



Evaluation of Budget Support to Sierra Leone 2002 - 2015

Final Report Volume Two

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Final Report Volume One

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The opinions expressed in this document represent the authors' point of view, which are not necessarily shared by the Authorities of Sierra Leone or by the UK Department for International Development, the European Commission, the African Development Bank or the World Bank.

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Acronyms and Abbreviations

AfDB	African Development Bank
ACC-SL	Anti-Corruption Commission of Sierra Leone
AFRODAD	African Forum and Network on Debt and Development
A4P	Agenda for Prosperity
AOAV	Action on Armed Violence
APC	All People's Congress (political party)
APRM	African Peer Review Mechanism
ASSL	Audit Service Sierra Leone
BECE	Basic Education Certificate Examination (equivalent to UK GCSE "O" Levels)
BoSL	Bank of Sierra Leone
BS	Budget Support
CPI	Corruption Perception Index
CRC	Constitutional Review Committee
CREPS	Complementary Rapid Education Programme
CSO	Civil Society Organisation
DACO	Development Assistance Coordination Office
DBR	District Block Representation
DFID	UK Department for International Development
DHMT	District Health Management Team
DHS	Demographic & Health Survey
ECOWAS	Economic Community of West African States
EEZ	Exclusive Economic Zone
EMIS	Education Management Information System
EPA	Environmental Protection Agency
EQ	Evaluation Question
ESP	Education Sector Plan
EU	European Union
FHCI	Free Health Care Initiative
FOI	Freedom of Information
GBAA	Government Budgeting & Accountability Act
GBS	General Budget Support
GDP	Gross Domestic Product
GoSL	Government of Sierra Leone
GPE	Global Partnership for Education
GPI	Global Peace Index
GST	Goods and Services Tax
HDI	Human Development Index
HIPC	Highly Indebted Poor Countries (initiative)
IDI	INTOSAI Development Initiative
IEG	Independent Evaluation Group (World Bank)
IEP	Institute for Economics & Peace
IFES	International Foundation for Electoral Systems
IFMIS	Integrated Financial Management Information System
IHS	Integrated Household Survey
IL	Intervention Logic
IMF	International Monetary Fund
INTOSAI	International Organisation of Supreme Audit Institutions
IPRSP	Interim Poverty Reduction Strategy Paper

IRCB	Institutional Reform and Capacity Building
JC	Judgement Criterion
JSS	Junior Secondary School
MDAs	Ministries, Departments and Agencies
MDBS	Multi-Donor Budget Support
MDRI	Multilateral Debt Relief Initiative
MEST	Ministry of Education Science & Technology
MoFED	Ministry of Finance and Economic Development
MoFEP	Ministry of Finance and Economic Planning
MoHS	Ministry of Health & Sanitation
MoU	Memorandum of Understanding
NACS	National Anti-Corruption Strategy
NCD	National Commission for Democracy
NCDDR	National Committee for Disarmament, Demobilization and Reintegration
NGC	National Governing Council
NMA	National Minerals Agency
NPOA	National Programme of Action
NPSE	National Primary School Examination
NRA	National Revenue Authority
OAG	Office of the Auditor General
ODA	Official Development Assistance
OECD-DAC	Development Assistance Committee of the Organisation for Economic Cooperation & Development
OGI	Open Government Initiative
OGP	Open Government Partnership
ORS	Oral Rehydration Salts (for treatment of diarrhoea)
PAF	Progress Assessment Framework (for Budget Support)
PEFA	Public Expenditure & Financial Accountability
PETS	Public Expenditure Tracking Survey
PER	Public Expenditure Review
PFM	Public Finance Management
PPRC	Political Parties Registration Commission
PR	Proportional Representation
PRSP	Poverty Reduction Strategy Paper
PRSC	Poverty Reduction Credit Support
PRSP	Poverty Reduction Strategy Paper
RHS	Recommended Home Solution (for treatment of diarrhoea)
SAP	Structural Adjustment Programme
SBS	Sector Budget Support
SLIHS	Sierra Leone Integrated Household Survey
SLPP	Sierra Leone People's Party (political party)
SO	Standing Order (Parliamentary)
SSS	Senior Secondary School
SSS	Statistics Sierra Leone
UNCAC	United Nations Convention against Corruption
UNDP	United Nations Development Programme
WB	World Bank

Volume Two - Annexes

Annex I: Terms of Reference

EVALUATION OF BUDGET SUPPORT

IN SIERRA LEONE

Terms of Reference

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1. INTRODUCTION AND PRELIMINARY SETTINGS

During the past decade donors and recipient countries have shifted increasingly from a project approach to general and sector budget support. It was felt that budget support, by contributing to the overall national development strategy and sector strategies would enhance the effectiveness and efficiency of development cooperation.

Budget support is defined as a method of financing a partner country's budget through a transfer of resources from an external financing agency to the partner government's national treasury. The funds thus transferred are managed in accordance with the recipient's budgetary procedures. Budget support includes General Budget Support (GBS) and Sector Budget Support (SBS). SBS aims at contributing to accelerated progress towards the government's goals within a specific sector (as identified in the sector strategy). In the case of GBS, the dialogue between donors and partner governments focuses on overall policy and budget priorities, whereas for sector budget support the focus is on sector-specific policies and concerns.

There is demand from policy makers to show the results of this type of support. Proponents and opponents hold strong views about the effectiveness of budget support, but these views are not necessarily supported by rigorous evidence. Early evaluations of budget support focused on political economy and policy processes, but did not analyse the contribution budget support has made on development results. With increased provision of budget support, it is even more important to evaluate its contribution to development. This will provide evidence to inform future use of this type of support.

Within the framework of the OECD/DAC network, several evaluation departments have therefore taken the initiative for providing more rigorous evidence and have developed a methodological approach for the evaluation of budget support.¹ This methodology has been tested successfully and has been and will be used for an assessment of the results in countries receiving budget support. The common approach furthers a uniform evaluation in different countries, enhances comparisons and allows for more general conclusions about the modality. Moreover, it encourages joint evaluations rather than separate assessments by individual donors. The methodology has been applied in Mali, Tunisia, Zambia and Tanzania, and is being used for an assessment of the impact of budget support in Mozambique, South Africa and Morocco. Other evaluations of budget support are likely to start soon in Burundi and Rwanda. OECD/DAC donors will also evaluate the effectiveness of budget support to other countries.

These Terms of Reference (ToR) envisage the design for an evaluation of budget support in Sierra Leone. One of the purposes of this evaluation is to provide evidence on the extent to which budget support has contributed to the achievement of its objectives as set out in the Joint Memorandum of Understanding (MoU) between the Government of Sierra Leone and its donors, to facilitate the achievements of the Government's goals set out in its Poverty Reduction Strategy (PRS) by "creating additional fiscal space to fund implementation of the PRS, minimising transaction costs for Government in managing aid and supporting the reform effort especially in the public sector and public financial management".

¹ See OECD/DAC (2012), Methodological approach for budget support evaluations.

http://www.oecd.org/dac/evaluation/dcdndep/Methodological%20approach%20BS%20evaluations%20Sept%202012%20_with%20cover%20Thi.pdf

The evaluation will rely as much as possible on existing reviews, evaluations and data. However some primary data collection will be necessary through interview, focus group discussion and similar research techniques.

The next section (2) provides some background on budget support in Sierra Leone and the Government strategies it has supported. Section 3 includes the objectives and mandate of the evaluation. Section 4 defines the scope and section 5 formulates key evaluation issues. Section 6 discusses the methodology. Section 7 describes the key deliverables and section 8 sketches the evaluation phases. Section 9 ends with the proposed organisation and planning.

2. BACKGROUND

Over the evaluation period (2002–2013) four donors provided budget support to Sierra Leone, namely: the AfDB, DFID, European Union and the World Bank. The amounts of budget support by year and by donor are set out in Annex 1. The overall objective of budget support was to facilitate the achievement of the Government’s goals set out in the Poverty Reduction Strategy. More specifically budget support intended to contribute to the achievement of a number of specific objectives, such as:

- establish a favourable and stable macro-economic environment;
- improve government service delivery, focused on the needs of the poor;
- support the Government to become more effective, responsive and accountable;
- contribute to maintaining of peace and security in the country.

Budget support in Sierra Leone also sought to:

- create additional fiscal space to fund implementation of the Poverty Reduction Strategy.
- minimise transaction costs for Government in managing aid;
- support the reform effort especially in the public sector and in PFM.

Over time, the instrument has evolved from an immediate post-conflict macroeconomic stabilisation tool that supported the core functions of Government to a more strategic instrument that incentivised and rewarded the achievement of results.

The hypothesis underlying the theory of change is that the donors are able to agree a set of underlying principles with Government which, if Government shows commitment to, allows for the timely disbursement of agreed levels of un-earmarked donor funds to the Consolidated Fund of the Government. This will contribute to the Government’s financing need and provides the basis for GBS partners and, increasingly, civil society to engage Government in macro-level and cross-cutting policy dialogue that supports the implementation of the PRSP and holds Government to account for achieving results.

Framework for the provision of budget support

In 2002, the UK Government and the Government of Sierra Leone signed a Poverty Reduction Framework Arrangement covering the period 2002 - 2012. The document set out the elements of a development partnership to support Sierra Leone’s poverty reduction strategy.

In June 2006, the Government of Sierra Leone (GoSL) and the Multi-donor Budget Support partners² (“MDBS partners”) decided to formalise the objectives and principles of their cooperation in a MoU. The MoU established a framework for Multi-donor Budget Support to Sierra Leone and reflected an effort by donors to harmonise their disbursement and monitoring arrangements. The various disbursement triggers of the GBS providers were grouped into a single Progress Assessment Framework (PAF) which is reviewed annually. In February 2010 a new Memorandum of Understanding was signed by the same parties replacing the 2006 MoU.

Poverty Reduction Strategy Papers

As mentioned above the main objective of the budget support to Sierra Leone is to facilitate the achievement of the Government’s goals set out in the Poverty Reduction Strategy.

Sierra Leone developed its first Poverty Reduction Strategy in the form of an Interim Poverty Reduction Strategy in 2001. This was designed to address the challenges of transition from war to peace by focusing on three key areas: restoring national security and good governance; re-launching the economy; and providing basic services to the most vulnerable groups. This was complemented in 2002 by a National Recovery Strategy based on district and local recovery plans that emphasised the consolidation of state authority, peace-building, promotion of reconciliation, enforcement of human rights, resettlement, reintegration and the rebuilding of communities.

Subsequently, a long-term sustainable development plan entitled “Sierra Leone Vision 2025” was published in 2003, and it provided a long-term framework for development planning and management. This was followed by the first full Poverty Reduction Strategy Paper (PRSP-I), which was developed for the 2005-2007 period. PRSP-I reflected a move away from immediate post-conflict concerns and was constructed around three pillars: the first pillar focused on good governance, peace and security; the second on food security and job creation; and the third on growth and human development.

In June 2009 the Government of Sierra Leone launched the country’s second PRSP for the period 2008 – 2012, under the name “an Agenda for Change”, with the following priority areas: energy, agriculture, transport, and human development (education, health and water sectors). A third generation poverty reduction strategy paper for the period 2013 – 2017 (an Agenda for Prosperity), was published in July 2013.

3. OBJECTIVES AND MANDATE OF THE EVALUATION

The main objective of the evaluation is to provide the Government of Sierra Leone and its budget support donors with evidence on the extent to which general budget support has contributed to sustainable results on growth and poverty reduction and to provide recommendations as to how budget support (BS) can be made even more effective going forward, including through sector budget support. Specifically the evaluation will assess the extent to which BS contributed to the achievement of the results as formulated within the PRSP frameworks (Interim, 1 and 2), by giving means to the partner government to implement its national and sector strategies, and to enhance the efficiency and effectiveness of its policies, strategies, and spending actions. The evaluation

² The MDBS partners are: the African Development Bank, the UK, European Union and the World Bank.

should also analyse how budget support has contributed (or not) to improved transparency within government systems and stronger accountability.

The evaluation team will need to pay special attention to the post-conflict dimension, especially in the early years of the evaluation period. It should assess the role GBS played in stabilising the society in Sierra Leone, considering also possible risks associated with the interventions.

The evaluation should also pay attention to other aid modalities (basket/common funds, projects), in order to assess the complementarity and synergy (or discrepancy) of these modalities with budget support.

The evaluation will take stock of what has been achieved with the main purpose to be forward looking and allow for lessons learnt and recommendations to inform on:

- the conditions under which BS has an effect (or not) and the possible intensity and nature (positive or negative) of such effect in Sierra Leone;
- the design and implementation of future BS operations in Sierra Leone, taking into account the state of transition Sierra Leone is in;
- improvements to be set up by the donors to maximize BS impacts in Sierra Leone;
- constraints in government policies, institutional structures and administrative arrangements in Sierra Leone, which might impede the overall effectiveness and impact of spending actions and targeted public policy, and therefore of budget support.

The evaluation is expected to feed into several revision processes. This includes the preparation of DFID's Business Case for the next round of budget support as well as DFID's next Operational Plan for Sierra Leone. The drafting of these documents is expected to start early 2015.

4. SCOPE

The evaluation will assess the impact of budget support on governance and reform (including accountability and democratic control, PFM and anti-corruption policies), on economic growth (including macroeconomic policy, macroeconomic stability and domestic revenue) and on poverty reduction. The impact of the GBS policy dialogue on policies and reforms as well as the synergies with the political dialogue are key issues and must be thoroughly assessed.

The evaluation should take into account all budget support operations. In addition, the evaluation will include analyses of developments in a number of sectors. The evaluation will assess how the Government of Sierra Leone and partners have applied GBS instruments, how this had an impact on government policies, and how these policies contributed to (economic) development, improved service delivery and the eradication of poverty.

In particular, the evaluation will cover:

- i. the inputs provided through BS arrangements over the period concerned;
- ii. the identification of possible specificities and complementarities (including specific value added) or trade-offs among the different development partners in the BS design and implementation;

- iii. the performance of the BS inputs, in terms of direct and induced outputs;
- iv. the changes related to BS (including level, quality and sustainability) which have occurred during the period under evaluation as regards the outputs, outcomes and impacts of government policies, strategies and actions (including governance and reform), and the key causal factors driving those changes;
- v. the extent to which BS has contributed to the results identified at the outcome and impact levels and the sustainability of these outcomes and impacts, considering both positive contributions to public policy-making and implementation processes and any (unwanted) negative side-effects which may have arisen;
- vi. the overall relevance of the BS arrangements in view of the evolving partner country and sector specific contexts, the aid policies and the related goals;
- vii. the efficiency of BS operations, considering both the process and the relation between effects (direct outputs, induced outputs and outcomes) and inputs;

Temporal and geographical scope

The evaluation covers budget support operations to Sierra Leone from 2002 until 2013. The evaluation will consider the support provided by all donors together.

The field phase of the evaluation will take place in Freetown as well as in a number of districts outside the capital selected on the basis of discussions with the Government of Sierra Leone and donors. Field missions are a central and integrated part of the evaluation.

Thematic scope

In accordance with the priorities of the government and donors, as defined in the PRSP and the PAF, the evaluation will include assessments of developments in a number of sectors: transport, health, education and energy. The analyses to be done in these four sectors will also look at the synergies (or divergences) between the support provided through basket funds and projects and the budget support (see section 3) and will be delivered as a part of the final report. The specific basket funds and projects to be included in this analysis shall be proposed by the evaluation team in the inception report. Governance will also be one of the thematic areas that the evaluation must analyse thoroughly. Other thematic areas to be assessed include: PFM, macroeconomic stability,

5. APPROACH AND KEY EVALUATION ISSUES

The evaluators are required to follow the standard OECD/DAC methodology for the evaluation of budget support.³ This methodology combines a comprehensive evaluation framework discerning five levels of analysis with a so-called 'three step approach' and proposals for rigorous assessment of impacts.

³ See OECD/DAC, Methodological approach for budget support evaluations (2012)

The evaluators will be expected to consider the implications of applying the methodology in a post-conflict context. The bidders should specify, whether, and how, the methodology will be tailored to such a context (e.g. assessment of BS contribution to peace and security).

The Evaluation Framework is divided into five levels as follows (see annex 2):

- Level 1: *Budget support inputs*: funding, policy dialogue and capacity building support.
- Level 2: *Direct outputs of budget support*: improvements in the relationships between external assistance and the national budget and policy processes.
- Level 3: *Induced outputs*: expected positive changes in the quality of public policies, the strength of public sector institutions, the quality of public spending (increased allocative and operational efficiency), and consequent improvements in public service delivery.
- Level 4: *Outcomes*: envisaged positive effects at the level of final beneficiaries – service users and economic actors – due to improved government policy management and service delivery.
- Level 5: *Impact*: envisaged positive effects on sustainable economic growth, poverty reduction, empowerment of the poor and improvements in their real incomes, and other issues and priorities specified in the BS programme (s) being subject of the evaluation.

In addition, the approach discerns three ‘steps’ in the evaluation. This ‘three step approach’ recognises the different roles of donors and government in budget support processes, as well as the indirect impact of budget support on poverty alleviation (ie. through government policies):

- The *first step* aims at an assessment of the inputs provided by budget support and their effect on the relationship between external assistance and the partner country’s budget and policy processes (direct outputs) as well as the induced changes in the financing and institutional framework for public spending, public policy, policy management and service delivery (induced outputs).
- The *second step* aims at an assessment of the outcomes (beneficiaries’ responses) and impacts (e.g. sustainable growth, poverty reduction, improved governance, etc.) which are realised by the government policy related to the explicit aims of budget support.
- Finally, based on the findings in step one and two, *step three* aims at a synthesis and conclusions in which way budget support has contributed to changes (intended but also unintended) in the partner country. It should allow matching the results of the two previous steps and help identifying the related links, if any, thereby completing the contribution assessment on the causal relationship between BS and the government strategy outcomes.

The key issues to be addressed by the evaluation team are derived from the framework and the three step approach:

Step 1, Level 1	Comparison between planned budget support inputs and those actually
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	<p>provided.</p> <p>Relevance and appropriateness of the design of the BS programmes and the mix of BS inputs in relation to:</p> <ul style="list-style-type: none"> ▪ the political, economic and social context of the partner country; ▪ the government's policy framework; ▪ the DPs development assistance strategies.
Step 1, Level 2	<p>Contribution of budget support to:</p> <ul style="list-style-type: none"> ▪ increased size and share of external funding subject to the government's budgetary process; ▪ increased size and share of the government budget available for discretionary spending; ▪ improved predictability of aid flows; ▪ the establishment of an efficient and effective policy dialogue framework focussed on strategic government priorities; ▪ the provision of well-coordinated technical assistance and capacity building activities focussed on strategic government priorities; ▪ greater harmonisation and alignment of external assistance as a whole; ▪ reduced transaction costs of external assistance as a whole.
Step 1, Level 3	<p>Improvements in the areas supported through BS programmes and identification of the role played by BS (including thorough policy dialogue and technical assistance) in determining these changes, e.g. :</p> <ul style="list-style-type: none"> ▪ macroeconomic and budget management (revenue mobilisation and expenditure policies, inflation and debt management, monetary and foreign exchange policies); ▪ quantity and quality of goods and services provided by the public sector ▪ PFM and procurement systems (fiscal discipline, enhanced allocative and operational efficiency, transparency, etc.); ▪ public policy formulation and execution processes, including strengthened public sector institutions; ▪ fight against corruption and fraud; ▪ improved transparency within government systems; ▪ links between the government and oversight bodies in terms of policy formulation and approval, financial and non-financial accountability, and budget scrutiny.
Step 2, Levels 4 & 5	<p>Assessment of expected achievements in terms of development results at outcome and impact level as defined in the BS agreements, e.g.:</p> <ul style="list-style-type: none"> ▪ changes in sustainable and inclusive economic growth; ▪ changes in income and non-income poverty; ▪ changes in the use and resulting quality of public services and their

	<p>impact on the livelihoods of the population:</p> <ul style="list-style-type: none"> - for example in case of the education sector: enrolment, dropout, repetition and completion rates, gender parity, learning achievements, availability of a qualified labour force responding to market demand, employment rates, etc. - for example in case of the health sector: health centres utilisation, supervised deliveries, immunised children, infant / under five / maternal mortality rates, incidence of malaria / tuberculosis / respiratory infections, etc. <ul style="list-style-type: none"> ▪ Changes in democratic governance, transparency and accountability. <p>Assessment of the extent to which the above-mentioned changes can be related to changes in macro-economic management, to PFM systems, to changes in other government policies or policy processes and / or to other external or internal factors</p>
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The evaluation team will consider the degree to which the issues identified in the table above fully reflect those implied by the evolution of the theory of change in Sierra Leone as it has moved on from its early post-conflict phase over the past 11 years. This analysis should form the basis for the evaluation team's proposed set of specific evaluation questions. The Evaluation Management Group will sign off on these questions. As per the guidance provided in the OECD DAC Methodological Approach, the number of evaluation questions should be no more than 12.

The evaluation team will need to clearly identify and formulate judgement criteria (JCs) and indicators for each of the evaluation questions (EQs) to be developed. This should provide a framework for the data collection and analysis and is to be done during the inception phase of the evaluation.

6. METHODOLOGY

6.1 General approach

Evaluators are required to follow the above mentioned approach for the evaluation of budget support.

Wherever possible, they should apply methods and techniques that allow for a rigorous assessment of the impact of budget support. In both stages (step one and step two) the evaluators shall combine qualitative analyses (building on the literature and interviews) with quantitative methods and techniques.

The analyses for step one will rely on interviews of key stakeholders and experts (including at headquarter level), existing evaluation reports, reviews, other official documents and academic literature, information on financial flows, micro- and macro-economic data and other indicators. Contribution analysis should be used here as far as possible.

The second step involves a description of the translation of sector budgets into sector programmes and investment and an assessment of the impact of these investments. The sector analyses shall combine quantitative techniques with more qualitative approaches, such as interviews, focus group discussions, field visits, and a document and literature review. A statistical (econometric) evaluation is required if there are no (recent) rigorous impact evaluations. Analyses will be based on administrative data and existing household surveys.

Further, in Step 3 of the methodological approach, the contribution of budget support as a factor of change or as a leverage for change to the attainment of the development results identified in Step 2 is to be determined.

6.2 Available information

The evaluation will rely as much as possible on existing evaluations and data. A number of evaluations are already available under the OECD/DAC DEREK database (<http://www.oecd.org/derec/bycountry/sierraleone/>):

- In 2011 the AfDB published an Evaluation of its Policy Based Operations in the period 1999-2009 which included a case study report in Sierra Leone;
- In 2008 a nationally representative Demographic and Health Survey was finalised in Sierra Leone. The survey provides information on population and health issues in Sierra Leone;
- In 2008 DFID published an evaluation of its country programme in Sierra Leone; in 2004 DFID also published an evaluation of the Conflict prevention pools which included a case study in Sierra Leone.
- DFID has also contracted a review of joint GBS in 2007 and of its own programme in 2009. Annual reports are also publicly available on DFID's website

In addition to these studies the EU has published in 2006 an Evaluation of its country programme in Sierra Leone⁴ and in 2011 an evaluation of Conflict Prevention and Peace Building, which included a case study in Sierra Leone.

For the analysis of the impact of the government policies (or step two), the evaluation will rely as much as possible on recent studies as well as available Public Expenditure & Financial Accountability studies (PEFA – published in 2007, 2010 and another planned for the end of 2013), Public Expenditure Reviews (PER) and Public Expenditure Tracking Surveys (PETS).

ODI reviewed Multi-Donor Budget Support to Sierra Leone between 2004 and 2007, Mokoro provided an independent review of the results achieved by DFID's budget support and African Development Bank (AfDB) conducted an evaluation of the contribution of its budget support to Sierra Leone's recovery from conflict as part of its review of its Policy Based Operations (PBO) in the country. Major data sources include the Sierra Leone Integrated Household Surveys (SLIHS) of 2004 and 2012, the Multi-Indicator Cluster Surveys (MICS) of 2005 and 2010, the Demographic and Health Surveys (DHS) of 2008 and the Core Welfare Indicator Questionnaire (CWIQ) of 2007.

6.3 Risks and challenges

Like all evaluations, the evaluation faces a number of risks and challenges:

⁴ http://ec.europa.eu/europeaid/how/evaluation/evaluation_reports/reports/2006/dev_sle_en.pdf

- The evaluation can only be successful with the collaboration of Government of Sierra Leone and especially of the Ministry of Finance. At the same time, the evaluation is in the interest of both MDBS partners and GoSL, as it seeks to contribute to an improvement of the effectiveness of budget support operations in Sierra Leone.
- The availability and quality of data may be a problem. The evaluation will rely to a large extent on existing data and information. The inception report will have to provide more information on the feasibility to undertake econometric analysis in the sectors included in the scope of the evaluation (health, education, transport and energy).
- The analysis of macroeconomic impacts will be one of the main challenges. However, the evaluation seeks to combine qualitative and quantitative methods.
- Initiatives of individual development partners for an evaluation of budget support may pose a challenge. In this respect it is important that many evaluation departments support the proposed evaluation.

In the inception report, the evaluation team is required to specify the main risks and challenges they identify to successful completion of the evaluation and how they propose to manage them.

6.4 Ethics principles

The Management Group, the contractor and the team engaged in carrying out this evaluation are bound to ethics principles such as: the respect for people and their beliefs, their right for confidentiality; the independence and utility of evaluation; the quality through evidence based assessments.

7. STANDARD PHASES AND ACTIVITIES

The expected duration of the contract is 13 months. The work to be carried out can be divided into six phases. The details of each of these are outlined in the following sections.

The preparatory phase

The evaluation starts with an *initial one day meeting* of the evaluation team with the Management Group in Sierra Leone, to discuss and clarify the objectives and requirements stated in the ToRs as well as the content of the technical proposal, check on the availability and quality of existing data.

The preparatory phase will imply a mission of the evaluation team to Sierra Leone of no less than two weeks.

Inception Phase

The inception phase is aimed at structuring the evaluation and consists of:

- a preliminary desk-based review of documentation and the acquisition of most of the documentation available,
- the identification of the main specific features to be introduced in the evaluation framework (refined theory of change of budget support) and the ensuing presentation,

- iii. discussion and agreement with the Management Group on the evaluation framework and preliminary list of Evaluation Questions (EQs), Judgement Criteria (JCs) and indicators.

During this phase the evaluation team will get a good understanding of the budget support arrangements to be evaluated and of the key features of the partner country context.

This inception phase will end with the submission of the draft inception report, which will be circulated for comments to the Management Group.

The evaluation team prepares a presentation covering key parts of the inception report, in particular the evaluation framework and the EQs to be presented to the Management Group in an *inception meeting* to be organised in Brussels (videoconference with Sierra Leone).

The main objectives of the inception meeting are:

- to review with the Management Group the main motivations for the evaluation and the key concerns to be addressed;
- to discuss the data collection and analysis strategy proposed by the evaluation team in the inception report;
- to collect whatever documentation and data is available immediately and make arrangements for the compilation / preparation of data in the areas where there are gaps;
- to clarify if necessary, the management arrangements for the evaluation, both within the evaluation team and in relation to the Management Group;

The inception report should also include a proposal for a brief communication strategy to disseminate the results of the evaluation.

In order to become final, the draft inception report will need to be formally approved by the Management Group. Formal approval will be communicated by the Evaluation Unit of EuropeAid, European Commission.

At the end of the inception phase there will be a break point to review inception outputs. Progress to the remainder of the evaluation will be subject to the satisfactory performance of the evaluation team, delivery of inception outputs and the continuing needs of the Programme.

Desk Report Phase

The desk report phase consists of:

- i. a more detailed desk-based review of documentation,
- ii. the undertaking of a first set of interviews with relevant stakeholders,
- iii. the finalisation of the framework and completion of JCs and indicators.

Following the submission - and approval - of the inception report, the evaluation team will review the additional information and documents collected.

This phase will also imply a mission of the evaluation team to Sierra Leone (no less than one week). The main objective of this second mission is to complete the data collection process and to carry out preliminary interviews with key stakeholders.

This phase will be concluded with the submission of a draft desk report which will be presented in a Management Group meeting to be organised in Brussels (videoconference with Sierra Leone). The desk report should as far as possible include the results of the preliminary documentary analysis and the results of the econometric analysis. This will be complemented by a qualitative analysis (interviews and focus groups) during the field phase.

The field phase

At this stage of the evaluation, most of the underlying analysis of available data for the evaluation will be completed and all remaining data gaps need to be addressed.

The field phase shall include a mission of the evaluation team to Sierra Leone (at least 3 weeks). The main target group for the interviews and focus groups to be conducted during the field missions will be the representatives of: MDBS partners (including those from headquarters); Government of Sierra Leone (including all relevant line ministries); Parliament; relevant NGOs, etc.

