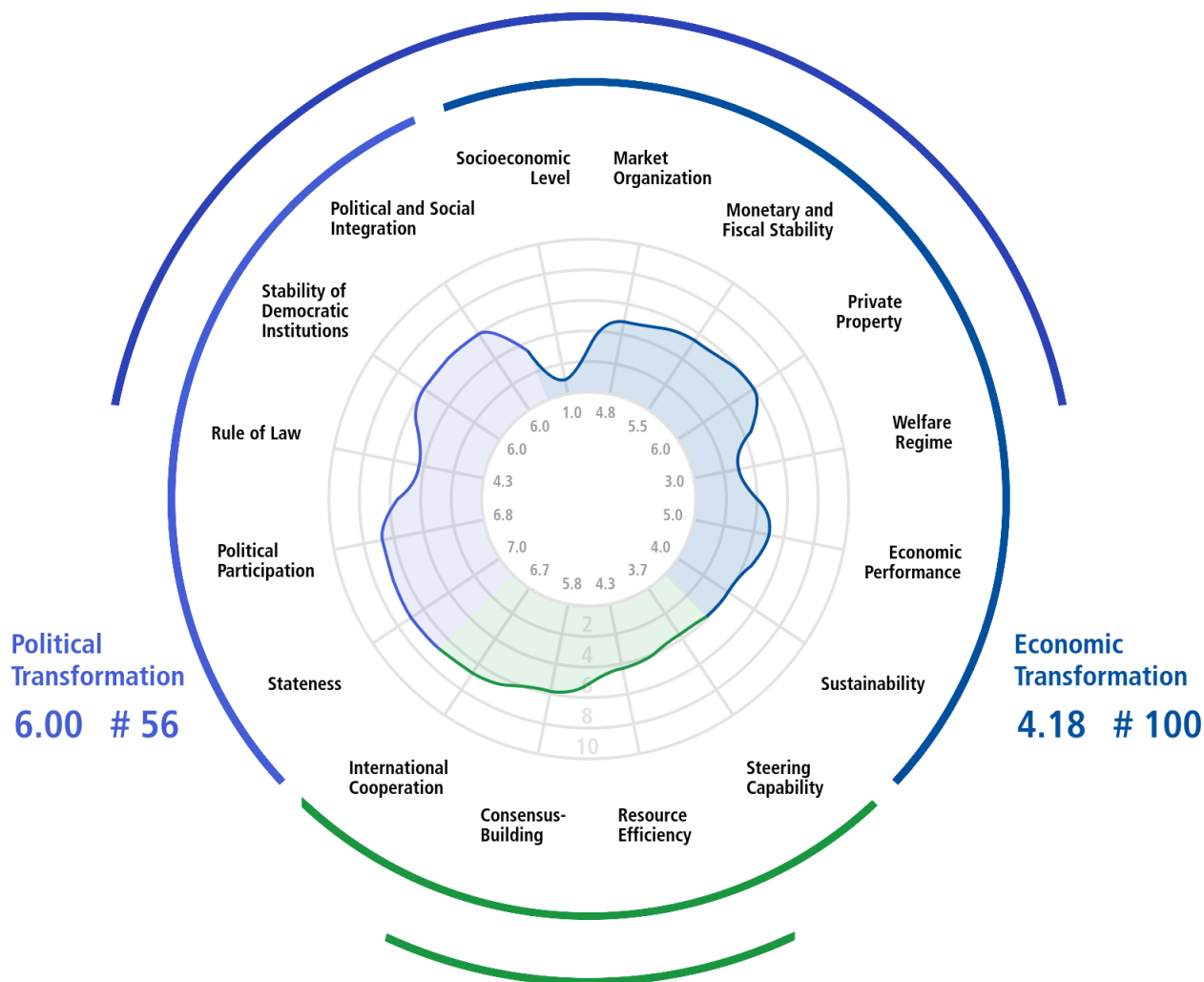


Sierra Leone

Status Index

5.09 # 71

on 1-10 scale out of 137



Governance Index

4.78 # 73

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2022**. It covers the period from February 1, 2019 to January 31, 2021. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

Please cite as follows: Bertelsmann Stiftung, BTI 2022 Country Report – Sierra Leone. Gütersloh: Bertelsmann Stiftung, 2022.

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Key Indicators

Population	M	8.0	HDI	0.452	GDP p.c., PPP \$	1739
Pop. growth ¹	% p.a.	2.1	HDI rank of 189	182	Gini Index	35.7
Life expectancy	years	54.7	UN Education Index	0.406	Poverty ³	% 76.0
Urban population	%	42.9	Gender inequality ²	0.644	Aid per capita \$	76.1

Sources (as of December 2021): The World Bank, World Development Indicators 2021 | UNDP, Human Development Report 2020. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.20 a day at 2011 international prices.

Executive Summary

In an ongoing process, the Sierra Leone People's Party (SLPP) enquires into corruption under the rule of the All People's Congress (APC) rule spanning from 2007 to 2018. The APC questions the constitutional legality of the process, states that the source document for the three Commissions of Inquiry (COI) investigations, the Governance Transition Team's (GTT) report 2018, is characterized by tribal and partisan provocations and claims that President Julius Maada Bio manipulates the judiciary. As a result, political antagonisms have been perpetuated, contravening collaborative reconciliation and confidence-building processes.

At the same time, the SLPP government started implementing reforms as described in the national development agenda, the Medium-Term National Development Plan 2019 – 2023 (MTNDP). The focus of the MTNDP lies in building human capital. The government consequently rolled out a free education strategy, undertook measures to contain violence against women, and highlighted its commitment to digitalization and the use of advanced technology to manage the country's multiple development challenges.

As in the past, ambitious development agendas are hindered by fiscal limitations, corruption and systemic dysfunctionality.

Sierra Leone had made modest progress in postwar reconstruction when the country was hit by the "twin shocks" in 2014. First, the Ebola Virus Disease (EVD) led to the death of around 4,000 people, paralyzed the country for over a year, and further weakened the already rudimentary health and education infrastructure. Sierra Leone depended on extensive international support to successfully fight the pandemic and had to use financial resources which could otherwise have been invested in the implementation of pressing political and economic reforms.

Second, commodity prices on the world market went down and, due to Sierra Leone's dependency on the export of minerals, impacted negatively domestic macroeconomic development. In 2015, the economy shrunk by more than one-fifth.

Over the following years, the economy started to recover, mainly due to a resumption of iron ore production and increased activities in the agricultural and construction sectors. Real GDP growth in 2019 was estimated at around 5%, but halfway through the year the government temporarily suspended the mining licenses of major mining projects in order to review the contracts, a move which negatively impacted the export of extractives.

Shortly after the severity of the COVID-19 pandemic became known globally, the government announced a state of emergency and a nationwide lockdown in March 2020 to counter the COVID-19 threat. A public health awareness campaign was initiated, schools and universities closed, screening introduced at the international airport, quarantine measures were introduced for people arriving from countries with confirmed COVID-19 cases, and eventually the closure of the airport and border crossings was ordered. The Emergency Operations Center (EOC), established during the EVD crisis, was reactivated, and began operations under a new name, the National COVID-19 Emergency Response Center (NACOVERC). Among the key challenges to an effective COVID-19 response were a lack of financial resources for contact tracing, quarantines (lodging, medical support and provision of food), and border surveillance. As of January 2021, the number of cases in Sierra Leone was slightly over 2,800. Whereas this is low by international comparison, the economic effects of the pandemic have been devastating. Despite additional external support and the introduction of a Quick Action Economic Response Plan (QAERP) to mitigate the economic shocks of the COVID-19 outbreak, unemployment, poverty and food insecurity are steadily rising.

The challenges to the government remain manifold. It needs to further implementation of the overall goals set out in the MTNDP, while at the same time trying to bridge the additional fiscal and social gaps caused by the COVID-19 pandemic. Despite the fact that corresponding strategic goals have been the subject of national development agendas since the end of the war in 2002, Sierra Leonean governments have failed to successfully diversify the economy. Corruption is endemic, state infrastructures are deficient at all administrative levels, the majority of the people live in multidimensional poverty and disaffection among youth is growing. Overall, the prospects for political and economic transformation in the near future remain poor.

History and Characteristics of Transformation

Sierra Leone gained independence from Great Britain in 1961, its political and economic prospects burdened from the outset by structural constraints.

In the first free elections 1962 the SLPP (Sierra Leone People's Party), in existence since 1951, took over from the British and ruled the country until 1967 when it lost the election to the breakaway APC (All Peoples Congress) under Siaka Stevens.

The APC governed the country from then on until 1992 (between 1978 and 1991, following a controversial constitutional referendum, as the sole legal party). One-party rule ended in 1991, but at this point, social eruptions were no longer containable. The Revolutionary United Front (RUF), originally supported by disillusioned university students, had started a war against the government in Freetown. With military support from Libya, Burkina Faso and most notably neighboring Liberia, the RUF brought large parts of eastern and southern Sierra Leone under its control. The Sierra Leonean military disagreed with the political leadership over how to tackle the crisis and replaced the civilian government in a military coup in 1992.

The Sierra Leonean military under the leadership of the National Provisional Ruling Council (NPRC) managed to push back the RUF and free elections were held in 1996, which were won by the SLPP. But the peace accord did not hold and fighting resumed. Another military coup brought another faction of the military to power, the Armed Forces Revolutionary Council (AFRC). The AFRC joined forces with the RUF and formed a shared government.

ECOMOG forces under Nigerian leadership retook Freetown on behalf of the exiled civilian Sierra Leonean government in 1998, and the Lomé peace accord was negotiated in 1999. However, disagreements persisted, and in 2002 the RUF was on its way to Freetown again. The former colonial power Great Britain intervened, and in 2002 the war was declared over.

The Sierra Leonean war had resulted in over 75,000 casualties, displaced 2.6 million people, was characterized by war crimes such as the use of child soldiers, mutilations, torture and systematic rape and largely destroyed existing infrastructures.

