by: (i) signed minutes of the TSC Board of Commissioners dated January 3, 2020; (ii) signed Teacher Deployment Policy dated December 2019; and (iii) final report on the TAMS pilot dated March 1, 2020.</p>
Objective 2 - Improve Transparency in Selected Government Decision-Making Processes		
	<p>Fiscal: PA20 - The Recipient's Ministry of Finance has pursuant to Executive Order No. 1, dated April 9, 2018 on Revenue Mobilization directed all Ministries, Departments and Agencies to transfer all revenues collected on behalf of the Recipient into the Treasury Single Account (TSA); and the transfer of the</p>	



	revenues into the TSA has commenced as evidenced by the Daily Summary Report dated January 31, 2019.	
	Fiscal: PA21 - The Recipient's Parliament has passed the Extractive Industry Revenue Act, 2018 which inter alia promotes a transparent, stable, predictable and robust fiscal regime for all future mining contracts.	
Procurement: PA22 - The Recipient has taken a decision in Cabinet (Memo No. CP (2017)12, dated May 18, 2017) approving the development of an e-procurement system in order to increase transparency in procurement processes.		Procurement: PA23 - To enable the implementation of a nationwide e-procurement system, the Recipient has through the National Public Procurement Authority prepared and presented to Parliament the Public Procurement Regulations and, said procurement regulations have matured into law, as evidenced by the certificate of maturity for the Public Procurement Regulations, 2020 issued by the Clerk of Parliament.
Anti-Corruption: PA24 - The Recipient, acting through its Anti-Corruption Commission, has issued a public notice urging all public officers who had not filed with the ACC a sworn declaration of income, assets and liabilities, as required by Section 119 of the Anti-Corruption Act of 2008, to comply with said requirement no later than October 31, 2016.	Anti-Corruption: PA25 - The Recipient's Anti-Corruption Commission has submitted to Parliament for approval an Asset Disclosure Regulation which inter alia defines the scope of all government officials covered by said regulation and includes an effective, nondiscretionary administrative sanction for non-compliance with asset disclosure filing obligations as evidenced by the letter dated January 25, 2019 from the Clerk of Parliament.	Anti-Corruption: PA26 - To enable implementation of the Anti-Corruption Commission (Asset Declaration) Regulations, 2019, the Recipient has enacted an amendment to the Anti-Corruption Act, 2008 to, as evidenced by Gazette supplement volume CXLX, no. 88 dated December 22, 2019.

Objective 1 - Create the Conditions for Increased Productivity in Selected Economic Sectors

Seeds



- PA1, PA2, and PA3 comprised a sequence of legal, regulatory, and institutional measures to promote foundation seed production, multiplication, and distribution by the private sector. Use of improved high-yielding seeds was low across all farm sectors: (a) 73 percent of farmers typically used seeds recycled from previous harvests; (b) only about 10 percent had access to improved seeds; and (c) while seed production and distribution had been liberalized, the roles of the public and private sectors had not been delineated, with the Ministry of Agriculture and Forestry continuing to compete with the private enterprises in the production and distribution of seeds. The three PAs would strengthen the regulatory framework to make modern seeds available to farmers by increasing private sector participation. Previous analytical work had found the lack of private sector participation the binding constraint holding back uptake of modern seeds, fertilizer, and rice technology (see section 8a). Thus, increasing private sector participation would create conditions for increased productivity.
- **PA1** required the Ministry of Agriculture and Forestry to submit the Sierra Leone Seed Certification Act of 2017 to Parliament for approval. The legislation would promote the private sector's production, multiplication, and distribution of certified seeds. Therefore, the relevance of PA1 is rated **satisfactory**.
- **PA2** required Parliament to enact the Seed Certification Agency Act. As the government would relinquish its role in seed production and delivery, the Seed Certification Agency would be critical to ensuring the quality of certified seeds by harnessing the expertise of seed laboratories for quality control. Therefore, the relevance of PA2 is rated **satisfactory**.
- **PA3** required the Ministry of Agriculture and Forestry to submit the Seed Certification Agency Regulations to Parliament and to establish and operationalize the Seed Certification Agency. The regulations would implement the Sierra Leone Seed Certification Act of 2017 and the Seed Certification Agency Act of 2017. Therefore, the relevance of PA3 is rated **satisfactory**.

Fertilizers

- PA4, PA5, and PA6 comprised a sequence of policy, legal, regulatory, and institutional measures. As with seeds, the use of fertilizers remained low across all farm sectors: (a) only 10 percent of farmers used organic fertilizers, and 4 percent used chemical fertilizers; (b) fertilizer use averaged 4 kilograms per hectare, compared to 10 kilograms per hectare in Sub Saharan Africa; and (c) while fertilizer production and distribution had been liberalized, the roles of the public and private sectors had not been delineated, with the Ministry of Agriculture and Forestry continuing to compete with the private enterprises in the production and distribution of fertilizers. The three PAs would strengthen the policy and legal framework to make fertilizer more available to farmers through greater use of private distributors, thus addressing the binding constraint and creating conditions for increased productivity.
- **PA4** required the Cabinet to approve a new fertilizer policy that would progressively reduce the direct government supply and distribution of fertilizer to farmers and encourage private sector supply and distribution instead. The policy would mandate the exit by the government from public production and distribution of fertilizers and promote the entry of private enterprises into these activities. Therefore, the relevance of PA4 is rated **satisfactory**.
- **PA5** required Parliament to pass the National Fertilizer Regulatory Agency Act of 2017. The agency would regulate and supervise the manufacture, importation, and distribution of fertilizers to promote and develop a fertilizer industry that was competitive and sustainable. Therefore, the relevance of PA5 is rated **satisfactory**.
- **PA6** required the Ministry of Agriculture and Forestry to submit the National Fertilizer Regulations of 2020 to Parliament and to establish and operationalize the NaFRA. The operationalization of the agency would set the policy (PA4) and the legislation's goals (PA5) into motion, with the agency's



actions guided by the regulations submitted to Parliament. The operationalization of the NaFRA would be supported by the Smallholder Commercialization and Agribusiness Development Project, which would also assist the Ministry of Agriculture and Forestry to set up fertilizer testing facilities. The relevance of PA6 is rated **moderately satisfactory**.

Rice

- **PA7** required the Cabinet to approve and adopt the National Rice Policy of 2020 and the Rice Value Chain Development Strategy. Rice was essential to agricultural production (95 percent of farmers cultivated rice) and private consumption (annual per capita consumption of 131 kilograms was among the highest in Sub-Saharan Africa). But productivity was low: (a) while cultivation of this staple food increased significantly from 0.7 million hectares in 2014 to 1.0 million hectares in 2017, yields improved only slightly from 1.11 to 1.36 metric tons per hectare over the same period; (b) production met only 60 percent of domestic demand, with imports amounting to US\$191 million in 2018; and (c) the lack of improved technologies, low levels of value chain integration, poor access to input and output markets, and low institutional capacity for agricultural research and development were significant constraints. The National Rice Policy and the Rice Value Chain Development Strategy aimed to increase local rice production. There was little information, however, about the policy and the strategy, and how they would address the binding constraints to the development of the rice sector other than to state, in very general terms, that policy and strategy would promote linkages between investors and smallholder farmers, close the shortfall in food supply, and increase rice production from 1.18 to 1.87 metric tons per hectare by 2021. Therefore, the relevance of PA7 is rated **moderately unsatisfactory**.

