

Evaluation of DFID Country Programmes: Sierra Leone

“DFID has made a significant contribution to the restoration of peace and stability across Sierra Leone”

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

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

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

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

S5 There were several innovative features about the programme. Firstly, the commitment to consolidate peace led to substantial financial allocations to security sector reform that was linked to a large UK military advisory presence. Secondly, efforts to rebuild the state concentrated on governance reforms and a bold political decision was taken to use budget support, although out of step with DFID thinking about work in fragile states.

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

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

S8 Cross Whitehall coordination has developed and worked well according to officials from the Foreign and Commonwealth Office (FCO), Ministry of Defence (MOD) and DFID. Harmonisation has been less effective and some lack of clarity about how departmental strategies fit together.

S9 **Rebuilding the state:** Support to improve good governance and accountability focused on strengthening Public Financial Management systems (PFM) and support for civil service reform. Projects for transparency and democracy dealt with elections, decentralisation, the Anti-corruption Commission (ACC), parliamentary oversight and building the capacity of civil society.

S10 Sierra Leone’s PFM systems now compare relatively well with those of other low income countries. Reforms in payroll,

accounting and reporting, procurement and external audit have led to improvements in the control and accountability environment. DFID has played a significant, and increasing role, in this area.

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

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

S13 Progress has been slower in other areas. Building capacity within government has not yet been effective. There has been some improvement in the number and quality of media outlets, but only gradual improvement in increasing transparency since the conflict.

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

S15 **Sustainable growth and human development:** Much less attention in terms of funding and staff time was given to pro-poor sustainable growth and human development. Growth focused on supporting private sector development.

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

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

S18 The absence of a strategy and strategy process meant that the programme had a weak results focus, had little or no analysis of risks above the project level, and was not well integrated with the FCO and MOD over

fundamental cross-government issues such as sustainable size of the RSLAF and an exit strategy for security sector reform.

S19 Despite the absence of a formal strategy the programme was aligned with evolving DFID policies on harmonisation, working in fragile states and changing aid conditionality; and with new OECD guidance on security sector reform. The mainly positive experience with budget support in Sierra Leone raises some important issues for DFID policy.

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

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

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

S23 Devolution benefitted the programme and has led to improved relations with government and development partners. The process could have been managed better and led to a loss of momentum as programme responsibility moved to Freetown from London.

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

S25 Despite working in a poorly harmonised aid environment, DFIDSL can take credit for improving aid effectiveness. The major

potential gains have come in terms of increased harmonisation with other donors and the move into the use of pooled funding and multi-donor trust funds.

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

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

The **status and purpose of the MOU** needs to be reconfirmed within HMG and if appropriate renegotiated with GOSL.

The planned change to **security sector reform** should be supported with a strategic risk analysis and approached as a cross-cutting issue.

There is a need to **develop a joint FCO, MOD and DFID strategy** about how to reach IMATT's objectives and develop an approach to support GOSL in reform of the RSLAF to a sustainable size and effective capability.

An **exit strategy should be developed for PIUs and TA on enhanced salaries**, with a coherent programme to migrate into capacity building for the civil service.

The **effectiveness of budget support** can be enhanced through a range of technical changes discussed in the main report.

A **political economy analysis of the PFM reform** programme should be undertaken to support preparation of an approach that will sustain the GOSL national action plan.

A more **broad-based and politically sensitive approach for fighting corruption** should be explored with a stronger emphasis on tackling the effects on poor people.

Two recommendations are directed towards DFID globally. Develop capacity to make better use of **political economy analysis** in country programmes, to improve programme design

and dialogue with government. Evaluate the high intensity, long running **IMATT experience** to explore lessons for comparable capacity building arrangements in key civil sectors such as health and education.

Management response

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

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

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

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

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

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

on a multiyear funding regime for PRBS and will revisit this once again later in the year.

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

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

DEPARTMENT FOR INTERNATIONAL DEVELOPMENT

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

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- combat HIV and AIDS, malaria and other diseases
- make sure the environment is protected
- build a global partnership for those working in development.

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

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

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

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