With massive international support – the United Nations Mission in Sierra Leone (UNAMSIL) at its high with the maximum authorized deployment strength of 17,500 military personnel – reconstruction and reconciliation efforts started. In the following years international partners provided significant finance and know-how, and a fragile stability ensued.

The SLPP won the first postwar elections in 2002. In the next elections, 2007, the APC returned to power, and was re-elected in 2012. The last elections, in March 2018, brought the SLPP back into office.

The political landscape has been static since 1961, the bipolar political system only interrupted by the disastrous war between 1991 and 2002.

Likewise, the economy of the country has in principle been left unchanged since independence. Sierra Leone still depends on the export of a handful of agricultural and mineral goods.

Sierra Leone's economy slowly started growing after the war, based mainly on rutile, diamond and bauxite exports. Between 2012 and 2014, it gained momentum, which was due to the re-emergence of iron ore as an export product.

After suffering a significant economic setback as a result of the "twin shocks" (Ebola virus outbreak and the decline in international market prices for iron ore) between 2014 and 2016, the economy recovered again from 2016 on, in large part due to international debt relief. In the beginning of 2021, growth prospects were rather poor – the lack of economic diversification and dependency on a small number of international investors leave the situation in the country extremely volatile. Moreover, political decisions like the lockdown to counter COVID-19 take a huge toll on the development of human capital resources.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

Since the end of the civil war in 2002, Sierra Leone has undergone wide-reaching security sector reform processes. Supported by the United Nations as well as a range of individual donor countries (in particular UK) the national police and military were trained to perform in line with human rights standards, accountability and democratic norms. Despite progress, the Sierra Leone Police (SLP) are still considered one of the most corrupt institutions in the country. Recent surveys suggest that over 60% of people fear negative consequences if they speak out about corruption and more than 50% stated that they had to pay a bribe to receive assistance from the police. Accordingly, the overall effectiveness of the police is limited, with endemic corruption and a lack of resources undermining the trust of the public.

The monopoly on the use of force is restricted to certain urban areas (the urbanization rate is 43%) and territory reachable by main roads. Large areas of the country remain isolated, with very limited public infrastructure. During the rainy season (May to November), most roads are inaccessible (less than 10% of roads are paved). The border regions with Guinea and Liberia remain volatile. Non-state security providers (vigilantes, private security companies) control certain regions of the country and organized crime groups operate across the borders. Whereas currently no non-state actors challenge the state's monopoly of force, the informal social networks to mobilize armed groups are in principle intact; secret societies, traditional hunter guilds, ex-combatants and disenfranchised youth have the potential to form armed groups, and the porous borders as well as cross-border ethnic affiliations favor the illegal flow of weapons and illicit goods.

Question
Score

Monopoly on the
use of force

8

'06 '22 10

7

8

10

1



The major groups in society accept and support the official concept of the nation-state. In principle, the constitution provides citizenship rights to all people living in Sierra Leone. Nonetheless, members of non-African minority groups are discriminated against – they are denied full citizenship rights by birth, even if their families have been living in the country for generations (like members of the economically influential Lebanese and Indian communities). The requirement for full citizenship is that the person has to be of African descent. People of non-African descent can still apply for citizenship by naturalization, which gives them voting rights, but they remain ineligible to run for public office. The government has stated in the past that it intends to abolish this racially discriminating piece of legislation, but no concrete actions have been taken. Likewise, the dual citizenship crisis is ongoing and exemplifies how the concept of citizenship can be manipulated for political purposes.

State identity, the legal framework and institutional arrangements are based on secular norms and principles. The constitution provides for the separation of state and religion. Political institutions and the legal order are not guided by religious dogmas.

Sierra Leone is predominantly Muslim, an estimated 80% of the population, the remaining 20% being considered Christians, forms of syncretism being common. Most Muslims follow the Sunni tradition of Islam, about 10% are adherents to the Ahmadiyya. The majority of Christians follow one of the established protestant denominations, but Pentecostal churches are on the rise.

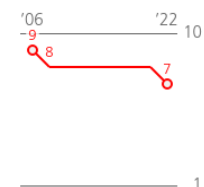
Ethnic and religious identities correlate to a certain extent, but most ethnic groups adhere to more than one religion.

The relations between adherents of various religions are good, inter-religious violence is extremely rare, and organizations like the Inter-Religious Council of Sierra Leone (IRCSL) foster mutual respect and understanding.

However, there have been reports of inter-religious tensions. For example, in early 2019, unrest erupted in Kambia District over perceived provocations between Muslims and Evangelical Christians, whose ceremonies involving loud music were held during Muslim prayer times. In a different incident, members of the Poro Secret Society attacked a Muslim community (to initiate young males by force) and a police station near Kenema, the third largest city in the country, to protest a new government ban on initiation rites.

State identity

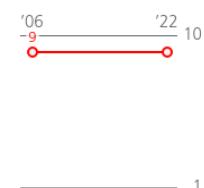
7



1

No interference of religious dogmas

9



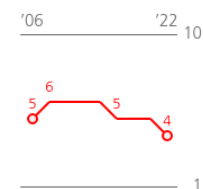
1

Basic administrative functions of the state remain highly insufficient, delivery of public services is inadequate and the majority of the population lives in poverty with only very limited socioeconomic perspectives.

Mismanagement, corruption, clientelism and the lack of human, as well as material resources curtail the functioning of state institutions on all administrative levels.

The outbreak of COVID-19 aggravated existing weaknesses in basic infrastructure. The closure of schools hampered education prospects, especially for girls, and limited future human capital growth. The deficient health care sector came under additional pressure, and countermeasures such as contact tracing, specialized training of local staff, the provision of medical supplies and setting up isolation wards were only possible with the assistance of the international community. Travel and movement restrictions have disrupted (formal and informal) domestic economic activities. Small-scale mining has been reduced. Families lost their incomes and food insecurity has risen sharply.

Basic administration
4



2 | Political Participation

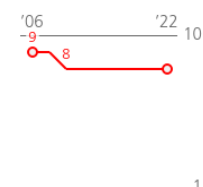
A legal framework for universal suffrage, the right to campaign for office and periodic democratic elections are in force. Since 2002, general elections have been held regularly (2007, 2012 and 2018), while local elections were conducted in 2004, 2008 and 2012. Additionally, several by-elections were held. Over time, democratic processes have strengthened.

According to international observers, all elections were considered free, fair and transparent including the latest general election in March 2018, which was the first one organized by Sierra Leonean institutions without U.N. support.

In mobilizing electorates, both parties have resorted to exploit the existing ethnoregional divide within the country. The stronghold of the SLPP lies historically in the south with the Mende and the Limba, while the APC relies mainly on the Temne in the north. As in the past, mass political support was generated by accentuating ethnicity rather than presenting competing political visions and programs.

A number of by-elections, re-run elections and paramount chieftaincy elections took place during the reporting period and more are scheduled for 2021. In a hotly contested by-election in Constituency 110, Freetown Peninsula, in December 2020, which was overshadowed by violence and allegations of fraud, the APC candidate won.

Free and fair elections
8



The democratically elected government has – through international legitimacy and support as well as available financial and political resources – effective power to govern in the capital and political strongholds. At the same time, the opposition party generally dominates a number of electorates and holds significant influence on the local level. It is thereby in the position to act as a veto power. Additionally, traditional authorities such as chiefs and healers hold significant power in the hinterland. The implementation of policies on the local level is impossible without their approval and cooperation. Large mining companies also wield considerable power, not only in their licensed areas, but also through relations with political representatives.

After the civil war, local militias were disbanded and the military and the police were restructured. However, informal networks to mobilize militias remain intact in the hinterland, and a degree of uncertainty remains over the effectiveness of the security sector reform. Under certain circumstances armed groups could challenge the government through the use of force.

Freedom of association and assembly are guaranteed by the constitution. In principle, citizens are entitled to form parties and civil society organizations (CSO) and to hold public assemblies.

In practice, however, those rights are repeatedly curtailed. Even though the controversial Public Order Act from 1965 has been overhauled such that Section 5, criminalizing defamation, false news and seditious libel, has been repealed, the right to assemble in public remains curtailed, with the police frequently cracking down on peaceful protests.

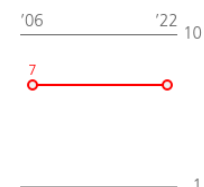
Just as the previous government under Koroma instrumentalized state of emergency regulations during the EVD crisis to silence and intimidate critics, the new government under Bio uses the state of emergency regulations which are in place to combat COVID-19 to weaken his political opponents. In order to enforce health directives, the military and police have been deployed, freedom of movement has been restricted and public gatherings have been banned. As of January 2021, Sierra Leone maintains some of the restrictions put in force as part of the original 12-month state of emergency regulations. For example, public gatherings of over 100 people remain banned.

Sierra Leone has a diverse media landscape, with newspapers, radio and television stations, web portals and the national Sierra Leone Broadcasting Corporation (SLBC). As internet access is restricted, as significant numbers of people are illiterate and TVs are hardly affordable for the majority, radio stations are the most important source of information.

The constitution provides a legal framework for freedom of speech and press. The abolition of Section 5 of the Public Order Act in July 2020 has been hailed a victory for press freedom by international and national campaigners, the Sierra Leone

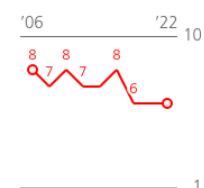
Effective power to govern

7



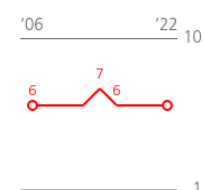
Association / assembly rights

6



Freedom of expression

6



Association of Journalists (SLAJ) and other stakeholders. Among other things, Section 5 declared the “publication of false news” a punishable offense, stating that any person “who publishes any...report which is likely to cause fear or alarm to the public...shall be guilty of an offence.” Obviously, this provision offer considerable leeway for interpretation and placed journalists under constant threat.

