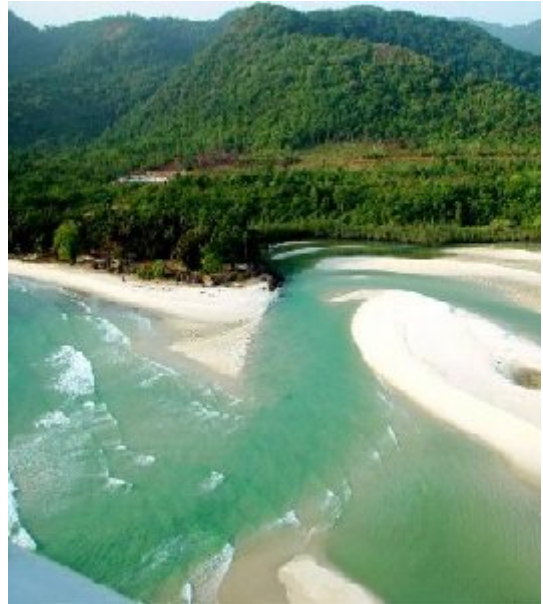


Sierra Leone National Export Strategy

Sierra Leone **2010-2015**



This Strategy has been developed by the Sierra Leone NES National Team with the technical and financial assistance of the Commonwealth Secretariat

Freetown, June 2010



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ACRONYMS AND ABBREVIATIONS

ABUs	Agricultural Business Units
ACP	African Caribbean and the Pacific
AGMJ	Attorney General and Minister of Justice
AGOA	African Growth Opportunity Act
ARSO	African Regional Standards Organisation
ASYCUDA	Automated System for Customs Data
AU	Africa Union
BMO	Business Membership Organization
BSL	Bank of Sierra Leone
CAADP	Comprehensive Africa Agricultural Development Programme
CGS	Credit Guarantee Scheme
CMMU	Commodity Monitoring and Marketing Unit
ComSec	Commonwealth Secretariat
DTIS	Diagnostic Trade Integration Studies
EBA	Everything But Arms
ECOWAS	Economic Community of West African States
EFTLS	ECOWAS Free Trade Liberation Scheme
EQMS	Export Quality Management Services
ETLS	ECOWAS Trade Liberation Scheme
EU	European Union
FBOs	Farmer Based Organizations
GDP	Gross Domestic Product
GOSL	Government of Sierra Leone
GSP	Generalised System of Preferences
HACCP	Hazard Analysis Critical Control Point
HIV/AIDS	Human Immune Virus/Acquired Immune Deficiency Syndrome
HRMO	Human Resources and Management Office
ICT	Information, Communication and Technology
ILO	International Labour Organisation
IMF	International Monetary Fund
ISO	International Standards Organization
ITC	International Trade Centre
IUU	Illegal, Unregulated and Unreported
IVS	Inland Valley Swamp
LDCs	Least Developed Countries
MAFFS	Ministry of Agriculture, Forestry and Food Security
MCS	Monitoring, Control and Surveillance
MDAs	Ministries, Departments and Agencies
MEWR	Ministry of Energy and Water Resources
MEYS	Ministry of Education, Youth and Sports
MFA	Ministry of Foreign Affairs
MFMR	Ministry of Fisheries and Marine Resources
MIC	Ministry of Information and Communication
MICE	Meetings, Incentives, Conferences and Management
MIS	Market Information Systems

MLCPE	Ministry of Lands, Country Planning and the Environment
MMCET	Milton Margai College of Education and Technology
MMRPA	Ministry of Mineral Resources and Political Affairs
MOFED	Ministry of Finance and Economic Development
MOHS	Ministry of Health and Sanitation
MRC	Monuments and Relics Commission
MTCA	Ministry of Tourism and Cultural Affairs
MTI	Ministry of Trade and Industry
MWHI	Ministry of Works Housing and Infrastructure
NaFFSL	National Federation of Farmers of Sierra Leone
NATCOM	National Telecommunication Commission
NCCT	National Coordinating Committee on Trade
NEPAD	New Partnership for Africa Initiative
NES	National Export Strategy for Sierra Leone
NGOs	Non Governmental Organizations
NRA	National Revenue Authority
NSADP	National Sustainable Agricultural Development Plan
NTB	National Tourist Board
OARG	Office of the Administrator and Registrar General
ONS	Office of National Security
PEMSD	Planning, Evaluation and Monitoring Statistics Division
PRSP	Poverty Reduction Strategy Paper
RPSDP	Rural and Private Sector Development Programme
RRI	Rapid Results Initiative
RSLAF	Republic of Sierra Leone Armed Forces
SEZ	Special Economic Zone
SLAA	Sierra Leone Airports Authority
SLARI	Sierra Leone Agricultural Research Institute
SLBF	Sierra Leone Business Forum
SLCAD	Sierra Leone Centre for Agribusiness Development
SLCCIA	Sierra Leone Chamber of Commerce, Industry and Agriculture
SLEDIC	Sierra Leone Export Development and Investment Cooperation
SLIBA	Sierra Leone Indigenous Business Association
SLIEPA	Sierra Leone Investment and Export Promotion Agency
SLMA	Sierra Leone Maritime Administration
SLPA	Sierra Leone Ports Authority
SLPMC	Sierra Leone Produce Marketing Company
SLRA	Sierra Leone Roads Authority
SLRTA	Sierra Leone Road Transport Authority
SLSB	Sierra Leone Standards Bureau
SME	Small and Medium Enterprise
SPS	Sanitary and Phyto-Sanitary Standards
STABEX	Stabilization of Export Earnings
SWOT	Strengths, Weaknesses, Opportunities and Threats
UNDP	United Nations Development Programme
USL	University of Sierra Leone