Fishing

- PA8, PA9, and PA10 comprised a set of legal, regulatory, and operational measures to return industrial fishing capacity to a sustainable level. However, excessive industrial fishing posed a severe threat to marine resources in Sierra Leone, where fish production accounted for 12 percent of GDP in 2015: (a) the number of licensed trawlers (85 in 2016) was thrice that deemed sustainable by the International Seafood Sustainability Foundation's Marine Resources Assessment Group; (b) licensed fish production of 22,000 metric tons per day exceeded the sustainable level of 9,000 metric tons per day, according to the West Africa Regional Fisheries Program; (c) the scale of the problem was likely far worse than the official figures depicted because of illegal, unreported, and unregulated fishing activity - aerial surveys indicated that some 30 to 50 percent of active fishing vessels were likely operating illegally. The three PAs would enhance the regulatory and legal framework to strengthen government enforcement of industrial fishing regulations. Prior analytical work (Section 8) made a compelling case that this would help create conditions for sustainable productivity of the fishing industry.
- **PA8** required the Ministry of Fisheries and Marine Resources to publish a list of all industrial vessels with an active license and certify that all licensed vessels were equipped with Vessel Monitoring System or Automatic Identification System transponders and had independent observers on board to strengthen the monitoring, surveillance, and control of fishing activity. The relevance of PA8 is rated **satisfactory**.
- **PA9** required Parliament to enact the Fisheries and Aquaculture Act for the conservation and sustainable management of fisheries resources. Therefore, the relevance of PA9 is rated **satisfactory**.



- **PA10** required the Ministry of Fisheries and Marine Resources to submit the Fisheries and Aquaculture Regulations to Parliament and the Cabinet to approve the National Plan of Action to Prevent, Deter and Eliminate Illegal, Unreported, and Unregulated Fishing. Therefore, the relevance of PA10 is rated **satisfactory**.

Land

- PA11 and PA12 aimed to reform the land tenure system for sustainable agricultural growth and to create a functional land administration system that would promote land tenure security. Two separate legal systems governed the land – the state-owned land in Freetown and the western area but could sell it to private owners. At the same time, families and communities owned land elsewhere, under various customary laws, but under the custodianship of the chiefdom councils, and could not be owned privately. The prevailing land tenure system: (a) was inadequate for the small-scale subsistence agriculture that was prevalent in the country; (b) lacked sufficient security and safeguards to enable banks to extend credit to farmers using land as collateral; and (c) failed to grant equitable access to land for vulnerable groups, including women - many women lacked the right to inherit and own land although the Devolution of Estates Act of 2007 removed the customary prohibition against women owning property under the Customary Law.
- **PA11** required the Ministry of Lands, Housing, and Country Planning to adopt and submit to the Cabinet the Land Policy Implementation Framework and the Land Policy Implementation Plan for 2016-2026. The policy framework and the implementation plan would implement the objectives of the National Land Policy adopted in 2017, which aimed to safeguard the land tenure system and rights for land users, streamline and modernize land transactions, encourage sustainable use of land and natural resources, promote responsible investment, resolve systemic conflicts between the formal system and informal customary systems, and provide fair mechanisms for land disputes resolution. Therefore, the relevance of PA11 is rated **satisfactory**.
- **PA12** required the Ministry of Lands, Housing, and Country Planning to prepare and submit to the Cabinet the advanced draft of the Land Commission Bill, the advanced draft of the Customary Land Rights Bill, and the Report on Regional Consultations, documenting the consultations conducted in the east, south, north and northwest regions on the proposed provisions of the two bills. The laws were to be consistent with the fundamental principles of the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries, and Forests, the principles, and practices that governments can refer to (the global norm of reference) when making laws and administering land, fisheries, and forests rights, as endorsed by the United Nations General Assembly among other institutions. The first law would create the National Land Commission as a policy implementation body that would decentralize inclusive land administration through local offices at the chiefdom, district, and regional levels. The second law would recognize customary land rights, promote tenure security, and support land access without tribal, religious, gender, or other forms of discrimination. Related actions included the creation of Gender-Based Regional Land Oversight Committees to “integrate the voice of women” in the preparation of the new laws and the conduct of awareness campaigns among women about the new laws. Therefore, the relevance of PA12 is rated **satisfactory**.

Energy

- PA13, PA14, and PA15 comprised a set of institutional and operational measures to improve the Electric Distribution and Supply Authority’s (EDSA) performance. Electricity production and access to electricity in Sierra Leone were among the lowest in the world: (a) the country had only 100



megawatts of installed generation capacity (principally from Bambuna Dam), of which 75 megawatts was operational; (b) the demand for energy exceeded supply by about 30 percent; (c) less than 15 percent of the total population was connected to the electricity grid, benefitting some 125,000 households mainly in the capital, Freetown; (d) meanwhile, businesses used heavy fuel oil to generate high-cost electricity; (e) previous reforms included the passage of the National Electricity Act of 2011 (which unbundled the National Power Authority into the Electricity Generation and Transmission Company and the EDSA), the creation of the Electricity and Water Regulatory Commission in 2011, and the operationalization of the Electricity Generation and Transmission Company and EDSA in 2015; (e) still the energy sector suffered from under-investment and weak management.

- Motivated by the problem that “low access to electricity undermined productivity growth in Sierra Leone,” these three prior actions aimed to “support the *Agenda for Prosperity’s* strategic objectives to enhance access to reliable and cost-effective energy supply.” According to the Program Documents, “the focus in the short-term would be on reducing commercial losses and increasing the collection rate,” while “technical reduction losses require huge network investment and would take longer time to achieve.”
- **PA13** required EDSA to adopt a strategic plan to reduce technical and commercial losses and improve its finances - line losses were 38 percent of electricity distributed, collections were 74 percent of sales, and the cash flow deficit was 27 percent of total revenue. Considering the institutional weaknesses in the energy agencies, “adopting” a plan would not be sufficient to secure the subsequent implementation of the plan. Two actions could have strengthened the link between planning and implementation along the results chain: (a) a performance contract between EDSA and the government, and (b) an explicit external technical assistance program supporting the implementation of the plan. Therefore, the relevance of PA13 is rated **moderately satisfactory**.
- **PA14** required EDSA to adopt and implement the Network Configuration Optimization Plan (NCOP) that would reduce technical losses by signing a contract with Network Energy Services Corporation. The NCOP was developed to determine the optimal changes to the distribution network, balance power evacuation between the 33-kilovolt and the 11-kilovolt networks and reduce system losses through the new configuration. Implementation of the NCOP would complement investments in the transmission and distribution infrastructure funded by the Energy Sector Utility Reform Project (P120304) and the overhead transmission lines connecting Sierra Leone, Côte d’Ivoire, Liberia, and Guinea funded by the West African Power Pool Project (P163033). Therefore, this prior action was aligned with the thrust of PA13, and its relevance is rated **satisfactory**.
- **PA15** required EDSA to approve a new organizational structure and appoint the senior managers for distribution and technical services, quality assurance and compliance, accounts and financial management, the chief financial officer, and the commercial services director. The staff appointments were necessary to strengthen the institutional and organizational capacity of the utility firm. The prior action offered little assurance that the appointments would bring in capable management. Accordingly, the relevance of PA15 is rated **moderately satisfactory**.
- The fourth prior action in this sector exceeded the productivity objective and the immediate focus on reducing commercial and technical losses. The second Program Document does not argue a direct productivity objective and only acknowledges that “this action will complement the implementation of EDSA’s NCOP to reduce technical losses on the transmission and distribution network.” Rather, the appraisal document explains, “Although the liberalization of fuel prices will make ETGC plants more expensive to run, it is expected to reduce inefficiency in setting electricity tariffs culminating in the reduction of EDSA’s commercial losses and the Government’s indirect subsidy to the energy sector. Furthermore, the fuel subsidy is not well targeted as it benefits mostly the well-off segment of