At the end of this phase the evaluation team will present preliminary findings in a Management Group meeting to be organised in Brussels (videoconference with Sierra Leone).

The analysis and synthesis phase

Immediately after the de-briefing meeting and receipt of written comments from the Management Group the evaluation team will start the overall analysis of the collected information. Based on this analysis, the evaluation team shall prepare a draft of the evaluation report, which fulfils the objectives of the evaluation, whilst addressing all the evaluation questions.

The draft final report will be presented by the team leader to the Management Group at a meeting to be organised in Brussels (videoconference with Sierra Leone). The key stakeholders will be allowed 3 weeks to comment on the draft report, both to point out any omissions or errors and to provide feedback on the conclusions and operational recommendations.

The evaluation team will submit a draft final report in conformity with a structure previously agreed with the Management Group. Comments received from the Management Group should be taken into consideration without compromising the independence of the evaluation team's value judgments.

The evaluation team may either accept or reject the comments but in case of rejection of the comments it must justify (in writing) the reasons for rejection (if necessary these comments and the evaluation team's responses can be annexed to the report).

The final report will be prepared based on the comments made by the Management Group and will have to be approved by the Management Group.

The communication/dissemination phase

It is essential that the contractor ensure the presence of the evaluation team in a seminar to be held in Sierra Leone in order to present the report to the national core stakeholders involved in budget support, interested members of the donor community and to the wider community of political leaders, government officials, academics, CSOs, private sector representatives, to whom

the evaluation findings would be of interest. The logistics for this seminar (room, technical equipment, catering, and management of registrations and list of participants) will also need to be managed by the contractor. The contractor will prepare a short (2- 4 pages) briefing note on the results of the evaluation. This note will be used to facilitate dissemination of evaluation findings at political level.

The final report should also be presented to a wider range of stakeholders during a ½ day meeting organised in London/ Brussels.

8. KEY DELIVERABLES

Following the selection of the contractor, the key deliverables are:

- the inception report
- the desk report
- a presentation of the preliminary findings to the Management Group
- the draft final report
- the final report
- briefing note (2 - 4 pages) on the main findings of the evaluation.

The ownership/copyright for the reports will lie with DFID.

The required evaluation outputs are specified under section 2.6 of the OECD/DAC paper presenting the methodological approach to evaluate budget support⁵.

All documents will be written in English.

The final evaluation report should include an executive summary of no more than 10 pages. The length of the final main report should not exceed 70 pages. Additional information should be included in the annexes.

The delivery of the documents follows the phasing of the evaluation according to the timing given in section 9.3 of these terms of reference.

9. ORGANISATION AND PLANNING

9.1 Responsibility for the management of the evaluation

The evaluation is supported by the Government of Sierra Leone as well as by the evaluation departments and country offices of: European Commission and DFID.

The evaluation will be led by a Management Group, consisting of the Government of Sierra Leone represented by the Ministry of Finance; the evaluation units of European Commission (chair) and DFID, the country offices of DFID, AfDB and World Bank and the EU Delegation in Sierra Leone.

The Management Group is responsible for overseeing the evaluation process and the quality of the deliverables. This includes:

⁵ <http://www.oecd.org/countries/tunisia/evaluatingbudgetsupport.htm>

- organisation of the evaluation (including organisation of meetings and Video Conferences);
- drafting and approval of the Terms of Reference;
- follow the tender procedure (invitation, assessment of tenderers, selection);
- assist in facilitating evaluators access to the data needed to carry out the evaluation;
- overseeing the work of the evaluation team including provision of comments on the draft reports and approval of final reports;
- maintaining regular contacts with the evaluation team, including the preparation of consolidated comments to the various reports prepared by the evaluation team;
- communication (on the evaluation) to immediate stakeholders and the wider development community;
- supervise and assist in the implementation of a the dissemination of the final report (including seminar) as set out in the ToR;
- follow up of the evaluation recommendations.

9.2 Division of labour within the MG:

Evaluation Unit of European Commission (EuropeAid) is responsible for the operational management of the evaluation. This includes:

- organisation of Management Group meetings (mostly by videoconference Brussels - Freetown), including writing the minutes of these meetings;
- chairing the meetings of the Management Group and providing comments on the technical offers, inception report, desk report and draft final report;
- drafting the evaluation Terms of Reference;
- official communication (on the evaluation) to immediate stakeholders and the wider development community;
- maintaining regular (technical) contact with the evaluation team, including the preparation of consolidated comments to the various reports prepared by evaluation team;
- sending formal approval of the reports to the Contractor (once the reports are accepted by the MG)
- development and implementation (after approval by the Management Group) of a dissemination strategy.

DFID Country Office/ Evaluation Unit will:

- finance the evaluation and manage the tender procedure (invitation, assessment of tenders, selection and allocation);
- participate actively in the meetings of the Management Group and provide comments on the evaluation terms of reference, technical offers, inception report, desk report and draft final report;
- provide the data and documentation available to Office that is needed to carry out the evaluation (DFID BS financing agreements, relevant studies and reviews, etc.)
- coordinate the follow up of the evaluation recommendations addressed to BS donors.

The Government of Sierra Leone, Ministry of Finance will:

- participate actively in the meetings of the Management Group and provide comments on the evaluation terms of reference, technical offers, inception report, desk report and draft final report;
- help the evaluators to obtain the data needed to carry out the evaluation (e.g. public spending data, relevant sector data, surveys, relevant studies, etc.);
- if necessary, facilitate the access of the evaluators to Government stakeholders (e.g. relevant line ministries)
- coordinate the follow up of the evaluation recommendations addressed to Government.

The other members of the Management Group (EU Delegation, World Bank, AfDB) will:

- participate actively in the meetings of the Management Group and provide comments on the evaluation terms of reference, technical offers, inception report, desk report and draft final report;
- provide the data available to the respective organisation that is needed to carry out the evaluation (their BS financing agreements, relevant studies and reviews, etc.)
- contribute to the follow up of the evaluation recommendations addressed to donors.

Evaluation team

The evaluation team will carry out the evaluation. It is highly recommended that local experts will have an important role in the evaluation. Knowledge of one or more local languages, a thorough knowledge of and extensive experience development processes in Sierra Leone within the team are important for a successful evaluation and therefore important selection criteria.

The evaluation team is responsible for:

- work plan and application of the agreed methodology;
- drafting and finalising the deliverables mentioned under chapter 7.

The Contractor should provide the administrative support needed for the travel of the evaluators in country and for the organisation of the meetings with different actors. If necessary, DFID Sierra Leone and the EU Delegation in Sierra Leone can provide some support to the evaluation team for the organisation of in-country appointments.

The team leader should have:

- at least three references as team leader for multi-disciplinary evaluation teams;
- strong experience of budget support modalities and budget support evaluation techniques;

The evaluation team as a whole must have a thorough knowledge of and experience with:

General qualifications:

- development cooperation in general;
- different evaluation methodologies.

Adequacy for the assignment:

Within the team, thorough knowledge and experience is required with:

- budget support modalities;
- techniques for the evaluation of budget support;
- macroeconomics;
- public finance management;
- good governance
- political sciences;
- the following sectors: health, education, energy and transport;
- application of mixed methods.

Experience from the region:

- socioeconomic developments in Sierra Leone
- development cooperation in Sierra Leone

The offer should clearly state which of the proposed team members cover which of the above qualifications.

The offer should also clearly state the category of each team member and which tasks the proposed team members are supposed to take responsibility for and how their qualifications relate to the tasks (if this is not self-evident from their profile).

All members must have higher relevant academic degree and must have a sound working knowledge (oral and written) in English.

Experts must be strictly neutral. Conflicts of interests must be avoided.

Indicative budget

The indicative maximum budget for this evaluation is £400,000. If bidders consider that the funding is insufficient to deliver the full requirements of the ToR, they should specify in their bids what exactly will be sacrificed and therefore the implications of the final evaluation's credibility and ability to meet the evaluation's purpose.

Selection criteria

The selection of the winning offer will be done on the basis of the following criteria:

Main Criteria and Weights	Sub Criteria	Sub Weights
Quality of Personnel - 25	Quality of Team Leader.	11
	Quality of Project Team (including appropriateness, use and quality of local and international consultants).	8

Main Criteria and Weights	Sub Criteria	Sub Weights
	Quality of management arrangements and structure, (including number and balance of days inputs, staff retention and procedures for handling team changes, relationship management)	6
Approach and methodology - 35	Understanding of ToR and deliverables; clear rationale, understanding of OECD-DAC methodological approach for evaluation of budget support	8
	Proposed approaches to data collection	15
	Proposed methods for analysing quantitative and qualitative data (including existing datasets)	12
Commercial - 40	Competitiveness of fee rates, project reimbursable expenses and overall project cost in relation to the market. Explaining methodology and benchmarking of consultant rates to demonstrate value for money.	30
	Provide a clear methodology for ensuring costs and expenses are managed in line with costs 'as bid' and that the requirement will be delivered on time and within agreed budget.	5
	Provide a clear & effective financial plan with payments linked to clear outputs detailing financial risk/contingency incorporated into costs	5

Proposed planning

The meetings and dates mentioned in the following section may be changed if agreed by the Contractor and Contracting Authority.

Evaluation phases and stages	Notes and reports	Date	Meetings/Communications
Preparation phase			
Procurement and award of contract	Technical and financial offer	June 2014	Formal contract between the consultant and the contracting donor agency
1. Inception phase			

Evaluation phases and stages	Notes and reports	Date	Meetings/Communications
Kick off meeting		June 2014	Meeting with MG in Brussels (VC with Freetown)
Preliminary desk review		June 2014	
Visit of the evaluation team to Sierra Leone. Interviews with key stakeholders		June 2014	Meeting with MG in Freetown.
Drafting of inception report	Inception report	June - July 2014	Meeting with MG in Brussels (VC with Freetown)
2. Desk report phase			
Visit of Core Evaluation Team to partner country. Interviews with stakeholders		September 2014	
Drafting and approval of the desk report	Desk report	September - October 2014	Meeting with MG in Brussels (VC with Freetown)
3. Field phase			
Visit of evaluation team to partner country	Presentation of the results of the field mission	October 2014	Meeting with MG in Freetown (VC with Brussels)
4. Synthesis phase			
Writing and approval of the final report	Draft final report	December-April 2014	Meeting with MG in Brussels (VC with Freetown)
5. Dissemination phase			
Seminar in Freetown	Presentation	May 2015	
Seminar in London/ Brussels	Presentation	June 2015	

Key Performance Indicators

The performance of the evaluation team will be managed through a schedule of Key Performance Indicators (KPIs). The KPIs will be agreed during the inception period and the schedule will form part of the Inception Report. Indicative general KPIs can be found in Annex 3. The final schedule of KPIs agreed in the inception report will be far more specific to this evaluation.

10. DUTY OF CARE (DoC)

The Supplier is responsible for the safety and well-being of their Personnel (as defined in Section 2 of the Framework Agreement) and Third Parties affected by their activities under this Call-down Contract, including appropriate security arrangements. They will also be responsible for the provision of suitable security arrangements for their domestic and business property.

DFID will share available information with the Supplier on security status and developments in-country where appropriate. DFID will provide the following:

- All Supplier Personnel will be offered a security briefing by the British High Commission/DFID on arrival. All such Personnel must register with their respective Embassies / High Commissions to ensure that they are included in emergency procedures.

The Supplier is responsible for ensuring appropriate safety and security briefings for all of their Personnel working under this Call-down Contract and ensuring that their Personnel register and receive briefing as outlined above. Travel advice is also available on the FCO website and the Supplier must ensure they (and their Personnel) are up to date with the latest position.

The Supplier is responsible for ensuring that appropriate arrangements, processes and procedures are in place for their Personnel, taking into account the environment they will be working in and the level of risk involved in delivery of the Contract (such as working in dangerous, fragile and hostile environments etc.). The Supplier must ensure their Personnel receive the required level of training.

Tenderers must develop their Tender on the basis of being fully responsible for Duty of Care in line with the details provided above and the initial risk assessment matrix developed by DFID (see DFID Overall Project/Intervention – Summary Risk Assessment Matrix of this ToR). They must confirm in their Tender that:

- They fully accept responsibility for Security and Duty of Care.
- They understand the potential risks and have the knowledge and experience to develop an effective risk plan.
- They have the capability to manage their Duty of Care responsibilities throughout the life of the contract.

Acceptance of responsibility must be supported with evidence of capability (no more than [2] A4 pages and DFID reserves the right to clarify any aspect of this evidence. In providing evidence Tenderers should consider the following questions:

- a) Have you completed an initial assessment of potential risks that demonstrates your knowledge and understanding, and are you satisfied that you understand the risk management implications (not solely relying on information provided by DFID)?
- b) Have you prepared an outline plan that you consider appropriate to manage these risks at this stage (or will you do so if you are awarded the contract) and are you confident/comfortable that you can implement this effectively?
- c) Have you ensured or will you ensure that your staff are appropriately trained (including specialist training where required) before they are deployed and will you ensure that on-going training is provided where necessary?

- d) Have you an appropriate mechanism in place to monitor risk on a live / on-going basis (or will you put one in place if you are awarded the contract)?
- e) Have you ensured or will you ensure that your staff are provided with and have access to suitable equipment and will you ensure that this is reviewed and provided on an on-going basis?
- f) Have you appropriate systems in place to manage an emergency / incident if one arises?

Further information on Duty of Care is provided in the Supplier Instructions (Volume 1 of the Mini-Competition Invitation to Tender Pack).

Project/intervention title: Evaluation of Budget Support

Location: Sierra Leone

Date of assessment: 19 March 2014

Annex II: Matrix of Responses to Evaluation Questions

EQ I.1	To what extent did the design of Budget Support remain relevant to the evolving political, economic, social & institutional context of Sierra Leone and consistent with the policy priorities of the Government?		
Stage of Evaluation and Level of the Intervention Logic	Step One, Level I: Inputs & Context for Budget Support		
Judgement Criteria	Summary Response & Reference to Volume I	Source of information	Quality of evidence
(i) There was an appreciation of the specific political, economic, social and institutional context of Sierra Leone and the opportunities, challenges and risks it would present for Budget Support.	<ul style="list-style-type: none"> ○ GBS had been initiated prior to the cessation of hostilities and there was thus a good appreciation of the implications of the conflict context. ○ Several governance and political economy studies were commissioned in the early post conflict period to strengthen this understanding; ○ However, there was one significant gap in understandings/ perceptions, relating to the extreme weakness of policy analysis and formulation capacities at sectoral level: the significance of this “strategy gap” was not fully assimilated by the GBS providers. <p>Volume One, Sections 2.2 & 2.3.</p>	Political economy studies, Worldwide Governance Indicators, Global Peace Index, etc. as written up in Desk Report; Budget Support Agreements; Interviews with BS Providers. Interviews with MoFED, MoHS and MEST	<i>Strong</i>
(ii) The design of Budget Support operations was appropriate to the SL context and took adequate account of the risks and obstacles, which it presented.	<ul style="list-style-type: none"> ○ GBS proved to be a highly appropriate modality in the immediate post-conflict period: there is strong evidence that it helped to kick start growth and stabilise the security situation. ○ The design of policy dialogue and TA inputs did not take adequate account of the “strategy gap” at the sector level. ○ Contradictions between the PRS support and governance improving objectives of BS led to tension in dialogue and volatility in disbursements. 	Budget Support Agreements; Data on BS Disbursements; Information on TA provided through BS; Budget Support MoU 2006 & 2010; PAF indicators 2002 – 2015; Interviews with BS providers; Focus Group of Senior GoSL officials.	<i>More than satisfactory</i>

	Volume One, Sections 2.3 & 2.4.		
(iii) The objectives and design of Budget Support were consistent with the goals & policy priorities of Government.	<ul style="list-style-type: none"> ○ BS supported the PRS, utilising the preferred aid modality of the GoSL. ○ The PAF and other disbursement indicators were signed up to by GoSL but were largely externally imposed, with inputs by MoFED but no serious buy-in by sector ministries. ○ The SBS support to the FHCI enjoyed much greater buy-in by MoHS, as well as Presidential support. <p>Volume One, Sections 2.4, 3.2, 7.3 & 7.4.</p>	GBS & SBS Agreements; 2006 & 2010 MoU Poverty Reduction Strategies. PAF and disbursement indicators Balogun & Gebre, 2005; Focus Group of Senior GoSL officials; Interviews with MoHS.	<i>More than satisfactory</i>
(iv) The design of Budget Support adequately incorporated concerns of gender, inequality and poverty.	<ul style="list-style-type: none"> ○ BS supported the PRS strategies, all of which make mention of gender and inequality but are not explicit about the strategies to address them. ○ Very few PAF or other disbursement indicators focus explicitly on poverty or inequality. ○ Education and health targets in PAF are generally gender disaggregated. <p>Volume One, Sections 2.2, 2.3 & 2.4 and 3.2</p>	PAF and disbursement indicators; PRS documentation	<i>More than satisfactory</i>
(v) The design and delivery of BS inputs was consistent with the principles established in the 2006 and 2010 MoU for Multi-Donor Budget Support (MDBS).	<ul style="list-style-type: none"> ○ It was intended that GBS disbursements should be based on joint assessments against the PAF but in practice there were regular additional bi-lateral assessments by AfDB, DFID and WVB: thus GBS did not have as low transaction costs as planned in MoU. ○ Predictability objectives of PAF were only partially achieved. <p>Volume One, Sections 2.4, 3.2, 3.3 & 3.4.</p>	BS Agreements; 2006 & 2010 MoUs; Interviews with MoFED; Interviews with BS providers	<i>More than satisfactory</i>
(vi) The design of Budget Support has maintained its relevance to GoSL policy	<ul style="list-style-type: none"> ○ GBS objectives as expressed in PAF/ disbursement indicators over time focused increasingly on governance issues and less on PRS objectives of GoSL. ○ This was in keeping with changed emphasis of HQ 	Documentation on Policies on Aid & Budget Support (where available) PA documentation	<i>More than satisfactory</i>

priorities throughout the evaluation period, while also responding to changes in the policies of the BS providers.	<p>policies of BS providers but created some contradiction in objectives.</p> <ul style="list-style-type: none"> Support to FHCI through SBS was fully consistent with GoSL policy. <p>Volume One, Sections 2.4, 3.4 & 7.5.</p>	<p>Interviews with BS providers; Focus Group of Senior GoSL officials. Interviews with MoHS.</p>	
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EQ 2.1	To what extent have the financial and non-financial inputs of Budget Support generated new opportunities for the Government of Sierra Leone, in terms of fiscal space, more predictable funding, a strategic problem-solving dialogue and more predictable, aligned and efficient Development Cooperation?		
Stage of Evaluation and Level of the Intervention Logic	Step One, Level 2: Direct Outputs		
Judgement Criteria	Summary Response & Reference to Volume I	Source of information	Quality of evidence
(i) The volume and percentage of aid flows provided through the budget using national procedures has increased.	<ul style="list-style-type: none"> Volume & percentage of aid through the Budget did <u>not</u> increase because BS averaged only 13.6% of ODA and there were no mechanisms within the GBS arrangements to encourage more aid on budget. <p>Volume One, Sections 3.1 & 3.4</p>	Aid Disbursement & Budget expenditure data from MoFED; PEFA 2007, 2010 & 2014: indicators D2 & D3.	<i>Strong</i>
(ii) Annual and Quarterly Budget Support disbursements have been predictable and have had a positive effect on the predictability of aid flows overall.	<ul style="list-style-type: none"> BS disbursements have shown high volatility over the medium term and annual disbursements have varied from 60-160% of planned disbursements. Although annual predictability is poor, it is better than for projects (Volume One, Figure 3.) OPM 2006 reports that in-year predictability was poor in 2002-2006 period. Quarterly BS disbursement data compared with Treasury Plans is not available from MoFED. <p>Volume One, Section 3.1.</p>	MoFED Annual Budget & Disbursement data for BS and Projects. Interviews with MoFED; OPM, 2006; Lawson, 2007.	<i>More than satisfactory</i> (For annual data) <i>Weak</i> (for quarterly data)

<p>(iii) The dialogue structures introduced through Budget Support have been low in transaction costs and had a positive influence on GoSL policy monitoring and development processes at national and sectoral levels.</p>	<ul style="list-style-type: none"> ○ Dialogue structures introduced through BS had relatively high transaction costs because of duplication/fragmentation between joint process and bi-lateral processes for AfDB, DFID & WB. ○ PAF introduced a national target setting and monitoring process, which was previously absent but ownership of PAF by GoSL has been weak. ○ There is evidence of positive impacts on policy/strategy in PFM, Governance and in Health but not in Education. <p>Volume One, Sections 3.2, 5.3, 6.2, 7.5 & 8.2</p>	<p>PAF documentation; Documentation on FHCI & Health SBS. PEFA assessments and WB & IMF FAD reports on PFM. Interviews with MoFED, MEST & MoHS, Interviews with BS providers Interview with UNICEF.</p>	<p><i>Strong</i></p>
<p>(iv) TA inputs provided as part of BS arrangements have been based on a clearly articulated demand from GoSL and have been used for analytical studies and capacity-building exercises with the potential to improve policy implementation at national & sectoral levels.</p>	<ul style="list-style-type: none"> ○ In the PFM & Governance areas the ‘institutionally embedded’ TA responded to GoSL demands and is reported to have had positive capacity-building impact. ○ In PFM, TA linked to reform projects was perceived as more supply-driven and less effective. ○ TA on EITI reported to have been demand-driven and also successful. ○ TA on Health payroll was reported to be demand driven and relatively successful by contrast with Education payroll TA which was supply-driven and ineffective. <p>Volume One, Sections 3.3, 5.3, 6.2, 7.5, 8.4</p>	<p>Sector case studies for PFM, Governance, Health & Education, based upon documentation and interviews; Interviews with MoFED, ASSL, NRA, ACC-SL, MEST & MoHS; Interviews with BS providers; Interviews with TA staff covering PFM. <u>NB:</u> Detailed documentation on TA (i.e ToRs and outputs) not available.</p>	<p><i>Indicative but not conclusive</i></p>
<p>(v) There have been positive tendencies in the alignment and harmonisation of Development Cooperation and reductions in the average transaction costs of aid.</p>	<ul style="list-style-type: none"> ○ Available evidence suggests that harmonisation and alignment has been relatively limited and that transactions costs of aid remain high. ○ There are no indications of positive or negative trends during the evaluation period. <p>Volume One, Sections 3.1 & 3.4.</p>	<p>PEFA assessments for D2 and D3. Interviews with BS providers and other donors; Focus group with Senior GoSL officials.</p>	<p><i>Weak</i></p>
<p>(vi) There are indications of a positive influence of Budget Support on these trends, which</p>	<ul style="list-style-type: none"> ○ Where there are indications of positive influences on fiscal space, policy dialogue and strategic TA, it is clear that these are due to Budget Support rather than 	<p>Sources presented above: this Judgement Criterion draws on evidence collected under the</p>	<p><i>More than Satisfactory</i></p>

has not been generated by other modalities.	other modalities. Volume One, Sections 3.4, 5.3, 6.2, 7.5 & 8.4.	other 5 JC.s	
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EQ 3.1	To what extent has Budget Support contributed to improvements in the quality of macroeconomic management, in the effectiveness of domestic revenue mobilisation and in the strategic allocation of budget resources?		
Stage of Evaluation and Level of the Intervention Logic	Step One, Level 3: Induced Outputs		
Judgement Criteria	Summary Response & Reference to Volume I	Source of information	Quality of evidence
(i) Domestic revenue mobilisation has improved and overall fiscal targets have been increasingly met	<ul style="list-style-type: none"> ○ Domestic revenue mobilisation as % of GDP has been stagnant and has regularly under-shot annual IMF targets; ○ NRA has been strengthened as an agency and TA is reported to have been effective but NRA does not centralise all revenue collection and does not control issue of waivers on import duties. <p>Volume One, Sections 4.1 and 4.4.</p>	Macro data from IMF, BoSL & MOFED	<i>Strong</i>
(ii) Macroeconomic stability has been protected and the business climate improved.	<ul style="list-style-type: none"> ○ The fiscal deficit and overall debt have been kept within prudent limits, despite an increase in the wage bill as a % of GDP. ○ Inflation has been broadly controlled. ○ Modest improvements in the business climate have been recorded. (Figures 17, 18 & 19.) <p>Volume One, Sections 4.3 and 4.4.</p>	Macro data from IMF, BoSL & MOFED WB Doing Business Indicators Interviews with BoSL & IMF; Focus Group with Senior GoSL officials.	<i>Strong</i>
(iii) The composition of public spending by economic category has evolved to reflect greater allocative efficiency.	<ul style="list-style-type: none"> ○ Annual interest payments fell from 5% to 2% GDP during the evaluation period. ○ Capital expenditure, rose from 4.4 per cent of GDP in 2002 to 9 per cent in 2011, moderating subsequently. ○ Domestically financed capital exp. Rose from 1% to 	Budget & spending data from IMF and MoFED.	<i>Strong</i>

	<p>3.1%.</p> <ul style="list-style-type: none"> ○ Salaries as a % of current spending rose from 30% in 2003 to 53 % in 2014, reflecting both expanded staffing in the social sectors and salary increases. <p>Volume One, Section 4.2; Volume Two, Annex VI.</p>		
<p>(iv) The allocation of spending by sector has evolved to better reflect GoSL priorities.</p>	<ul style="list-style-type: none"> ○ Expenditure on the PRS priority sectors multiplied ten times in nominal terms. (Table 5). ○ 6 priority sectors increased relative shares, from 28 % of spending in 2002 to almost 40 % in 2014. (Table 5) <p>Volume One, Section 4.2.</p>	<p>Budget & spending data from IMF and MoFED.</p>	<p><i>Strong</i></p>
<p>(v) There are no signs of significant negative effects (Dutch disease effects, monetary sterilisation problems, perverse incentives on revenue)</p>	<ul style="list-style-type: none"> ○ relative trajectories of revenue growth & budget support flows suggest inverse relationship. (Figure 21.) ○ there is evidence of revenue measures being delayed; ○ but inverse relationship may simply reflect deliberate use of GBS in counter-cyclical manner. ○ No firm conclusion therefore. ○ No evidence of Dutch disease or monetary sterilisation problems. <p>Volume One, Section 4.4; Volume Two, Annex VIII</p>	<p>Fiscal data from IMF & MoFED Analysis of Exchange rate & monetary data Interviews with BoSL & IMF; MoFED Focus Group; Poate (2008)</p>	<p><i>Indicative but not conclusive</i></p>
<p>(vi) Contribution Analysis gives indications of positive BS effects from funds, dialogue (including PAF indicators) and/or technical assistance.</p>	<ul style="list-style-type: none"> ○ BS Funds had positive stabilisation effect in post war period and in 2014. ○ Indications are that GBS/ SBS flows facilitated increased spending in Education, Roads & Health (Figure 25) ○ TA support to NRA was important in improving efficiency of tax collection ○ Evidence suggests BS dialogue had limited impact on macro or fiscal policy, which were driven by domestic factors and by IMF influence. <p>Volume One, Section 4.4.</p>	<p>Documentation on Policy (Legislation, Policy documents, Budget Speeches, etc.); Analysis of GBS sectoral contributions based on methodology in Vol One, Box 5. Analysis of Annual Reviews & PAF indicators; Interviews with key informants; Focus Group with MoFED</p>	<p><i>More than Satisfactory</i></p>

EQ 3.2	To what extent has Budget Support contributed to improvements in the quality of Public Finance Management (PFM)?		
Stage of Evaluation and Level of the Intervention Logic	Step One, Level 3: Induced Outputs		
Judgement Criteria	Summary Response & Reference to Volume I	Source of information	Quality of evidence
<p>(i) The GoSL has demonstrated a consistent commitment to PFM reform and has implemented relevant reforms efficiently.</p>	<ul style="list-style-type: none"> ○ From 2004 onwards, comprehensive PFM reform programmes at central government level have been introduced and regularly updated ○ PFM reforms regularly mentioned in major political statements, e.g. Budget Speeches and President's annual addresses to Parliament. ○ But Auditor General has questioned commitment of political leadership to the PFM reform process, especially since 2010 onward ○ PFM reforms have attracted little interest from Ministers and senior officials outside MoFED. <p>Volume One, Sections 5.1 & 5.3.</p>	<p>Interviews with MoFED, ASSL, NRA; Interviews with DPs Interviews with TA on PFM. OAG's reports; Progress reports for PFM strategy</p>	<p><i>Indicative but not conclusive</i></p>
<p>(ii) There have been improvements in the quality of PFM systems as shown by PEFA and other independent assessments.</p>	<ul style="list-style-type: none"> ○ Quality of PFM has improved since 2002 ○ Sierra Leone has been successful in re-establishing functional PFM and accountability institutions. ○ But early gains recorded up to 2010 have proven difficult to consolidate ○ Evidence from more than one source of a decline in the performance of PFM systems since 2010. <p>Volume One, Sections 5.2 & 5.3</p>	<p>PEFA assessments, 2007, 2010, 2014 Interviews with DPs Interviews with TA on PFM. OAG's reports; Progress reports for PFM strategy</p>	<p><i>Strong</i></p>
<p>(iii) The coherence, pace & consistency of PFM reform has assisted in the achievement of successful reform outcomes.</p>	<ul style="list-style-type: none"> ○ Prioritisation of reforms has been a challenge ○ Weak planning framework, limited coordination, & capacity weaknesses have been obstacles to reform sequencing and prioritization ○ IPFMRP Review of 2013 underscored the overstretched focus of the reform interventions. <p>Volume One, Section 5.1</p>	<p>Analysis of PFM Reform documents and progress reports; DFID IPFMRP review (2013) Interviews with key resource persons.</p>	<p><i>More than Satisfactory</i></p>