However, investigative journalism and protection of journalists remains weak. In May 2020, ex-minister and publisher of the Awareness Times newspaper, Sylvia Blyden, was arrested for libel and detained for three weeks without trial. It is too early to assess how far repealing Section 5 will contribute to greater freedom of expression and to investigative journalism and thus governmental accountability and transparency. For example, in October 2020, the Supreme Court ordered the arrest of a lawyer for suggesting on social media that court rulings are influenced by political considerations. And in early December 2020, three men were arrested for having allegedly insulted the president’s mother. The Right to Access Information Act, which came into force in 2013, was intended to contribute to transparency in governmental affairs, but de facto the political will to make government information accessible remains very weak.

3 | Rule of Law

The separation of powers is formally established but weak in practice. The constitution provides for a presidential system. Governing powers are concentrated within the realm of the executive branch. The positions of the legislature and, to an even greater extent, the judiciary are comparatively weak. The mechanism of checks and balances are inadequate.

A nationwide state of emergency was declared on March 25, 2020, even before the first COVID-19 case in the country had been detected. The president announced that it was to last for a whole year, which differs remarkably from approaches in other countries, where short-term measures were subject to continuous review. In principle, the state of emergency gives the president the authority to make regulations and take measures he considers necessary, without being bound by constitutional safeguards or judicial oversight.

The judiciary is not in the position to counter the executive and keep it in check. Judges, among them the members of the Supreme Court, are appointed by the president, following proposals made by the Judicial and Legal Service Commission, whose members are appointed by the president and judges. The positions of the attorney general and the minister of justice are combined in a single individual, blurring the lines between powers.

Separation of powers

4

'06 '22 10



1

The independence of the judiciary is heavily impaired by the exertion of political influence. Shortly after the presidential election in March 2018, the High Court of Justice ruled that 10 APC parliamentarians were disqualified from parliament due to financial irregularities during their election campaigns; the SLPP replaced nine of them with their own party members, a move which is, according to opposition members and lawyers, of questionable constitutionality. Widespread corruption and a lack of human and material resources limit the effectiveness of the judicial system on all levels.

The top echelon of the judicial system comprises three courts: the Supreme Court, the Court of Appeals and the High Court of Justice. At the district level, magistrate courts, and at the local level, chieftaincy courts are formally responsible for administration of law.

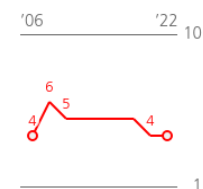
Prisons are overcrowded. Juvenile and adult offenders are kept in the same facilities. Although the judiciary has demonstrated independence on some occasions, overall enforcement remains weak.

As a result of the deficient capacities of judiciary, officeholders who break the law and engage in corruption are generally not adequately prosecuted. Like his predecessors, President Bio has declared the fight against corruption one of his primary political goals, and the government has invested considerable resources in investigating corruption, office abuse and mismanagement under the previous APC government. Prosecution of abuse of office committed since the SLPP took power does not seem to be of comparable priority, at least when it comes to persons in high office. The rule of law is still undermined by political corruption in all branches of the government and its agencies and all legislative and institutional changes (e.g., code of conduct rules, strengthening the ACC mandate) have yet to produce discernable results.

For the general public it remains extremely difficult to officially complain against misconduct by government officials. Notwithstanding the existence of institutions such as the Office of the Ombudsman, the Independent Police Complaints Board and the Legal Aid Board the majority effectively have no tools to defend themselves against arbitrary and unlawful conduct by government officials.

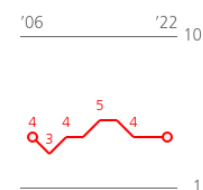
Independent judiciary

4



Prosecution of office abuse

4



Civil rights are codified by law, and Sierra Leone has made significant progress de jure: important international human rights treaties have been ratified, the country collaborates with institutions such as the U.N. Human Rights Council, UNICEF, U.N. Women and has declared its intention to implement U.N. Resolutions 1325 and 1820, which call for a gender perspective in postwar reconstruction, among other things.

Following recommendations by the Truth and Reconciliation Commission (TRC), a National Human Rights Commission was founded. A Parliamentary Human Rights Committee, as well as a National Forum for Human Rights (NFHR), which serves as an umbrella organization for numerous CSOs, are in place.

De facto, however, violations of civil rights are common. The death penalty is still in force (although a moratorium on executions is in place) and equal access to justice is nonexistent. Sexual violence, gender-based discrimination and exploitative widow rites are widespread. Police brutality and mistreatment of prisoners is common. Child labor, early and forced marriage and trafficking in persons remain serious concerns. The majority of members of marginalized groups such as disabled people and the elderly live under precarious conditions; the rights of LGBTIQ+ are neglected. The year-long restrictions under the state of emergency have had far-reaching effects on civil rights such as freedom of movement and the right to assembly. Whereas derogations from constitutional rights to fight the pandemic are justified as long as they are proportional, the lines between public health and political reasons for implementing certain restrictions are at times blurred.

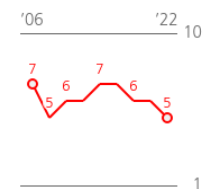
4 | Stability of Democratic Institutions

Democratic institutions exist and are legitimized through elections. In everyday politics, however, frictions among those institutions result in inefficiency and an overall deficient performance. Informal processes of power brokering and vested interests imply long lasting, often non-transparent bargaining processes. The APC appealed the High Court ruling that resulted in the SLPP becoming the majority in parliament. The matter was subject to controversies over jurisdiction within the upper-level judicial system. APC lawyers refused to argue before the Court of Appeal until the Supreme Court decided upon the applications brought before it regarding the same matter, stating that a Court of Appeal ruling would be futile if the Supreme Court were to agree with the APC brief.

The relationship between the national government and regional and local governments is strained. For policies formulated at the federal level to be implemented at the regional and local levels requires the cooperation of regional and local authorities, whose interests not necessarily accord with those of the central government.

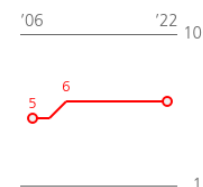
Civil rights

5



Performance of democratic institutions

6



Up to 2004, when the Local Government Act came into force and local councils were established, traditional authorities were the only form of local government. Hence, traditional power structures do have significant influence and exist parallel to formally democratic government structures.

A number of key political actors such as government bodies, political parties and civic organizations accept democratic institutions as such as legitimate. At the same time, processes of power-sharing, policy formulation and decision-making frequently do not follow democratic norms and values but are characterized by the influence of informal social networks, vested interests and the pursuit of individual gains.

Given the administrative deficiencies of the polity and general poor living conditions, the stability of democratic institutions is not a given – at the end of the day, the legitimacy of a democratic political system depends on the delivery of public services to the population. In a situation where a significant part of the population becomes disenfranchised and alternative key political actors such as traditional authorities, secret societies, traditional hunter guilds or elements within the military use their influence to mobilize those people, democracy's institutional legitimacy could be under serious threat.

In principle, the executive seems willing to uphold its commitment to existing democratic institutions, despite the exceptional powers granted through the state of emergency regulations in the fight against COVID. At the same time, the government reveals a tendency to take advantage of regulations to suppress dissent in certain communities and to slow political initiatives among the opposition.

5 | Political and Social Integration

The party system resembles a two-party system as there have been shifts between the two blocks. Volatility is relatively low, but clientelism is strong. Political polarization, though not ideological, remains high. Breakaway factions and ambitious individuals have tried to challenge the duopoly, but to no avail.

The most prominent example of such an individual during the 2018 elections was Kandeh K. Yumkella, who, after a career in the United States and at the U.N. returned to Sierra Leone and founded the National Grand Coalition (NGC). The NGC won four seats in the new parliament.

The Coalition for Change (C4C), an alliance of a number of smaller parties, managed to win eight seats in the new parliament. The presidential candidate of the C4C was Samuel Sam-Sumana, who served as vice president under Koroma between 2007 and 2015, when he was fired by the president – the concrete circumstances remain unclear. In 2011 he was also in the midst of the Timbergate corruption scandal, allegedly having offered permits to conduct illegal logging operations in exchange for bribes.

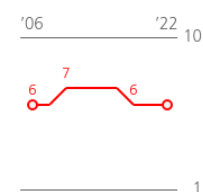
Commitment to democratic institutions

6



Party system

6



It has been argued that the main reason for the SLPP to invest the resources and determination described above into taking control of the comparatively weak parliament (as opposed to the executive) was to install a SLPP speaker of the house, to allow it to take control of proceedings and push through acts such as the one creating the Commission of Inquiry (COI) to settle scores with the former government. Moreover, it became possible to sidestep the NGC and the C4C. In this sense, political and social integration remains rather weak.

Sierra Leone's political and economic system is dominated by a few interest groups. Only a small elite of political, traditional and economical actors, embedded in fluid social alliances and informal networks, has access to the countries' resources (e.g., government jobs, land, economic opportunities).

A plethora of CSOs is active and furthers the interests of certain social groups (e.g., women, youth, rural communities) or focuses on specific policy issues (e.g., the environment, justice, urban development). Even though some CSOs succeed in certain areas, mostly on the level of specific projects, CSOs as a whole remain weak compared to the above-mentioned interest groups. Intervention in the political process is restricted due to organizational inefficiencies and a lack of resources. A significant number of CSOs depend on the support and assistance of international partners and donors.

Public opinion survey data for Sierra Leone is not readily available (nor is survey data in general). According to Afrobarometer survey data (2020), more than 85% of respondents prefer democracy to any other kind of government. At the same time, almost 64% of interviewees feel the country is "going in the wrong direction," and almost 72% describe their living conditions as bad. In other words, whereas people in principle approve of a democratic system, the implementation of corresponding policies falls short and the general populace does not reap the benefits of a formally democratic system.

According to the National Electoral Commission (NEC), more than 80% of registered voters headed for the polls for the presidential run-off election in March 2018. As in the following by-elections, this turnout was the result of ethnoregional mobilization rather than the informed approval of political programs by individual voters.

Statistics Sierra Leone (SSL), the central national authority for statistical information, does not provide public opinion data referring to the approval of democracy.