society and crowds out spending on social sectors including health and education.” However, fiscal efficiency is not an objective of this programmatic series, at least not the objectives that were approved by the Board at the appraisal of each operation.

- **PA16** required the government to eliminate subsidies on petroleum products and adopt an automatic fuel price indexation formula to determine fuel prices based on international fuel prices and prevailing exchange rates. Surpassing the focus of PA13, PA14, and PA15 on operational improvements at EDSA, this prior action aimed to rationalize fuel pricing by scrapping energy subsidies and allowing the pass-through of international to domestic fuel prices. Although the relevance of this prior action would be rated highly satisfactory if the objective were to improve fiscal efficiency (i.e., by reducing energy subsidies), this prior action was not directly related to the productivity objective. Therefore, the relevance of PA16 is rated **moderately satisfactory**.

Education

- PA17, PA18, and PA19 comprised a set of measures to implement provisions of the Teaching Service Commission Act of 2011. Education outcomes remained poor in Sierra Leone despite recent improvements in access to education. The poor quality of teaching was a significant factor: (a) the primary grade completion rate was 66 percent in 2015, lower than the average 69 percent in Sub-Saharan Africa; (b) learning outcomes were subpar beginning in second-grade elementary school (where 87 percent were unable to read a short text) through to senior secondary school; (c) studies linked poor learning outcomes to poor teaching quality; (d) only half of the teachers were qualified for their position, and teacher absenteeism was a high 30 percent; (e) the Teaching Service Commission (TSC) was created in 2011 to help upgrade the teaching profession and improve teaching and learning, but the TSC only appointed commissioners in 2016 and has not implemented many provisions of the Teaching Service Commission Act of 2011.
- **PA17** required the Ministry of Education, Science, and Technology to issue a transition plan setting the schedule for transferring functionaries, files, and records to the TSC. In addition, the Teaching Service Commission Act of 2011 mandated the transfer of functions and responsibilities over teacher registration and licensing, teacher management (recruitment, transfer, dismissal, promotion, and retirement), teacher records and payroll, teacher professional development and performance, and teacher-employer relations from the Ministry of Education, Science, and Technology and the Ministry of Basic and Secondary Education to the TSC. The prior action does not provide any explanation how transferring functionaries, files, and records would improve the quality of teaching. Therefore, the relevance of PA17 is rated **moderately unsatisfactory**.
- **PA18** required the Ministry of Basic and Secondary Education to transfer all duties and responsibilities of teacher management to the TSC. This prior action would implement the transition plan designed under PA17. It would also enable the Ministry of Basic and Secondary Education to focus on oversight over school curriculum, standards for approving new schools, guidance and counseling services for students, and research and development, as provided in the Education Act of 2004. But, like PA17, this prior action does not provide any explanation how transferring duties and responsibilities over teacher management would improve the quality of teaching. Therefore, the relevance of PA18 is rated **moderately unsatisfactory**.
- **PA19** required the TSC to approve and adopt a teacher deployment strategy and protocol and to pilot a teacher attendance monitoring system. This prior action aimed to rationalize the deployment of teachers across the country (some regions had more teachers than needed, others less). Meanwhile, the attendance monitoring system would help the effort to reduce teacher absenteeism, a nagging problem and a key target both of the Teaching Service Commission Act of 2011 and this programmatic series. However, more regular attendance of poorly qualified teachers does not really



address the fundamental problem of poor qualification of teachers and hence poor quality of teaching. Therefore, the relevance of PA19 is rated **moderately unsatisfactory**.

Objective 2 - Improve Transparency in Selected Government Decision-Making Processes

Fiscal

- PA20 and PA21 comprised legal measures to improve government revenue management and the fiscal regime for mining activities, removing binding constraints to transparency and thus contributing to Objective 2.
- **PA20** required the Ministry of Finance to direct all government ministries, departments, and agencies to transfer revenues into a Treasury Single Account (TSA). The legal framework was already in place, but many government bodies did not follow the law. Instead, they held as much as ten percent of the budget in multiple accounts at commercial banks and outside standard reporting requirements, according to the Public Expenditure and Financial Accountability Report of 2017. Thus, it was doubtful that another Ministry of Finance order directing transfers of revenue collections to a TSA would have sufficed. A more powerful prior action would have been the outright prohibition against ministries, departments, and agencies holding accounts at commercial banks. The rationale would be more efficient cash management by the whole government, further enabling a reduction of short-term debt that is usually contracted to smooth cash flows. Therefore, the relevance of PA20 is rated **unsatisfactory**.
- **PA21** required Parliament to enact the Extractive Industries Revenue Act (EIRA). The fiscal regime had been arbitrary, opaque, and often required case-by-case negotiation between the government and license holders. The EIRA would promote a transparent, stable, predictable, and robust fiscal regime for future mining contracts. Therefore, the relevance of PA21 is rated **satisfactory**.

Procurement

- PA22 and PA23 aimed to strengthen the law and improve public procurement by emphasizing e-procurement. However, procurement continued to be challenging: (a) the passage of the Public Procurement Act of 2004, which also created the National Public Procurement Authority (NPPA), harmonized public procurement practices across the public sector; (b) however, compliance with procurement policy had been poor, with the share of public procurement conducted through open competition at only 45 percent in the baseline; (c) the country's score of "C" continued on public procurement transparency, competition, and complaints mechanisms in the Public Expenditure and Financial Accountability assessment was unchanged from 2007; (d) yet the public sector needed to urgently improve public procurement as the quality of procured goods and services remained poor while the government was ramping up investment spending.
- **PA22** required the Cabinet to approve the development of an electronic procurement (e-procurement) system to improve transparency in procurement. E-procurement is buying and selling goods and services over the internet using digital communication lines between a buyer and its suppliers that support requisitioning, ordering, and exchanging documents. Apart from saving on the costs associated with paper-based systems, e-procurement would improve the collection, tracking, organization, analysis, and evaluation of procurement transaction data and hence increase the transparency and accountability of the procurement process. This prior action assumes that there is capacity to establish, implement, and manage the e-procurement system. The relevance of PA22 is rated **moderately satisfactory**.