<p>(iv) Contribution Analysis gives indications of positive BS effects from funds, dialogue (including PAF indicators) and/or technical assistance.</p>	<ul style="list-style-type: none"> ○ More progress with PFM reform than in the absence of the Budget Support policy dialogue but overall influence of dialogue has been modest; ○ PAF indicators lacked materiality and lacked focus. ○ TA was influential especially in early years, and especially the institutionally embedded TA in NRA and ASSL. <p>Volume One, Section 5.3.</p>	<p>Documentation on PFM Reform Policy (Legislation, Policy documents, Budget Speeches, Ministerial speeches); Analysis of Annual Reviews & PAF indicators; Interviews with key informants; Focus Group with MoFED</p>	<p><i>More than Satisfactory</i></p>
<p>EQ 3.3</p>	<p>To what extent has Budget Support contributed to changes in sector policies and in public expenditure allocations and with what consequences for the composition of outputs?</p>		
<p>Stage of Evaluation and Level of the Intervention Logic</p>	<p>Step One, Level 3: Induced Outputs</p>		
<p>Evaluation criteria</p>	<p>Effectiveness, Sustainability</p>		
<p>Judgement Criteria</p>	<p>Summary Response & Reference to Volume I</p>	<p>Source of information</p>	<p>Quality of evidence</p>
<p>(i) Sectoral policies in Education & Health have evolved to become clearer and more comprehensible, to better reflect GoSL policy priorities and to respond to the lessons of experience from past policy implementation.</p>	<ul style="list-style-type: none"> ○ Education policy lacks a coherent response to the problem of unapproved schools/ teachers ○ Medium term financing framework for education is poorly developed. ○ Free Health Care Initiative (FHCI) prompted a re-casting of medium term financing framework and attention to pay and payroll issues <p>Volume One, Sections 7.1 & 8.1. Volume Two, Annex X.</p>	<p>Education & Health sector case studies. Strategy documents on health & education OPM 2014 on FHCI Interviews with MoHS, MEST Interviews with DPs</p>	<p><i>Strong</i></p>
<p>(ii) The composition of spending in the sectors has evolved in ways likely to improve the efficiency and effectiveness of implementation and to better reflect national and sectoral</p>	<ul style="list-style-type: none"> ○ Spending in both sectors has increased markedly; in Health especially since FHCI. ○ Strikes prior to FHCI prompted major salary increases but due to availability of DFID & Global Fund SBS, these proved sustainable ○ It was not possible to access data on spending by programme or by region. 	<p>MoFED (AGD) data on GoSL Health & education spending; MoFED (DACO) data on donor spending</p>	<p><i>Weak</i></p>

<p>priorities.</p>	<p>Volume One, Sections 7.2 & 8.1</p>		
<p>(iii) Public spending outputs produced in Education & Health reflect policy priorities & efficient practices.</p>	<ul style="list-style-type: none"> ○ Utilisation of health services has increased markedly 2008 – 2013; ○ Primary, JSS & SSS enrolments and exam passes have increased markedly. ○ Detailed data on physical outputs (schools, books, aid posts, medicines, etc) and on staff numbers not available. <p>Volume One, Sections 7.4 & 8.3; Volume Two, Annex X.</p>	<p>DHS 2008 & 2103; EMIS; WAEC exams data.</p>	<p><i>Indicative but not conclusive</i></p>
<p>(iv) Contribution Analysis gives indications of positive BS effects from funds, dialogue (including PAF indicators) and/or technical assistance.</p>	<ul style="list-style-type: none"> ○ Budget Support funds contributed significantly to growth of education spending and post FHCI (2010) to Health spending. ○ SBS support to health ensured timing of FHCI was not delayed. ○ SBS dialogue and TA assisted in addressing health payroll issues. ○ Education dialogue through MDDBS not effective due to lack of buy-in from MEST. ○ TA to teachers’ payroll largely unsuccessful. <p>Volume One, Sections 7.5 & 8.4; Volume Two Annex X.</p>	<p>Sector Policy Documents Evaluation team analysis of spending patterns in evaluation period; Analysis of Annual Reviews & PAF indicators; Interviews with key informants; Focus Group discussions</p>	<p><i>Indicative but not conclusive</i></p>

EQ 3.4	To what extent has Budget Support contributed to improvements in the quality of governance and accountability, particularly with regard to the roles of Parliament, Civil Society, the Office of the Auditor General and the Anti-Corruption Commission (ACC-SL) as “watch-dogs” of the Executive?		
Stage of Evaluation and Level of the Intervention Logic	Step One, Level 3: Induced Outputs		
Judgement Criteria	Summary Response & Reference to Volume I	Source of information	Quality of evidence
(i) The quality of Parliamentary scrutiny of national budgets, accounts and audit reports has improved.	<ul style="list-style-type: none"> ○ Lack of respect for the rules pertaining to within year amendments to the Budget has been a persistent weakness in the process of Legislative scrutiny ○ PEFA indicators show modest improvement in PAC scrutiny of Audit report ○ Relaxing of SO-75 since 2007 increased access to OAG’s report ○ PAC hearings on OAG’s Report are now broadcast publicly ○ PAC follow-up on Auditor General’s recommendations is still a challenge <p>Volume One, Section 6.1</p>	PEFA reports 2007, 2010 & 2014; PAF Annual assessment reports; Interviews with Parliamentary Committees Interviews with Auditor General, DPs supporting governance improvements & MoFED staff; Focus Group with CSOs.	<i>Strong</i>
(ii) The quality of media and CSO scrutiny of budgets, accounts and audit reports has improved.	<ul style="list-style-type: none"> ○ Increased media and CSO interest in transparency and accountability issues compared to 2002, partly due to social media, partly to cultural change ○ The GBAA 2005 made provisions for CSO’s participation in the budgetary process ○ Timely availability to public of OAG’s reports since 2007 has assisted budget advocacy work. <p>Volume One, Section 6.1</p>	Analysis of recent media articles on public finance issues; Interviews with Parliamentary Committees Interviews with Auditor General, DPs supporting governance improvements & MoFED staff; Focus Group with CSOs.	<i>More than satisfactory</i>
(iii) Scope, coverage and quality of audits by Office of the Auditor General (OAG) has improved.	<ul style="list-style-type: none"> ○ Improvement in coverage and quality of external audit, as noted in PEFA ○ Revised 2014 Act provide powers to compel Vote Controllers to give timely responses to queries. 	PEFA reports 2007, 2010 & 2014; Interviews with Auditor General, DPs supporting governance improvements & MoFED staff;	<i>Strong</i>

	<ul style="list-style-type: none"> ○ Follow- up on Audit recommendations still a challenge <p>Volume One, Section 6.1</p>	<p>Focus Group with CSOs.</p>	
<p>(iv) The Anti-Corruption Commission (ACC-SL) has become more efficient & effective in investigating, prosecuting and convicting corruption cases.;</p>	<ul style="list-style-type: none"> ○ ACC has wide national coverage of operations with district and regional offices ○ Strengthened prosecutorial powers through revised ACC Act 2008 ○ National strategy emphasizing the establishment of integrity committees/ clubs in MDAs ,educational institutions ○ Conviction of high profile cases remains a challenge <p>Volume One, Section 6.1</p>	<p>ACC-SL Reports; Interviews with ACC-SL; DPs supporting governance improvementsf; Focus Group with CSOs.</p>	<p><i>Strong</i></p>
<p>(v) Contribution Analysis gives indications of positive BS effects from funds, dialogue (including PAF indicators) and/or technical assistance.</p>	<ul style="list-style-type: none"> ○ Audit service benefits from positive TA impact on systems strengthening. ○ TA support & dialogue important in establishment & development of ACC ○ Policy dialogue and the related conditionality are the Budget Support inputs that have had the greatest influence on governance outcomes, especially through change of ruling on SO 75 and reform of ACC Act. <p>Volume One, Section 6.2</p>	<p>Expenditure trends for OAG & ACC-SL PAF Annual Reports; Interviews with Auditor General, ACC-SL, DPs supporting governance improvements & MoFED staff; Focus Group with CSOs.</p>	<p><i>More than satisfactory</i></p>

EQ 4.1	How have the key outcome indicators evolved in the Education sector in aggregate, by gender and by district? What factors have been the main determinants of the changes identified?		
Stage of Evaluation and Level of the Intervention Logic	Step Two, Level 4: Outcomes		
Judgement Criteria	Summary Response & Reference to Volume I	Source of information	Quality of evidence
<p>(i) The outcome targets specified in the Education Sector Plan 2007 – 2015 and in related policy statements have been achieved.</p>	<ul style="list-style-type: none"> ○ 2002-2014 primary education enrolment increased by about 33% from 1 m. in 2002 to 1.3 m. in 2012. ○ Capacity at secondary education grew fastest and enrolment more than doubled from 162,000 in 2002 to 417,000 in 2012 ○ Pupils who sat for their National Primary School Examination (NPSE) at end of the primary cycle increased from 35,424 (2002) to 103,927 in 2008 (+193%), stabilising thereafter. Share of girls participating increased continuously from 38% in 2002 to reach full gender equality in 2014. ○ Those sitting BECE and WASSCE exams (JSS and SSS) have also increased markedly. <p>Volume One, Section 8.3.</p>	Education Sector Case Study; EMIS; WAEC exam results DHS 2008 and 2013.	Strong
<p>(ii) The principal factors determining these outcomes can be identified through quantitative econometric analysis, and confirmed through qualitative research, and the relationship of sector outcomes to public policy actions can thus be determined, including public actions ‘induced’ by Budget Support.</p>	<ul style="list-style-type: none"> ○ Creation of new public schools has been important in expansion of Primary enrolment. (i.e. more schools = right approach) ○ JSS and SSS enrolment are influenced by the school size: bigger schools are more capable of capturing more students. (i.e. classroom construction in existing schools is a better investment than new schools) ○ Examination results are heavily influenced by the teacher to pupil ratio in all specifications, i.e. expansion of teacher number has been important. ○ Library, computer & laboratory facilities help to 	Econometric Analysis of Education Outcomes & Determinants; District level Field work; Interviews with MEST.	Strong

	improve the exam performance, especially BECE. Volume One, Section 8.3		
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EQ 5.1	How has the economy performed in terms of investment and growth and what have been the effects on income poverty, income distribution, Peace and Security? What factors have been the main determinants of such changes?		
Stage of Evaluation and Level of the Intervention Logic	Step Two, Level 5: Impacts		
Judgement Criteria	Summary Response & Reference to Volume I	Source of information	Quality of evidence
(i) Analysis of GDP growth patterns by factors of production, by economic sector and in comparison with neighbouring countries to determine key drivers of growth achieved.	<ul style="list-style-type: none"> ○ Growth has been sustained since 2002, averaging an impressive 10% per year. ○ Growth has been driven by expansion in mining, services and agriculture. Volume One, Section 9.1	SSL data on GDP.	<i>More than satisfactory</i>
(ii) Analysis of trends in poverty, in income inequality and, if possible, gender inequality by categories of households, and for urban and rural areas to determine patterns over time and potential drivers and/or obstacles to change.	<ul style="list-style-type: none"> ○ The poverty headcount has declined from 66.4 per cent in 2003 to 52.9 per cent in 2011. ○ East and North regions recorded important reductions in the poverty rate. South region has also shown a smaller reduction in the poverty rate. West region experienced an increase in poverty. ○ The growth in Sierra Leone from 2003 to 2011 has been pro-poor and national inequality has also fallen. Volume One, Section 9.2 & 9.3	Econometric analysis of Growth, Poverty, and Inequality, based on SLIHS 2003 and 2011.	<i>Strong</i>
(iii) Analysis of trends in Peace & Security and their potential relationship to GDP growth, to poverty reduction and to specific public policy and public expenditure choices.	<ul style="list-style-type: none"> ○ Reports suggest that fast growth in the post-war period was crucial in avoiding a return to conflict and in helping to stabilize the security situation. ○ CSO focus group reported steady improvements in perceptions of peace and security. Volume One, Sections 2.3 & 2.4.	Results of CSO Focus Group discussions; Thomson 2007, Lawson 2007, Collier 2004, Poate 2008.	<i>Indicative but not conclusive</i>

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Annex IV: List of Persons Met

Name	Position	Directorate/Team	Ministry/ Donor
Monday 20 July			
Mr. Nick Roberts	Team Leader	Policy Performance Monitoring and Budget Support Implementation	Particip: EU-funded
Mr Gibril Saccoh	Team member	Policy Performance Monitoring and Budget Support Implementation	Particip: EU-funded
Tuesday 21 July			
Mr. John K. Ansumana	Deputy Director EMIS	Directorate of Policy and Planning	MEST
Mr. Prince E. O. Cole	Permanent Secretary		MEST
Mr Gnel Sedrakyan	Economist	EU PFM team, dealing with budget reforms	EU-funded
Mr. Kennedy Musonda	Accountant	EU PFM team, dealing with budget reforms	EU-funded
Wednesday 22 July			
Mr. Stephan van Praet	Governance advisor		EU delegation
Ms. Linda Williams		Economic Trade & Regional Cooperation Section	EU delegation
Thursday 23 July			
Mr. Mohamed Sillah Sesay	Director	Inspectorate Directorate	MEST
Ms. Keightley Reynolds	ODI-fellow		MoF
Ms. Adama Momoh	Director	Planning & Policy	MEST
Friday 24 July			
Mr Yayah Conteh		Principal Health Partners Coordination Office	MoHS
Ms. Wongani Grace Taulo	Chief of Education		UNICEF
Ms. Katharina Wuppinger	Education Officer		UNICEF
Mr. Alusine Kargbo	Director	Financial Resources	MoHS (previous MEST)
Mr. Kandeh Foday Basil Kamara	Senior Accountant		MoHS
Mr. Bassie S.R. Turay	Chairman Pharmacy Board		NPPU
Mr. David W.S. Banya	Permanent Secretary		MoHS
Ms. Noemi Schramm	Health Economist / ODI Fellow	Health Financing Unit	MoHS
Mr. Brima Kargbo	Chief Medical Officer		MoHS
Mr. Samuel A. Sheku (SAS) Kargbo	Director	Health systems, policy, planning & information	MoHS
Mr. Abu Bakarr Conteh	Head of Payroll Unit	Accountant General Department	
Madam Haja I. Khallah-Kamara	Commissioner General	National Revenue Authority	
Mr. Alfred Coker	Head of Monitoring and Evaluation	National Public Procurement Authority (NPPA)	
Mr. Brima Frank Bameh		NPPA	
Mr. Salim Jusu		Debt Management Unit	
Mr. Joseph Turay		Debt Management Unit	
Mr. Charles Conteh		Debt Management Unit	
Monday 27 July			
Mr. John Amara Swaray	Deputy Director of Education, Bo	Bo District Education Office	MEST

Name	Position	Directorate/Team	Ministry/ Donor
Mr. Harold Jacker	Mayor	Bo City Council	
Mr. Mohamed W. Jolloh	Deputy Mayor	Bo City Council	
Mr. Joseph P. Foday	Member of Education Committee, Councillor	Bo City Council	
Ms. Chaterine J. Kamara	Member of Education Committee, Councillor	Bo City Council	
Mr. Sylvester Amana	Resident Technical Facilitator	Bo City Council	
Mr. Edward Alpha	Development Planning Officer	Bo City Council	
Mr. Alpha B. Bah	Chairman Education Committee, Councillor	Bo City Council	
Mr. Joseph M. Bindi	Chairman	Bo District Council	
Mr. Kemoh A. Sattie	Finance Officer	Bo District Council	
Ms. Vivian Senesie	Chief Administrator	Bo District Council	
Mr. Ibrahim Bah	Monitoring Officer	Bo District Council	
Mr. Mohammed Amara	Engineer	Bo District Council	
Ms. Margaret Kaitibi	Resident Technical Facilitator	Bo District Council	
Ms. Julia T. Amara	Development Planning Officer	Bo District Council	
Mr. Joseph S. Bangura	District Agricultural Officer	Bo District Council	
Mr. Mohammed A. Kabba	Information Officer	Bo District Council	
Mr. Bilu Koroma	Principal	Kakua Government School (JSS), Bo	
Mr. Josie Musa (Rev)	Acting Principal	Kakua Government School (JSS), Bo	
Mr. James Wonneh	Deputy Head Teacher	St. Francis Primary School Upper Section, Bo	
Mr. Henry Soya-Bangalie	Acting Principal	Methodist High School (JSS), Bo	
Mr. Andrew S. Kanyako	Head Teacher	BDEC School Ngeiya Road, Bo (Primary)	
Mr. Paul John Sandy	SMC Chairman	BDEC School Ngeiya Road, Bo (Primary)	
Mr. Mathew Sandy	Economist	IMF	
Mohamed Mansaray	Director	Research Department	BoSL
Eugene E.T. Caulker	Assistant Director/Head	Monetary Policy & Financial Stability Division Research Department	BoSL
Tuesday 28 July			
Mr. Claudius Wilson	Deputy Director of Education, Kenema	Kenema District Education Office	
Mr. Aloysius D. Moiwo	Supervisor of Schools	Kenema District Education Office	
Mr. James M.B. Sumdilo	Supervisor of Schools	Kenema District Education Office	
Ms. Grace Lamin	Assistant Director	Kenema District Education Office	
Mr. S. S. Murray Turay	Head Teacher PM	Municipal Primary School, Kenema	
Mr. J.S. Wilson-Koroma	SMC Chairman	Municipal Primary School, Kenema	
Mr. Mohamed M.L. Vandy	CTA Chairman	Municipal Primary School, Kenema	
Mr. Sao Bockarie	Principal JSS	Municipal Primary and Junior Secondary School, Burma-Kenema	
Chief Jumu J. B. Brima	Chairman Finance Committee	Municipal Primary and Junior Secondary School, Burma-Kenema	
Mr. M.B. Lukulay	Head Teacher	Ahmediyya Muslim Primary School, Kenema	

Name	Position	Directorate/Team	Ministry/ Donor
Mr. M.M. Moiwo	Head Teacher	Ahmadiyya Muslim Primary School, Kenema	
Ms. Betty N. Mustapha	Deputy Head Teacher	Ahmadiyya Muslim Primary School, Kenema	
Mr. Edward Jusu	Chairman SMC	Ahmadiyya Muslim Primary School, Kenema	
Mr. Simeon H. Ngawojia	Vice Chairman of District Council	Kenema District Council	
Mr. Philip Sama	Chief Administrator	Kenema District Council	
Mr. Marco K. Bockarie	Chairman Education Committee	Kenema District Council	
Mrs. Lara Taylor-Pearce	Auditor General		
Abdul Aziz	Deputy Auditor General		
Adama Renner	Deputy Auditor General		
Vidal D. Paul-Coker	Deputy Auditor General		
Joseph Fitzgerald Kamara	Commissioner	Anti-Corruption Commission	
Wednesday 29 July			
Mr. Alhaji Sani Turay	Chief Medical Officer	Bo District Health Office	
Hon. Ibrahim S. Sesay	Clerk of Parliament		
Thursday 30 July			
Mr. Delips Ajieu	Consultant	Options Consultancy	
Mr. Augustin Kabano	Health Expert	UNICEF	
Ms. Nuzhat Rafique	Chief Health Officer	UNICEF	
Mr. Mohamed Sillah Sesay	Director	Inspectorate	MEST
Mr. Amidu Kalokoh		CEDSA	
Mr. Abdul M. Kamara		CEDSA	
Mr. Abu Bakay Kamara		BAN	
Ms. Marcella Samba-Sesay		Campaign for Good Governance	
Mr. David J. Allieu		Health for All Coalition	
Mr. Hassan J. Kamara		Child Welfare Society	
Mr. Samuel Jamiru Braima	Head of Economics Department	FBC	
Friday 31 July			
Ms. Sally Taylor	Head of Office		DFID Sierra Leone
Ms. Sarah Somoudi	Economic Advisor		DFID Sierra Leone
Ms. Adama Momoh	Director	Planning & Policy	MEST
Mr. Adams Kargbo	Director	Local Government Finance Department	MoFED
Friday 7 August			
Mr. Edward Davies	Education Advisor	DfID	
No date			
Mr. Adams Tommy		Local Government Finance Department	MoFED
Mr. Mohamed Deen Sankoh		Local Government Finance Department	MoFED
Mohamed K. Koroma	Statistician General		
Edmund Koroma	Financial Secretary		MoFED
Kebbe A. Kouroma	Accountant General	Accountant General's Department	MoFED
Simaila N. K. Lansana	Ag. Deputy Director of		MoFED

Name	Position	Directorate/Team	Ministry/ Donor
	Internal Audit		
Abie Elizabeth Kamara	Deputy Director	Development Assistance Coordination Office	MoFED
Mr. Edward Eustace	Team Leader	DfID Support to Audit Service Sierra Leone	
Amos G. Lansana	Liaison Officer	Public Financial Management Improvement & Consolidation Project (PFMICP)	
Demise A. O. Mason	Financial Management Specialist	Public Financial Management Improvement & Consolidation Project (PFMICP)	

Annex V: The Context for Budget Support in Sierra Leone, 2002-2014

1. Sierra Leone graduated from a fratricidal civil conflict in January 2002. Since then, three free, fair and transparent elections have been conducted (2002, 2007 and 2012). The 2002 elections were won by the ruling Sierra Leone Peoples Party (SLPP) under the second term leadership of Alhaji Ahmad Tejan Kabbah. The 2007 elections were won by the opposition All Peoples Congress (APC) and there was a peaceful transfer of power from the SLPP to the APC Presidential candidate, Ernest Bai Koroma. The APC again won the 2012 elections. These two political parties, (APC and SLPP) have since independence, dominated the political scene in the country.



2. In close working partnership with Development Partners, Presidents Ahmad Tejan Kabbah (2002- 2007) and Ernest Bai Koroma (2007 - 2012 and 2012 to date) have overseen Sierra Leone's transition from recovery to development. They were confronted with the challenging tasks of re-establishing state authority, reactivating a ruined economy and putting together a traumatized population. Both leaders prepared Poverty Reduction Strategy Papers (PRSPs) and implemented a number of legal, institutional and economic reforms. Tejan Kabbah prepared the first PRSP (2005 -2007). Ernest Bai Koroma developed and implemented two PRSPs- Agenda for Change (2008- 2012) and the Agenda for Prosperity (2013- 2017).
3. This annex of Volume 2 seeks to examine the evolving political, legal, institutional and economic context of the post-war political regimes of Presidents Alhaji Ahmad Tejan Kabbah and Ernest Bai Koroma. It provides a brief historical and political economy background and identifies the key features of the context for Budget Support.

Geography and history of Sierra Leone

4. Sierra Leone is a small West African country with a total landmass of 73,325 sq.km and an estimated population of 5.6 million people. It is endowed with abundant arable land, favourable climate and a youthful labour force, as well as rich mineral resources - including diamonds, gold, rutile, iron ore and bauxite. It also has some of the richest fishing grounds in West Africa. In 2009, Anadarko Petroleum Corporation reported the discovery of commercially viable offshore oil on the Sierra Leone- Liberia Basin. Furthermore, in 2010 the company reported a deep-water discovery at the Mercury exploitation well.⁶ Agriculture and mining are the key economic development sectors. Agriculture accounts for about half (GDP)⁷.
5. Sierra Leone also had a good head start in many crucial areas in West Africa. Its capital, Freetown - founded in 1787 as a haven for freed slaves, was the one time headquarters of British West Africa, then made up of the Gambia, Ghana, Nigeria

⁶ Richard Fanthorpe and Christopher Gabelle, 2013, Political Economy of Extractives Governance in Sierra Leone, July 2013 Report, p.8

⁷ Further details of the macroeconomic context are presented in Chapter 4, while a detailed analysis of growth and poverty reduction during the evaluation period is included in Chapter 9.

and Sierra Leone. The country gained its independence from Great Britain on the 27th April 1961 and subsequently declared a Republican State on the 19th April 1971.

6. Sierra Leone's political system has over the years transitioned from a colonially- inherited political order to a post-independent authoritarian centralized single party, thence to military regimes and finally to a multiparty system. Cooper (2002) coins the term "gate-keeper state" to refer to the institutions the Europeans created and handed over to post-colonial African states, including Sierra Leone.⁸ The British colonial administration built governing centres on the coast and constructed infrastructure and institutions only to the extent that these institutions were needed to extract valuable resources, including mining and agricultural, or to provide order in order to ensure colonial economic exploitation.
7. **A more politically adverse legacy was created by the fact that, instead of building a unified state, the colonial administration created a divisive and acrimonious state by forming two nations in the same land:** the colony (Freetown and surrounding coastal areas) and the protectorate (hinterland) developed separately and unequally. English Common Law was adopted for the colony, while operating a combination of more rudimentary legal doctrines and a three-tier court system for the hinterland. The colonial administration therefore sowed the seeds of distrust, competition and intransigence.⁹
8. **The immediate post-independence era (1961-1964) was one of relative promise for rapid development characterized by political pluralism and economic stability.** The political parties that existed at the time, though tribally and regionally aligned, approached the public on the basis of political ideology and contested free and fair elections. The country's multiparty system set a record in 1967 in post-colonial Africa as the first country on the continent to change a government through the ballot box¹⁰. Annual growth rates in the 1960s and 1970s averaged 4% and 3-5 % respectively.¹¹
9. **Authoritarian single party and military rule (1978-1992, 1992-1996 and 1997-1998) represents a distinct watershed in the political economy of the country.** The one party system gave the ruling party complete monopoly in the exercise of political power and entrusted unfettered powers to the president regarding appointment and retirement of public officials. The distribution of power was mainly based on loyalty to the party. This state of affairs resonates very well with the political strategy of patrimonialism.
10. **The politics of centralized administration also witnessed urban-biased policies with the dominance of Freetown over the rest of the country** where the majority of the people (70% or more) were living. This was practically demonstrated in 1972 with the dissolution of district councils. This particular political action adversely affected grassroots political participation in the country. The management committees that replaced the town and municipal councils were controlled by Members of Parliament that interfered in their operations. In the absence of effective political competition and a system of democratic checks on the exercise of authority, there was mismanagement of resources and unbridled corruption.

⁸ See also James A. Robinson, 2008, Governance and Political Economy Constraints to World Bank Country Assistance Strategy (CAS) Principles in Sierra Leone , p. 11

⁹ Gbla, Osman, 2011, Sierra Leone at 50: A review of the Governance Experience.

¹⁰ Hayward, Fred ,M, 1987, Elections in Independent Black Africa ,p.29

¹¹ Sierra Leone Poverty Reduction Strategy Paper (PRSP) : A National Programme for Food Security, Job Creation and Good Governance(2005-2007)

11. **This background precipitated the gradual economic decline of the country** characterized by a dwindling GDP and onerous inflation of about 170% in 1987.¹² The situation worsened with the government's decision to implement the World Bank Structural Adjustment Programme (SAP) with financial support from international financial institutions. Although the professed objective of the adjustment programme was to realize substantial private sector-led growth and poverty alleviation, its measures and prescriptions adversely affected the poor in Sierra Leone. The reduction of the country's civil service by 50% and removal of subsidies on essential commodities like rice and petroleum led to suffering for the majority of Sierra Leoneans. By the time war broke out in 1991, there were inadequate social services - water supplies, electricity, transport, health and educational facilities. The UNDP Human Development Report of 1990 ranked the country 126 out of 130, with a development index (HDI) of 0.150.
12. **This undesirable socio-political and economic context sets the stage for the outbreak of a rebel war in March 1991.** The Report of the Sierra Leone Truth and Reconciliation Commission (TRC): "Witness to Truth", was blunt in pointing out that the war in Sierra Leone was largely the result of failure in governance and institutional processes. The eleven year war (1991-2002) was accompanied by a breakdown of civil and political authority, dislocation of the economy and the destruction of government facilities. It disrupted agricultural activities countrywide resulting in the displacement of an estimated 500,000 farm families, loss of essential farm inputs and destruction of rural infrastructure. It pushed the economy to the brink of total collapse. The war also adversely affected government institutions as well as the legitimacy of the state to govern the people. Government authority in former rebel-held districts of Kailahun, Kono and Bombali was replaced with rebel authority.