Interest groups

5

'06 _____ '22 10

5

1

Approval of democracy

8

'06 _____ '22 10

8

n/a

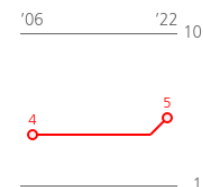
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Social capital which fosters cooperation and mutual support for purposes of self-help does exist. Extended families, village communities and self-help groups such as women's groups provide social mechanisms for self-organization and provide support networks for disadvantaged members of segments of society. Likewise, the overall respectful relationships among followers of different religions provide social capital for solidarity among all Sierra Leoneans and the development of modes of nonviolent conflict resolution.

During the EVD crisis in 2014/2015, the self-organizational capacities of civil society eventually came to the fore and contributed to the successful elimination of the virus. In the case of COVID-19, the Civil Society Platform, an alliance of CSOs, called on the government to enable CSOs and local initiatives to contribute more effectively to the fight against COVID-19 by, among other things, assuring that the security forces adhere to standard operating procedures when enforcing compliance measures in quarantine facilities and homes, curfews and checkpoints.

Social capital

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II. Economic Transformation

6 | Level of Socioeconomic Development

Sierra Leone is one of the poorest countries in the world. Poverty and inequality are extensive and structurally ingrained.

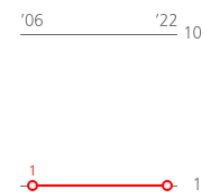
In its HDI 2019, the UNDP ranked Sierra Leone 182nd out of 189 assessed countries. The poverty rate is very high, with an estimated 70% of the population living on less than \$1.25 a day. The adult illiteracy rate is around 40%, but higher among youth, of whom more than 70% are unemployed or underemployed. The World Bank estimated the Gini Index in 2018 at 35.7, which places the country somewhat in the middle of all assessed nations, and the Gender Inequality Index ranks Sierra Leone 182nd out of 189 countries. Life expectancy at birth is 52.2 years and the under-five mortality rate in 2019 was estimated at 109 per 1,000 live births, which, even though it indicates a positive trend for Sierra Leone, is extremely high by international comparison.

Most people live in multidimensional poverty and rely on subsistence farming. Prospects for socioeconomic development are low, especially for youth. Socioeconomic barriers exclude the majority from development.

The COVID-19 pandemic and government reactions to it aggravated existing socioeconomic deficiencies. Food prices went up, economic activity was curtailed, local and regional food supply chains were disrupted, and as a consequence, food insecurity has increased.

Question
ScoreSocioeconomic
barriers

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Economic indicators		2017	2018	2019	2020
GDP	\$ M	3739.6	4085.1	4121.7	3865.0
GDP growth	%	4.2	3.4	5.6	-2.2
Inflation (CPI)	%	18.2	16.0	14.8	13.4
Unemployment	%	4.5	4.4	4.4	4.6
Foreign direct investment	% of GDP	11.1	6.1	8.3	-
Export growth	%	23.3	-33.5	61.3	-21.8
Import growth	%	6.3	-11.5	16.5	-3.0
Current account balance	\$ M	-809.1	-761.7	-915.4	-
Public debt	% of GDP	69.2	69.1	71.7	73.7
External debt	\$ M	1751.1	1754.7	1853.0	2113.5
Total debt service	\$ M	57.4	60.4	67.9	89.7
Net lending/borrowing	% of GDP	-	-	-	-
Tax revenue	% of GDP	-	-	-	-
Government consumption	% of GDP	10.4	9.2	8.4	10.8
Public education spending	% of GDP	4.6	7.0	7.4	9.3
Public health spending	% of GDP	1.9	1.6	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	1.1	0.8	0.7	0.6

Sources (as of December 2021): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

Most people in Sierra Leone make a living working in the informal sector and/or rely on subsistence farming. The institutional framework for market-based competition is inadequate. Free and fair competition, unrestricted participation in the market and a level playing field for all market participants do not exist. The majority of people lack the resources to enter the market – due to low education levels, lack of capital and insufficient framework conditions.

Shortly after taking office, President Bio declared that “Sierra Leone is now open for business,” and the MTNDP national development strategy names a diversified, inclusive and sustainable economy as one of its main goals. Institutions such as the Sierra Leone Investment and Export Promotion Agency (SLIEPA) and the National Commission for Privatization (NCP) are in place. In 2015, the Finance Act was enacted to enhance the tax revenue system, and a Strategy for Financial Inclusion aims to create a functioning framework for MSMEs.

But even though the SLPP government embraced the principles of market-based competition, market organization remains weak – Sierra Leone is ranked 163rd out of 190 countries in the World Bank’s 2020 Doing Business report. Starting a business takes eight days on average and requires five procedures. According to the Heritage Foundation’s Index of Economic Freedom, Sierra Leone’s score is 48.0, making its economy the 168th freest in the index. The overall score increased by 0.5 point from 2019 to 2020 due to higher scores for property rights and judicial effectiveness. Sierra Leone is ranked 43rd among 47 countries in the sub-Saharan Africa region, well below regional and world averages.

Sierra Leone does not have a competition or antitrust law, but the Ministry of Trade and Industry has a mandate to regulate anti-competitive business practices.

Sierra Leone is heavily dependent on international financial aid and economic cooperation. The government under President Bio has a strong interest in good relationships with the World Bank, the IMF, other international organizations and bilateral partners. The government has committed to policies aimed at market liberalization, commercialization and privatization.

De facto, however, in the past, privatization policies were not implemented to the extent the IMF suggested. It is unlikely that this will change in the short run. The state maintains a pivotal role in many sectors. The state-owned Sierra Leone Produce Marketing Company (SLPMC) and the Sierra Leone Commodity Marketing Agency (SLCMA) are charged with the promotion of export policies. The energy, transport, fishing and shipping sectors remain to a large extent under government control.

Market organization

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Competition policy

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In the extractive and agricultural sectors, which generate most of the country's income, a few multinational companies dominate. As significant employers and an important source of tax income, these companies wield strong influence over economic policies. The relationships between government agencies and multinational companies are often nontransparent.

Sierra Leone is not a member of the International Competition Network (ICN).

Foreign trade is liberalized in principle, but significant barriers remain. The country is integrated into the global economy through the export of minerals (iron ore, gold, bauxite, rutile, diamonds) as well as agricultural (palm oil) and food products (shrimp, dried fish) and the import of technology, petroleum products and food products.

Export licenses are required for gold, diamonds, coffee, cocoa, palm oil, ginger and a few other products. According to SLIEPA, exporters have to pay a 2.5% levy on the F.O.B. value of the export.

Import duties average around 20% and are subject to a 15% sales tax. Some items are duty free, such as textbooks, medical equipment, agricultural input and machinery. As an incentive to foreign investors, Sierra Leone offers accelerated depreciation of 40% for plant and equipment during the first year. Imports from other Mano River Union (MRU) states enter tax free.

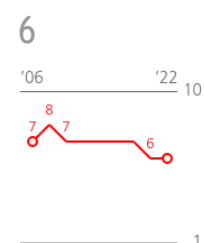
Sierra Leone has been a member of the WTO since 1995. The WTO conducted a trade policy review in 2017, which stated that the simple average of the most favored nation applied total tariffs is 12%, down from 13.9% in 2004.

The Heritage Foundation's Index of Economic Freedom 2020 ranks Sierra Leone 168th out of 180 countries, placing it in the category of "repressed," a decline from its previous ranking.

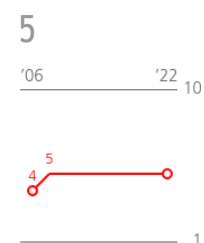
The banking sector remains deficient. Flaws in directives and management, a weak policy and legal environment as well as inadequate bank coordination continue to hamper its performance. A shortage of skilled professionals, insufficient technological resources, a deficient interbank market, the absence of credit-risk information, inadequate short-term financial markets, an absence of long-term finance and foreign currency lending combine to pose significant challenges to the banking system. For example, in the World Bank's Doing Business "getting credit" category for 2020, Sierra Leone's banking system was found to perform well below the regional average. Credit information is difficult to obtain and the rights of lenders and borrowers are not effectively protected.

The authorities implemented measures to enhance governance of the Bank of Sierra Leone (BSL) and financial sector oversight. In mid-2019, amendments to existing acts (the Anti-Money-Laundering and Combating of Financing of Terrorism Act and

Liberalization of foreign trade



Banking system



the Borrowers and Lenders Act) came into effect. These aim to bolster the central bank's accountability, improve borrowing and lending for businesses, and strengthen overall financial stability.

8 | Monetary and fiscal stability

De jure the BSL Act of 2000 lists the promotion of monetary stability as one of the main objectives of the central bank, de facto the country has been prone to monetary instability.

Inflation is high at approximately 15%. This is mainly driven by higher prices for transportation and energy, as well as drastic increases in food prices, caused by disruptions in the supply chain due to COVID-19.

The World Bank has predicted that COVID-19 is likely to further intensify financial sector stress. The risks of a global recession could cause a decrease in prices and decreased demand for Sierra Leone's exports, along with a decrease in FDI inflows.

Currency and foreign exchange rate stability is naturally another main objective of the BSL. The leone has depreciated over the years. In late 2020, about 10,000 leones were exchangeable for \$1. The World Bank estimated the real effective exchange rate index (REER) at 99.5 in 2014, 108.2 in 2015, 112.2 in 2017 and 104.8 in 2019.

In general, the government and the BSL have limited capacities to pursue monetary stability, in part because of the structural deficiencies of the banking sector, but also to a large extent due to exogenous factors – most notably, the heavy dependency on unprocessed commodity exports from the extractions sector.

The challenges in pursuing monetary stability are mirrored in the arena of fiscal policy. While the government promotes fiscal stability, institutional weaknesses, a lack of economic diversification and international dependency create an unfavorable setting, which deteriorated further with the onset of the COVID-19 pandemic.

According to the IMF, total public and publicly guaranteed external debt was 40.8% of GDP in 2018 and increased slightly to 42.6% in 2019. The fiscal deficit improved to 3.5% of GDP in 2019 (from 5.8% in 2018), partly due to the elimination of fuel subsidies in the 2019 budget. Other indicators demonstrate a number of other semi-severe problems (current account balance 2019: -\$915. 4; total debt service: 64.7%, government consumption: 9.2%; total reserves: \$532.5 million).