- **PA23** required the NPPA to submit to Parliament and Parliament to enact the Public Procurement Regulations that would implement the Public Procurement Act of 2016 and, among others, roll out the e-procurement system nationwide. The Public Procurement Act of 2016 aimed to regulate the procurement process further, decentralize procurement, and “ensure value for money” in public procurement and spending. As with PA23, the focus of PA24 on e-procurement would lead to better organization and tracking of procurement transactions, allow for the integration of supply chains, and facilitate the faster delivery of procured goods and services. And, as with PA23, the crucial question is whether or not the government has the capacity to establish the infrastructure and implement the system. Therefore, the relevance of PA23 is rated **moderately satisfactory**.

Anti-Corruption

- PA24, PA25, and PA26 comprised a sequence of legal and regulatory measures to boost the anti-corruption drive by focusing on transparency requirements for government officials. Corruption remained a significant issue in Sierra Leone despite recent gains: (a) the number of cases prosecuted rose, and monetary recoveries topped Sierra Leonean leone (Le) 10 billion between 2008 and 2012, following the creation of the Anti-Corruption Commission (ACC) in 2000; (b) however, the country continued to score low on many metrics, including ranking 123rd of 167 countries in Transparency International’s Corruption Perceptions Index in 2016 (at the time of appraisal of the first operation); (c) an effective asset disclosure system for public officials was critical to reduce corruption, foster accountability, enhance legitimacy, promote integrity, and protect public assets; (d) the Anti-Corruption Act of 2008 required the filing of asset, liability, and income disclosure statements by public and civil servants when they assume and when they leave office; but (e) the rule was poorly implemented – the fact that the rule applied to all public servants made it difficult to enforce.
- **PA24** required the ACC to call on government officers who had not filed their statements of assets, liabilities, and income statements to do so by October 2016. Compliance by some 55,000 public servants had been deficient at 20 percent in 2016, with sanctions - fines and prison terms - barely implemented. This prior action would likely achieve a one-time bump in filings, which, absent effective sanctions, would not likely be sustained. The relevance of PA24 is rated **moderately unsatisfactory**.
- **PA25** required the ACC to submit to Parliament an Asset Disclosure Regulation redefining which public servants were covered by the disclosure requirements and imposing administrative sanctions for non-compliance with the disclosure requirements. This prior action addressed the sanctions issue but fell short of requiring Parliament to approve the regulation. Accordingly, the relevance of PA25 is rated **moderately unsatisfactory**.
- **PA26** required Parliament to enact amendments to the Anti-Corruption Act of 2008. The new Anti-Corruption Act of 2019 would: (a) employ a risk-based approach to focus the disclosure rule on political appointees, officers with fiduciary responsibilities, and their relatives; (b) expand sanctions to include the withholding of salaries, suspension from service after three months, and removal from service after six months; (c) include redress for officers who submit false, misleading, or inaccurate information; (d) replace the requirement that Commissioners of Oath attest the declarations with a penal affirmation instead, delivered personally or electronically; and (e) digitize the asset declaration process. Accordingly, the relevance of PA26 is rated **satisfactory**.

Rating

Moderately Satisfactory



4. Relevance of Results Indicators

Rationale

Results Indicator	Associated Prior Action	Relevance Rating	Baseline	Target	Actual Value	Actual Change in Results Indicator Relative to Targeted Change (Percent)	Achievement Rating
Objective 1 - Creating the Conditions for Increased Productivity in Selected Economic Sectors							
RI1 - Number of private licensed firms in seed sector	PA1 PA2 PA3	Moderately Unsatisfactory	0	10	34	340	High
RI2 - Number of licensed private firms in fertilizer sector	PA4 PA5 PA6	Moderately Satisfactory	0	10	0	12 (post-closing, 2022)	Modest (based on additional information)
RI3 - Average yield of rice, metric tons per hectare	PA7	Unsatisfactory	1.1	1.8	1.74	91	Modest
RI4 - Number of active industrial fishing licenses	PA8 PA9 PA10	Moderately Unsatisfactory	110	60	53	114	Substantial
RI5 - Share of land plots owned by women, percent	PA11 PA12	Satisfactory	20.7	30.7	20.7	0	Negligible
RI6 - Electricity lost, percent of electricity distributed	PA13 PA14 PA15	Moderately Satisfactory	38	28	39	-110	Negligible



RI7 - Government expenditure on fuel subsidy, percent of GDP	PA16	Highly Satisfactory	2	0	0	100	Not Rated
RI8 - Absenteeism rate of teachers on the payroll	PA17 PA18 PA19	Moderately Unsatisfactory	30	15	11.9	121	Modest
Objective 2 - Improve Transparency in Selected Government Decision-Making Processes							
RI9 - Share of government accounts in commercial banks, percent	PA20	Satisfactory	90	10	76.5	17	Negligible
RI0 - Percentage of new mining leases compliant with EIRL	PA21	Satisfactory	0	100	90	80	Substantial
RI11 - Share of public procurement transactions conducted through open competition	PA22 PA23	Moderately Satisfactory	45	85	79.1	85	Substantial
RI12 - Share of public officials that have submitted asset declaration form	PA24 PA25 PA26	Moderately Satisfactory	20	90	80	86	Substantial

Objective 1 - Create the Conditions for Increased Productivity in Selected Economic Sectors



Seeds

- **RI1** - Number of private licensed firms in the seed sector - could measure the impact of prior actions to boost private sector activity in seed production and distribution of improved seed. However, the existence of licenses does not itself imply active participation in the market. More importantly, outcome-oriented indicators, such as private-sector seed sales or market share, would have been preferable. Therefore, the relevance of RI1 is rated **moderately unsatisfactory**.

Fertilizers

- **RI2** - Number of private licensed firms in the fertilizer sector - could measure the impact of prior actions to boost private sector activity in fertilizer production and distribution. However, the existence of licenses does not itself imply active participation in the market. More importantly, outcome-oriented indicators, such as fertilizer sales or market share by the private sector, would have been a better indicator. Therefore, the relevance of RI2 is rated **moderately unsatisfactory**.

Rice

- **RI3** - Average rice yield in metric tons per hectare - Even if policy change were an essential factor and its impact could be more narrowly identified, it would likely take time to achieve the target as a result of the innovation. Therefore, linking a target in 2020 to a policy adopted months earlier would be doubly problematic. The relevance of RI3 is rated **unsatisfactory**.

Fishing

- **RI4** - The number of active industrial fishing licenses - was not adequate to measure the impact of prior actions to reduce industrial fishing. The share of boats with transponders would have been a better results indicator. The relevance of RI4 is rated **moderately unsatisfactory**.

Land

- **RI5** - Share of land plots owned by women - was a worthy objective of the reform, considering that women-owned only 21 percent of all land plots in 2014 and there remained obstacles to women inheriting and owning land. The relevance of RI5 is rated **satisfactory**.