The Political Economy of the Post-war Period (2002 to date)

13. Alhaji Ahmad Tejan Kabbah assumed power in 1996 as the first President of the newly reintroduced multiparty politics in the country after long years of authoritarian single party and military rule. He won a second term election in 2002 and subsequently became the pioneer of the country's post-war recovery for five years.
14. **The Tejan Kabbah government oversaw the conclusion of the war and, after the end of the war in 2002, set out specific goals in pursuit of sustained peace and development.** His government prepared firstly, an Interim Poverty Reduction Strategy Paper (IPRSP) (2001-2005), and then a Poverty Reduction Strategy Paper (PRSP) (2005-2007). The IPRSP was focused on addressing the immediate challenges of the transition from war to peace. The PRSP (2005-2007) reflected a move away from immediate post-conflict concerns with four main pillars: good governance, peace and security; food security and job creation, and growth and human development.
15. The Tejan Kabbah government developed the Disarmament, Demobilization and Reintegration Programme (DDR) and established the National Commission for Disarmament, Demobilization and Reintegration (NCDDR). The DDR programme was successfully completed in February 2002. A total of 72,490 combatants were disarmed and 71,043 demobilized including 6,845 child soldiers. By end of February, 55,122 ex-combatants had received support for their reintegration into active community life. The successful completion of the DDR was not only important for ensuring peace and security but for also for providing the conducive environment for the conduct of free, fair and transparent elections in May 2002.

¹² Rugumamu, Severine and Gbla, Osman, 2003, Sierra Leone : Studies in Reconstruction and Capacity Building in Post Conflict Countries , p.20

16. **President Tejan Kabbah enacted the Anti-Corruption Act (ACC) 2000 and in 2002, he established the Anti-Corruption Commission (ACC).** The expressed mandate of the commission was the strengthening of effective oversight of the conduct of public officials and the use of public resources. The ACC was established to investigate corruption and also to engage in public education campaigns with the aim of curbing corruption. Government appointed a full-time Judge and Prosecutor to develop a Comprehensive National Anti- Corruption Strategy (NACS), published in February 2005.¹³
17. **Though initially viewed as a positive step, the ACC Act 2000 did not give independent, prosecutorial powers to the Commission.** Approval of the Attorney General and Minister of Justice was required before the prosecution of any corruption case by the commission. Additionally, there was a perception by civil society, by international agencies and in public surveys by Transparency International (2004 & 2005) of a slow and weak stance on corruption by the Kabbah regime. A CODESRIA research report on corruption articulated this point: *'the capacity to punish and enforce Sierra Leone's corruption laws is abysmally poor. Like his predecessor, the SLPP administration under Tejan Kabbah has selectively enforced the law against corruption, and in most instances, as in the case of his former minister of agriculture, guilty culprits are slapped on the wrist and are ordered to refund any diverted money'*.¹⁴
18. **By enacting the Local Government Act of 2004, President Tejan Kabbah reintroduced the local governments that were abolished in 1972.** This was widely perceived as a landmark decision and in May 2004, nationwide elections of councillors for district, town and city councils throughout the country were completed. All registered political parties and independent groups or persons were free to field candidates.
19. The 2004 local election results were declared to have been fair overall by the election monitors but there was evidence of electoral irregularities¹⁵, and the perceived failure of the Kabbah administration to effectively deal with these led to the withholding GBP 3 million of Budget Support due from DFID in 2005 under its "performance tranche". There were further suspensions of Budget Support in the lead-up to the 2007 national elections, due to the refusal of the Parliament to make available to the public the annual reports of the Auditor General, prior to their review by the Public Accounts Committee.
20. **Ernest Bai Koroma of the APC assumed power in September 2007 after winning 54.6% of the votes in the Presidential run-off elections.** The elections were important not just for consolidating peace but also for nurturing and sustaining a fledgling democracy. They were particularly noted for having a high voter turn-out of 91% or 2.6 million registered voters. Unlike the 1996 and 2002 elections that were conducted under the Proportional Representation (PR) and District Block Representation (DBR) electoral systems respectively, the 2007 elections were conducted under the Constituency electoral system, provided for in the country's Constitution Act No.6 of 1991. The ECOWAS Observer Mission described the voting process as satisfactorily free, peaceful and credible (Gbla and Zack-Williams 2008: 77).

¹³ Amadu Sesay, et, al ed, 2009, Post-War Regimes and State Reconstruction in Liberia and Sierra Leone, (Dakar: Council for the Development of Social Research in Africa (CODESRIA) p.93.

¹⁴ Kpundeh, S, 2004, Corruption and Political Insurgency in Sierra Leone, in I. Abdullah, Between Democracy and Terror in Sierra Leone Civil War, Dakar: CODESRIA p.96.

¹⁵ In September 2004 the Electoral Commission Chairman resigned complaining that the governing SLPP had tampered with the results of the local elections. The NEC then invited the IFES (International Foundation for Electoral Systems) to undertake an investigation. In reporting on the analysis, the Chief Electoral Commissioner said, '...the analysis revealed widespread electoral irregularities, which included ballot stuffing by some polling officials in a number of polling stations, in favour of all political parties as well as independent candidates across the nation'. (Press conference, 20th, May, 2005.)

21. Ernest Koroma campaigned on the platform of change with a premium on fighting corruption and championing development. His developmental blueprint- the Agenda for Change (2008-2012), the country's second PRSP was launched. It focuses on four key priorities: reliable power supply (energy); raising productivity in agriculture and fisheries; developing a national transportation network; and sustainable human development.¹⁶ It therefore signalled a shift in priorities away from a heavy emphasis on social services, towards an approach that placed priority on infrastructure and energy, whilst sustaining investments in human capital. Despite this overall approach, the Koroma Government nevertheless lent strong support to the Free Health Care Initiative (FHCI) introduced in 2010. (This is analysed in Chapter 7.)
22. **In addition, President Koroma introduced and implemented one of the toughest anti-corruption laws in Africa-the revised ACC Act of 2008.** This legislation established a more robust legal framework for the fight against corruption. It strengthened the ACC by vesting it with prosecutorial powers, broadening the scope of corruption offences, providing protection for whistle blowers and making it mandatory for all civil servants to declare their assets. With strong independent prosecutorial powers coupled with the establishment of a prosecution unit with an appointed prosecution team, there was an expected increase in the prosecution of corruption cases. Between May 2008 and June 2010, the ACC secured 21 convictions including high profile government officials.¹⁷
23. This context contributed to improving Sierra Leone's rating in international corruption rankings. The Corruption Perception Index (CPI) of Transparency International ranked the country at 158th in 2008, rising to 134th in 2010. According to the Mo Ibrahim Index of African Governance, Sierra Leone improved in ranking from 48th in 2011 to 30th in 2012 out of 52 countries.
24. **In spite of these initiatives, corruption is still perceived to be a major problem in Sierra Leone.** This view was corroborated by the 2013 National Corruption Perception Survey and the APRM Country Review report of Sierra Leone of 2012. The reports of the Office of the Auditor General reviewed by the evaluation team and our discussions with a Focus Group of civil society representatives also provided strong corroboration of this perception.
25. The re-election of Ernest Koroma for a second term in 2012 provided an opportunity to continue the implementation of the APC's agenda for Sierra Leone. Accordingly, his government developed the third Poverty Reduction Strategy Paper (PRSP) - the Agenda for Prosperity 2013-2017 (A4P), which continued to place priority on infrastructure and energy, whilst sustaining investments in human capital.

¹⁶ The Republic of Sierra Leone : An Agenda for Change , 2nd Poverty Reduction Strategy (PRSP II) 2008-2012

¹⁷ APRM Country Review Report No.15 of the Republic of Sierra Leone , January 2012.p.146

Annex VI: Fiscal Accounts

Sierra Leone: Central Government Financial Operations, 2002-2015 (percentages of GDP)

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014 (proj)	2015 (proj)
Total Revenue and Grants	18.9	20.4	20.2	21.3	21.9	32.1	42.9	16	15.2	15.3	17.1	16.3	15.8	15.8	14.1
Domestic Revenue	13.0	12.1	12.4	12.3	11.9	11.8	10.8	11.5	9.1	9.9	11.5	12.2	12.7	11.2	9.5
Grants	5.9	8.2	7.8	9.0	10.0	20.3	32.1	4.5	6.1	5.3	5.6	4.1	3.1	4.6	4.6
Budget support	3.6	6.0	6.3	7.1	7.1	5.3	3.4	2	3.5	2.4	1.7	1.3	0.9	2.9	2.3
HIPC	0.0	3.8	4.6	3.2	1.7	1.0	0.9								
MDRI						12.1	27.2								
Project grants	2.4	2.2	1.5	1.8	2.9	2.9	1.4	2.1	2.3	2.7	3.4	2	2.1	1.4	2.2
Expenditures and net lending	29.5	28.6	26.9	24.8	24.6	22.7	17.7	20.7	17.7	20.4	21.6	21.9	17.7	19.6	18.7
Current expenditure	24.8	24.2	22.1	20.1	18.7	17.6	13.3	14.6	12.2	12.7	12.6	13.7	12.2	13.2	12.6
Wages & salaries	7.0	7.3	6.9	6.1	6.5	6.4	6.0	5.7	4.9	5.3	5.4	6.1	5.9	7.2	7
Goods and services	7.0	6.2	5.5	5.5	4.8	4.1	2.7	4.9	4.3	4.2	3.1	3	2.9	3.4	3.2
Interest	4.5	5.3	5.0	5.5	4.6	3.8	2.3	2.1	1.3	1.6	2	1.9	1.7	1.1	1
Domestic	2.8	2.6	2.8	3.583	2.7	2.11	1.94	1.9	1.1	1.4	1.8	1.7	1.5	0.9	0.8
Foreign	1.781	2.73	2.2	1.911	1.9	1.73	0.32	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Capital expenditure	4.7	4.4	4.9	4.6	5.9	5.1	3.5	6.2	5.5	7.7	9	8.2	6.4	5.9	6.2
Foreign	3.5	3.3	3.5	3.7	5.8	4.0	2.7	4.9	4.2	4.3	6.2	5.2	4.1	3.2	3.9
Domestic	0.9	1.0	1.3	0.9	0.8	1.0	0.8	1.3	1.3	3.5	2.8	3	2.3	2.7	2.3
Balance															
Overall balance including grants	-10.6	-8.3	-6.7	-3.5	-2.7	9.3	25.2	-4.7	-2.5	-5.1	-4.6	-5.6	-1.9	-3.8	-4.6
Overall balance excluding grants	-16.5	-16.5	-14.7	-12.4	-12.8	-11.0	-6.8	-9.2	-8.6	-10.5	-10	-9.7	-5	-8.3	-9.3
Financing	10.6	8.3	6.7	3.5	2.7	-9.3	-25.2	4.7	2.5	5.1	4.6	5.6	1.9	3.8	4.6
External financing (net)	39.0	7.3	2.9	3.8	0.9	0.7	-27.0	2.5	1.9	1.6	2.4	3.4	1.6	1.3	1.2
Domestic financing (net)	3.2	0.9	4.3	-0.1	1.2	-10.5	2.2	2.7	0.6	3.5	2.2	2.2	0.3	2.5	2

Annex VII: Doing Business Reforms

Date	Type of reform
2015	<ul style="list-style-type: none"> ✓ Registering Property: Sierra Leone made registering property easier by introducing a fast-track procedure. ✓ Getting Credit: Sierra Leone improved its credit information system by beginning to distribute both positive and negative data and by increasing the system's coverage rate. ✗ Paying Taxes: Sierra Leone made paying taxes more complicated for companies by introducing a capital gains tax. ✓ Getting Electricity: Sierra Leone made getting electricity easier by eliminating the need for customers to submit an application letter inquiring about a new connection before submitting an application—and made the process faster by improving staffing at the utility.
2013	<ul style="list-style-type: none"> ✓ Registering Property: Sierra Leone made registering property easier by computerizing the Ministry of Lands, Country Planning and the Environment. ✓ Getting Credit: Sierra Leone improved access to credit information by establishing a public credit registry at its central bank and guaranteeing borrowers' right to inspect their personal data.
2012	<ul style="list-style-type: none"> ✓ Getting Credit: Sierra Leone improved its credit information system by enacting a new law providing for the creation of a public credit registry. ✓ Trading Across Borders: Sierra Leone made trading across borders faster by implementing the Automated System for Customs Data (ASYCUDA). ✓ Enforcing Contracts: Sierra Leone made enforcing contracts easier by launching a fast-track commercial court. ✓ Resolving Insolvency: Sierra Leone established a fast-track commercial court in an effort to expedite commercial cases, including insolvency proceedings.
2011	<ul style="list-style-type: none"> ✓ Dealing with Construction Permits: Sierra Leone made dealing with construction permits easier by streamlining the issuance of location clearances and building permits. ✓ Registering Property: Sierra Leone lifted a moratorium on sales of privately owned properties. ✓ Paying Taxes: Sierra Leone replaced sales and service taxes with a goods and service tax.
2010	<ul style="list-style-type: none"> ✓ Starting a Business: Sierra Leone made starting a business easier by establishing a one-stop shop for company registration. ✗ Registering Property: Sierra Leone made transferring property more difficult by reinstating a moratorium on the authorization of property transfers by the director of surveys and lands. ✓ Getting Credit: Sierra Leone strengthened its secured transactions system through a new company act that allows the use of fixed and floating charges and automatically extends a security interest to the products, proceeds and replacements of the collateral. ✓ Protecting Minority Investors: Sierra Leone strengthened investor protections through a new company act enhancing director liability and improving disclosure requirements.

	<ul style="list-style-type: none"> ✓ Paying Taxes: Sierra Leone made paying taxes easier for companies by improving training and equipment at the tax authority, publishing a consolidated income tax act and introducing a value added tax system that replaces 4 different sales taxes. ✗ Trading Across Borders: Sierra Leone made trading across borders more costly through an increase in some fees, though it also reduced the time required for trade. ✓ Resolving Insolvency: Sierra Leone improved its insolvency process through a new company act that encourages financially distressed companies to first try to reorganize rather than going straight into liquidation.
2009	<ul style="list-style-type: none"> ✓ Starting a Business: Sierra Leone reduced the time, cost and number of procedures to start a business by making the use of a lawyer optional and abolishing other registration formalities, including paying taxes up front and obtaining exchange control permission from the central bank. ✓ Dealing with Construction Permits: Sierra Leone made dealing with construction permits easier by better enforcing the rules and regulations on risk-based inspections during construction and by issuing a schedule of inspections together with the building permit. ✓ Registering Property: Sierra Leone reduced the time needed to transfer property by lifting a ban on obtaining the director of survey’s signature on the cadastral map—a ban that had been imposed to prevent a common scam in which the same property would be sold several times over to different people. ✓ Trading Across Borders: Sierra Leone made trading across borders easier by eliminating the requirement for an export license for coffee.
2008	<ul style="list-style-type: none"> ✓ Paying Taxes: Sierra Leone made paying taxes less costly for companies by reducing the sales tax rate

Annex VIII: Evidence on Dutch Disease Effects & Impact on Monetary Sterilisation

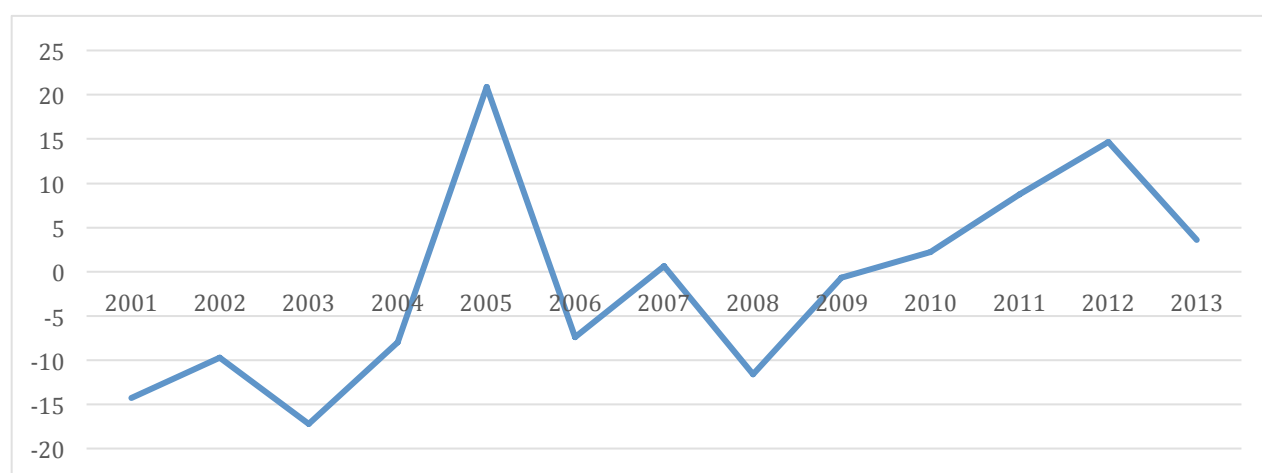
Section 4.4 of Chapter 4 in Volume One examined the potential effect of Budget Support in generating a disincentive to domestic revenue mobilisation. This Annex outlines the evidence for two other potential negative effects – Dutch disease and costly monetary sterilisation.

Dutch Disease effects on the Real Effective Exchange Rate

Dutch disease effects occur when aid flows (or large-scale export earnings due to mineral exports) sharply increase the availability of foreign exchange, leading to an appreciation in the real exchange rate. This reduces the income of the traditional export sector, forcing its contraction, unless this can be counteracted by productivity gains. There has been considerable volatility in the real effective exchange rate in Sierra Leone: it depreciated from 2001 before appreciating sharply in 2005, becoming fairly erratic until early 2009 and then appreciating as a consequence of increased FDI from mining investments.

Overall, it appears that there has been no systematic appreciation of the real exchange rate during the evaluation period, although the overall trend is one of slight appreciation (Annex Figure 1). Nor is there any clear relationship to budget support inflows (Annex Table 1). The steady appreciation in recent years comes at a time when the size of budget support in relation to other inflows has been decreasing. Moreover, authorities interviewed did not express concern that such inflows were having an undue influence on the exchange rate.

Annex Figure 1: Sierra Leone - Real effective exchange rate, 2001-2013



Source: IMF reports

Annex Table 1: Relationship between Budget Support and Real Effective Exchange Rate

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Real effective exchange rate (% change)	-14.3	-9.7	-17.2	-8	20.9	-7.4	0.6	-11.6	-0.7	2.2	8.7	14.7	3.6
Budget support receipts (Le Bn.)	57.27	118.2	144.8	206.2	250.6	224	169	115	290	244	220	204	170

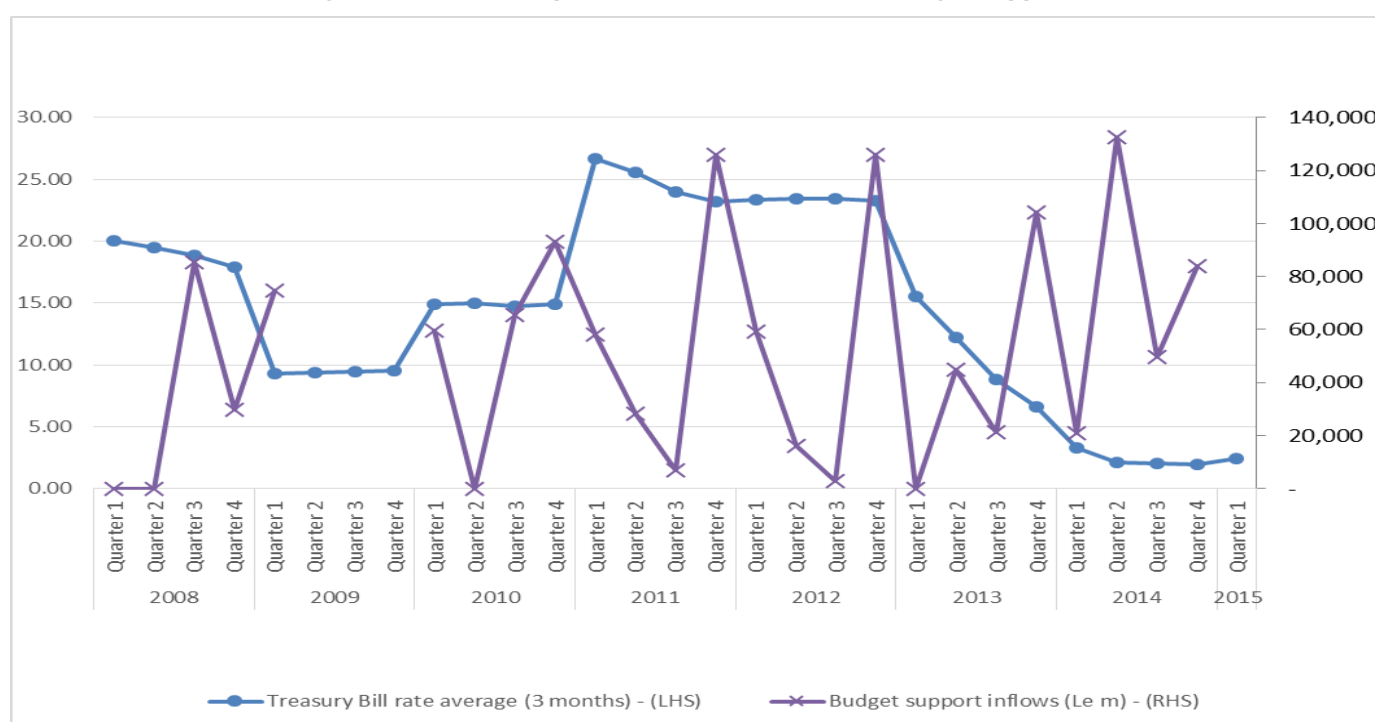
* Positive values represent an appreciation, negative values represent a depreciation.

Costs of Monetary Sterilisation

The lumpiness of budget support receipts may provide problems for the Central Bank in ‘sterilising’ foreign exchange flows so as to maintain a stable money supply, and control inflationary pressures¹⁸. One way to explore this hypothesis is to test for the existence of “spikes” in Treasury bill rates following the receipt of high foreign exchange inflows from Budget Support disbursements. However, there does not appear to be such a relationship in Sierra Leone. Treasury Bill rates show relatively little volatility on a quarterly basis, with the one exception of the peak of a 26 % interest rate in Q1, 2011, following on a substantial budget support disbursement in Q4, 2010 (Annex Figure 2). However, this peak was also associated with relatively high foreign exchange inflows from Iron Ore.

Discussions with the authorities deemed monetary sterilisation of Budget Support foreign exchange to be a fairly insignificant problem although they did note their concern with the large inflows following the Ebola response. In general, the Treasury bill rate has been more influenced by other factors, including Government’s use of the domestic money market to finance its deficit, as noted in Volume One, Chapter 4.

Annex Figure 2: Relationship between T-bill rates and budget support inflows



There has however been a cost associated with the limited predictability of budget support, noted in Volume One, Chapter 3. Budget support has tended to be disbursed late in the year, thus the GoSL has been compelled to borrow from the

¹⁸ The ‘sterilisation’ process may differ by country depending on which monetary tools a Central Bank has available but it is broadly as follows: Foreign exchange increases reserves, which the Central Bank passes onto Government (in the form of domestic currency, changing the Central Bank’s foreign assets / domestic liabilities positions), which increases the money supply in the short term (presuming the Government spends the budget support funds). To avoid inflation, a Central Bank will attempt to sterilise this money supply change by ‘buying in’ money from the private sector through selling Treasury Bills, thus the interest rate on these Bills are likely to rise.

Central Bank in the early part of the year, consequently generating unbudgeted interest payment obligations (This was noted in OPM, 2006 but Annex Figure 2 above shows that the pattern of late disbursements persisted through 2010 – 2013).

Annex IX: Determinants of Outcomes in the Education Sector (Econometric Analysis)

EQ 4.1 How have the key outcome indicators evolved in the Education sector in aggregate, by gender and by district? What factors have been the main determinants of these changes?

26. Evaluation Question (EQ) 4. 1 comprises the first question within Step Two. It examines the performance of the education sector in terms of outcomes, analysing these in aggregate, by gender and by district. It applies estimation techniques and econometric analysis in order to assess the key determinants of changes in education outcomes during the evaluation period. In Step Three of the evaluation, which is presented in Chapter 10, we then examine whether those determinants can be related to either the direct or induced outputs of Budget Support.

1.1 Outcome trends in the Education sector by Gender

27. This section reviews the basic trends in the education sector in Sierra Leone and provides a basic framework to explain it through estimation techniques. Data on enrolment come from the Registry of Education institutions (REI), provided by the Ministry of Education. This chapter also uses data on the National Primary School Examination (NPSE) and Basic Education Certificate Examination (BECE). In order to provide suggestive evidence on the relevance of regional development, these data are related to district poverty estimated with the Sierra Leone Integrated Household Survey (SLIHS) from 2011.

28. The outcome variables are:

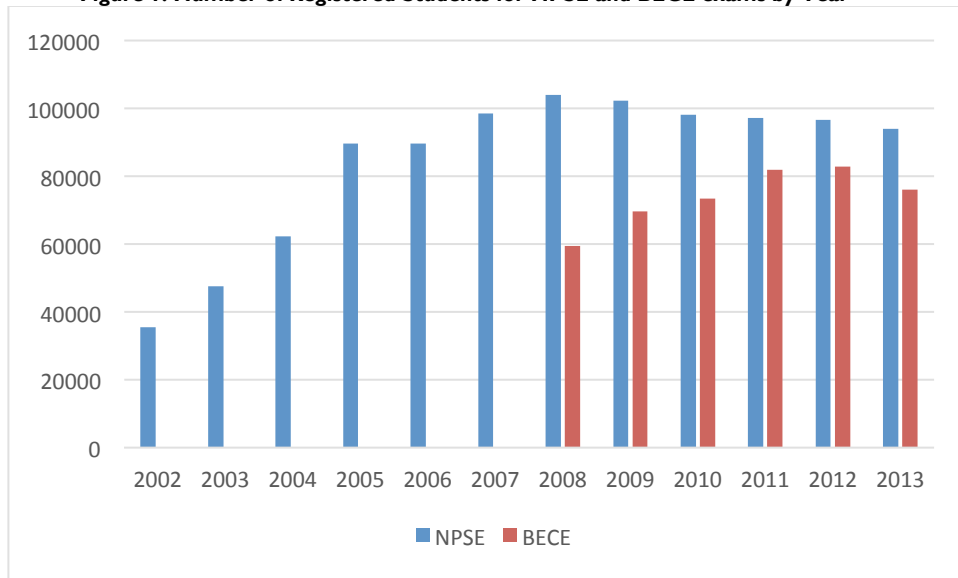
- i. Pass rate, for both types of examinations: NPSE and BECE
- ii. Absence rate, for both types of examinations: NPSE and BECE
- iii. Enrolment rate, for three types of education: primary, junior secondary school and senior secondary school

29. The econometrics section below provides further details on the measurement of these variables as well as the inputs used as explanatory variables. The main focus of sections 1 and 2 is to provide a set of descriptive statistics to understand the context for the education sector, related to these three variables.

Basic Trends in Examination Results

30. The transition from primary to secondary is measured through the NPSE, whereas the transition through secondary, from Junior Secondary School (JSS) to Senior Secondary School (SSS) or vocational education is determined by the BECE. Figure 43 shows the number of students per year registered to take each examination.