As a result of measures to manage the COVID-19 pandemic, fiscal pressure has increased. The Quick Action Economic Response Program (QAERP) sets two main goals: to maintain macroeconomic and fiscal stability and to mitigate the effects of the pandemic on businesses and households. The government undertook efforts to reallocate budget resources and reached out for additional support from the World

Monetary stability

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Fiscal stability

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Bank, through IMF debt service relief and under the Debt Service Suspension Initiative (DSSI). In June 2020, the IMF approved the disbursement of \$143 million under the Rapid Credit Facility (RCF), which is at the level of previous support measures before COVID-19. Fiscal gaps are certain to remain, subject in scope to the further course of the pandemic. The government and its financial institutions will require ongoing international assistance to sustain stabilization-oriented fiscal policies under the circumstances.

9 | Private Property

Property rights and regulations are defined formally by law, but they are not implemented and enforced consistently.

The legal framework for doing business consists of a set of laws and regulations, e.g., the Investment Promotion Act 2004, the Mines and Minerals Act 2009, the Petroleum Act 2011, the Finance Act 2015, the Fiscal Management and Control Act 2017 and the Extractive Industries Revenue Act 2018, among others.

Property rights are protected de jure, but the legal framework functions ineffectively. Enforcement of property rights is hampered by a deficient judiciary, a lack of police professionalism and corruption.

According to the World Bank's 2020 Doing Business report, registering a property requires 56 days and seven procedures, and the legal enforcement of contracts before the Freetown High Court/Commercial Section takes 515 days on average.

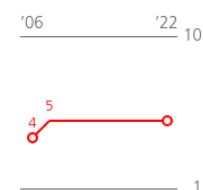
As stated in the Protectorate Land Act 1927, land cannot be bought or sold in the provinces (except in the west, where members of the former administration accumulated land under questionable circumstances).

However, a land titling system does not exist. Customary land rights are not legally defined, and the process to create a legal framework to define the rights, obligations and roles of the various government and customary authorities along with other non-state actors is ongoing.

Although foreign investors may not own land, they can lease land for up to 99 years. Significant portions of land have been leased to agricultural investors, clashing with the needs of local subsistence economies.

Property rights

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In line with market principles and the policies of international donors, the government officially views private enterprises as important economic actors.

The business and investment climate is burdened by the abovementioned obstacles, among them endemic corruption, significant dysfunction in all branches of government, a dilapidated infrastructure and an overall fragile socioeconomic environment.

Privatization processes as demanded by the IMF proceeded slowly due to vested interests and the structural limitations of the economy. However, upon taking office in March 2018, the current government eliminated subsidies to retail fuel, reduced duty waivers and tax exceptions and cut public spending. Despite taking these measures as demanded by the IMF, key sectors of the economy remain under state control or under heavy state influence. Market concentration is strong, with oligopolies controlling key sectors of the economy.

10 | Welfare Regime

Stately safety nets which compensate for the social risks of the capitalist economic system are negligible; the majority of the population lives in poverty.

Just as the overall economy is to a large extent informal, social safety nets are informal as well. Most people depend on family, clan, community or self-help structures for survival.

In the form of the National Social Security and Insurance Trust (NASSIT) a rudimentary public social insurance system does exist, and the National Commission for Social Action (NaCSA) conducts projects in the social, health and education sectors. Considering the existing overarching development challenges, these structures remain completely inadequate.

The estimated 14,000 EVD survivors and 12,000 orphans, for example, have received little to no support. Many live with long-term complications such as joint problems or vision impairment.

The QAERP aims to build and maintain an adequate stock of commodities at stable prices, to provide safety nets for vulnerable groups, and to assist the local production and processing of staple food items. But without external assistance, the authorities struggle to address the devastating socioeconomic impact of COVID-19, as people lost jobs in the formal and informal sectors, local trade was curtailed, and subsistence farming's productivity reduced.

The World Food Program (WFP) estimated in June 2020 that 63% of the population were food insecure.

Private enterprise

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Social safety nets

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Equal opportunity is limited. The social background of individuals determines access to public office, education and employment.

When the SLPP government under President Bio took power, it accused its predecessor, the APC, of “regionalism and tribalism” in its recruitment and promotion of personnel in government agencies. The present government has been accused of favoring southerners.

The majority of Sierra Leoneans lives in poverty, educational levels are low, illiteracy is an estimated 40%, most people live of subsistence farming – opportunities for socioeconomic advancement are very few. Most people are faced with a daily struggle for survival and neither have the abilities nor the means to advance in society.

As subgroups within the marginalized majority the elderly, youth, people with disabilities, EVD survivors and orphans, Africans from other countries, LGBTIQ+ and females are discriminated against. People living in rural areas tend to be more disadvantaged than people living in the cities.

Whereas current enrollment rates are almost equal for boys and girls (and females comprised 49.7% of the labor force in 2020), gender equity is far from achieved. Most recent data on the gross enrollment ratio indicate greater inequality in higher education than at lower levels (the gross enrollment ratio for primary level: 143.7; secondary level: 41.8; tertiary level: 2.0). As part of the state-of-emergency regulations, schools were closed for eight months. Lessons learned from the EVD crisis showed that girls suffer most from school closures. One effect was a surge in teen pregnancies, and the government under Koroma banned pregnant girls from school, stating that they would have a negative moral influence on fellow students. Only in March 2020 did the SLPP government overturn the five-year ban on pregnant girls after substantial international criticism, at a time when schools were closed again as part of the COVID-19 response.

Female genital mutilation is prevalent. Widows are discriminated against. Early and forced marriage and sexual violence are common. A legal body to counter discrimination does exist – e.g., the Domestic Violence Act 2007, the Registration of Customary Marriage and Divorce Act 2007, the Sexual Offenses Act 2012 – but implementation fails due to traditionally/culturally deeply rooted gender stereotypes.

Equal opportunity

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11 | Economic Performance

Macroeconomically, Sierra Leone remains extremely volatile, as diversification of the economy remains low and highly dependent on agriculture and the production of minerals.

The annual growth rates over the past two decades ranged from between approximately -20% and +20%. They peaked due to large iron ore mining projects in 2012/2013, slowing to around 5% at the Ebola outbreak in 2014, and fell to -21% in 2015, according to the IMF. After a recovery, growth increased in 2019 to around 5%, but the suspension of the licenses of major mining companies in mid-2019 and the COVID-19 pandemic overshadow future growth prospects. The IMF expects -3.1% for 2020.

The outlook beyond 2020 remains challenging. First, there is the uncertainty surrounding the development of international prices for Sierra Leonean extractives. Second, there is an ongoing conflict between the government and some of the largest foreign mining companies operating in the country.

In 2019, the government temporarily canceled the licenses of the Chinese company Shandong Iron and Steel Group and of UK-based SL Mining, a subsidiary of U.S. commodity trader Gerald Group. Both companies challenged the suspension in court.

SL Mining filed for arbitration with the International Chamber of Commerce (ICC) and Britain's High Court dismissed the government's challenge to an ICC decision in early 2021. Observers are alarmed about government's attitude toward the rule of law and the effects of this on the country's investment climate and the development of FDI.

The challenges arising from a mono-structural export economy and dependency on a small number of influential foreign companies are multiplied by fiscal and monetary hardships – high inflation, price increases, debt (public debt 2019: 70%); current account balance (2019: -\$646.1 million), underperformance in the banking sector, unemployment (officially: 4.4% in 2020) and poverty, among other challenges.

Sierra Leone witnessed an increase in official development assistance (ODA) during the COVID-19 crisis. Sierra Leone seeks augmentation of the current allocation under the Extended Credit Facility Program (ECF) with the IMF, debt relief from multinational and bilateral partners, as well as additional grant resources. Those funds are directed to bridge existing and widening financial gaps.

All in all, lower revenue coupled with substantial and growing expenditure needs puts the government budget under immense pressure, with potentially disruptive social consequences.

Output strength

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12 | Sustainability

Environmental concerns are subordinated to growth efforts. Whereas a legal framework for environmental regulation does exist and the government under President Bio rhetorically embraces environmental sustainability just as its predecessor did, enforcement of environmental laws is weak and a comprehensive environmental policy is not implemented.

Laws such as the Environmental Protection Act 2000, institutions (Environment Protection Board) and strategies (Convention on Biological Diversity membership since 1995) did not result in policy formulation and implementation that take into account criteria for sustainability. Deforestation, erosion, environmental damage caused by mineral and sand mining, overfishing and unplanned urban development endanger the livelihoods of future generations.

The SLPP government incorporated the principles of the Agenda 2030, as well as those of the Agenda 2063, into its MTNDP and declared its determination to reach the Sustainable Development Goals (SDGs). This leaves roughly 10 years to implement far-reaching and all-encompassing reforms in basically all policy arenas. Progress to this extent is completely unrealistic. In 2020, in the pre-COVID-19 Sustainable Development Report, for 15 out of the 17 SDGs, the assessment was that “major” or “significant challenges” remain.

In mid-2019, Freetown and other major cities were engulfed by major flooding. The score for SDG 11 (sustainable cities and communities) has decreased, with “major challenges” remaining.

In the SDG Index 2020, Sierra Leone ranked 153rd out of 166 assessed countries, and the Environmental Protection Index 2020 placed the country at 177th out of 180 countries measured (EPI score: 25.7).

Sierra Leone lacks the capacities to pro-actively contribute to the protection of global public goods.

The government launched the Free Education Quality Program in August 2018 and declared human capital development one of its main objectives. Construction of additional schools and recruitment and training of additional teachers was announced, school fees were scrapped, the purchase of learning materials subsidized, and public schools promised subsidies for furniture, basic amenities and the expansion of their infrastructure. The education system as a whole remains deficient, but before the COVID-19 pandemic, some positive trends materialized. According to UNESCO, the pre-primary education gross enrollment ratio was 19% in 2019, up from 14% the year before. School enrollment figures provided by UNESCO for primary education also show a positive trend (up to 144% in 2019 from 113% in 2018), but for secondary

Environmental
policy

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Education policy /
R&D

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schools the total gross enrollment ratio was 41% in 2017, and no data is provided for subsequent years. Likewise, UNESSCO did not provide data for tertiary education, which points to the fact that only a very small, privileged minority of students attends university.