Energy

- **RI6** - Electricity lost in percent of electricity distributed - was a poor choice to measure the impact of the prior actions supported by this programmatic series. PA14 aimed at reducing technical losses. However, the results indicator - total systems losses - is a broader measure and includes commercial and technical losses. According to EDSA's load flow analysis in 2019, technical losses accounted for one-third and non-technical losses for two-thirds of total losses. The relevance of RI16 is rated **moderately satisfactory**.
- **RI7** - Government expenditure on fuel subsidy in percent of GDP - would be fully adequate to measure the impact of the prior action for the government to eliminate subsidies on petroleum products and adopt a fuel price indexation formula based on international fuel prices and prevailing exchange rates, if the



objective was fiscal efficiency. However, since the objective was productivity, the relevance of RI7 is rated **moderately satisfactory**.

Education

- **RI8** - Absenteeism rate of teachers in the payroll - just as the three associated prior actions did not address the underlying problem of poor quality of teaching – only half of teachers were qualified for their position – this results indicator was unrelated to the quality of teaching. The relevance of RI8 is rated **moderately unsatisfactory**.

Objective 2 - Improve Transparency in Selected Government Decision-Making Processes

Fiscal

- **RI9** - Share of government accounts with commercial banks - was adequate to measure the impact of the prior action for the Ministry of Finance to direct all government bodies to transfer revenues to the Single Treasury Account by January 31, 2019. Reducing the share of government accounts held at commercial banks to 10 percent would signify a proportionate increase in the share of government revenues transferred to the Single Treasuring Account. The relevance of RI9 is rated **satisfactory**.
- **RI10** - Percentage of new mining leases compliant with the EIRA - was adequate to measure the impact of the prior action for Parliament to enact the Extractive Industries Revenue Act. Passed in July 2018, the legislation required all new mining leases to conform with its provisions. The 100 percent target would mean that all new mining agreements complied with the law without exception. The relevance of RI10 is rated **satisfactory**.

Procurement

- **RI11** - Share of public procurement transactions conducted through open competition – share of the value of procurement conducted through open competition would have been a better results indicator. The relevance of RI11 is rated **moderately satisfactory**.

Anti-Corruption

- **RI12** - Share of public officials who have submitted asset declaration forms - would have been an important step toward measuring the impact of the new law and rule requiring the submission of asset, liability, and income declarations by public officials to the ACC, initially by moral suasion (PA24), and subsequently and more effectively, under pain of new sanctions, including criminal penalties (PA25 and PA26). The relevance of RI12 is rated **moderately satisfactory**.

Rating

Moderately Satisfactory

5. Achievement of Objectives (Efficacy)



OBJECTIVE 1

Objective

To create the conditions for increased productivity in selected economic sectors

Rationale

Seeds

- **RI1** - The number of private licensed firms in the seed sector was 34 by closing, achieving 340 percent of the target of 10. The licensed private entities included seed growers, processors, sellers, exporters, and importers. Authorities issued provisional licenses in June 2021 and granted full licenses after a determination that the licensees met the provisions of the Sierra Leone Seed Certification Act of 2017. Meanwhile, the Ministry of Agriculture and Forestry had exited the seeds and agricultural inputs business altogether. The degree of achievement of the target is rated **high**.

Fertilizers

- **RI2** - No private firms were licensed in the fertilizer sector at closing, failing to achieve the target of 10. The government received 50 “expressions of interest” from private enterprises but issued no licenses. Created in 2020, the NaFRA was not yet fully operational at closing as staff recruitment was still ongoing. The degree of achievement of the target at closing would be rated negligible. Data provided by the Bank staff after closing indicate that the NaFRA, finally operational and with an Executive Director in 2022, granted import permits to 12 dealers, out of 36 applicants, by the third quarter of 2022 and planned to issue the Fertilizer Licensing Fee Regulation in the fourth quarter of 2022. Considering this additional information, the degree of achievement of the target is adjusted to **modest**.

Rice

- **RI3** - The average rice yield per hectare rose from 1.1 metric tons in the baseline to 1.74 metric tons per hectare by closing, representing 91 percent of the target increase to 1.8 metric tons per hectare. However, average yields had risen steadily before adopting the National Rice Policy and the Rice Value Chain Strategy in 2020. This reinforces the point that many factors are driving average yields apart from policy innovation alone. Moreover, authorities adopted the policy just months before the productivity reading. Therefore, crediting the prior actions with the target’s achievement raises attribution issues; for this reason, the achievement of the target is rated **modest**.

Fishing

- **RI4** - By project closing, the number of active industrial fishing licenses was reduced from 110 in the baseline to 53, achieving 114 percent of the target reduction to 60. Authorities achieved the target through (a) restrictions on high-capacity vessels - those over 2,000 in gross registered tonnage were prohibited while those between 1,000 and 2,000 gross registered tonnage were seldom approved; (b) higher license fees and customs charges; and (c) fines for illegal fishing. Industrial fish production



was reduced from 123,502 metric tons in 2016 to 120,436 metric tons in 2020. Because of a shortcoming with the results indicator, the achievement of the target is rated **substantial**.

Land

- **RI5** - The share of women-owned land plots remained at 20.7 percent at closing, the same as at baseline, failing to meet the target increase to 30.7 percent. The achievement of the target is rated **negligible**. According to the ICR, the COVID-19 pandemic delayed the enactment by Parliament of the Land Commission Bill and the Customary Land Right Bill, drafted with support from PA12. According to additional information provided by the Bank staff, the Parliament enacted the two bills as the Land Commission Act and the Customary Land Rights Act, both in August 2022, three years after this programmatic series closed in October 2019. The two laws were prior actions supported by the Inclusive and Sustainable Growth Development Policy Operation (P175342), approved in November 2021. No data was available to show whether the share of women-owned plots has changed since closing.

Energy

- **RI6** - Electricity lost rose from 38 percent of electricity distributed in the baseline to 39 percent by closing, failing to meet the target reduction of 28 percent. The EDSA could only partially implement the NCOP using available corporate resources and supplemental support from the World Bank - only 30 percent of the middle and low voltage networks were rehabilitated. The comparatively large proportion of total systems losses due to non-technical losses (see Section 4) was also a factor - non-technical losses have been rising and were mostly driven by illegal connections and power theft, insufficient meters for consumers for new connections, a large number of faulty meters in the system, poor commercial billing practices, and the unwillingness of government agencies to transition to pre-paid meters. The achievement of the target is rated as **negligible**.
- **RI7** - Government expenditure on fuel subsidy was reduced from 2 percent of GDP in the baseline to 0 percent by closing, achieving 100 percent of the target reduction to 0 percent of GDP. If the objective were fiscal efficiency (i.e., by reducing energy subsidies), the degree of achievement of the target would be rated as high. However, because the objective was productivity, the results is not rated.