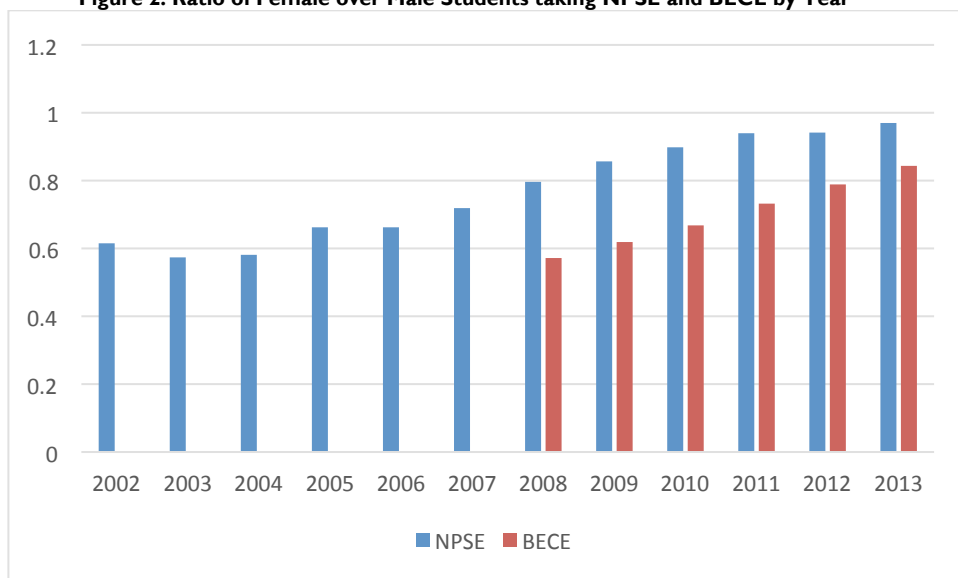
Figure 1: Number of Registered Students for NPSE and BECE exams by Year



Data Source: Ministry of Education, NPSE and BECE annual summaries.

31. The number of students that every year take the NPSE experienced a significant expansion from 2002 to 2008, growing from 35,454 students in 2002 to 103,927 in 2008, which represented an expansion of 193% for the period, and about 27% annually. From 2008 to 2013, the number of students taking the NPSE decreased modestly, stabilising just below the level achieved in 2007.
32. Following the same trend, the number of students registered for the BECE experienced a marked increase from 2008 to 2012. It grew from 59,520 students in 2008 to 82,856 in 2012, which represented a 39% increment. However, the number of students who sat in 2013 to take the BECE decreased by 8%.

Figure 2: Ratio of Female over Male Students taking NPSE and BECE by Year



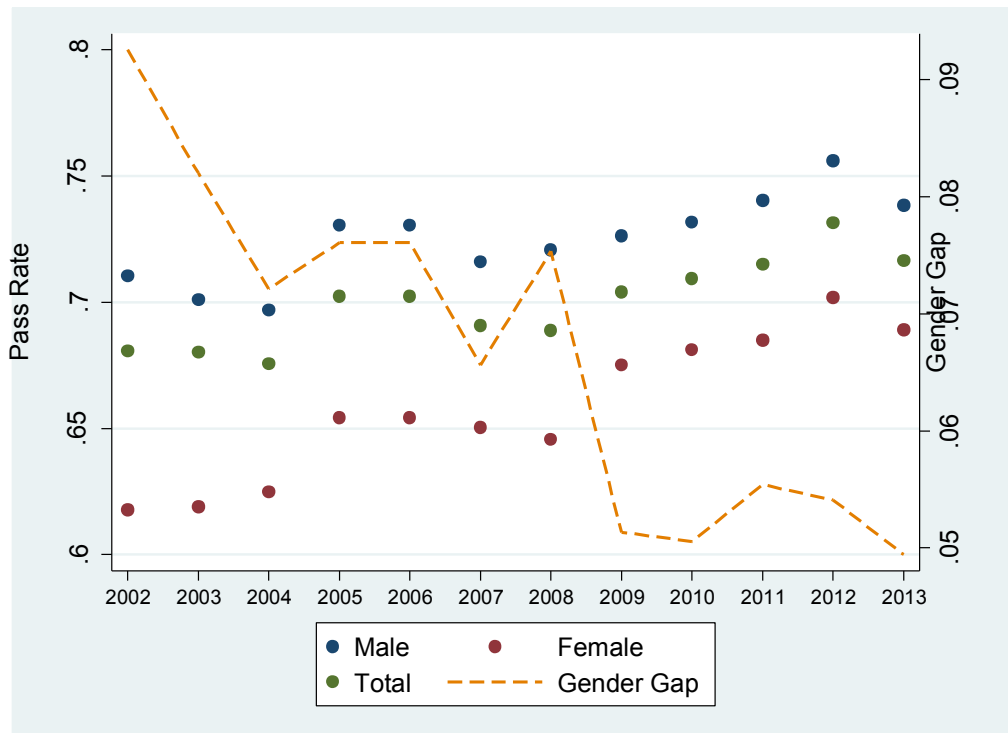
Data Source: Ministry of Education, NPSE and BECE annual summaries.

33. **In general, it is evident that there has been an improvement in the coverage of students taking both types of examinations.** Figure 44 explores the gender dimension of this improvement. It shows the proportion of

female over male students taking both NPSE and BECE. A proportion close to one is an indication that the number of male and female students taking both exams is very similar.

- 34. **For the NPSE, Figure 44 suggest that the number of female students came very close to the number of male students by 2011: - 0.94.** This represents a huge improvement from the 2002 ratio, in which approximately 6 girls took the NPSE for every 10 boys. The ratio for BECE has also improved, however it does not reach the level achieved by students taking the NPSE. In 2013, the proportion of girls taking the BECE over boys was 0.84.
- 35. Although both NPSE and BECE show encouraging results in terms of coverage, it is useful to explore the trends related to pass rates. Figure 45 presents the evolution of passing rate differentiated by gender. **In conjunction with the advances in coverage, the pass rate of students taking the NPSE has increased from 0.68 in 2002 to 0.72 in 2013.** It was not until 2008 that the pass rate started the recent upward trend. This figure also reveals that the pass rate for girls has been consistently lower than that of boys. In 2002 girls' pass rate was about 0.62 whereas boy's rate was around 0.71, revealing a gender gap of 0.09. However, this gap has shown a declining trend, reaching 0.05 in 2013.

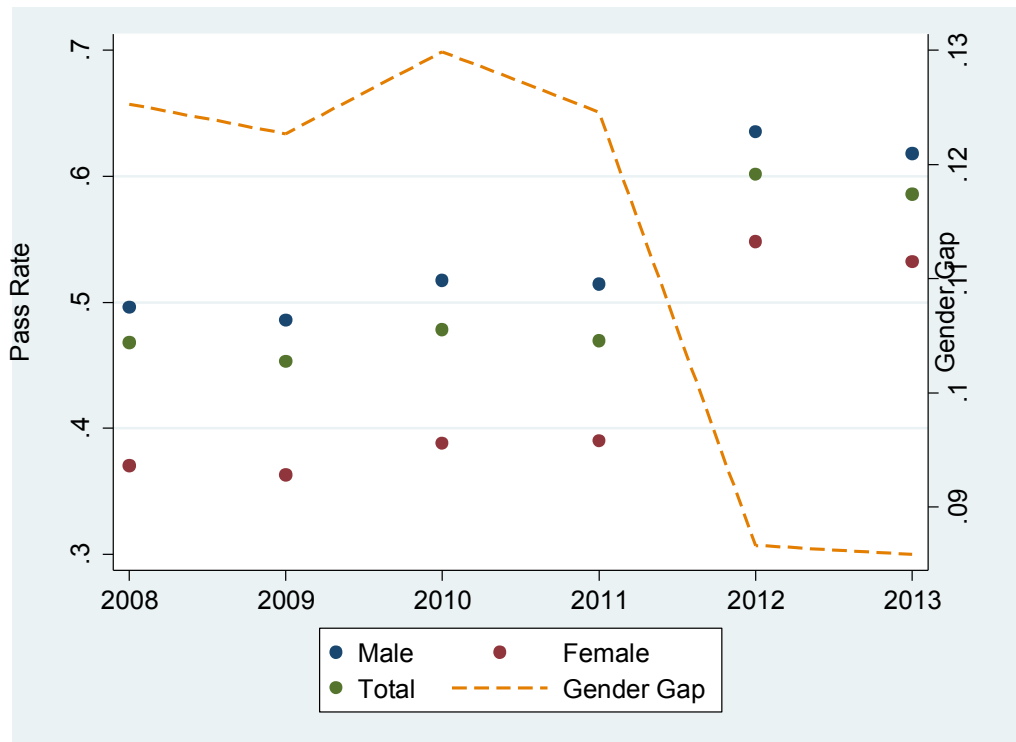
Figure 3: NPSE: Pass Rate, National, Boys and Girls; and Gender Gap



Data Source: Ministry of Education, NPSE and BECE annual summaries.

- 36. Figure 46 shows the evolution of the pass rate for BECE. In general, there are fewer students passing this examination, compared to the NPSE. **In 2013 only 59% of those who took the BECE examination passed it, although there has been an improvement from 2012 compared to 2008, in which 46% of the students passed the BECE.** The gender gap in this type of examination is more severe than in the case of the NPSE. In 2008 the pass rate for boys was 0.5, whereas for girls it was 0.37, which constitutes evidence of a gender gap of 0.13 points in the pass rate. However, the generalised improvement has reached both groups, with an emphasis on girls, which contributed to reduce the pass gap to 0.09 in 2013.

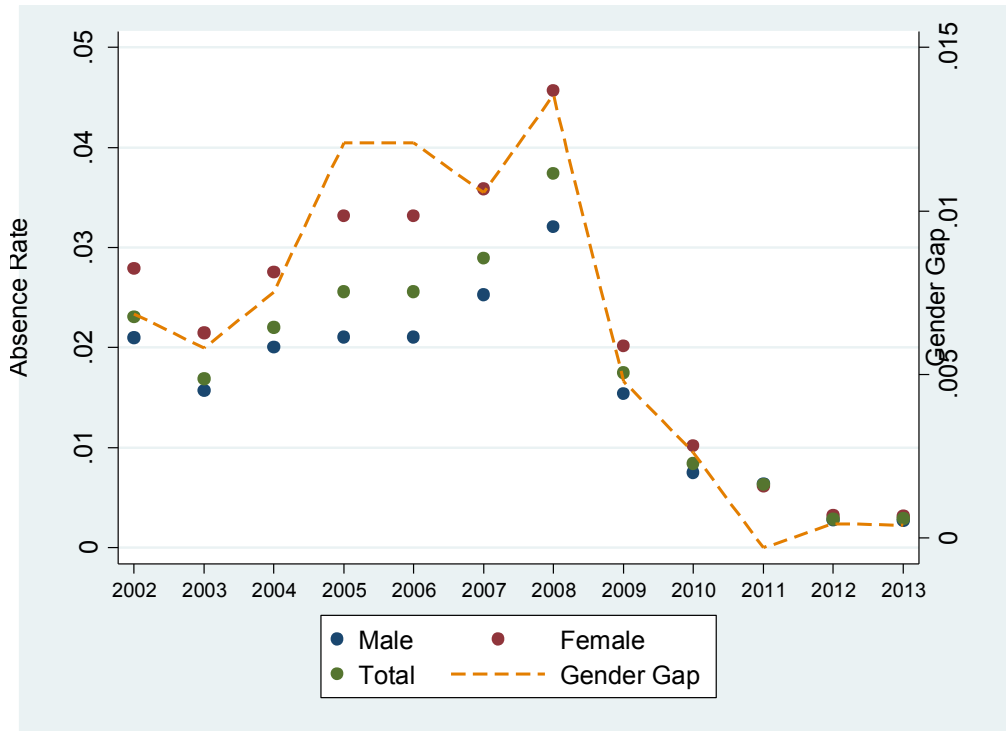
Figure 4: BECE: Pass Rate, National, Boys and Girls; and Gender Gap



Data Source: Ministry of Education, NPSE and BECE annual summaries.

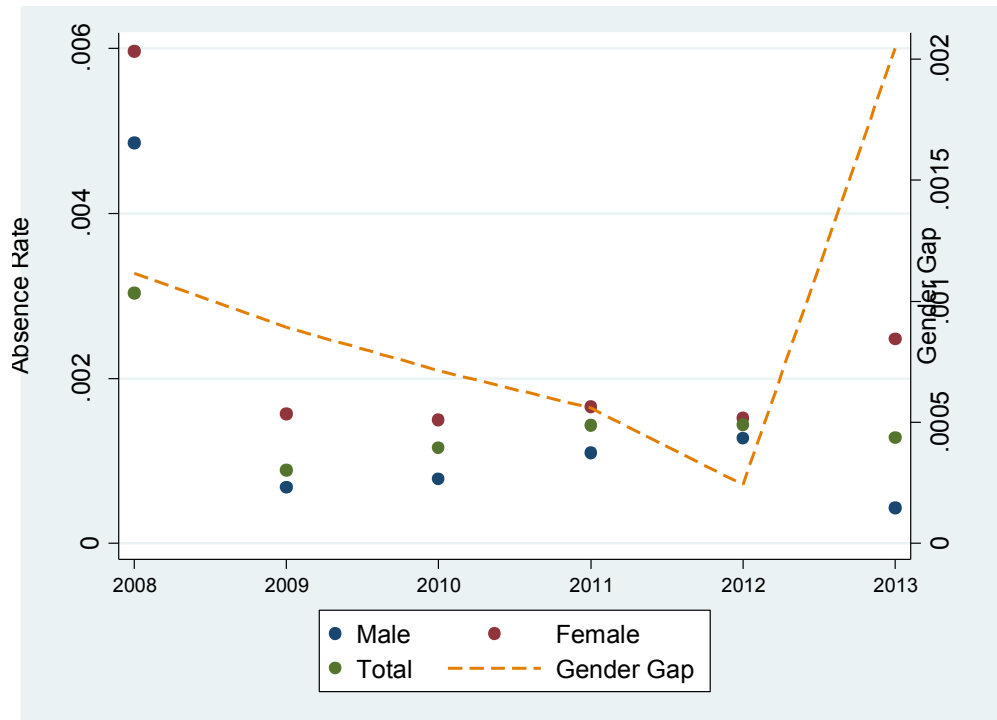
37. Figures 47 and 48 present the absence rate for both types of examination. In this case, the gender gap is defined as the difference between the proportions of girls and boys who were absent in the examination. Absence rates have been generally low during the period of analysis.
38. In particular, Figure 47 illustrates two clearly different periods in the evolution of the absence rate for NPSE. It rose from 2002 to 2008, from 0.021 to 0.037. From 2008, the absence rate has shown a marked decrease to levels close to zero. Regarding the gender dimension, from 2002 to 2008 girls were more likely to be absent than boys. Such gap reached its peak in 2008, by the time the national absence rate also peaked. **From 2008 onwards, not only the national absence rate experienced a decline, but also the gender gap, which has almost disappeared by 2013.**
39. The BECE examination shows a very low absence rate for the 2008-2013 period. The national rate is smaller than 0.002 through the whole period, except in 2008. Again, girls are more likely to be absent than boys for the whole period. Although the gender gap experienced a declining trend from 2008 to 2012, in 2013 it grew again, reaching a 0.002 points difference in the absence rate, girls showing a higher rate than boys. Despite this increase in the gap, it is still very low

Figure 5: NPSE: Absence Rate, National, Boys and Girls; and Gender Gap



Data Source: Ministry of Education, NPSE and BECE annual summaries.

Figure 6: BECE: Absence Rate, National, Boys and Girls; and Gender Gap

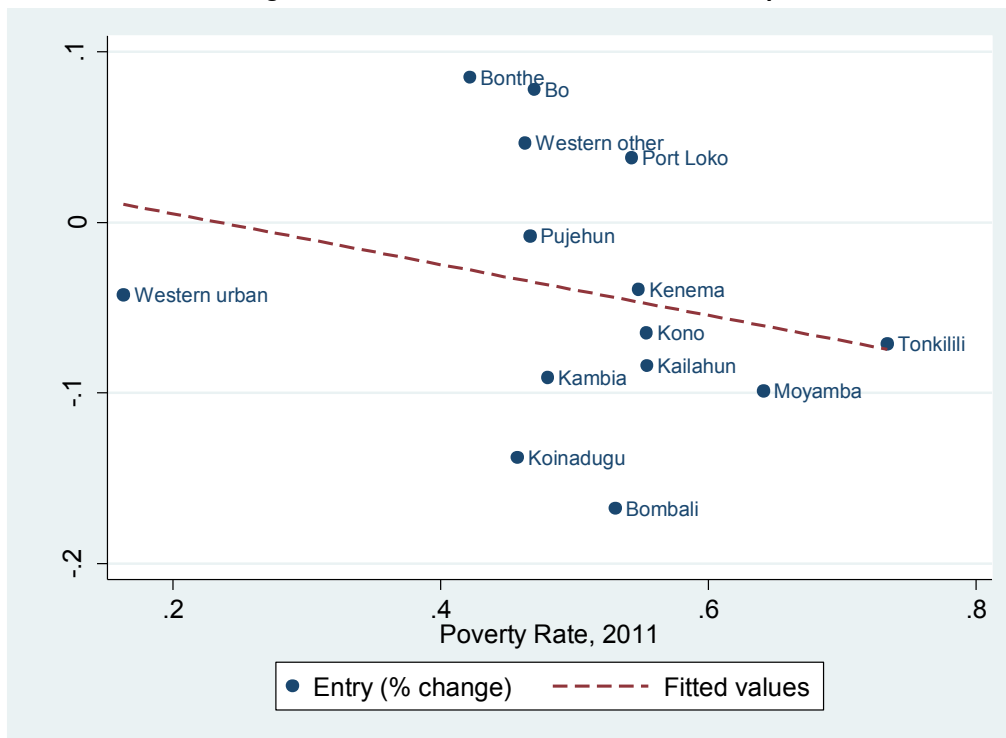


Data Source: Ministry of Education, NPSE and BECE annual summaries.

1.2 Regional Differences in Examination Results and Enrolment

- 40. National figures show (i) that there are more students taking the NPSE and BECE examinations in the latter half of the evaluation period; (ii) that the pass rate has improved; and (iii) that the gender gap has decreased. This section dissects national results looking for district disparities and relates these to the wellbeing of each district.
- 41. Figures 49 and 50 examine the change in the number of students taking both types of examinations, and relate it to the poverty rate in the district. The change is measured as the difference in the logarithm of the number of students in 2013 and 2011. In order to evaluate not only district differences, we evaluate whether the poverty rate experienced in 2011 helps to explain the change in entry experienced two years later.
- 42. Figure 49 presents the relationship between the change in entry and poverty for the NPSE. This figure suggests a strong negative association between the poverty level in the district in 2011 and the subsequent growth of the number of students taking the examination between 2011 and 2013.
- 43. **Only 4 out of the 14 districts experienced an increase in the number of students registered to take the NPSE: Bonthe, Bo, Western Other and Port Loko.** The rest of the districts witnessed a reduction in the number of students taking the NPSE between 2011 and 2013. The districts with the worst performance were Koinadugu and Bombali. This negative association with poverty is attenuated by Western Urban, which is the richest district but also experienced a decrease in the number of students taking the NPSE. Evidence of this is the fact that the correlation coefficient between the change in entry and the poverty rate is -0.24, but once Western Urban is excluded, the correlation becomes stronger: -0.38.

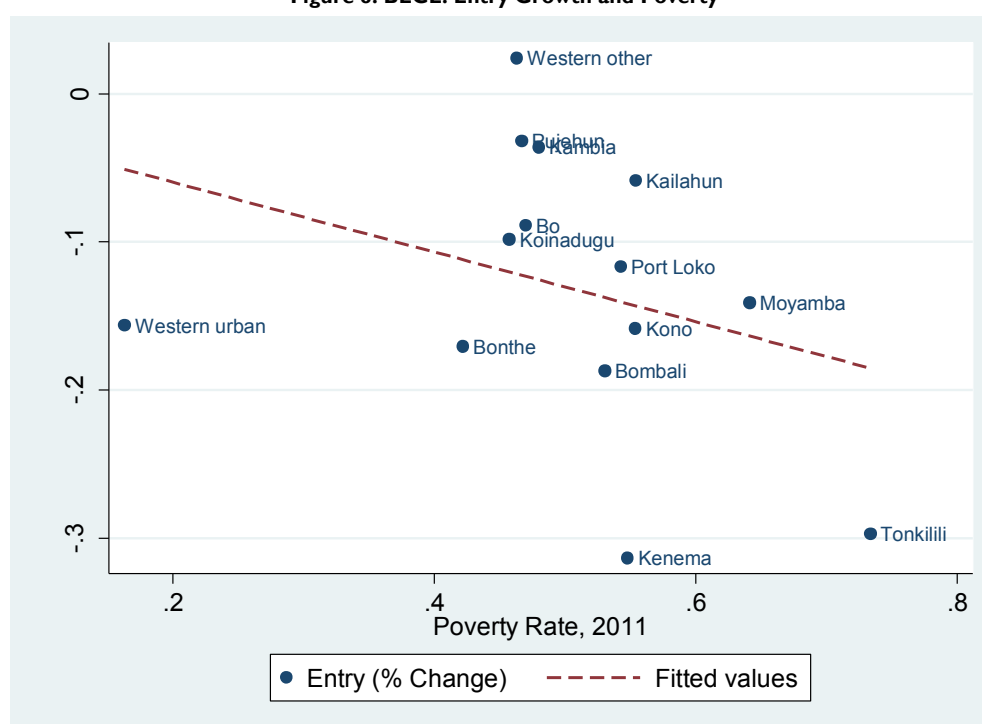
Figure 7: NPSE: Growth in Exam entries and Poverty



Data Source: [1] Ministry of Education, NPSE and BECE annual summaries. [2] SLIHS, 2011

44. Figure 50 explores the same association for the BECE. The first point to notice is that only the Western Other district experienced an increase in the number of students registered for the examination. Kenema and Tonkilili (the poorest district), on the other hand, are the worst performing districts with decreases in the 30% range. The correlation coefficient between the change in students and the poverty rate is -0.31 , which again suggests a strong negative association between poverty levels and the take up of this examination.
45. Figures 49 and 50 suggest that, at least for the 2011-2013 period, the growth in the number of students who take both examinations is concentrated in few districts. Moreover, **it is strongly associated with the poverty rate in the district: the poorer districts are actually witnessing a decline in the number of exam entries for NPSE and BECE.**

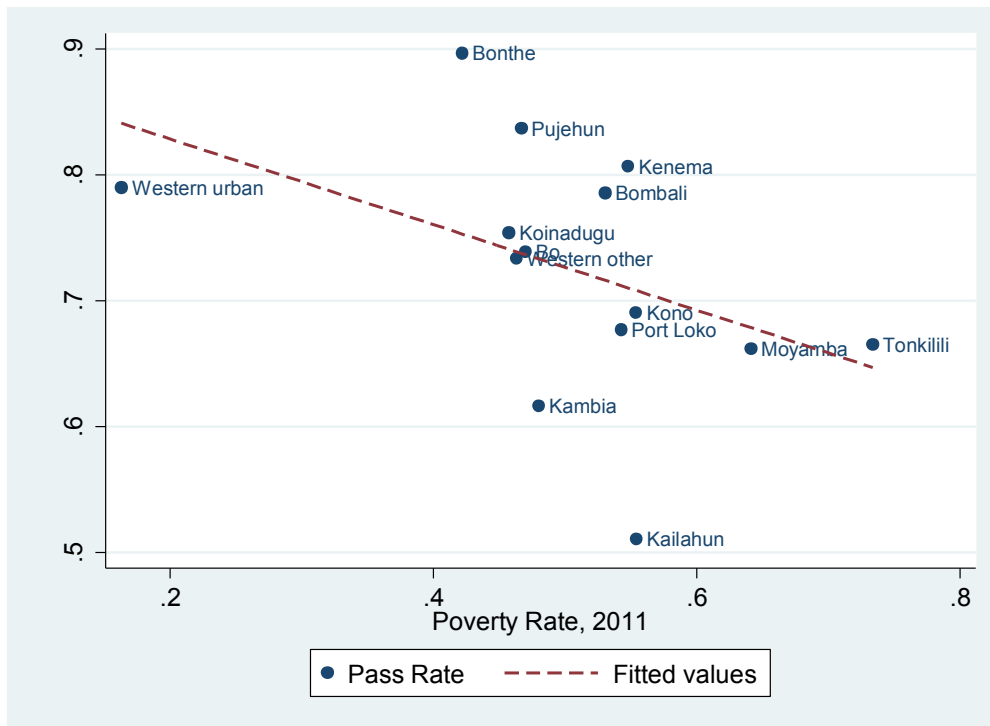
Figure 8: BECE: Entry Growth and Poverty



Data Source: [1] Ministry of Education, NPSE and BECE annual summaries. [2] SLIHS, 2011

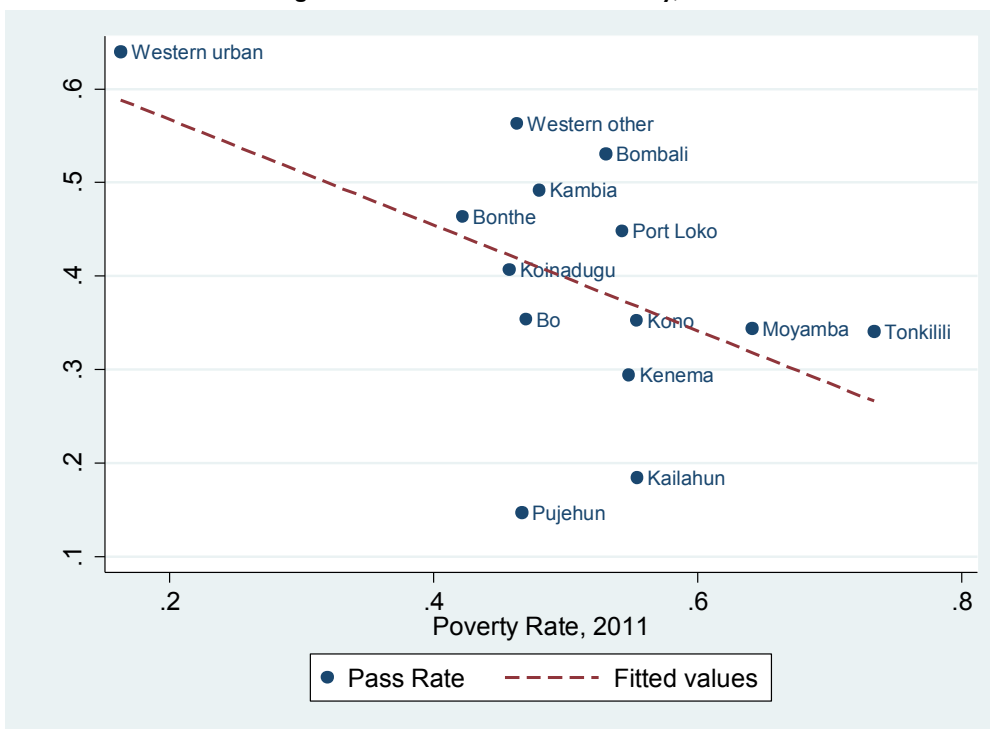
46. Figures 51 and 52 explore the district differences for the pass rate in 2011, related to the poverty rate. Figure 51 focuses on the NPSE. The correlation between the pass rate and the poverty rate in the district is -0.23 . 6 out of the 14 districts have a pass rate below the national average, being Kailahun the district with the worst performance: its pass rate is 0.51. On the other hand, Bonthe is the best performing district, with an average pass rate of 0.91. Bonthe's performance in pass rate matches its performance as the district with the highest growth in the number of students taking the NPSE. Other districts with a pass rate above the national average are Pujehun, Kenema, Bombali and Western Urban.
47. Figure 52 indicates a stronger association between poverty and pass rates for the BECE. The correlation coefficient is -0.51 . Western Urban district, despite its negative growth in the number of students taking BECE, is the best performing district with a pass rate (0.66) well above the national average (0.47). Other districts with a pass rate above the average are: Western Other, Bombali and Kambia. Bonthe is just on the average. The worst performing districts are Kailahun and Pujehun. The latter in sharp contrast with its good performance in pass rate for NPSE.

Figure 9: NPSE: Pass Rate and Poverty, 2011



Data Source: [1] Ministry of Education, NPSE and BECE annual summaries. [2] SLIHS, 2011.