The social reality behind those figures is that more children do attend primary school, but for secondary schools, the number of students decreases, as the number of youths forced to make a living in the informal sector increases. It is common that boys and girls are expected to contribute to the income of the household they live in. Moreover, the school closures as part of the state-of-emergency regulations carry a significant risk, not only in terms of students having difficulties catching up with the curriculum upon their return, but also because, as it happened after the Ebola crisis, after closures of several months, a significant number of students does not return and drops out of school.

According to the UNDP, government expenditure on education as a percentage of GDP was 7.1 in 2020. The literacy rate among Sierra Leoneans aged 15 years and older was 43.2% in the same year. Both of these statistics indicate positive trends. The U.N. Education Index 2020 ranks Sierra Leone 182nd out of 189 assessed countries.

In terms of research and development expenditure, neither the World Bank nor UNESCO provide any data. Nonetheless, the government has demonstrated an ambition to invest in research, development and digitalization. In mid-2018, the Directorate of Science, Technology and Innovation (DSTI) was set up within the Office of the President. Among its strategic pillars are data collection, the development of data systems and the provision of digital services to the citizens. One of its many projects concerns the design of a drone-delivery model to be integrated into the medical supply chain to reach remote areas. In November 2019, the president launched the National Innovation and Digital Strategy (NIDS), which was announced as a kickstart to the country's digital transformation. In the same year, the internet penetration rate in Sierra Leone was 9%, according to the World Bank.

Governance

I. Level of Difficulty

The structural constraints on governance are very high. Constraints include extreme poverty, a lack of an educated labor force, lack of economic diversification, severe infrastructural deficiencies, endemic corruption, dysfunctional democratic institutions and proneness to natural disasters and diseases.

Those structural constraints are the result of historical-political developments simultaneously perpetuated by the ruling elites. Informal power relations and social networks, traditionally established hierarchical relationships and culturally rooted role expectations make it extremely difficult to effectively overcome structurally ingrained limitations to reform.

Sierra Leone's direct neighbors – Guinea and Liberia – are fragile, post-conflict states. The borders are poorly patrolled, the border regions are operational areas of criminal gangs and smugglers. Ethnic loyalties and traditional settlement areas traverse national borders. The potential for a spillover effect in the case of violent conflict in those countries is high.

Sierra Leone remains extremely vulnerable to external and unforeseen developments like changes in commodity prices and pandemics.

The disruptive shock of the COVID-19 crisis is severe, although the official numbers are relatively low, as in many West African countries (March 2021: 3,887 confirmed infections and 79 confirmed deaths since the beginning of the pandemic). Its effect on the economy was to increase unemployment, poverty and food insecurity.

In the aftermath of the EVD crisis 2014/2015 the government emphasized the importance of resilience, especially of the countries' health institutions. At the start of 2017, however, political will and resources focused to a large extent on the upcoming elections, leaving reform efforts behind. The current government took swift and decisive action to counter the COVID-19 threat. The lessons learned from the EVD crisis were taken into account. Although the health sector is far from resilient, the conduct of health and security personnel has been criticized by observers. Corruption has impeded the government's response to the COVID-19 pandemic.

Structural
constraints

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Civil society traditions are still fairly weak. One of the main reasons for the outbreak of the civil war in 1992 was a static political system, with APC and SLPP “big men” in charge, leaving no room for participation by the disenfranchised youth. After 10 years of war, the (re-)construction of the country began. As part of this process a plethora of CSOs emerged.

CSOs generally work in a particular policy area, e.g., women, youth, sustainability, law reform or reconciliation. But their capacities remain limited, and in most cases local CSOs depend on international partners for financing and know-how. A range of CSOs are directly connected to foreign CSOs and serve as their implementing arm. Their political leeway is restricted. Shortly before the March 2018 general elections, the Koroma government introduced a new NGO policy, effectively limiting the organizations’ freedom to operate. The SLPP, which stated during its election campaign that it would reassess the Development Cooperation Framework, started in January 2020 to implement this very policy. A number of NGOs expressed their concern that the policy would impede civil society in the country. Among the many provisions of the framework which are of concern is the fact that it will become a requirement for NGOs to align their goals to national priorities, as defined by the authorities. This could prevent funding for projects that do not align with those priorities, e.g., human rights, advocacy or capacity-building.

Customary, “pre-modern” social mechanisms and roles exist, which could be utilized to further the development of civil society. Religious tolerance and solidarity at the community level could serve as connecting factors, as well as the strong social position of traditional authorities – whereas traditional authorities in some cases hinder the implementation of democratic reforms, in some, they also promote developmental change. In any case, the implementation of reforms on the local level without the cooperation of traditional authorities is unrealistic.

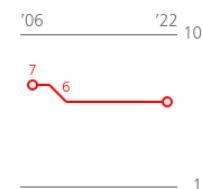
In fighting the EVD, the importance of the traditional healers in Sierra Leone became clear – with their support it was possible to inform local communities and change certain traditions (funeral rituals), thereby significantly contributing to bringing the disease under control. The government realized that its strong roots in local communities are a valuable asset, and this played a role in the COVID-19 response, by sharing information at the local level and encouraging people with symptoms to seek medical help.

Organized violence has remained on a fairly low level during the review period, but the potential for mass violence remains high.

The antagonism between the APC and the SLPP led to violent clashes in the run-up to the general elections in March 2018. This was not unexpected. Despite an agreement to prevent violence between party supporters, signed by both parties in 2009, their radicalized youth organizations are prone to the use of violence.

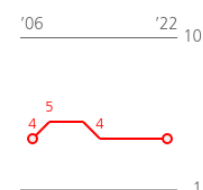
Civil society traditions

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Conflict intensity

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Sporadic violent clashes between APC and SLPP supporters continued, e.g., in January 2020 in Freetown, when the APC party office was attacked by SLPP supporters, with APC members claiming that the attack was orchestrated by the minister of internal affairs. SLP members were seen in the area during the confrontation, but no arrests were made. Violence also erupted in response to the state of emergency regulations. In April, a riot broke out in Pademba Road Prison when prisoners learned of a COVID-19 case inside the overcrowded facility; five prisoners and two policemen died. In May, fishermen attacked a police station and a health clinic south of Freetown; authorities had limited the number of vessels allowed to go out to sea as part of the COVID-19 response. Unrelated to the state of emergency regulations, violence broke out in Makeni in the north of the country in July, when local youth protested against the removal of an electrical power generator for relocation to Lungi near Freetown. Police used tear gas and live ammunition to quell the protests. At least four people died and dozens were injured. The SLP and its armed wing, the Operational Support Division (OSD), display a lack of capacity to control riots, typically responding with unprofessional, undisciplined use of lethal force. The opposition has claimed that the security forces have become an instrument in the hands of the ruling party.

The OSD has been repeatedly accused of violating human rights. In 2015, a group of inhabitants of Tonkolili brought a case before two British courts, claiming that Tonkolili Iron Ore, a former subsidiary of African Minerals, which is based in the UK, ordered the OSD to conduct a deadly crackdown on communities protesting land grabbing in 2010 and 2012. The OSD allegedly committing serious human rights abuses. Among the allegations were assault, torture, rape and homicide. In December 2018, the High Court of Justice in the UK did not find the company liable for the violent repression of protests, and in March 2020 the Court of Appeal confirmed the verdict.

Tensions between local communities and mineral companies and the instrumentalization of the police for the interests of the companies have a significant destabilizing potential and repeatedly result in violence (for example, violence erupted between Poro members and local police near Kenema in January 2019, local residents accusing agricultural multinational Socfin of trying to occupy land belonging to a secret society).

Vigilantism as a form of social self-organization to maintain law and order remains a feature in communities, especially in rural areas and urban slums.

The crime rate is rising, especially in Freetown. Robberies, home invasions, assault and petty street crime are common throughout the country. Young men form gangs, affiliated with neighborhoods, sports clubs and/or rap musicians. The use of weapons (machetes) is frequent.

In the countryside, impoverished youth and children set up roadblocks, trying to extort money from travelers.

Cross-border smuggle continues. Illegal arms depots are suspected to exist in the border region with Liberia and in Côte d'Ivoire. Handmade fire weapons are used by traditional hunter guilds and poachers.

The security situation remains fragile. The social, political and economic causes which led to the outbreak of the civil war still exist.

II. Governance Performance

14 | Steering Capability

The Medium-Term National Development Plan (MTNDP) sets strategic priorities. Eight sections cover reform needs, ranging from human capital development, economic diversification and competitiveness, infrastructure, governance and accountability to empowerment and resilience building. As under previous governments, the multiple reform needs of the country are no secret. Development agendas are (and have been) in place; the challenge, however, lies at the level of implementation.

The fact that the government regularly replaces long-term goals with short-term interests is highlighted in the ongoing health emergency response. During the EVD crisis five years ago, millions of U.S. dollars in emergency funding vanished and have not been recovered. Without massive international aid and support, the government would not have been able to bring the disease under control. Among the lessons learned during the EVD crisis was that Sierra Leone is in dire need of a better-functioning, resilient health sector. Yet, the time between EVD and the current health emergency was not used to upgrade the existing health sector, which now has become particularly important given the possible impact of the COVID-19 crisis or a recurrence of the Ebola virus.

With international support, NACOVERC built crucial infrastructure to contain the virus, such as Community Care Centers (CCC) for people living in informal settlements, and unable to self-isolate. However, NACOVERC has come under scrutiny as audits found that significant sums are unaccounted for, vehicles went missing, transparency is lacking and procurement procedures are deficient.

In October 2019, the Ministry of Health and Sanitation published the National Action Plan for Health Security 2018 – 2022 (NAPHS), which outlines comprehensive measures to take to upgrade the health sector. Its implementation will require time, financial resources and technical assistance so as to prepare the country for the next health emergency.