Education

- **RI8** - Authorities reduced the rate of absenteeism of teachers on the payroll from 30 percent in the baseline to 11.9 percent at closing, achieving by 121 percent the target reduction to 15 percent. The ICR adds that school managers had the authority to apply sanctions on absentee teachers, temporarily remove chronically absent teachers from the payroll, and deploy tablets and scanners to schools to document and monitor teacher attendance. Although the achievement of the target would be rated high on this basis, the moderately unsatisfactory ratings for both the relevance of the associated prior actions and the relevance of the results indicator warrants a reduction in the rating for the degree of achievement of the objective to **modest**.

Rating



Moderately Satisfactory

OBJECTIVE 2

Objective

To improve transparency in selected government decision-making processes

Rationale

Fiscal

- **RI9** - Authorities reduced the percentage of government accounts held at commercial banks from 90 percent in the baseline to 76.5 percent by closing, achieving only 17 percent of the target reduction to 10 percent. There were still 1,200 government accounts held at commercial banks at the end of October 2021, almost a year after the closing of this programmatic series. The number of government accounts held at commercial banks increased for some account categories, including council accounts (+12 percent), department accounts (+16 percent), and trust bank accounts (+21 percent). The achievement of the target is rated **negligible**.
- **RI10** - The percentage of new mining leases compliant with the Extractive Industries Revenue Act of 2018 was 90 percent by closing (2021), achieving 90 percent of the target 100-percent compliance. The Ministry of Mines awarded twenty-five mineral rights from July 2018 to December 2021. The Ministry claims that all new awards complied with the Extractive Industries Revenue Act. However, according to the ICR (Annex 6), some government officials dispute this, contending that the lease agreements with Kingho Mining Company Limited in 2020 and SL Mining Limited in 2021 likely breached certain new law provisions. The achievement of the target is rated **substantial**.

Procurement

- **R11**- The percentage of public procurement transactions conducted through open competition increased from 45 percent in the baseline (2016) to 79.1 percent by closing, achieving 85 percent of the target increase of 85 percent. Considering the moderate shortcoming with the indicator, the achievement of the target is rated **substantial**.

Anti-Corruption

- **RI12** - The percentage of public officials who submitted their asset declaration forms rose from 20 percent in the baseline to 80 percent by closing, achieving 86 percent of the target increase to 90 percent. Following the measures supported by this series, a database of all officials required to submit asset declarations was now available in January 2021. Importantly, the ACC filed charges in 2021 against a former official who did not file his declaration while in office – no conviction has been reported so far.[JC1] [AMO2] Additionally, the ACC is reportedly working toward electronic submission of all asset declarations (the asset declarations have to be filed annually) but also needs resources to [JC3] [AMO4] examine the submissions systematically – the ACC needs data analysts to sift through the information. The achievement of the target is rated **substantial**.



Rating

Moderately Satisfactory

Overall Achievement of Objectives (Efficacy)

Rationale

The degree of achievement of the first objective to create the conditions for increased productivity in selected economic sectors is rated moderately satisfactory. The degree of achievement of the second objective to improve transparency in selected government decision-making processes is rated moderately satisfactory. The overall achievement of objectives is rated moderately satisfactory.

Overall Efficacy Rating

Moderately Satisfactory

6. Outcome

Rationale

The relevance of prior actions is rated moderately satisfactory. Most of the prior actions (11 of 19) for the objective to create the conditions for increased productivity in selected economic sectors were satisfactory, while most of the prior actions (4 of 7) for the objective to improve transparency in selected decision-making processes were rated moderately satisfactory. In particular, the relevance of most prior actions for the agriculture and fisheries sector – seeds, fertilizers, fishing, and land – was satisfactory. The relevance of prior actions in procurement and anti-corruption were mostly moderately satisfactory.

The efficacy is rated moderately satisfactory. The degree of achievement of the objective to create the conditions for increased productivity in selected economic sectors is rated moderately satisfactory. Similarly, the achievement of the objective to improve transparency in selected decision-making processes is rated moderately satisfactory. In particular, the achievement of the targets for seeds and fishing was high. Those for the fiscal regime for mining, procurement, and anti-corruption were substantial.

The outcome of the programmatic series is rated moderately satisfactory.

a. Rating

Moderately Satisfactory



7. Risk to Development Outcome

Implementation Risks. The sustainability of the reforms advanced by this series depends on whether the new laws enacted (or the old laws amended) by Parliament will be followed, the new regulations issued will be observed, the new institutions created will be operationalized, and the new administrative innovations introduced will be executed. The nature, direction, and degree of the implementation risks vary by reform area.

- The inability of the Ministry of Agriculture and Forestry to operationalize the NaFRA jeopardized achieving the target to license at least ten private fertilizer enterprises by the closing date. Institutional capacity risk will likely hurt the sustainability of reforms in this sector. However, the Ministry of Agriculture and Forestry has since reported that the staffing of the NaFRA is underway.
- The risk to the sustainability of development outcomes in fisheries is fairly low because the Ministry of Agriculture and Forestry and the military have intensified their surveillance of industrial fishing activity and have detained unlicensed vessels. Moreover, a new regional project funded by the European Union is now supporting surveillance activity. However, some residual issues remain, including that the authorities can only easily track vessels fitted with vessel monitoring systems.
- The EDSA did not make a dent with its technical and commercial loss problems during the implementation of this series. Despite the initial set of reforms (PA13, PA14, and PA15), Sierra Leone may not likely achieve the objective of creating the conditions for increased productivity in the electricity sector if institutional, technical, and financial capacity constraints persist.
- The risk to the sustainability of development outcomes in education is low to moderate. A robust inspection and supervision system of secondary school teachers is in place to monitor teacher attendance. Apart from recording teacher attendance, the TSC is now considering designing a system to evaluate teacher performance. Meanwhile, improving teaching in remote areas remains challenging, and the TSC is considering offering incentives to achieve this objective.
- The large number of government agency accounts still held at commercial banks (some 1,200 at the end of October 2021) implies that the full implementation of the Single Treasury Account supported by this series (PA20) remains distant. Government agencies will have to stop opening new accounts as they close old ones, and officers sanctioned if they do.
- Delays with the implementation of the e-procurement system imply that its contribution to the transparency objective, much less to the goal to increase open competition in procurement, cannot be readily ascertained.
- Although 86 percent of government officials and related parties filing asset declarations as required by law and with sanctions imposed for non-compliance, the risk to the sustainability of this anti-corruption outcome is likely high. The ability to obtain court judgements is likely weak. Moreover, for the asset declaration system to become an effective anti-corruption measure, the authorities will need to advance the reform by, for example, introducing a system to audit the declarations even on a statistical sampling basis, which will need considerable funding.

Mitigation Measures. New legislation by Parliament and a new operation by the Bank will help mitigate some of the risks to the sustainability of the development outcomes of this series.

- The Land Commission Bill and the Customary Land Right Bill that the Ministry of Lands submitted, Housing, and Country Planning to the Cabinet as part of this series (PA12), were finally enacted by Parliament into law as the National Land Commission Act of 2021 and the Customary Land Right Act of 2021. Meanwhile, the Government has submitted to Parliament the Mines and Minerals Development Bill (originally a trigger for the third operation but deferred for lack of stakeholder and public discussion



after the outbreak of COVID-19) that would provide the legal framework for promoting governance, transparency, fiscal, social and environmental standards for the mines and minerals sector. As with any legislation, the real challenge is implementing the laws once they are passed.