Figure 10: BECE: Pass Rate and Poverty, 2011

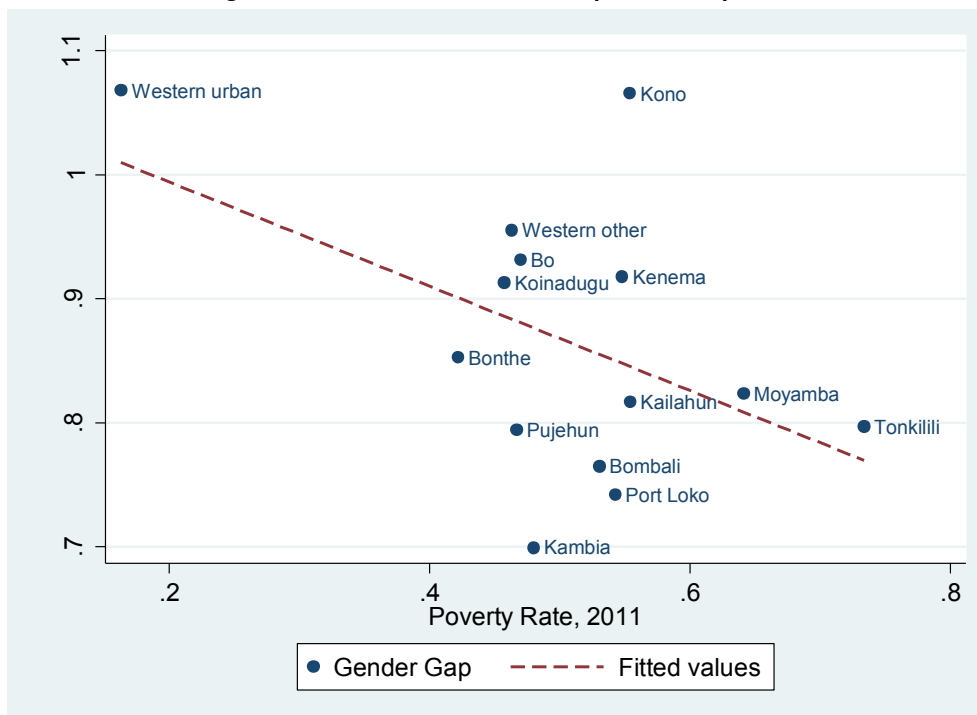


Data Source: [1] Ministry of Education, NPSE and BECE annual summaries. [2] SLIHS, 2011.

48. Figures 53 and 54 explore the gender dimension of the pass rate. They present the association between the gender gap in pass rate (measured as the number of girls / boys who passed the examination in 2011) and the poverty rate of the district.

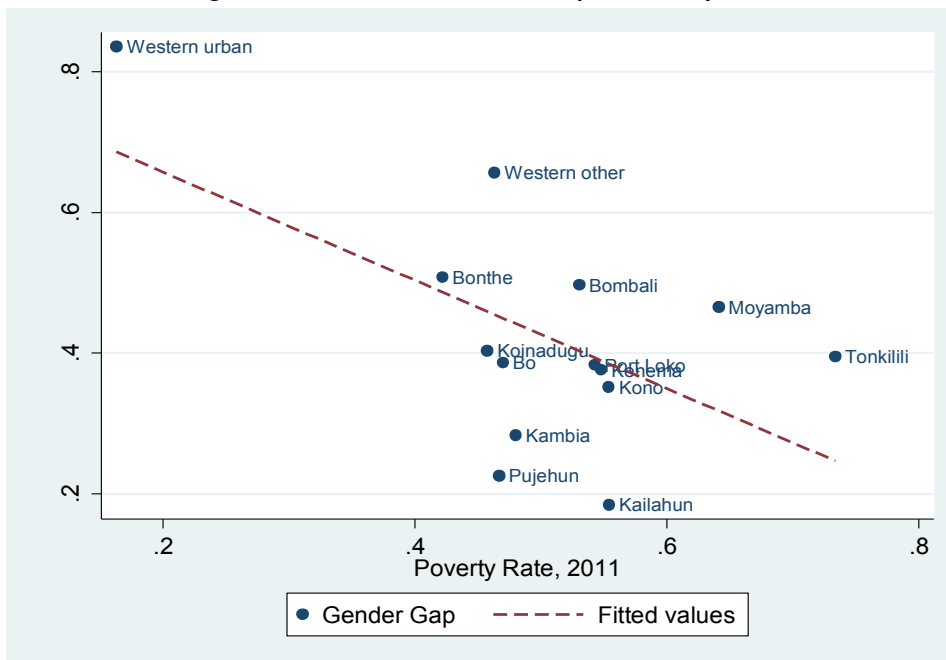
49. Focusing on NPSE, figure 53 suggests that the best performing districts are Western Urban and Kono, where the number of girls passing the NPSE is slightly larger than the number of boys passing the same examination. Western Other, Bo, Koinadugu and Kenema are also good performing districts. The number of girls passing the test over the number of boys is very similar. On the other hand, Kambia is the worst performing district, where for every 10 boys passing the test, only 7 girls did so. The correlation with poverty is strong: -0.47. A clear illustration of this is the fact that the best performing district, Western Urban is also the richest one.
50. Figure 54 explores the district variation for the BECE pass gap. Again, Western Urban stands as the most egalitarian district, although pass gap is a good deal wider than for the NPSE: for every 10 boys passing the BECE, only 8 girls passed the test. Another remarkable change is Kono's performance: from being one of the top districts in terms of NPSE pass, the number of girls who passed the BECE was 4 for every 10 boys. Kambia, Pujehun and Kailahun are the worst performing districts, and the gap is remarkably sharp: for every 10 boys who passed the BECE, only 3 girls managed to go through as well. The correlation between the gender gap and poverty is quite high: -0.58, higher than in the case of the NPSE pass gap.
51. Results from figures 53 and 54 **strongly suggest that there are important gender differences in the performing outcomes for both types of examinations and that the poverty rate seems to be an important factor behind this regional discrepancy.**

Figure 11: NPSE: Pass Rate Gender Gap and Poverty, 2011



Data Source: [1] Ministry of Education, NPSE and BECE annual summaries. [2] SLIHS, 2011

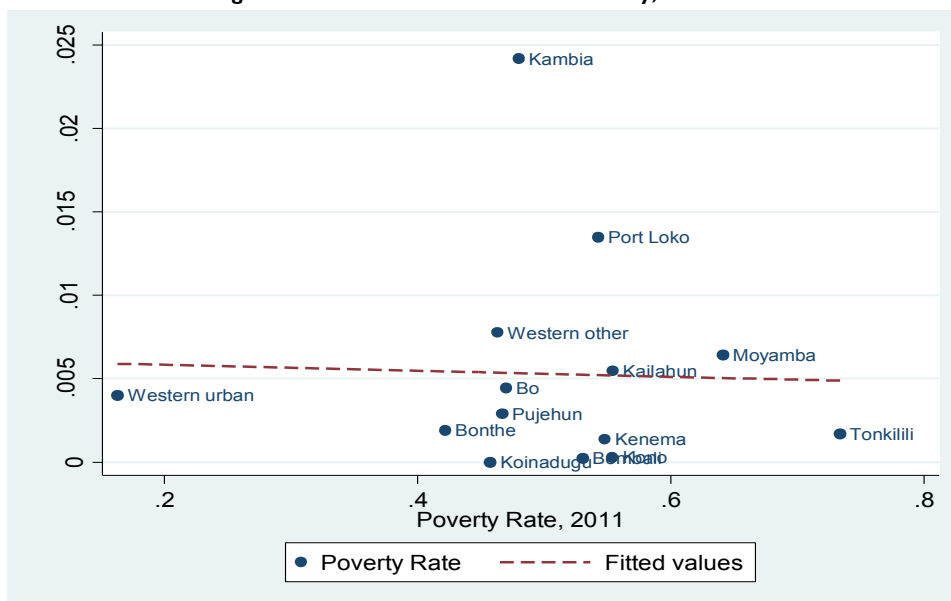
Figure 12: BECE: Pass Rate Gender Gap and Poverty, 2011



Data Source: [1] Ministry of Education, NPSE and BECE annual summaries. [2] SLIHS, 2011

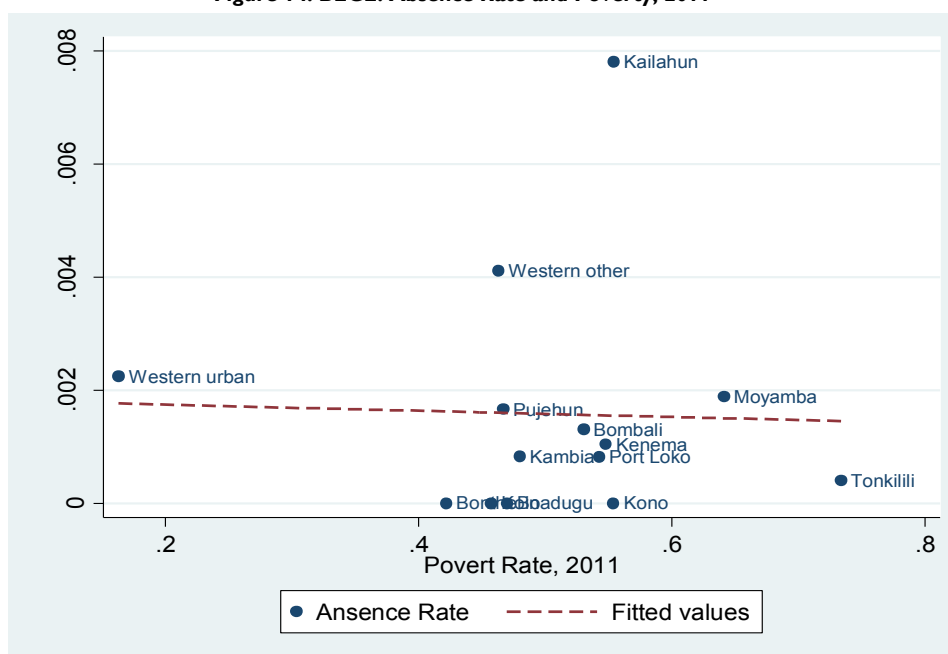
52. Figures 55 and 56 investigate whether there are regional differences in the proportion of absent students during the NPSE and BECE. In general, as suggested by figures 47 and 48, the absence rate is very low for both examinations. For NPSE (Figure 55) Kambia district has the worst performance, whereas for BECE (Figure 56) Kailahun district has the highest absence rate among students. **Interestingly, in both cases the correlation with the poverty rate is very close to zero, which suggests that reasons other than economic ones are behind the regional disparity in the proportion of students absent during the examinations.**

Figure 13: NPSE: Absence Rate and Poverty, 2011



Data Source: [1] Ministry of Education, NPSE and BECE annual summaries. [2] SLIHS, 2011.

Figure 14: BECE: Absence Rate and Poverty, 2011

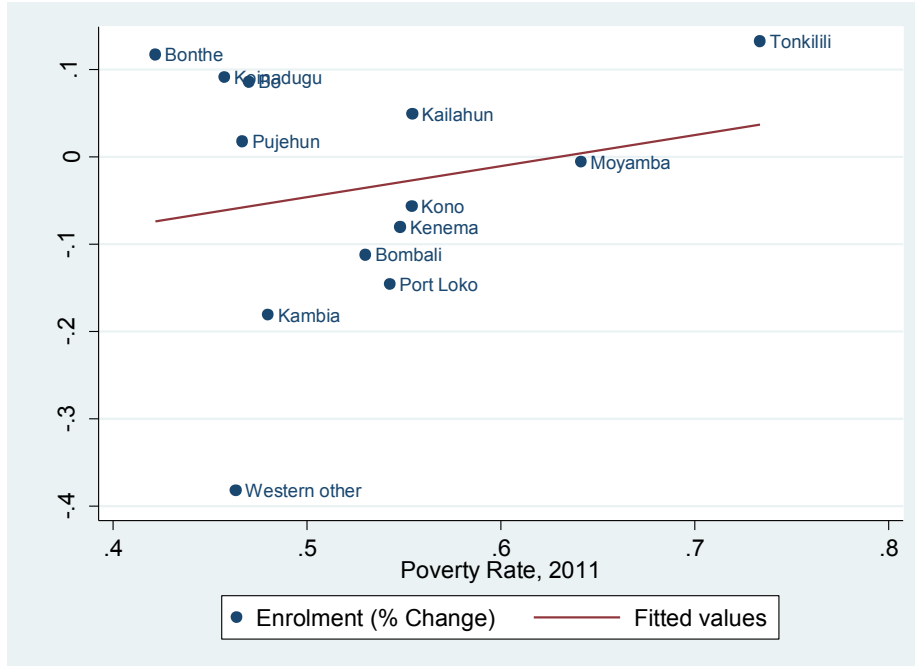


Data Source: [1] Ministry of Education, NPSE and BECE annual summaries. [2] SLIHS, 2011.

1.2.1 Enrolment Rate

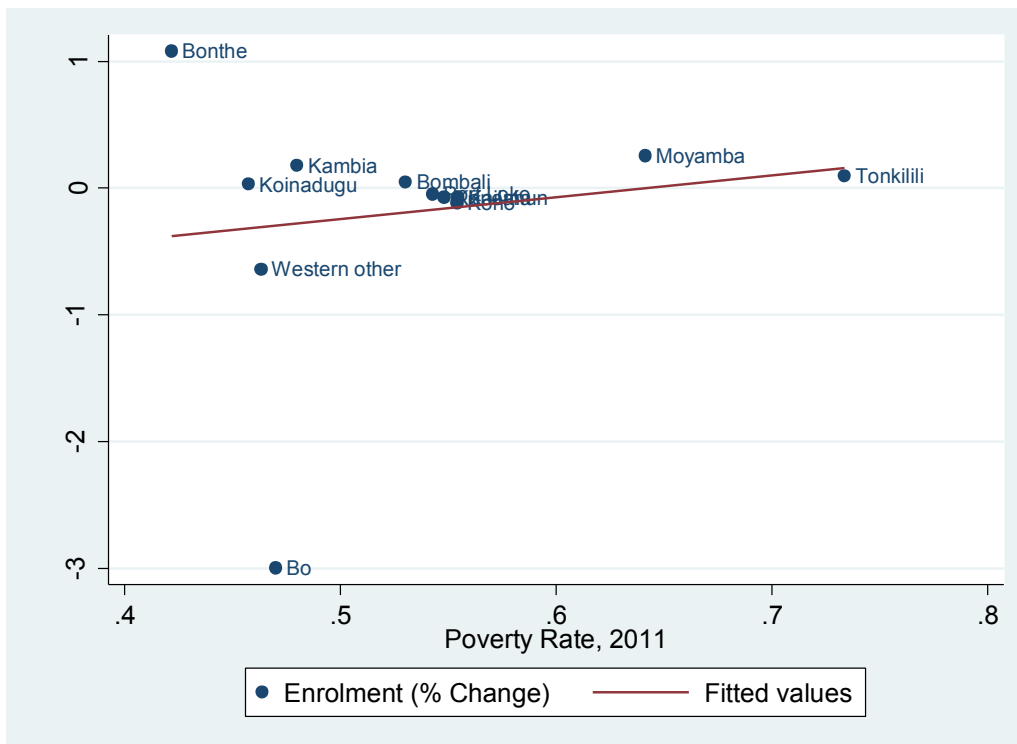
53. Figures 57, 58 and 59 present evidence of the association between the growth of the enrolment rate and the poverty rate at district level. For the change in enrolment, we considered the percentage change in the number of students enrolled in the academic years of 2011/12 and 2012/13 by educational level: primary, JSS and SSS. The three of them show a positive association between the change in enrolment and the poverty rate of the district. This may be the consequence of multiple factors. It is possible that new schools are being constructed in poor areas with no school in the past. It could reflect migration patterns among districts. The econometric section will evaluate with more detail this outcome.
54. However, at this point this set of figures reveals that the growth in enrolment is concentrated in some regions, and varies depending on the type of education. For primary education (Figure 57), the poorest district, Tonkilili, exhibits the largest increase in the number of students enrolled in primary school. Five more districts experienced an increase in the number of students enrolled: Bonthe, Bo, Kinadugu, Pujehun and Kailahun. (This figure excludes Western Urban district due to data availability.)
55. Figures 58 and 59 indicate that most of the districts experienced an increase in the enrolment rate for JSS and SSS education, but only very modest increases. Mostly the change is close to zero. The decrease in enrolment for both JSS and SSS experienced in Bo district is remarkable.

Figure 15: Primary education: Change in Enrolment Rate (2011/12 - 2012/13) and Poverty, 2011



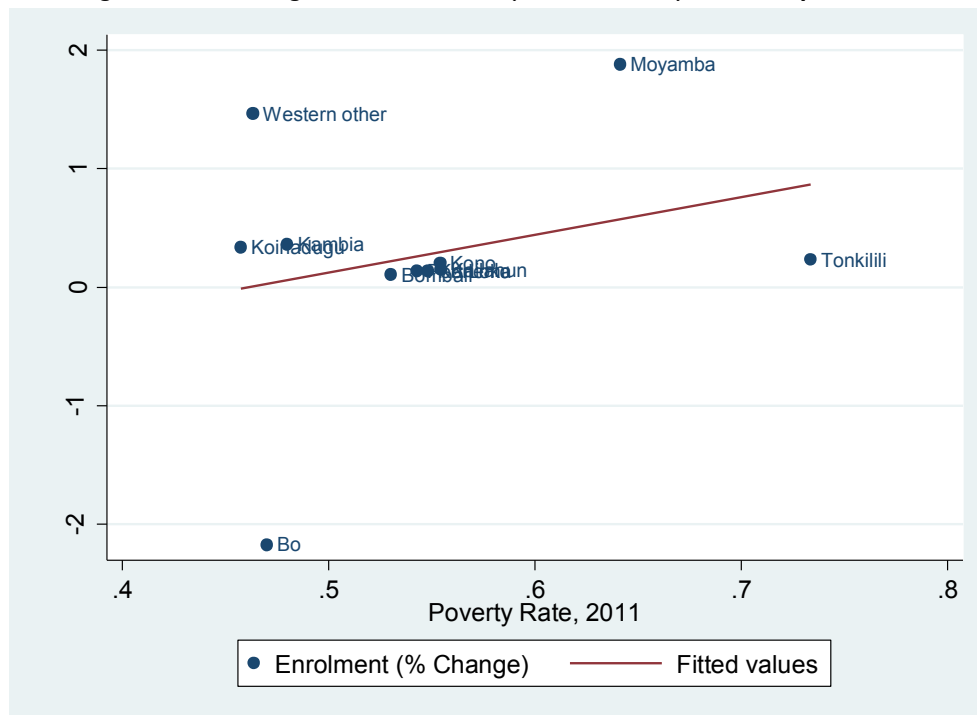
Data Source: [1] Ministry of Education, NPSE and BECE annual summaries. [2] SLIHS, 2011.

Figure 16: JSS: Change in Enrolment Rate (2011/12-2012/13) and Poverty, 2011



Data Source: [1] Ministry of Education, NPSE and BECE annual summaries. [2] SLIHS, 2011

Figure 17: SSS: Change in Enrolment Rate (2011/12-2012/13) and Poverty, 2011



Data Source: [1] Ministry of Education, NPSE and BECE annual summaries. [2] SLIHS, 2011.

1.3 Econometric Analysis

- 56. This section provides a more detailed explanation of the potential factors behind the outcomes explored in the two previous sections. The regression analysis merges information from school outcomes as well as district variables.
- 57. The outcome variables are calculated at school level. Due to data availability, this section uses enrolment information by grade and gender only for the academic years of 2011/12 and 2012/13. School information is available for year 2011. Data from the SLIHS is also used to proxy the district poverty level.

1.3.1 Determinants of Enrolment

58. In terms of education enrolment the model estimated is the following:

$$\Delta y_{s,g,d,t} = \alpha + \beta_k S_{k,s,t-1} + \theta_g + \eta_d + \varepsilon_{s,g,d,t}$$

- 59. Where $\Delta y_{s,d,t}$ is the change in the number of enrolled students in school “s” in grade “g”, that is located in district “d” and observed in time “t”. α is the constant term, β_k retrieves the coefficient of the effect of school-level variable $S_{k,s,t-1}$ in the previous period “t-1”. θ_g controls for grade fixed effects; η_d controls for district variables that may affect the educational outcome. Finally, $\varepsilon_{s,g,d,t}$ is the error term. For the estimation errors are clustered at district level to account for regional differences in the heterogeneity of the effects. The detail of the explanatory variables is explained with the interpretation of the results of each table.
- 60. Table 12 explains the change in the enrolment of students from the academic years 2011/12 to 2012/13. The dependent variable is the change in the logarithm of the number of students in each grade. In order to highlight differences among types of education, Table 12 presents estimation results for three levels of education: primary, JSS and SSS. The

explanatory variables are school level variables that attempt to proxy infrastructure development and quality of education.

Table 1: Regression analysis - Dependent Variable: Change in the number of enrolled students from 2011/12 to 2012/13, by type of education.

	(1) Primary	(2) JSS	(3) SSS
N of Teachers	0.011** (0.004)	0.012*** (0.002)	0.013*** (0.004)
N of Teachers * Public	-0.017 (0.011)	0.005 (0.007)	0.003 (0.007)
School has a Toilet	0.010 (0.021)	-0.036 (0.047)	0.204 (0.289)
N of Classrooms	0.009 (0.006)	0.010 (0.008)	0.002 (0.007)
Public School	-0.128 (0.105)	-0.149 (0.120)	0.125 (0.193)
Private School	-0.002 (0.068)	-0.160*** (0.048)	0.205* (0.093)
Mission School	-0.016 (0.062)	0.040 (0.063)	0.037 (0.121)
Public School * New	0.360*** (0.085)	0.016 (0.221)	-0.448 (0.339)
Private School * New	0.073 (0.066)	0.096 (0.067)	0.812** (0.275)
Mission School * New	0.130* (0.071)	-0.130 (0.092)	0.166 (0.238)
District Poverty	-0.067 (0.297)	0.254 (0.141)	0.227 (0.461)
N of Students past year	-0.746*** (0.052)	-0.623*** (0.047)	-0.748*** (0.101)
School Size	0.041 (0.034)	0.290*** (0.051)	0.438** (0.154)
Constant	2.792*** (0.482)	0.878*** (0.205)	0.750 (0.599)
Grade Fixed Effects	Yes	Yes	Yes
Observations	18,987	1,197	227
R-squared	0.386	0.339	0.552

Robust standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

61. Dividing the estimation by type of education demonstrates **that there are important differences in the effects of school variables on the change of enrolment depending on the level of education.** Column (1) presents the estimation for all primary schools. First to notice is the lack of statistical significance of the poverty rate at district level, as was suggested in figures 57, 58 and 59. After controlling for other factors, the apparent positive association between poverty and change in enrolment disappears. The negative sign of the coefficient for the variable “N of students past

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year” suggests that schools with an already large number of students tend to grow less than schools with less students in the previous year. Schools with more teachers in 2011 are more likely to witness an increase in the number of students. This is a supply channel: more teachers imply that schools can create more classes or absorb more students without compromising the quality of the teaching. However, the coefficient with the largest effect is the one for the variable “Public School * New”. This is the interaction of a variable indicating that the school is public and also new¹⁹. The large coefficient indicates that new public schools experienced an increase in enrolment of 36%, compared to others. No other variable bears statistical significance. **This result is suggestive evidence that the main driver of educational expansion in Primary is the opening of new schools.**

62. Column (2) analyses the growth of enrolment in JSS. Again, the availability of teachers in the previous year seems to explain the expansion of enrolled students. Private schools seem to grow less than other type of schools. The size of the school seems to be important to explain the expansion of students enrolled in JSS. Column (3) replicates the analysis for SSS. Here, new private schools seem to be the main driver behind the expansion of this type of education. Here the school size also helps to explain the increase in the number of enrolled students. However, it is worth noticing the small sample size for this estimation - 227. Therefore, this result should be taken with caution.

1.3.2 Determinants of Examination Results

63. This sub-section explores the determinants of the results in the NPSE and BECE exams. In particular, the analysis seeks to profile the school pass rate for both NPSE and BECE, in a similar fashion as with enrolment, but with an emphasis on explanatory variables that reflect quality. Therefore, the equation to estimate takes the following form:

$$y_{s,d,t} = \alpha + \beta_k S_{k,s,t-1} + \eta_d + \varepsilon_{s,d,t}$$

64. Where y in this case is the proportion of students that passed the NPSE or BECE. Due to data limitations only information from year 2011 is included.

65. Table 13 presents the results for the NPSE. Column (1) makes no gender difference and estimates the equation for all students. Clearly the teacher to pupil ratio is important to explain success in passing the NPSE. The proportion of teachers with medium qualification or high qualification²⁰ does not have any explanatory power over the pass rate in the school. Interestingly, schools with a higher proportion of male teachers are associated with lower pass rates in the NPSE. The availability of resources is important to explain success in the NPSE: the coefficients for Library, Laboratory, and Computer are all positive and statistically significant. This result may also proxy school’s quality. Interestingly, old schools do not exhibit better performance in the pass rate.

Table 2: Regression analysis - Dependent Variable: Proportion of students who passed NPSE in 2011, by gender.

VARIABLES	(1)	(2)	(3)
	Total	Male	Female
Teacher / Pupils	1.313** (0.575)	1.208** (0.543)	1.370** (0.601)
% of Teachers Medium Qual.	-0.027 (0.024)	-0.020 (0.020)	-0.040 (0.027)

¹⁹ New school is any school with less than 5 years of creation.

²⁰ Medium qualification: TEC, TC-Lower, TC, HTC. High education: any BA, BSc, Msc MA degree.

% of Teachers High Qual.	0.103 (0.160)	0.114 (0.185)	0.033 (0.227)
Old School	0.013 (0.017)	0.009 (0.015)	0.023 (0.023)
% of Male Teachers	-0.121*** (0.039)	-0.123*** (0.039)	-0.147*** (0.039)
District Poverty	-0.219* (0.107)	-0.200* (0.107)	-0.237* (0.118)
Library	0.080** (0.028)	0.059* (0.029)	0.098*** (0.032)
Laboratory	0.038* (0.020)	0.090*** (0.015)	0.021 (0.024)
Computer	0.089*** (0.029)	0.071** (0.028)	0.112*** (0.037)
Constant	0.516** (0.183)	0.577*** (0.158)	0.481** (0.196)
Observations	2,443	2,402	2,383
R-squared	0.052	0.042	0.053

Robust standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

66. Columns (2) and (3) re-estimate the model for male and female pass rate. The teachers to pupil ratio has a larger coefficient in the model for females, as also does the coefficient for the proportion of male teachers in the school. The effect of having a library in the school is stronger for girls, whereas having a laboratory seems to help boys to succeed in the NPSE. Having a computer cluster in the school remains statistically significant for both male and female pass rates.
67. Table 14 has the estimation results for the pass rates of BECE. Again, the teacher to pupil ratio is statistically significant and has the right sign: more teachers per students ensures higher pass rates. Surprisingly the quality of teachers has no effect. Unlike the model for NPSE, the proportion of male teachers has no effect on the pass rate. On the other hand the coefficients for laboratory and computer are higher than in the NPSE model, whereas having a library has no association with the BECE pass rate in the school.

Table 3: Regression analysis - Dependent Variable: Proportion of students who passed BECE in 2011, by gender.

VARIABLES	(1)	(2)	(3)
	Total	Male	Female
Teacher / Pupils	1.004*** (0.327)	1.057*** (0.333)	1.361*** (0.359)
% of Teachers Medium Qual.	0.041 (0.084)	0.022 (0.085)	0.017 (0.084)
% of Teachers High Qual.	0.071 (0.134)	0.079 (0.128)	0.013 (0.151)
Old School	-0.009 (0.048)	-0.016 (0.043)	-0.037 (0.078)
% of Male Teachers	-0.153 (0.116)	-0.106 (0.106)	-0.292 (0.174)
District Poverty	-0.234 (0.160)	-0.269* (0.129)	-0.200 (0.153)
Library	-0.038 (0.030)	-0.038 (0.028)	-0.047 (0.031)
Laboratory	0.119*** (0.033)	0.080 (0.045)	0.124*** (0.039)
Computer	0.084** (0.034)	0.083** (0.038)	0.072* (0.036)
Constant	0.553*** (0.171)	0.554** (0.187)	0.550** (0.215)
Observations	370	352	348
R-squared	0.312	0.257	0.352

Robust standard errors in parentheses

*** p<0.01, ** p<0.05, * p<0.1

68. Columns (2) and (3) of Table 14 differentiate pass rate by gender. For column (2), male pass rate, the teacher to pupil ratio is statistically significant, having a computer cluster also bears statistical significance. Here the poverty rate at the district level has a negative association with the pass rate, although only at the 10% level of significance. The results for female pass rate, in column (3), suggest that the teacher to pupil ratio has greater importance to explain pass rate in the BECE. In this case, having a laboratory in the school seems to influence the pass rate, as well.

1.4 Conclusions and Key Findings

69. This chapter presented descriptive and econometric evidence on the improvement of outcomes in the education sector in Sierra Leone. A number of key findings emerge from this analysis:

- The number of people taking the two important examinations, NPSE and BECE has increased in the recent period. This improvement in absolute terms has coincided with an improvement in terms of gender equality. The number of girls taking these two examinations has grown faster than the number of boys.