Question
Score

Prioritization

4

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Political objectives, which may be clearly defined in development strategies, are often not translated into implementation and results. This is due to the abovementioned problems, including widespread corruption, the informal agendas of influential interest groups, vested domestic interests, a lack of qualified personnel and a lack of material resources.

For example, section five of the MTNDP focuses on “Empowering Women, Children, and Persons with Disabilities” In February 2019, President Bio declared a national emergency in response sexual violence. The Hands Off Our Girls campaign was started and the opening of a special court for sexual offenses announced. However, pregnant girls were still banned from attending school. Indictments in cases of rape are rare. The SLP seldom intervenes in domestic violence and the prevalence of (child) rape is high by international comparison.

The COVID-19 crisis has deepened existing development gaps, with the need for emergency funding at the cost of long-term policy objectives, and again, the perpetuation of patterns of dependency upon external actors. Reform-oriented individuals and networks in government and administration have faced increased challenges in their efforts to realize policies.

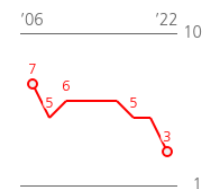
A main obstacle to reform is increasing antagonism between the SLPP and the APC, preventing a collaborative policy approach. The main political actors appear not to be guided by lessons from past experiences to collaborate for the common good of the country.

The MTNDP puts human capital development first (whereas the prior APC Agenda for Prosperity focused on diversification of the economy). The authorities also share a vision that entails digitalization and technological innovation. Whereas a knowledge- and advanced technology-based economy is rightfully considered one of the main drivers of future economic growth and development, the reality in Sierra Leone is in stark contrast to this vision. The public supply of electricity is erratic, the road network is highly deficient and basic sanitation nonexistent for the overwhelming majority of the population. Without implementing an inclusive approach to policy formulation and rectifying the country’s underlying problems, successful human capital growth and a digital society appear out of reach.

In terms of institutional learning in response to the COVID-19 crisis, the swift action taken by the government, the organization of the QAERP and the NACOVERC, the public awareness campaigns via radio, as well as efforts to include local community leaders in the emergency response all point to a certain degree of institutional learning capability. As a result of the experience of the large-scale misappropriation of financial support during the EVD crisis, the government agreed to seek IMF technical assistance to implement accountability structures for emergency spending.

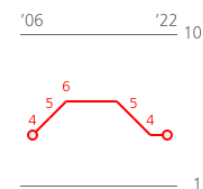
Implementation

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Policy learning

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15 | Resource Efficiency

Vested domestic interests, structural economic weaknesses, bureaucratic harassment as well as functional and ethical failure of public officeholders have prevented the government from using resources efficiently. International donor interest has diminished, but potential donors still demand improvements in resource efficiency. The state's personnel expenses in relation to the services it offers are considered to be too high, which is why international actors such as the World Bank and the IMF constantly pressure the government to cut personnel expenses.

The Audit Service Sierra Leone (ASSL), part of the administration, displays autonomy and seems to operate relatively independently. It has a mandate to audit public institutions (ministries, departments, agencies, schools and vocational institutions) and enterprises where the government holds the majority of shares. The ASSL publishes reports on a regular basis and submits them to parliament for further action. In the past, however, those reports too often didn't result in any political consequences.

A concerning example of the inefficiency in using resources is the constitutional review process, which was among the recommendations of the Truth and Reconciliation Commission (TRC) after the war in 2002. The Constitutional Review Committee presented a report in 2016, suggesting a broad range of recommendations. In 2017, the APC government rejected 102 of the 134 recommendations. As of early 2021, the former opposition SLPP, now in power, had not presented a position regarding the recommendations or decided upon a plan of action.

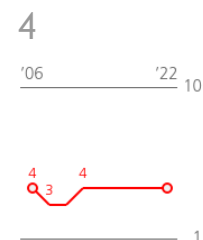
Cooperation and coordination among ministries, departments and agencies remains weak.

Whereas the Local Government Act of 2004 intended to define the responsibilities and authorities of federal, district and local governments, frictions remain. The competencies of councilors, members of parliament, council chairmen, paramount chiefs and district officers are not clear-cut, resulting in inefficiencies and power struggles.

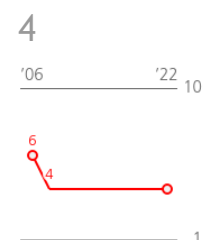
The interests of representatives of the democratically elected government and of traditional leaders are often conflicting, the exact relationship between "modern" and traditional, customary authorities and laws has not been defined.

In terms of strategic political goals, the mediation of conflicting interests requires an extent of political will which is lacking due to vested interests and dependencies. One of the most obvious examples of this is the difficulty of mediating the interests of the government, the extractive sector and local communities living off subsistence farming. The cancellation of mining licenses by the SLPP government in 2019 led to

Efficient use of assets



Policy coordination



tensions between policy goals in terms of domestic and party politics, the investment climate and the country's revenue base. The government seems not to have considered legal and international framework conditions sufficiently.

The response to the COVID-19 crisis includes a multitude of internal and external actors. It is too early to assess the extent to which coordination and collaboration have been conducted in a participatory, efficient manner. In early 2021, Sierra Leone still lacked the tracing capabilities to assess the actual spread of COVID-19.

Laws, strategies and institutions to fight corruption are in place, such as the 2000 Anti-Corruption Act, the Anti-Money-Laundering and Combating of Finance of Terrorism Act 2012 (amended in 2020) and the National Anti-Corruption Strategy (NACS).

Upon taking power, President Bio announced that he would strengthen the Anti-Corruption Commission (ACC) and the ASSL. As recommended by the Governance Transition Team (GTT), the government set up Commissions of Inquiry (COI) to scrutinize the management of public affairs under APC rule. In March 2020, the COI presented their reports to the government. Among the findings are that hundreds of millions of dollars were lost to corruption over a 10-year period. Of the 110 persons of interest and their collaborators (former high-ranking government officials, among them ex-President Koroma himself, the vice president, ministers of state and heads of departments, agencies and parastatals) and companies investigated, 84 persons or companies were indicted. The COI recommended that the government take the necessary steps to ensure that all the misappropriated funds were refunded. If an indicted person fails to reimburse the state, that individual's assets should be confiscated to pay back all misused funds. In September 2020, the government published a white paper, confirming most of the COI's recommendations. The APC rejected the constitutionality of the COI and hence the whole process.

The ACC broadened its activities. It set up its own initiative, the Scorpion Squad, recovering billions of leones from corrupt officials, regularly publishing reports, and engaging in public relations.

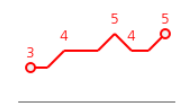
According to observers, the ACC challenges large-scale as well as petty corruption, and applies the same standards across the whole political spectrum.

The work of the ACC is supplemented by the ASSL. In the period under review, the ASSL published a range of reports, covering the conduct of the NACOVERC management team and flawed procurement processes in the Office of National Security (ONS). An annual report for 2019, published in December 2020, found that – across a range of public institutions – procedures for record-keeping, protection of assets, procurement procedures, management of stores, banking and cash management, and enforcement of tax regulations were highly deficient.

Anti-corruption
policy

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In 2016, the ACC set up a Pay No Bribe (PNB) online-platform as an anonymous reporting mechanism for the public to report on both corrupt and honest officials (via phone, internet or mobile phone app). The most recent PNB report was published in June 2017.

Despite progress, the ACC and the ASSL still lack the resources, competencies and capacities to effectively implement unbiased, neutral, independent anti-corruption policies.

Sierra Leone implements the African Peer Review Mechanism (APRM) and is a member of the Extractive Industries Transparency Initiative (EITI), as well as the Kimberly Mechanism (diamonds).

16 | Consensus-Building

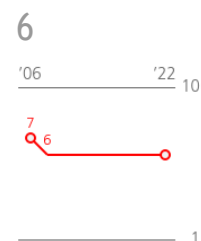
The overall objective of democratic consolidation is not disputed by any major party or its leadership. Democratic norms such as the separation of powers and the organization of credible elections are not questioned. The consolidation of peace, the strengthening of civil society and reforming the economy to develop a socially and ecologically balanced market economy are proclaimed goals of SLPP and APC. The domestic political system is formally democratically legitimized, but patronage, clientelism and nepotism as social mechanisms play an important role in decision-making processes and policy implementation.

The formal economic system mirrors free market norms, but the economy is de facto to a large extent informal and includes clientelist and corrupt practices. The relevant political actors recognize Sierra Leone's external dependency and the necessity of meeting certain conditions. As a result, they agree on the strategic goals of market economy and democracy.

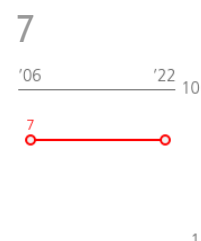
It remains unclear the extent to which the security forces (police and military) have been de-politicized. President Bio himself is a retired brigadier general and was involved in a military coup against the APC government in 1992. As a member of the military junta National Provisional Ruling Council (NPRC) he served in several senior government positions between 1992 and 1996, when he led a coup against the head of the NPRC. Following international pressure, he agreed to hold democratic elections, which brought the SLPP candidate Ahmed Tejan Kabbah to power.

It can be assumed that Bio has powerful connections within the security apparatus of the country. Nonetheless, during the Koroma government's second term (2012 – 2018), the police were accused of being an instrument in the hands of the APC, and in the run-up to the elections in March 2018 rumors circulated stating that forces within the military were planning to assassinate Bio.

Consensus on goals



Anti-democratic actors



However, since Bio took power after the March 2018 general elections, the police seem to enforce SLPP objectives and have been accused of having a pro-SLPP bias. Heavy-handed crackdowns on opposition supporters, arrests of former APC government officials and enforcing a travel ban on persons under investigation by the COI all suggest that the SLPP has consolidated its control over the SLP. The Republic of Sierra Leone Armed Forces (RSLAF) has displayed neutrality, remaining on the sidelines in the 2007, 2012 and 2018 general elections.