- The Sierra Leone First Inclusive Sustainable Growth Financing Development Policy Operation (175342) was approved in December 2021 and aims to improve natural resources governance, enhance inclusiveness, and improve the sustainability of development financing. Among eight prior actions, those advancing the objectives of this programmatic series include the: (a) development and rollout of the Teacher Management Information System by the TSC; (b) amendment of the Payment Systems Act to facilitate electronic payments; (d) submission to Parliament of the draft Mines and Mineral Act to provide a legal framework for the governance, transparency norms, fiscal regime, and environmental and social standards for the mines and minerals sector; and (d) publication by the NPPA of tender awards and contracts in the education and health sectors.

8. Assessment of Bank Performance

a. Bank Performance – Design

Rationale

Analytical Foundations. The reform program supported by this series reflected significant analytical work by the Bank, other development institutions, and the Government. The Program Documents and the ICR (Table 8) cite 29 studies and reports that informed the prior actions, apart from the SCD of 2018 and the *Sierra Leone Third Generation Poverty Reduction Strategy Paper (2013 – 2018) - The Agenda for Prosperity* of 2013, which were important to most of the reform areas.

- Twenty studies pertaining to the first policy pillar (PA1 - PA19) contributed the following insights and recommendations: (a) agriculture suffered from very low access to improved seeds and fertilizers and low incentives for the private sector's participation in the seed and the fertilizer markets; (b) rice offered a good potential for driving agriculture sector growth; (c) the land tenure system needed to provide for sufficient security and safeguards of land ownership and leasehold and increase the access to land by vulnerable groups, especially women; (d) large numbers of industrial vessels and illegal, unreported, and unregulated fishing threatened fisheries resources; (e) the electricity sector was not sustainable because of low-cost recovery, a weak governance structure, high technical and commercial losses (at about 38 percent); and low revenue collections (around 60 percent of total sales); (f) learning outcomes were among the lowest in the region, reflecting in part the poor qualification standards (only half of teachers were qualified for their position), performance, and management of the teaching workforce.

Although not listed among the 20 studies, *Policies and Actions to Stimulate Private Sector Marketing of Fertilizers in Sub-Saharan Africa* (Kelly and Crawford, U.N. Food and Agriculture Organization, 2007) underlies the thinking behind the prior actions of the first policy pillar (PA1 - PA6) which posit that private participation in critical input markets increases the uptake by farmers of these inputs. According to the study (which “synthesizes literature reviewed to characterize lessons learned from reform over the past two decades”); “There is reasonable agreement regarding measures needed to establish enabling conditions that **stimulate** both **demand** for and supply of fertilizer. Measures include **building institutions to promote competition** while **improving supply chain efficiency**, investing in transportation and market infrastructure, investing in research



and extension, managing price and production risk, facilitating rural finance, and **strengthening legal and regulatory institutions**. Improvements in each of these areas will contribute to improved profitability of fertilizer use by reducing input costs, raising or stabilizing producer prices, and improving fertilizer use efficiency.” Nine studies on the second policy pillar (PA20 - PA26) contributed the following insights and recommendations: (a) weak procurement management resulted in higher prices paid on purchases of goods and services and works contracts; (b) the perception of corruption in Sierra Leone was high; and (c) more effective asset disclosure would reduce corruption. **Linkages with Other Bank Operations.** The programmatic series complemented other concurrent Bank operations in Sierra Leone.

- In agriculture, the series complemented the Smallholder Commercialization and Agribusiness Development Project Additional Financing (P153437 [2016-21] and P170604 [2020-23]), which aimed to promote smallholder commercialization by fostering productive business linkages between smallholder farmers and selected agribusiness firms and other commodity off-takers.
- In fishing, the series complemented the West Africa Region Fisheries Program for Guinea, Liberia, and Sierra Leone - Additional Financing (P126773 [2015-22]), which aimed to strengthen the governance and management of targeted fisheries and improve the handling of landed catch at selected sites.
- In energy, the series complimented the Energy Sector Utility Reform Project (P120304 [2013-22]), which aimed to improve the operational performance of the national electricity distribution utility, the Western Area Power Generation Project for Sierra Leone (P153805 [2016-19]) which aimed to increase the power generated by independent power producers and to mobilize private capital for electricity services, and the Enhancing Sierra Leone Energy Access Project (P171059 [2021-25]) which aimed to increase electricity access.
- In education, the series complemented the Revitalizing Education Development Project (P133070 [2016-19]), which aimed to improve the learning environment in targeted schools and establish systems for monitoring education interventions and outcomes.
- On fiscal policy and public financial management, the series complimented the Public Financial Management Improvement and Consolidation Project (P133424, 2013-21), which aimed to improve budget planning and credibility, financial control, accountability, and the oversight of government finances and the Extractives Industries Technical Assistance Project Phase II (P160719, 2017-22) which aimed to strengthen the governance, knowledge, and sustainability of the extractives sector.

Donor Coordination. The Bank collaborated closely with the Development Partnership Committee, the main platform for consultations between government and its development partners, including the International Monetary Fund, African Development Bank, European Union, International Fund for Agriculture and Development, Food and Agriculture Organization, UN Resident Coordinator’s Office, UK Department for International Development, and US Agency for International Development. According to the ICR, the partners conducted joint missions, deliberated on structural reforms and macro-fiscal and financial sector issues, and collaborated on budget support during program design and implementation.

Rating

Satisfactory

b. Bank Performance – Implementation

Rationale



Adaptation. The Bank introduced various changes to the program throughout this series, from the appraisal of the first operation in June 2017 to that of the third in May 2020.