- Results also suggest that the pass rate has improved through the years, and that the gender gap in pass rates has decreased. However, this improvement is more important for the NPSE than the BECE. In the latter, whereas 61% of boys pass the BECE, only 52% of girls pass.
- The analysis has also shown that there are important regional differences in the achievement of outcomes. Most of the increase in the number of students taking the examinations is explained by the performance of a few districts. Poverty in the district has a suggestive influence on this.
- Absence in both examinations is generally very low, and has little relation to the poverty rate of the district. Factors other than economic ones seem to exert an influence on the absence rate, however more research is needed to fully ascertain the nature of absence.
- The change in the number of students enrolled in Primary, JSS and SSS has important variability among districts. This is particularly evident for Primary. JSS and SSS exhibit a more sustained growth in the number of students enrolled.

70. **With regard to the determinants of these outcomes, the regression analysis suggests that the main driver behind the increase in the number of students enrolled in Primary is the creation of new schools.** Also, the number of teachers in the school helps to explain future enrolment. The creation of new public schools has been particularly important in the expansion of Primary enrolment. JSS and SSS enrolment seem to be influenced by the school size: bigger schools are more capable of capturing more students.

71. **Finally, examination results are heavily influenced by the teacher to pupil ratio in all specifications.** The availability of library, computer and laboratory facilities also help to improve the test performance, especially for the BECE results. District poverty has a suggestive effect on the pass rate of NPSE, but is statistically significant only at the 10% level. Interestingly, a high proportion of male teachers in the school is associated with lower pass rates in the NPSE.

Annex X: Qualitative research on factors influencing education outcomes

72. This annex provides an in-depth qualitative analysis the most profound causes why the education outcomes are not reaching its full potential: a) access, b) decentralisation, c) human resources and d) the education information system. The analysis is based on the desk research, field visit and stakeholder interviews and the econometrical analysis.

A) Improving access and performance – abolition of school fees and construction of schools

73. The econometrical analysis indicated an improvement in enrolment and pass rates for all levels of education, but in particular for JSS. Numerous initiatives have taken place that contributed to this positive development. The construction and repair of schools in the post-war period have helped to improve access. The abolition of school fees in 2001 further encouraged the demand. The abolition of fees was officially enacted under the Education Act in 2004. The Education Act required all children to complete basic education: 6 years of primary school and 3 years of junior secondary school (JSS). Besides the abolition of school fees for all children in primary schools, the government also abolished the school fees for girls in certain terms of JSS (1st year: all terms, 2nd year: 2 terms, 3rd year: 1 term). A further measure taken by the GoSL in 2001 was the abolition of fees for examinations at the end of primary school (NPSE), in order to stimulate students to take the exam and enter secondary education. These initiatives have had the intended results.

74. The abolition of school fees had however an unforeseen side-effect, resulting to date in a high number of operating schools with an unapproved status. After the abolition of schools fees, primary school and JSS started receiving a school fee subsidy in the form of a block grant based on the number of pupils enrolled. The field visit (see Annex 3) made clear that these subsidies combined with suppressed demand provided an incentive for many to open schools. Although this provided an answer to the increasing demand for basic education and thus improved enrolment as intended, the situation became financially unsustainable as the list of schools receiving subsidies grew rapidly each year. Coordination problems between the MoFED and the MEST on which schools should receive school subsidies were part of the problem. Around 2011, MOFED and MEST improved on their coordination and MEST introduced a system of officially approving schools based on certain conditions. Only approved schools are eligible to receive school subsidies.

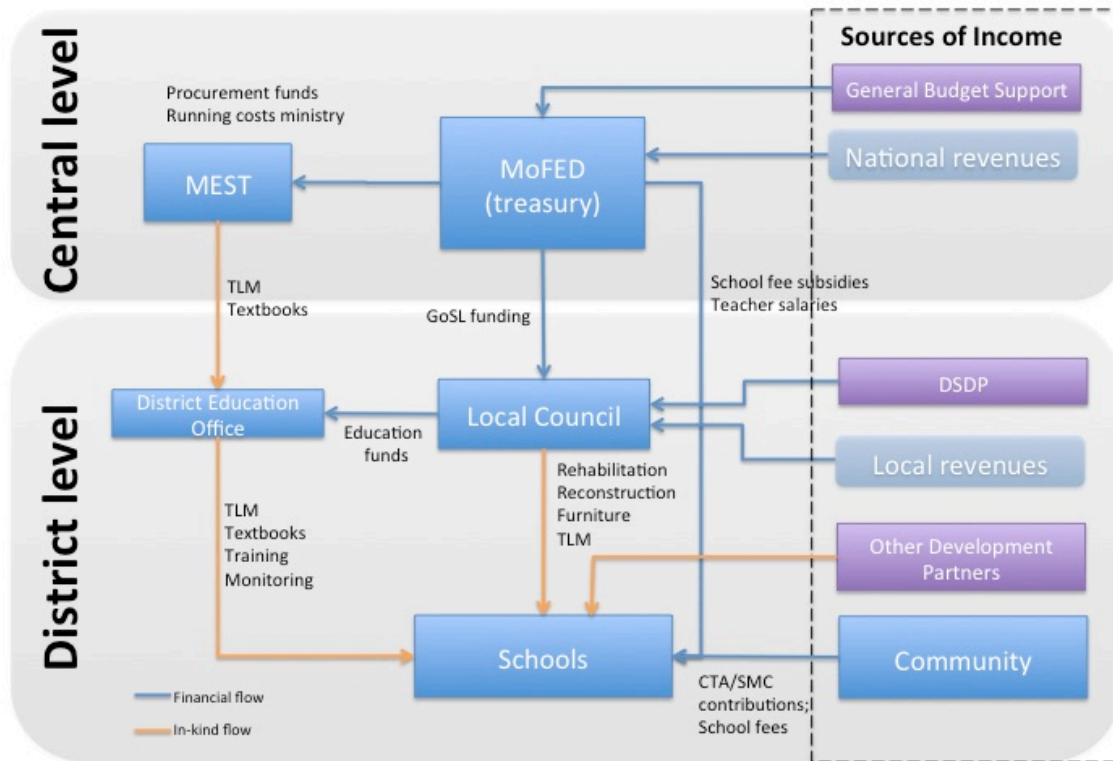
75. To date, approximately 40% of primary schools are functioning schools but are not officially approved and operate without government funding. To a degree, the argument of MEST to restrict the number of schools based on certain conditions is well understood. Examples include the so-called ‘mushrooming’ of rival mission schools within short distance from each other. In other cases, in particular in rural areas, parents prefer their youngest children not to travel too far to official schools and set-up very basic community schools instead for small groups of children. Clearly, these developments are not in line with government policy. Notwithstanding these examples, there are however also good functioning schools with high enrolment figures that do fulfil the requirements and have been waiting for approval for years. These schools are the victim of a lack of funding that has created a significant backlog in the approval of schools. There is simply not enough fiscal space to absorb all schools. Some of these unapproved schools are even government-owned, such as schools built under the EFA-FTI.

B) Improving governance – Decentralisation

76. The econometrical analysis also showed important regional differences in the achievement of outcomes. To a large degree this can be linked to the decentralisation process that never fully materialised.

77. The majority of funds for the education sector is still centralised (wages, school subsidies, procurement of TLMs). The Local Government Act (2004) devolved management and control of basic education from a central level to the district level. The underlying idea of decentralization was to bring decision-making closer to the people, thus ensuring improved efficiency and effectiveness, increased delivery of services, and increased school performance due to higher levels of parental and community participation. These underlying principles are still seen as valid within the District Councils spoken to by the evaluation team. However, the decentralization process has not progressed as fast as anticipated. On the contrary, certain functions that had been devolved, have been taken back to the central level due to alleged lack of capacity on the local level (e.g. allocation of school fees, procurement of TLMs). Other functions have not been devolved at all (e.g. recruitment of teachers). (See field mission report in Annex).
78. Reasons why decentralisation has fallen short of its objectives vary. Stakeholder interviews at the central level government referred to a lack of capacity at the local level to sustain the devolving of these functions. At the district level, perceptions were that the problem was rather the quantity of staff and resources rather than the quality: the central government was perceived not to have devolved enough resources and personnel to ensure effective decentralization. Different interpretations on the implementation of the education policy foster a lack of trust to further devolve responsibilities.
79. The districts do have functioning systems in place to plan and implement their district education plan. The planning process is quite extensive, incorporating many different stakeholders and using a bottom-up approach. Mechanisms are in place ensuring alignment with national development and sector strategies. Budget execution turns out to be much more difficult, as the budget ceilings given by the Local Government Unit of MoFED are often not met, and allocation and disbursement of the funds is unpredictable.
80. Local Councils (District and City Councils) have very limited resources at their disposal. Each have two financing windows: the Government of Sierra Leone (GoSL) funds, as well as the World Bank sponsored Decentralized Service Delivery Programme (DSDP) funds. The financial flows are depicted in Figure 38 below.

Figure 18: Financial flows in the education system (2015)



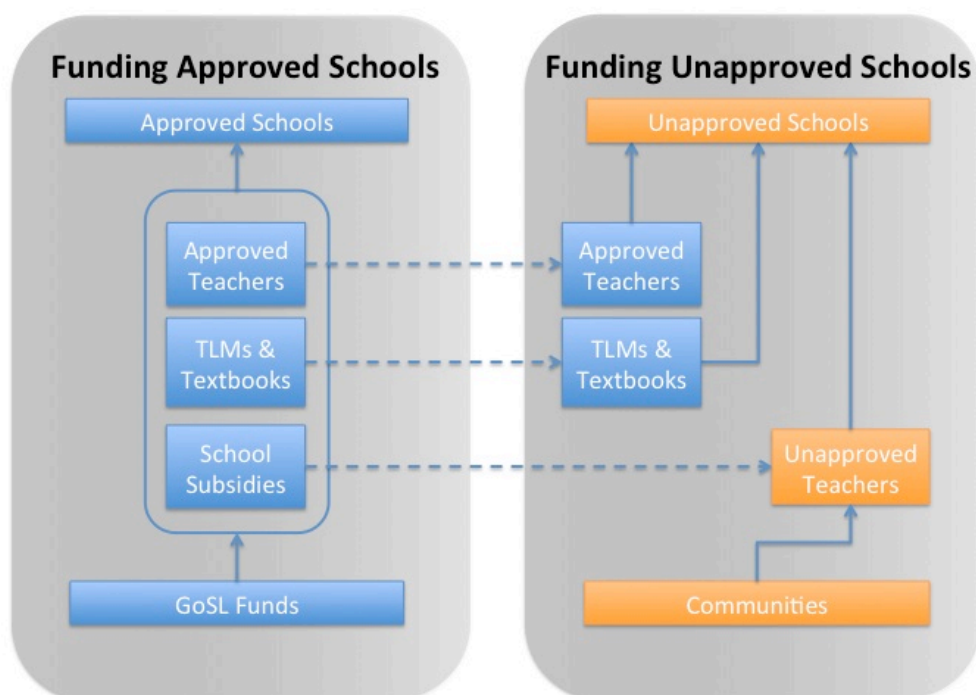
81. At the Councils visited in Bo and Kenema, the DSDP funding is larger than the GoSL funding, and creates some welcome additional funding in the district budgets. DSDP funding is transferred to sector-specific accounts and used to implement specific activities related to service delivery that have been captured in the district plan. During the year, the Councils need to readjust their plans due to the delay and roll-over of funds.
82. Following our analysis on the contribution of budget support to non-wage recurrent cost spending in the education sector as presented in Section 6.2, we may conclude that Budget Support has been of importance to the districts for implementing their plans. But the funds are way too minimal to address the current needs. The GoSL funding is mostly used for recurrent spending to fill financing gaps in the plan. The GoSL funding is the only source of income that can be used in a flexible way at the discretion of the Districts, thus easier to redirect to top priorities or sudden emergencies, such as the Ebola-crisis.
83. The backlog of school approvals at the central level has created further tensions between the central and the local level. The unapproved schools are well known by the District Education Offices (DEOs) and local councils, but the DEOs don't have authority over the approval process. Instead, DEOs lobby for the approval of certain schools in their district and some DEOs seem to try to support unapproved schools by distributing TLMs and textbooks meant for the approved schools to all schools functioning in their districts. In turn, this has led to the approved schools having less TLMs and textbooks than planned, jeopardising the quality of education.

C) Improving Human Resources – Teacher recruitment, qualification and motivation

84. Unlike in many other countries in sub-Saharan Africa, the availability of qualified teachers seems to be less of an issue in Sierra Leone. The problem seems to rather lie with absorbing qualified teachers onto the payroll. According to the latest figures of the MoFED there are 35,037 teachers on the payroll (July 2015). Only approved teachers, teaching at an

approved school, are paid a government salary. Improvements in the timeliness of payments has resulted in a situation where all teachers that are on the payroll do receive their full salary on time each month.

85. Instead, similar to the situation with the unapproved schools, the real challenge of the GoSL is to absorb all qualified teachers onto the payroll. Approximately 40% of teachers, qualified and unqualified, are working in the sector without a government salary. Although exact figures are not available, anecdotal evidence suggests that a large share of them are waiting for a formal approval. Meanwhile, part of the school subsidies (and school fees at secondary level) are used to compensate the unapproved teachers and in addition the community makes a contribution through the SMC (School Management Committees) or the CTA (Community-Teacher Association).
86. The unapproved schools, on the other hand, have difficulty attracting approved teachers. A number of unapproved schools manage the situation by 'borrowing' teachers who are on the payroll of other, approved schools.
87. An unknown share of the funding intended for approved schools is thus 'leaking' to the unapproved schools as depicted in Figure 19. MEST sees these mechanisms as illegal practice, and is strategizing on how to combat it. There are informal plans to exclude pupils from unapproved schools from sitting free exams and to ask them to pay a fee instead (as for private schools). The fact is however that the unapproved schools do answer to the great demand for education. Children are in school and parents are willing to pay for it. Clearly, absorbing all those schools as government schools is not feasible and an alternative long-term strategy is needed. The education strategy is lacking any clear proposal in this regard.
88. Besides the shortage of approved teachers, other factors influencing the quality of education are the low level of teachers motivation. Reasons for teacher dissatisfaction include low salary levels, lack of TLMs, and poor working and living conditions in the rural areas. Not many teachers are willing to move to the rural areas without extra incentives. A rural allowance scheme used to be in place to stimulate qualified teachers to move to the countryside, however this programme has been rescinded.

Figure 19: The relationship between the funding of Approved and Unapproved Schools

89. In order to prioritize teacher satisfaction and qualification, the Teaching Service Commission Act was passed in 2010, and teacher qualification has become a key priority in the Education Sector Plans. Up to date, the commission has not met and a secretariat has not been established yet, although the president recently (July 2015) appointed a chairperson.

D) Improving education information – the Education Management Information System (EMIS)

90. A significant problem in the effective implementation of education policies in Sierra Leone is the non-availability of reliable data. The collection and analysis of trustworthy data on education remains a major problem. Official MEST data for the period 2004-2010 is completely absent and for instance also not included in the Education Country Status Report that covers the period 2000-2011. The MEST set-up an Education Management Information System (EMIS) in 2006 in order to carry out comprehensive school censuses. The first Annual School Census was performed in January 2007 and they should have been organised annually since then. In February 2012, the first school census report was published covering the school year 2010/11. No school census report has been published since then. The census of 2011/12 and 2012/13 did take place and data has been consolidated in access (2011/12) and excel format (2012/13), but is still in the process of analysis. For this report raw data from the school census has been used. The census of 2013/14 did not take place due to the Ebola crisis.

91. The evaluation team found that the District Education Offices are collecting quite comprehensive datasets for their own use. However, the central government relies on the census data, collecting data through a parallel system. This creates problems in the execution of policies due to data variances (e.g. number of children in schools eligible for school fee subsidy).

92. The approved/unapproved status issue of schools and teachers creates other data complexities. For example, a few schools designated as primary by the MEST do have junior secondary classes in operation. Occurrences of self-upgrading occur more frequently at the junior secondary level i.e. schools approved as junior secondary have senior secondary

classes in operation. This can result in a situation in which a particular area has seemingly no senior secondary school (as per approval records at MEST) but has numbers for enrolled students at the senior secondary level (as per grades found in operation in the school) in the census report.

93. The enrolment figures presented in this report do include data from unapproved schools. To deal with unapproved schools during the census, counting has been based on the designation used by the unapproved school. Enrolments are based on the grades in which students are found irrespective of the level for which the school has been approved or the designation it is carrying. This means that if for example a school is counted as a pre-primary but operates primary school classes in addition to its pre-primary classes, the students in the primary classes have been recorded as primary level enrolment.
94. There is clearly a need for establishing and implementing routines and processes for collecting, analysing and monitoring data to inform continuous improvement, provide feedback and make decisions. The first steps in this regard have been made with support of the GPE. Improving on M&E is one of the key concerns of the GPE to be able to measure progress on the implementation of the Education Strategy. As such, the Donors Group recommended to give priority to the development of a strong monitoring and evaluation strategy and plan that should be used as a trigger for disbursement of GPE funds.

Annex XI: Field Mission Report – Bo and Kenema

Objectives of Field Mission

From the 27th of July until the 29th of July 2015, a short field visit to the districts of Bo and Kenema took place as part of the main mission in Sierra Leone. The field visit was undertaken as part of the education and health sector case studies with the following objectives:

- To gain more insight on the progress of implementation of education policies and actual service delivery at the district level.
- To understand how the decentralization process evolved in the two sectors (health and education) and how it is functioning to date.
- To gain more knowledge on the budgeting and planning process at the district level.

The team visited the District Education Offices, the Local Councils and a number of schools in both districts as well as the District Medical Office in Bo. There is an overview of people met provided at the end of this field mission report. The team is grateful to all who contributed and for the openness of the discussions.



Limitations

The observations and findings mentioned below are subject to a number of limitations and caveats that should be considered. First of all, the schools visited were limited in number, all within a short distance of the cities of Bo and Kenema and selected by the respective DEOs. Secondly, Bo and Kenema are both urban districts in close proximity of one another, and there are likely to be large differences with more remote, northern districts. Furthermore, the team gathered some data from the District Education Offices in Bo and Kenema. However, the two offices use different methods of data collection, which is why the team has different data for the districts, and for this report only the Kenema data was used. The Bo data collected was not used, as it was limited and could not be used for comparative analysis. Finally, the objective of this field visit was mostly to focus on a deeper analysis of the education sector, which is why only limited information was gathered on the health sector.

Background education sector Bo & Kenema

Bo and Kenema are districts in the Southern and Eastern Provinces of Sierra Leone respectively. Additionally the cities of Bo and Kenema, are the district headquarter towns. The cities therefore house two councils: the city council and the district council.

Table 4: Data collected during field mission from District Education Offices (2013/2014 data)

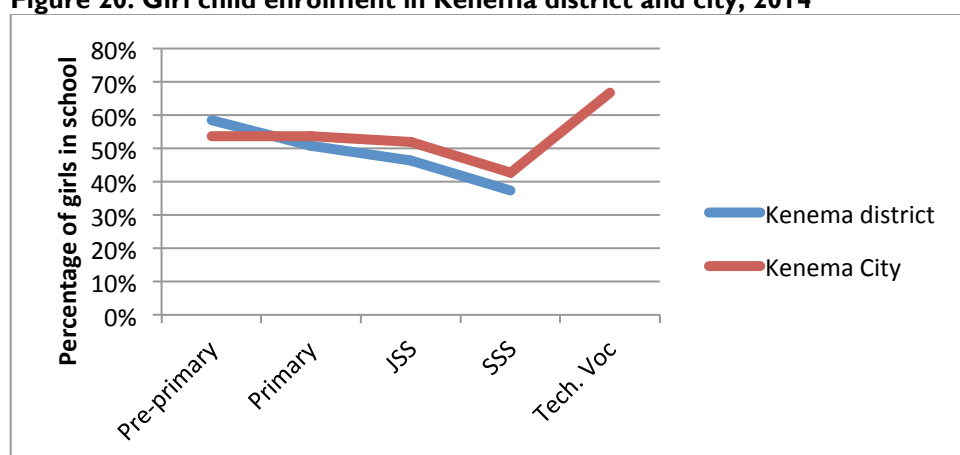
	Bo district	Kenema district
Population (2010)	561,524	545,327
<i>Number of schools total</i>	841	757
- Pre-primary	83	48
- Primary	594	608
- JSS	100	77
- SSS	33	16
-Technical Vocational Education	31	8
<i>Number of teachers total</i>	5,891	5,413
- Pre-primary	260	146
- Primary	3420	3766
- JSS	1362	1048
- SSS	617	363
-Technical Vocational Education	232	90

Observations & findings

1. Service delivery

During the field visit, the team noted a number of positive developments related to service delivery in the districts. Enrolment figures in the schools (both primary and secondary) are steadily increasing, causing most of the schools to pursue extension of their structures through building extra classrooms. The teacher to pupil ratio seemed to mostly be around the 1:50 in primary and 1:40 in secondary education as has been established as a maximum by the central government. Furthermore, the boy to girl ratio in all the schools visited was in favour of the girls. This corresponded to the data obtained from the Kenema district, which also confirmed that most schools had enrolled more girls than boys (see figure 20). The primary schools visited acknowledged a positive trend in the last few years towards gender equality. Currently, girls tend to have better results at primary level, outperforming the boys.

Figure 20: Girl child enrolment in Kenema district and city, 2014



The data shows that girl enrolment is high at a pre-primary, primary and JSS level, however it declines towards SSS level. The figure also shows that there are more girls than boys studying technical and vocational education. This could however also be seen as an indication of remaining gender inequality at higher levels of education. Nation-wide there is a strong preference for the academic pathway, whereas the vocational pathway is perceived as being inferior.

In addition, there seem to be sufficient qualified teachers or health workers available (although a large share is not on the government pay-roll as will be explained below). In both districts health workers and teachers are trained in district level institutions, thus creating a pool of newly graduated teachers and health workers every year.

Besides these positive developments, the team encountered many service delivery related challenges that head teachers, district councillors and district education officers run into. The main obstacle towards the effective service delivery in education in the district is related to the official approval of both schools and teachers by the MEST. Some of the unapproved schools visited showed signs to be functioning well (i.e. one of the schools had a 100% pass rate in the NPSE) however their unapproved status prevents them from receiving school fee subsidies, textbooks, teaching and learning materials (TLMs) and having teachers on the government payroll. The unapproved schools cope by 'borrowing' teachers who are on the voucher of other, approved schools, or by asking the community to contribute through the SMC (School Management Committees) or the CTA (Community-Teacher Association). But also within approved schools, there are problems around the payment of teachers, as many teachers (of which some qualified) are waiting approval by the government (see figure 21 & 22). Some of the teachers spoken to are in the approval process for several years. The backlog of approvals is explained by limited fiscal space of the MEST to absorb all teachers. At the moment, unapproved teachers are paid by either the community or through using funds from the school fees account, which are meant to provide for running costs in a school.

The informal redistribution of approved teachers over unapproved schools creates a shortage of approved teachers in approved schools. The problem of unapproved teachers thus appeared greater in the more rural schools (See figures 21 & 22), due to distance, or lack of accommodation or other incentive allowances available.

Figure 21: Unapproved and unqualified teachers Kenema City

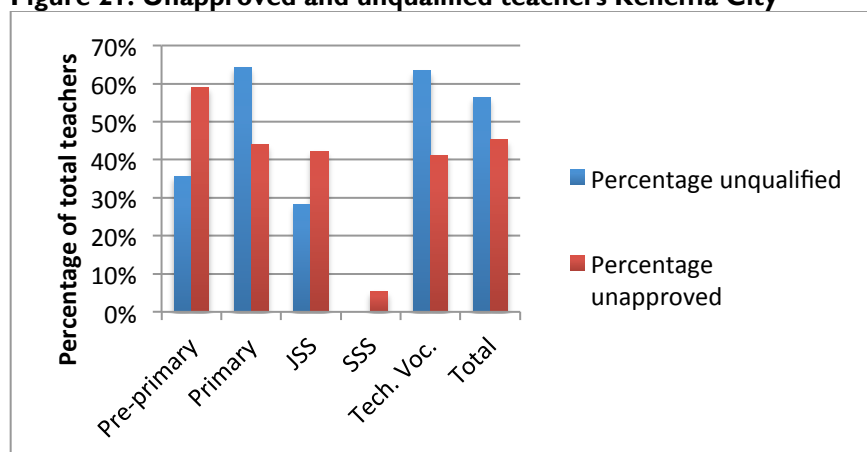
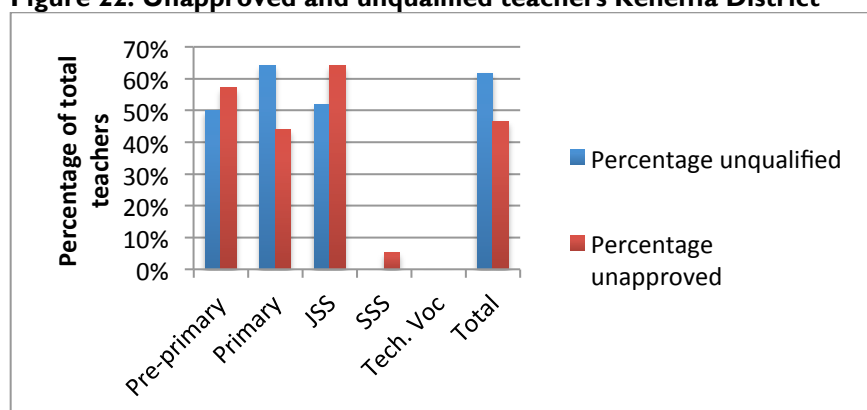


Figure 22: Unapproved and unqualified teachers Kenema District



A similar problem is taking place with the approval of qualified and trained health workers. A rough estimation was given that around 40% of health workers is not officially approved. It happens that unapproved health workers ask for a fee-for-service which is against the principles of the FHCI. Patients can report to the DMOs and sanctions are in place to discourage this.

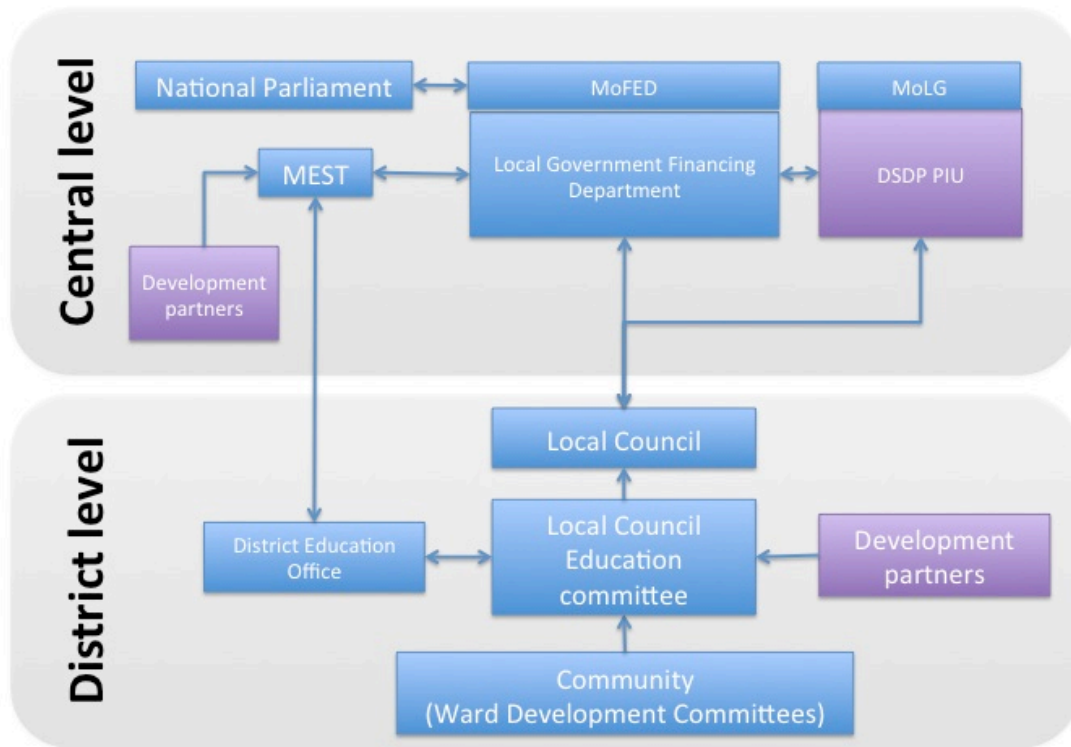
All schools, both approved and unapproved, are monitored by the DEO inspectors. The DEO tries to support these schools by assisting them in the approval procedure and through redistributing textbooks and teaching and learning materials (TLM) - which come from central government for only the approved schools – among all schools, including the unapproved schools. This creates a shortage in TLM and textbooks in all schools. In order to protect the textbooks from wearing and tearing, in many of the schools only the teachers use them, they are not handed out to the children.