Besides the uncertainty of the extent to which the police and military have internalized democratic norms and values, potentially destabilizing forces exist in the form of ex-combatants. Experienced and battle-hardened, but also former child soldiers live now in poverty and engage in illegal activities. The traditional hunter guild of the Kamajor still exists. Former combatants have been involved as mercenaries in conflicts in the region (Côte d'Ivoire). Armed criminal groups operate in poaching and smuggle protected species, drugs, people and weapons. The border areas and large rural areas remain to a significant extent outside government control. The Gola forest on the border with Liberia, for example, has a high concentration of former combatants and is known as a retreat of criminal gangs.

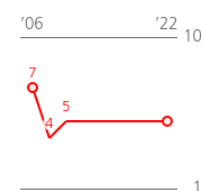
Even if at present nothing indicates mass violence, the structures for the formation of armed groups exist.

Cleavages manifest in ethnic, regional and social conflicts. The political, social and economic causes for the outbreak of the former civil war still exist. Before the war, conflicting political forces in the country were unable to foster stability and development. Afterwards, APC and SLPP primarily reorganized and consolidated themselves in their respective strongholds. The last election deepened the ethnoregional divide, due to the rhetoric of the political leaders. Neither APC nor SLPP positioned themselves as representatives of all Sierra Leoneans, regardless of ethnicity. The general, public perception is that one is either red (APC) or green (SLPP).

Impoverished youth are particularly prone to political indoctrination and instrumentalization. An enduring lack of socioeconomic opportunities may tempt desperate young men to resort to violence. The average age in Sierra Leone is currently 19 years; about 60% of the population is under 25 years old.

Cleavage /
conflict
management

5



The government has shown a willingness to facilitate the participation of civil society in political processes and to make use of its developmental know-how.

CSOs supplement government services in a range of policy fields, for example, education, health and legal advice. Many CSOs, however, depend on external financial support and expertise.

During the COVID-19 pandemic, CSOs asked the government to hold regular community meetings to engender public participation and awareness. In other words, it was their view that the government was doing too little to involve civil society actors in the COVID-19 response and that a more pro-active approach was needed.

Shortly before the last general election, the government introduced a new NGO policy, which has been criticized by civil society actors as curtailing the CSO sector. The SLPP government started implementing this policy. Advocates for civil society have asked authorities to review the NGO policy so as to increase civil society participation.

When the civil war ended in 2002 after 11 years, reconciliation initiatives were paramount on the post-conflict agenda of both domestic and international actors.

The Sierra Leone TRC was formed as part of the peace agreement between the government and the RUF. It operated from 2002 to 2004, recording statements throughout the country and conducting public hearings. In its final report, it included the names of individual perpetrators and numerous recommendations for the government. The commission called for, among other things, better political leadership, a fight against corruption, the implementation of a human rights culture, governmental accountability, democracy and the rule of law.

The Special Court of Sierra Leone began operations in 2002 as a hybrid international criminal tribunal. Set up by the Sierra Leonean government and the U.N., it had the mandate to try those with the greatest responsibility for war crimes committed against civilians. The Special Court completed its mandate in 2013. Eight defendants from three warring parties, and, most notably, the former president of Liberia, Charles Taylor, were convicted.

With international assistance Sierra Leone has carried out multiple formal and informal reconciliation activities at the district, chiefdom and local levels. Hundreds of villages have been involved in community-based reconciliation programs.

The effectiveness of reconciliation efforts at the grassroots level remains unknown. Individual cases of reconciliation and forgiveness of perpetrators occurred. But distrust, mutual suspicion (bolstered by rhetorically confrontative conduct among the political elites) and latent tensions (at times turning into violent clashes) remain. Multidimensional poverty, a deficient monopoly of force, resource scarcity and growing conflicts over land ownership threaten the fragile stability achieved so far.

Civil society participation

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Reconciliation

6

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17 | International Cooperation

Domestic political actors, regardless of party affiliation, agree that good relations with multilateral actors – the IMF, the World Bank, the EU – are of utmost importance to the country. Top bilateral donors include the UK, the United States, Germany and Japan. Some of them have announced that they will reduce their engagement. In order to diversify its dependency profile, the government has also established relations with alternative partners such as Cuba, Iran, and, in particular, China.

China’s medical assistance in overcoming the EVD epidemic was deemed crucial by the Koroma government and resulted in an intensification of the bilateral relationship.

The government under President Bio continues to follow this path and acknowledges the significance of international cooperation. The IMF approved a 43-month ECF arrangement in November 2018 and disbursed an additional \$21.13 million after the second review in April 2020. The disbursement of \$143 million in June 2020 under the RCF aims to support Sierra Leone in meeting its urgent fiscal needs stemming from the COVID-19 pandemic.

President Bio also further deepened cooperation with China. Shortly after taking office, he met the Chinese president in Beijing. Bio also attended the third Forum on China-Africa Cooperation (FOCAC) a month later. In October 2019, the Indian vice president visited Sierra Leone and both countries agreed to strengthen political and economic cooperation.

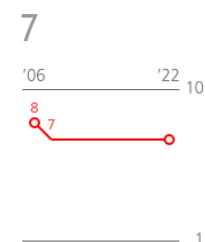
In the past, the government lacked an autonomous consistent long-term strategy for integrating external financial support effectively. It seems reasonable to suppose that significant inefficiencies will remain.

Past administrations were committed to presenting Sierra Leone as a credible and reliable partner in the international community. The country is a member of numerous international organizations, such as the U.N., the African Union (AU), the Food and Agriculture Organization, the Multilateral Investment Guarantee Agency, the World Health Organization and the WTO. In the subregion, Sierra Leone is an active member of the ECOWAS and the Mano River Union (MRU), which plays an important role in stabilizing the region.

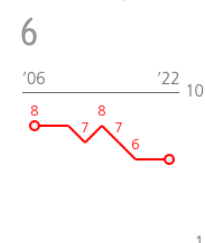
Sierra Leone’s credibility and reliability is regularly challenged – domestic factors such as corruption, clientelism and institutional dysfunction, along with the volatility of exogenous developments, have an effect upon the ability of the government to meet international expectations.

Regarding creditworthiness, Sierra Leone is in the “substantial risk” category.

Effective use of support



Credibility



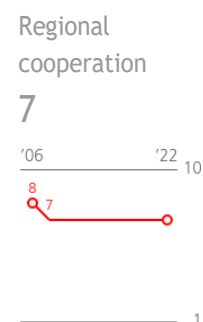
The international community remains, nonetheless, committed to Sierra Leone and the country has the support of the international community. Part of the reason for this is because failed states are seen as an international security threat and a certain degree of stability in Sierra Leone is in the self-interest of international partners. In a scenario of a severe crisis (e.g., out-of-control pandemic, violent conflict), it is highly likely that the government would receive direct military support from bilateral partners (the UK, in particular) and multinational organizations (U.N. forces) alike.

Sierra Leone maintains close relations with its neighbors and shows commitment to participating in international, regional and subregional organizations. Sierra Leonean forces have received training from the UK and contribute to international peace operations. At the end of 2020, 88 Sierra Leonean soldiers were deployed in international missions.

The government has an especially strong interest in maintaining and furthering good relations with its two immediate neighbors, Liberia and Guinea, as well as with Nigeria, which, as a regional power, holds significant importance and played a main role in the Sierra Leonean war. As a member of the AU, ECOWAS and the MRU, Sierra Leone supports regional integration and good neighborly relations. For example, in April 2020, Julius Maada Bio participated in an ECOWAS summit to discuss how to combat COVID-19 in the region and the country dedicated itself to the AU's Silencing the Guns 2020 initiative (which, however, did not meet its ambitious goal).

The wars in Sierra Leone and Liberia in the 1990s and early 2000s were interwoven. The First and Second Ivorian Civil Wars (between 2002 – 2007 and in 2011, respectively) had a regional dimension as well. Those past, mutually interwoven transnational conflicts, the growth in terrorist activities by extremist armed groups in geographically close states such as Burkina Faso and Mali in recent years, as well as the ongoing instability in Guinea-Bissau, combine to pose significant risks to the fragile stability in Sierra Leone, with possible spillover effects impacting developments in the country.

Hence, Sierra Leone has a paramount interest in fostering good relations and stability in the region. However, it lacks the means and capabilities to play a more proactive role.



Strategic Outlook

Sierra Leone's economic and political framework remains fragile. In order to stabilize the state infrastructure, even out social inequalities, further democratization, promote human rights and build better-performing, resilient governmental institutions, particularly in the health sector, the country requires strong political will and continuous commitment from international actors. Without external support, the gains made thus far are at risk.

Sierra Leone's reform needs are manifold. The implementation of reform policies is highly challenging. The government under President Julius Maada Bio needs to navigate domestic vested interests, to co-opt conflicting interests, to diversify the economy and to facilitate international support.

In terms of key challenges domestic actors should accelerate the implementation of anti-corruption policies. As for previous governments, the main obstacle for President Bio's administration lies in the fact that he has to force changes from within a system which perpetuates corrupt practices. The ASSL general report for 2019 found that corruption is still rife, with millions of U.S. dollars in government revenue missing and unaccounted for. There is a slight possibility that the high level of corruption will decrease in the coming years.

Effective anti-corruption policies would facilitate the implementation of policies aimed at youth and women's empowerment through education and training. Education and training will positively affect peace consolidation if employment opportunities are provided. This means, among other things, the development of microfinance schemes, as well as a general diversification of the economy.

Effective anti-corruption policies would also result in a better performance of the judiciary and the security forces. If members of the ruling party continue to use the executive power to manipulate the judiciary and security forces for their own benefit, ethnic and social cleavages may spin out of the control of domestic actors. The increasing confrontational nature of the political party system threatens long-term stability. The government is expected to stay in power, with the next presidential elections scheduled for 2023.

International development partners are needed to supplement domestic reform efforts. Reasonable conditions that can be realistically fulfilled by the government must be set. Incentives to promote comprehensive future cooperation may strengthen reform-oriented domestic players. To ensure a sustainable recovery from the COVID-19 pandemic, the country requires international access to vaccines, therapeutics and diagnostics.