- The Bank modified the first program objective from “increasing productivity in selected economic sectors” to “creating the conditions for increased productivity in selected economic sectors.” The change was logical considering that productivity gains take time to be realized, much less measured, likely longer than the three-year duration of this series.
- The Bank either dropped or modified several triggers (which would have become prior actions for a succeeding operation) in response to changed conditions: (a) the reinstatement of the excise duty on rice (by applying the Economic Community of West African States’ tariff on the commodity) was dropped because the government feared that re-imposing the tariff on a food staple immediately after the liberalization of fuel prices would spike inflation and trigger social unrest; (b) the enactment by Parliament of the Regulations for the National Fertilizer Regulatory Agency Act of 2017 was downshifted to the preparation by the Ministry of Agriculture and Forestry of the same regulations; (c) the roll-out of an integrated Web-based e-procurement platform to three agencies in a pilot scheme and later to five agencies was dropped and transferred instead to the Public Financial Management Improvement and Consolidation Project - the programmatic series focused on the legal framework for e-procurement; (d) the publication of an audit report on procurement in 2016 was converted to the submission by the National Public Procurement Authority to Parliament of the Public Procurement Regulations of 2020; (e) the adoption of a new minerals policy to facilitate the Amendment of the Mines and Minerals Act of 2009 was dropped and transferred to a future development policy operation as the government did not have sufficient time to conduct consultations with stakeholders and the public about the policy following the outbreak of the COVID-19 pandemic; and (f) the publication by the Anti-Corruption Commission of a report on corruption was converted to the enactment of the Amendment to the Anti-Corruption Act of 2008 – the Government felt that strengthening the anti-corruption regime by law was a stronger prior action, according to the ICR.
- To the Bank’s credit, it introduced reforms not originally part of the series but which would make for a stronger economic reform program in general, albeit, in the case of fuel pricing and subsidies, outside the original productivity and transparency objectives of this series: (a) the Bank added eliminating subsidies on petroleum products and adopting an automatic fuel price indexation formula (PA16) to improve the sustainability of the energy sector – this reform evidently had fiscal objectives (see Section 3.B); (b) the Bank added issuance by the Ministry of Finance of a directive for ministries, departments, and agencies to transfer all revenue collections to the Single Treasury Account (PA20) in response to the finding by the Public Expenditure and Financial Accountability report of 2017 that revenues retained by the agencies in commercial bank accounts amounted to more than 10 percent of the budget of 2016; (c) the Bank added enactment by Parliament of the Extractive Industry Revenue Act of 2018 (PA21) to strengthen the fiscal regime for the mining sector.
- The Bank raised the financing for the third operation from an average of SDR 25.3 million (US\$35 million equivalent) for the first two in the series to SDR 73.2 million (US\$100 million) for the third. The Bank made the change in response to the budgetary financing needs of Sierra Leone following the outbreak of the COVID-19 pandemic in March 2020. In April 2020, the government estimated a fiscal deficit (after grants) of 5.4 percent of GDP for 2020 (from 3.3 percent of GDP in 2019), which would have to be covered by external financing of up to 1.2 percent of GDP (the Bank approved the third operation in June 2020).



Rating

Satisfactory

c. Overall Bank Performance

Rationale

Both the Bank performance at design and during implementation are rated satisfactory. The overall Bank performance is rated satisfactory.

Overall Bank Performance Rating

Satisfactory

9. Other Impacts

a. Social and Poverty

The ICR stated that the increase in fuel prices (PA16 eliminated the subsidies on petroleum products and adopted the automatic fuel price indexation formula) raised public transportation costs by 30 percent in 2021 and helped drive non-food inflation higher from 4.5 percent in June 2021 to 7.5 percent in August 2021, negatively affecting the urban poor in particular. Other than the rise in transport and non-food costs, the ICR did not cite any additional *ex-post* social and poverty impact, stating that either: (a) some reforms “could” have a positive effect on the poor - “agriculture and fisheries reforms could improve food security and reduce malnutrition and vulnerability to food price shocks;” or (b) some benefits have yet to accrue to be measurable - “reforms have been successful in the seed markets, with fertilizer markets lagging but expected to benefit from private sector participation over time through increased access to improved inputs;” or (c) some reforms have not advanced for benefits to be realized - “support to an improved system for land management ... is planned to be implemented with delay.”

b. Environmental

The ICR did not cite any *ex-post* environmental impacts of this series. The ICR simply stated that the “indication thus far is that environmental and social impacts will be moderate and, in most cases, manageable.”

c. Gender

The target to raise the raise of women-owned land plots to 30.7 percent was not achieved; the share remained the same at closing as in the baseline, 20.7 percent.



d. Other

10. Quality of ICR

Rationale

Consistency with Guidelines. The ICR is consistent with OPCS guidelines on ICRs for development financing operations and includes sections on the relevance of prior actions and the relevance of results indicators.

Conciseness. The account of the project’s performance is well informed and concisely presented.

Results Orientation. The efficacy assessment is outcome-oriented and based on the degree of achievement of the results targets.

Quality of Evidence. The ICR presents ample evidence to support its assessment of the Bank’s performance at design. There is no discussion of Bank performance during implementation.

Quality of Analysis. The assessment of the efficacy of the program is candid. While the government fulfilled all prior actions, the program failed to deliver on some final-step measures that would have delivered the results targets (e.g., full operationalization of the NaFRA).

Lessons. The ICR draws lessons that would be valuable to reform programs that require firm and credible decisions by the government, are difficult to implement with the limited institutional capacity of implementing agencies or may not be readily acceptable under a difficult political environment.

a. Rating

Substantial

11. Ratings

Ratings	ICR	IEG	Reason for Disagreement/Comments
Outcome	Moderately Satisfactory	Moderately Satisfactory	
Bank Performance	Satisfactory	Satisfactory	
Relevance of Results Indicators	---	Moderately Satisfactory	
Quality of ICR	---	Substantial	

12. Lessons



Three lessons from the ICR are critical, with some adaptation.

A firm commitment by the government to exit an industry in favor of the private sector can help encourage private enterprises to enter, invest, and do business in the industry. In this series, the passage by Parliament of the Sierra Leone Seed Certification Act of 2017 and the issuance by the Ministry of Agriculture and Forestry of the Seed Certification Agency Regulations of 2020 helped firm up a government decision to exit the agriculture inputs market and to promote the production, multiplication, and distribution of seeds by the private sector instead. By the closing date, authorities licensed thirty-four private enterprises to operate as seed growers, processors, sellers, exporters, and importers. A similar strategy for fertilizers followed the adoption by the Cabinet of a new fertilizer policy in 2017 to progressively reduce the public sector's role and encourage the private sector to supply and distribute fertilizers instead. Only the slow organization of the NaFRA created by the National Fertilizer Regulatory Agency Act of 2017 stalled the licensing of private fertilizer firms. However, at least 50 private enterprises had submitted expressions of interest.

Reform measures can succeed better if they reflect the implementing agency's institutional, technical, and financial capacity. In this series, systems losses were not reduced to 28 percent as targeted but rose from 38 in the baseline to 39 percent at closing. The EDSA only partially implemented the NCOP using its available corporate resources and supplemental resources provided by the Bank. The EDSA rehabilitated only 30 percent of medium-voltage and low-voltage networks in the electric power distribution system, handicapping the effort to reduce technical losses by about ten percentage points. Moreover, the EDSA could not procure and install bulk meters in time under a separate project to reduce commercial losses. This measure was not part of this series but would have helped reduce total systems losses. According to the ICR, the Bank overestimated the capacity of the EDSA to implement the reforms.

Consistent and dedicated preparatory work on reform legislation can eventually pay off even if the initial political environment was not conducive to the reform effort. In this series, the Extractive Industries Revenue Bill had been deadlocked in Parliament since 2014, three years before the approval of the first operation in 2017. However, the government bureaucracy persisted in arguing the merits of unifying the fiscal regime for the mineral sector, which suffered from inconsistency, lack of transparency, and poor efficacy in raising mineral revenues to their estimated potential. The Bank included the bill's passage as a prior action of the second series, and the enactment by Parliament of the Extractive Industries Revenue Act of 2018 fulfilled the prior action. According to the ICR, the dedicated work by the bureaucracy was instrumental in advancing the reform process until a new government, elected into office in the general election of 2018, was sufficiently convinced to support the reform objective and the proposed legislation.

13. Project Performance Assessment Report (PPAR) Recommended?

No