Further problems include lack of water and sanitation, insufficient structures for the amount of children wanting to enrol, and poor school structures. Inadequate logistics were mentioned as obstacle to the DEO being able to reach the most rural schools. It was mentioned that Technical Vocational schools are ill equipped and thus not able to perform well.

2. Budget & planning

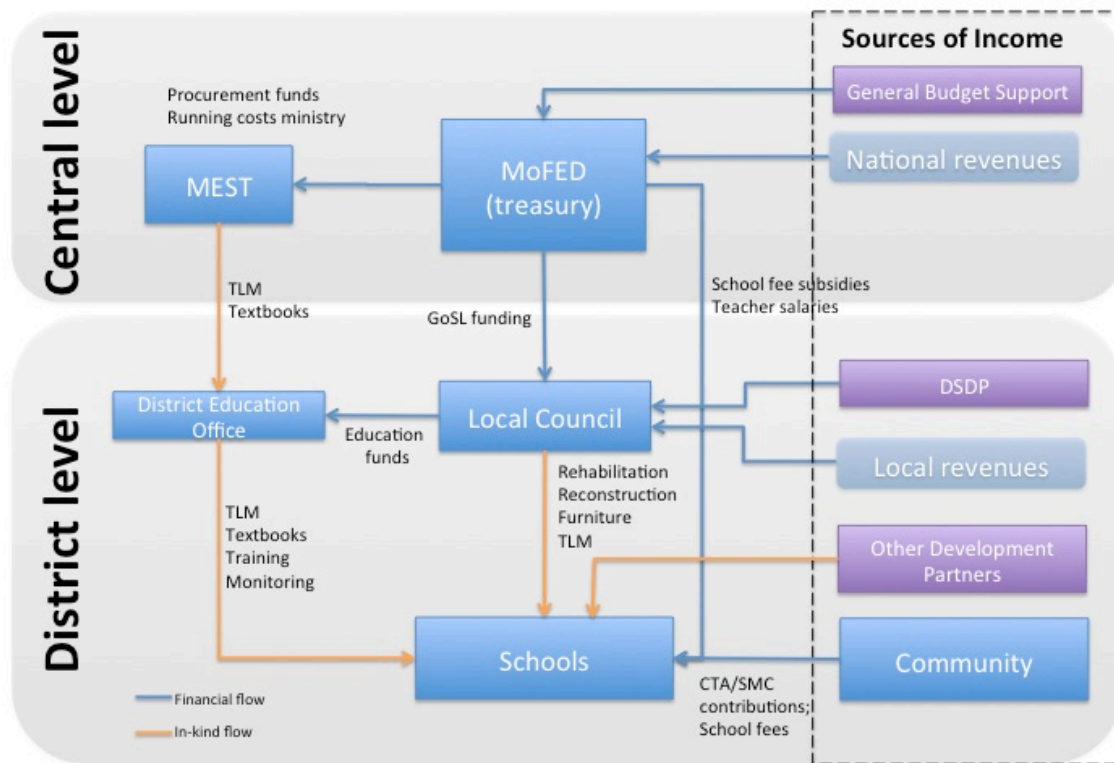
The impression of the team was that the planning process was quite extensive, incorporating many different stakeholders and using a bottom-up approach, thus including ward committees, development partners. Furthermore it is ensured that the district plans are in line with national development and sector strategies. The planning process is depicted in figure 23.

Figure 23: Planning process in the education system (2015)



At the district level, the Development Partners in the health sector (which are more in numbers) seem to have a better coordinated approach with the Councils when compared to education. While ‘off-budget’, most of the health related activities are ‘on plan’ and the DMO is aware of the on-going activities of the DPs. For education, it was a concern for the Councils that they are not fully informed of donor activities in the districts.

Figure 24: Financial flows in the education system (2015)



The Local Councils (District and City Councils) have each two financing windows: the Government of Sierra Leone (GoSL) funds, as well as the World Bank sponsored Decentralized Service Delivery Programme (DSDP) funds. At the Councils visited, the DSDP funding (for non-salary spending) is larger than the GoSL funding, and creates some welcome fiscal space in the district budgets. DSDP funding is transferred to sector-specific accounts and used to implement activities related to service delivery that have been captured in the district plan. During the year, the Councils need to readjust their plans due to the delay and roll-over of funds. The GoSL funding is mostly used for recurrent spending to fill financing gaps in the plan. The GoSL funding is the only source of income that can be used in a flexible way at the discretion of the Districts, thus easier to redirect in times of emergencies, such as the Ebola-crisis. Furthermore, there is some in-kind support from NGOs such as UNICEF and IRC, however this often not long-term and only in specific schools.

In general salaries are paid on time, for both the health and the education sector. However, salaries are perceived as being too low. The District Medical Officer mentioned the Performance-Based Financing initiative to be a good additional source of funding and improving staff motivation. PBF funds are also used for offering some form of remuneration to unapproved health workers, although these funds are intended to support the operation of the health facilities.

3. Decentralization

The Local Government Act (LGA) in 2004 re-established the local councils, and also devolved a large number of functions, including primary and secondary education and health care to a local level. The local councillors perceive this as a positive development. However, it appeared that most devolved functions were either not devolved properly or taken back to the central level. The procurement of cost-recovery drugs was devolved to the local council level for two years (2011-2013), but were taken back to the central level, as the government argued there was no capacity for this at a local level. The team's impression was that the technical capacity was there, however it was mostly the quantity of the staff that was missing. The team thus observed that not only were certain functions not fully devolved to a local level according to the LGA, but also a reversal had taken place, centralizing activities that had been taking place on a local level.

4. Other social sector governance developments

The team further observed a number of positive developments and challenges relating to sector governance. Positively, data collection at the DEO is comprehensive, although the central government does not use the same data in their planning processes, but collects data parallel to the district level data, creating problems in the execution of policies due to data variances.

On a national level the Teacher Service Commission has been established, which should be responsible for the Human Resource Management of teachers in the country. At a district level this is seen as a positive development and a possible solution to the problems with approvals.

School Management Committees (SMCs) and Community-Teacher Associations (CTAs) have been set up at every school to ensure community participation in the management of the schools. The schools visited have very active SMCs and CTAs, who are very involved in the challenges the schools are facing.

A worrying observation the team furthermore found was that a primary and JSS school completed in 2011 under the EFA/FTI also had problems with being approved.

Finally, government statements on paying for everything in the education sector for the upcoming two years in relation to the post-ebola strategy creates challenges for many of the unapproved schools, as the community is no longer willing to contribute.

Concerning the impact of budget support at a district level, the team found little direct evidence of the effects. However, a case can be made for the indirect effects of budget support, as it most likely contributes to the timely disbursement of salaries for approved teachers as well as towards the procurement and distribution of textbooks and TLMs.

Programme and persons met

Organisation	People interviewed
<i>Monday 27th of July, 2015, Bo</i>	
Bo District Education Office	John Amara Swaray, Deputy Director of Education
Bo City Council	Harold Jacker, Mayor Mohamed W. Jolloh, Deputy Mayor Joseph P. Foday, member of Education Committee Catherine J. Kamara, member of Education Committee Sylvester Amana, Resident Technical Facilitator Edward Alpha, Development Planning Officer Alpha B. Bah, Chairman Education Committee
Bo District Council	Joseph M. Bindi, Chairman Kemoh A. Sattie, Finance Officer Vivian Senesie, Chief Administrator Ibrahim Bah, Monitoring Officer Mohammed Amara, Margaret Kaitibie, Resident Technical Facilitator Julia T. Amara, Development Planning Officer Joseph S. Bangura, District Agricultural Officer Mohammed A. Kabba, Information Officer
Kakua Government School (JSS)	Bilo Koroma, Principal Josie Musa (Rev), Acting Principal Various teachers
St. Francis Primary School Upper section	James Wonneh, deputy head teacher

Methodist High School (JSS)	Henry Soya-Bangalie, Acting Principal Various teachers
BDEC School Ngeiya Road, Bo (Primary)	Andrew S. Kanyako, Head teacher Paul John Sandy, SMC Chairman Various teachers
<i>Tuesday 28th of July 2015, Kenema</i>	
Kenema District Education Office	Claudius Wilson, Deputy Director of Education Aloysius D. Moiwo, Supervisor of Schools James M.B. Sumdilo, Supervisor of Schools Grace Lamin Assistant Director
Municipal Primary School Kenema	S.S. Murray Turay, Head Teacher PM Various teachers AM/PM shifts J.S. Wilson-Koroma, SMC chairman Various SMC members Mohamed M.L. Vandy, CTA chairman Various CTA members
Municipal Primary and Junior Secondary School, Burma-Kenema	Sao Bockarie, Principal JSS Chief Jumu J.B. Brima, Chairman Finance Committee Various teachers of both schools
Ahmadiyya Muslim Primary School	M.B. Lukulay, Head Teacher M.M. Moiwo, Head Teacher Betty N. Mustapha, Deputy Head Teacher Edward Jusu, Chairman SMC Various teachers
Kenema District Council	Simeon H. Ngawojia, Vice Chairman of District Council Philip Sama, Chief Administrator Marco K. Bockarie, Chairman Education Committee
<i>Wednesday 29th of July 2015, Bo</i>	
District Medical Office	Alhaji Sani Turay, Chief Medical Officer

Annex XII: The Political Economy of Budget Support Provision

1. The relative shift in European opinion at public and government levels regarding Budget Support as a preferred aid modality has influenced the context for Budget Support during the evaluation period. This is illustrated by the international withdrawal from budget support operations by the Netherlands, and also in the explicit changes in policies introduced by the European Commission, Sida, the State Secretariat for Economic Affairs of Switzerland (SECO) and the Department for International Development (DFID).²¹ These changes in official policies have promoted more rigorous assessments of the fiduciary risks of budget support and attempts to develop more explicit links between disbursement modalities and the results of Budget Support, for example through the use of “variable” or “performance” tranches. In this Annex, the political economy of budget support provision is described, from its origination as a preferred aid modality to its current position within the aid modality debate.
2. Budget Support gained traction as an aid modality around the beginning of the millennium, as a reaction to criticism of traditional project aid, as well as the irrelevance of previously popular programme aid modalities such as Balance of Payment support and Debt Relief.²² Criticism towards traditional project aid focused on high transaction costs, unpredictability of funds, lack of ownership for recipient countries leading to problems with the sustainability of these projects and coordination problems amongst donors. The narrative around giving aid shifted towards a more equal donor-recipient relationship and the promotion of beneficiary ownership. This culminated in the 2005 Paris Declaration and the 2008 Accra Agenda for Action, which emphasized that donors should respect recipient countries’ own policy objectives for poverty reduction, and use recipient countries’ own administrative systems for dispensing the aid given and harmonising the various interventions.²³
3. Budget support was perceived by donors as an adequate aid modality to address the above mentioned issues. Budget support was expected to (i) make more use of domestic development objectives thus provide more ownership and more sustainability; and (ii) lead to harmonization of donors’ development policies. Its supporters believed budget support would increasingly become the preferred aid modality.
4. The main purpose of budget support was to provide support for countries to reduce poverty according to their own national poverty reduction plans. This would be achieved through providing more predictable funding, as well as through strengthening core government capabilities. The latter would be organised through non-financial contributions such as conditionality, policy dialogue and targeted capacity building.²⁴ Recipient countries would only be eligible for budget support if they had good policies in place to reduce poverty.
5. In the first decade of the 21st century, budget support was used extensively as an aid modality, and increased amounts of aid were provided through such programme aid. The implementation of Budget Support as a modality deviated, however, from the original intentions in a number of ways.

²¹ New policy statements on Budget Support have been produced by each of these agencies since 2008. The broader shift in the fashion for Budget Support is documented in Dijkstra et al. 2012 and Tavakoli & Hedger 2011.

²² Dijkstra et al. (2012)

²³ OECD (2008)

²⁴ Faust & Koch (2014)

6. While one of the intended consequences of using budget support was harmonisation of aid policies, in practice the result was different. Donors interpreted and used the instrument differently, in particular regarding the approaches towards the use of political conditionality.²⁵ This became increasingly apparent on the ground, creating problems around the use of the non-financial contributions such as policy dialogue and targeted capacity building, as the priorities of the donors varied.
7. Furthermore, although the original focus of Budget Support was supporting domestic poverty reduction policies, the emphasis shifted somewhat towards supporting governance reforms. As mentioned above, besides providing predictable funding, non-financial contributions such as conditionality, policy dialogue and targeted capacity building also play a role in the design of budget support as an aid modality. Domestic political risks of donors shifted the focus on policy dialogue to a focus on political dialogue, to ensure their government was not seen as supporting corrupt or abusive governments. Budget support is perceived to come along with high fiduciary risks, as it is provided directly into the recipients budget.²⁶ Therefore, in cases of political crisis such as human rights violations, election rigging or corruption scandals, some donors have abstained from or withdrawn budget support, even though the policy objectives of reducing poverty were met.²⁷
8. The intention behind the design of budget support was to reduce poverty. However, due to high political risks, good governance became the second objective of budget support. Attention shifted from ensuring reduction of poverty to ensuring a good political environment to minimize risks for donors.²⁸ PAF indicators were also geared towards ensuring political conditionality, although different donors interpreted certain situations differently. Faust & Koch (2014) mention the case of a 2009 corruption scandal in Zambia as an example. Some European donors suspended their budget support disbursements due to the scandal as they believed that governance was deteriorating and fiduciary risks were increasing, while others continued or increased their disbursements, reading it as a sign of progress as national control mechanisms had detected the case.²⁹
9. Besides the issues around political risk, the success of budget support is much more difficult to measure and thus to communicate to domestic constituencies in donor countries.³⁰ This has led to an increase in the emphasis on assessments and evaluations, as well as measurable PAF-indicators.
10. The above mentioned difficulties have led to a shift away from General Budget Support among European donors towards more Sector Budget Support amongst the large donors except the EC.³¹ Observers suggest this trend is primarily driven by political concerns regarding reputational risks rather than evidence on its performance. The changing attitude towards budget support at head quarters has also influenced the policy heterogeneity on the ground.

²⁵ Faust et al. 2012; Hayman 2011

²⁶ Koeberle & Stavrevski 2005; Clist et al. 2012; Faust & Koch 2014

²⁷ See examples in Molenaers, Gregiano, Smets & Dellepiane 2013

²⁸ Dijkstra et al. 2012

²⁹ Faust et al. 2012;

³⁰ Faust & Koch 2014

³¹ Tavakoli & Hedger (2011)

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Annex XIII: Proceedings of the Freetown Dissemination Seminar, January 2016

REPORT OF THE SEMINAR ON THE INDEPENDENT EVALUATION OF BUDGET SUPPORT TO SIERRA LEONE HELD AT THE COUNTRY LODGE COMPLEX ON THURSDAY 28TH JANUARY 2016

Call to Order:

The Seminar was called to order as scheduled, by the Deputy Team Leader of the Independent Evaluation of Budget Support to Sierra Leone, Mr. Cyprian Kamaray,, who served as Chair of the programme.

Opening Courtesies:

Mr. Kamaray warmly welcomed and thanked all present for leaving their busy schedules to attend the programme. He furthered by stating the objective of the seminar/presentation, its relevance to the budgetary process and overall government agenda. He observed the presence of key Government stakeholders such as the two Ministers of State, Directors of various Units/Departments and senior officials in the Ministry of Finance and Economic Development; Permanent Secretaries and Senior officials of MDAs. He also observed the presence of key donor partners involved in providing Budget Support (BS) to the government, including the presence of some non-state actors. On that note, the Deputy Minister of Finance and Economic Development and Minister of State, Mr. F.B.L. Mansaray, was called to make a statement.

Statement by Minister of State and Deputy Minister of Finance and Economic Development, Mr. F.B.L. Mansaray:

Mr. Mansaray apologised for the absence of the Minister of Finance and Economic Development, which was due to some important meetings he was requested to attend at State House. On behalf of the Government and the people of Sierra Leone, he took the opportunity to warmly welcome all present to the presentation of the Independent Evaluation of Budget Support to Sierra Leone 2002-2015 Report.

He observed the importance of the Report in providing the opportunity to assess government and budget support partners' performance in implementing mutually agreed commitments that were considered essential for Sierra Leone's growth and attainment of overall development and poverty reduction.

He observed that the report assessed the extent to which Budget Support had contributed to the achievement of the objectives laid down in the joint Memoranda of Understanding of June 2006 and February 2010. In particular, it analysed the extent to which Budget Support had contributed to the achievement of the goals of the Government of Sierra Leone.

He observed that the evaluation covered all General Budget Support (GBS) and Sector Budget Support (SBS) operations undertaken over the period 2002 – 2015 by the African Development Bank, the UK Department for International Development, the European Union and the World Bank.

The good work done by ECORYS, under the leadership of Andrew Lawson was commended. He expressed appreciation to the four Budget Support Development Partners for their contribution to the national budget. He assured that the Government and people of Sierra Leone valued their support to the overall development efforts of the country.

He observed that over the 13 years period of the evaluation, the country received a total of US\$886 million in direct budget support, equivalent to an average of \$ 68 million per year (3.5% of GDP). He said such funding provided fiscal space and gave the government full ownership over resource allocation in line with national priorities for the implementation of national policies, strategies, plans and programmes. He stated also that the Budget Support helped to reduce transaction costs and facilitates harmonisation among Development Partners, as all budget support partners used similar system/process for dialogue, review and assessment under the Multi-Donor Budget Support Performance Assessment Framework.

He observed that Budget Support arrangements had been accompanied by substantial amount of Technical Assistance provided by each of the four main Budget Support providers, which had been provided either as a formal component of the financing agreements for Budget Support or through parallel project arrangements introduced simultaneously with Budget Support operations; and the focus of the Technical Assistance provided had been to build capacities in areas related to Public Financial Management and governance.

He noted that despite the advantages of Budget Support, as a government, they had experienced challenges particularly, increase in transaction costs and conditionalities by Development Partners who were imposing performance tranches. He however assured that Government was fully committed to addressing those challenges for better implementation and attainment of results.

He informed the seminar Government's commitment to continue to broaden and strengthen Public Financial Management Reforms. He said important governance institutions had been created or re-established since 2002, including the National Revenue Authority, the Office of the Auditor General and the Anti- Corruption Commission, and access to public finance information had been improved upon.

He observed that to complement donor support, Government had made tremendous efforts in improving domestic revenue. Large, Small and Medium Taxpayer Offices (LTO and SMTO) had been established. In addition, Government had introduced the Goods and Services Tax (GST) and tax payer identification numbers and had installed the Asycuda World, in order to service businesses in different turnover categories to improve the range and quality of services offered to taxpayers.

The Local Government Equitable Grants Distribution Formulae continued to be clear, transparent and rule based, he said. Financial Management of Local Councils had been strengthened through the rollout of the Petra Accounting Software to all 19 Local Councils, ensuring consistency across all Councils in the application of the 27 digit chart of accounts structure also utilised by the central government.

He observed that there had been increased oversight and scrutiny of public finances by Parliament, executed through the Parliamentary Finance Committee, Public Accounts Committee and Transparency and Accountability Committee. These he said, included approval of the national budget and review of various Audit Reports submitted by the Auditor General. Public hearings were being held by the aforementioned Parliamentary Committees, including televised broadcasts. The establishment of a Non-State –Actor Secretariat at MoFED had improved on the networking of non-state actors across the Country in carrying out oversight of public finance management.

Concluding, he reiterated Government's commitment to the broad objectives of macroeconomic and fiscal stability. To that end, he said Government was committed to implementing reforms to ensure the efficient utilisation of donor support and to continue on the path of reducing poverty in the country.

Statement by the Head of the EU Delegation:

On behalf of the EU, the Country Head said the Independent Evaluation of Budget Support to Sierra Leone was a joint exercise of the multi-donor budget support and the government of Sierra Leone. He thanked the Evaluators for such a good work. He said the Budget Support (BS) was geared towards strengthening national systems. BS in the fight against the EBOLA Epidemic helped coil down the emergency crisis, he observed; and hence the BS could be crucial for future programmes of both the government and donors. He said BS helped public financial management and revenue mobilisation programmes. Hence, the Report redefined paths beyond current programmes. He said reforming the mentality of the public sector and strengthening the reform process was crucial.

Statement by the World Bank Country Manager :

On behalf of the Bank, He said the Report was excellent and a lot of hard work had been put on it and also got a lot of lessons learnt. He said the Report gave a retrospective background of the value of budget support to Sierra Leone. He observed that BS helped stabilised the macro-economy and providing funding at the time the government wanted it. He said for the past 12 years, 54% of BS was related to public financial management. He observed that no indication of BS was made to the Agricultural sector. He said outcomes of BS revealed that 45% of indicators were met, 12% partially met and the remainder was not met. He said the foundation of the PFM had been laid but yet there was still a long way to go, particularly the procurement procedure which remained to be a challenge. He said the credibility of the budget was also a challenge, which had deteriorated over the last three years, and hence, needed to be improved upon.

The Moderator of the Seminar, Mr. Kamaray, then called on Andrew Lawson to do the presentation of the findings, conclusions and recommendations of the Report.

Presentation of the Report by the Team Leader, Mr. Andrew Lawson:

A Power Point presentation was made by Andrew Lawson on the findings, conclusions and recommendations of the Report. Picking on the words of the World Bank Country Manager, he saw the Report as a Process. The interest was to look back and make projections on future policies of BS-Budget Management, sector management, etc. He said the work was a joint exercise, including colleagues from the Ministry of Finance and Economic Development, Education and the Health sectors, Auditor General's Office, etc. He said since issues/events were dynamic, it was possible to make more evaluations in subsequent years to get the country going forward. He observed that Sierra Leone was in a stage called "Second Generation of Reform", which could be a very difficult path.

Observations from the Discussions of the Presentation**(i) NRA Rep:**

- The Report was commended because it was rich, as it covered a lot of areas, especially on revenue generated by NRA.
- Contrary to the Report, revenue mobilised by NRA exceeded targets, except for 2012 and 2014.
- Low revenue mobilisation when compared to the other countries was low due to structural problems of the economy, which could also be attributed to NASSIT contributions that did not consider the social sector, tax evasion challenges, etc.
- The report spoke less of the contributions of borrowings (both external and internal).
- Timely disbursement of donor funds affects the budget credibility and predictability.
- The link between BS and revenue mobilisation should be looked into by presenter

(ii) Budget Bureau Rep:

- The budget implementation of 2002-2008 was not good. But from 2008 to date, there had been much improvement because there had not been revenue short falls; though there were some challenges to grapple with, such as the management of interest rate, which was worth noting in the report.
- Over the recent years, government expenditure had increased due to the level of infrastructural programmes (increased spending coupled with increased borrowing, whilst keeping interest rate to a single digit). He observed that excess spending over budget had to be properly planned and improved upon.
- macroeconomic fundamentals had been less in recent years due to stronger cash management and improvement in the Central Bank regarding the way Treasury Bills had been managed, which had lessen the volatility of the interest rate.
- Appealed for BS allocation to be made by Quarter I of each year to ensure budget predictability

(iii) World Bank Rep:

- Referred to page 21 of the Report, where the period of the Evaluation Process should be corrected.
- Requested for the comparison/linkage of TAs and Projects to be included in the Report.
- Emphasis on the FHCI as an example to follow in the Report had to be looked into carefully as it too had lot of challenges, hence there was need to look for other alternative good examples
- Requested for the reading of the PEFA Report on the PEFA web-site: www.pefa.org to check few of the nuances in the Evaluation Report
- Requested for the reading of the recently published Auditor General's Report.
- In the supplementary support of salary of Health worker, some health sector reports had deviations. Hence, requested for further discussions with the World Bank on Health support, and also what the IMF had done towards BS.
- suggested that for the Report to be credible some of the nuances observed therein needed to be addressed

(iv) Teaching Service Commission Rep:

- Requested the Presenter to take a critical look of the characteristics of the unapproved schools to tie up with the recommendations of the Report, since some of those schools had either 2-3 teachers or are just "brief-case schools".

(v) ADB Rep (Mr. Bangura):

- Challenged the Report on the area of transaction costs, which he said, needed to be looked into critically. For them, the TA issue was one of their prospective programs. He said there was need for the government to effect effective sector collaboration and not just limited to MoFED, which seemed to hold on to the BS and PFM reforms processes.
- There was need to review the MoU of BS between the government and the donors

- Improve on domestic revenue performance, improve the credibility of the budget (pay roll), and improve on the ACC and the Procurement processes and procedures.
- There was need to have specific impact driven recommendations in the Report.
- There was substantial increase to the BS during the EBOLA crisis, which was not indicated in the Report.
- For the predictability of the budget, there were some donors that disbursed in bulk and not in tranches; hence to some, it was being predictable

(vi) Performance Monitoring Consultant-MoFED (Mr. Nick Roberts):

- The Report did not take into account, since 2008, the declining capacity at MoFED, especially in the Monitoring, Evaluation and Planning Units. Also there had been fragmentation in the roles of monitoring, evaluation and planning practices, which needed to be reformed.

Government Comments, Director of Economic Planning and Research Unit, Mr. Alimamy Bangura:

- Budget support was going to be with Sierra Leone in the medium term
- Commodity prices had adversely affected government revenue mobilisation, and BS was critical and the Report of the Evaluation was very vital for a reform
- Would convey to his superiors at MoFED, including the Minister of Finance, some of the financial issues in the Report findings, conclusions and recommendations
- observed that the NRA was implementing a lot of reforms and government was also trying to review petroleum prices formulae, which could improve the revenue mobilisation drive ; also to consolidate off-budget revenues, and relax tax concessions
- Budget credibility issues were identified in the Report, both on the general and sector level sides. A study on this was ongoing
- Observed that procurement was a concern and a challenge. MoFED could not pay for any transaction that did not go through the procurement processes and procedures, starting this year, 2016.
- Focus in the Report was mainly on PFM issues in dialogue with development partners. Now, the Performance Assessment Framework involved the sectors, since BS now hinges on sector issues in the BS dialogue. Hence, planning could be done at the sector level though capacity problem had been a challenge.

Government Comments, Director of Budget Bureau, Mr. Mathew Dingie:

- The new PFM Bill had been sent to Parliament, which when ratified will aid the reformation drive.
- Mention was made of the Wage Reform, with an ongoing Bio-metric verification of civil servants and public sector workers, spearheaded by the Human Resource Management Office, in order to correct the pay roll.

World Bank Country Manager Comments:

- Question of nuancing some of the recommendations and comments, which could be annexed in the Report
- Informed the seminar that there was going to be a Team of PFM Experts to Sierra Leone shortly to help reform the PFM and BS processes.
- observed that timing of disbursement was not delayed by the donors but by the government, since disbursements were dependent on reports received from the government side
- Observed that, in moving towards sector development indicators, the question on how the sectors could be involved in the dialogue was missing in the Report
- Informed the seminar that indicators are now being linked by the government to the multi- donor path.

ADB Country Head Comments:

- There was need to put some nuances in some of the comments made, which could lead to the credibility of the Report
- There was no strong evidence in the Report showing the efficacy of sector BS over General BS, or verse-versa
- Observed that donors had not been holistic in scope on BS

- Donor disbursement and responsibility was dependent on government performance and responsibility on the indicators. If assessments were done on timely basis by the government side, the disbursement could be made quicker which could address the issue of the credibility of the budget, thus making it predictable
- The MoU has to be met by donors and government, as scheduled and planned, to overcome the unpredictability of the budget
- There was need for the MoH to be involved in the BS dialogue.

ADB Rep (Mr. Bangura) Comments:

- Working group level/technical working group level was important to retrospect the PAF indicators
- Linking of donor investment projects with the BS could be key for the predictability of the budget
- In the Report, the use of the per-capita expenditure could have been a preferred measure to the the GDP- which has a tendency to fluctuate overtime

Response to comments by Team Leader, Mr. Andrew Lawson:

- The Presenter, Mr. Andrew Lawson, welcomed and appreciated all the comments made by various contributors. He however appealed that, he would certainly like to receive written comments from all the participants/contributors
- He said page 132 was specific to making disbursement of BS predictable

Closing Remarks by Director, EPRU, (Mr. Alimamy Bangura):

On behalf of the Ministers of Finance and key stake holders of MDAs and the Donor Partners, including the CSOs, Mr. Bangura thanked all for taking time out of their busy schedules to attend the Seminar. As a Government, they took notes of the issues raised. Seeing a move towards sector Budget Support (BS) from the discussions, as a Government, they would welcome the assistance of TAs in specific sectors of the state.

Once again, he thanked Mr. Andrew Lawson and his Evaluation Team for the very good Report and excellent presentation.

Prepared and Submitted by:

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