FOREWORD

Sierra Leone's export sector is a major source of domestic revenue and foreign currency earner. During and after the decade long civil conflict, the national export performance declined as a result of production and quality issues, which have remained a major cause of concern to government.

The Government of Sierra Leone strongly endorses the preparation of the first National Export Strategy for Sierra Leone. A unique feature of this initiative is that it is the fruit of constructive collaboration between the public and private sectors. The National Export Strategy promotes a strong private sector participation and addresses issues of competitiveness through its strategic objectives as follows:

- improving productivity and enhancing value addition
- diversifying the current export base
- strengthening the human and financial capacity of all stakeholders along the value chain.

These are consistent with the goals of the Governments "Agenda for Change", the PRSP 2, and the NSADP/CADEP.

This strategy document spans the period 2010 to 2015 and covers the main export sectors of the economy which are agriculture, fisheries, mining and tourism sectors and also the cross cutting issues of Trade Finance, Quality Management, Export Competence, Export Packaging, Trade Facilitation and Trade Information which affect the performance of the export sectors. It takes an in-depth look at these sectors and suggests a number of strategies to improve the export performance of these sectors as well as addressing the cross cutting issues. Not all export products or services have been considered in this strategy but there is a possibility for their inclusion in future editions.

The Government of Sierra Leone looks forward to the full implementation of the National Export Strategy in the spirit of partnership with the private sector and cooperation with our development partners. I look forward to a fruitful collaboration among stakeholders, and as a government, we wish to express our commitment to thorough execution of this strategy.

Hon. David O Carew
Minister for Trade and Industry

ACKNOWLEDGEMENTS

Today marks a very important milestone in the economic recovery and developmental efforts of our country. Over the past two decades, Sierra Leone's capability as an export nation had been put to the test, in no small measure due to the protracted civil war that engulfed the nation. And yet, as volumes and quality declined at an alarming pace, this nation never lost the confidence in regaining its position as a country with a vibrant export led economy.

Evidently, synergistic relationships between the public and private sector, essential fundamentals for sustainable market growth, have been brought to bear at this critical stage and this has culminated in the development of this roadmap for export development. It is our view that proper positioning of Sierra Leone's key export sectors within a free market framework, through marketing and competitive fundamentals, holds the key to future prosperity of this country. This has formed the basis and the guiding principle for the development of the National Export Strategy (NES) of Sierra Leone.

Allow me to acknowledge the leadership and strong support given by the Ministry of Trade and Industry and the entire Board of Directors of SLIEPA in steering the activities of SLIEPA over the past few years. And in particular, my sincere thanks to the technical staff of the various Ministries for their expert contributions at various NES consultative fora.

The process of developing this strategy was entrusted to four different teams coordinated by a Consultant: the core team, the national team, the sector teams and the drafting team. The core team provided policy direction for the overall process. The national team, drawn from the public and private sector, represented a wider pool of interest groups, including the civil society and academia, and was responsible for reviewing the work of the sector teams. The sector teams provided the inputs, materials and data for developing sectoral and cross-cutting strategies. The drafting team was responsible for reviewing the NES draft documents. The commitment, enthusiasm and ownership demonstrated by these teams is highly commendable.

As we make bold strides in our developmental efforts, we will ensure that strategic alliances with our key Donors are continuously enhanced. Our sincere appreciation to the Commonwealth Secretariat for financing the development of this strategy and providing the technical expertise and requisite guidance to the entire process.

To the entire SLIEPA staff, with specific reference to the staff of the Export Sierra Leone department, strong commendation for your untiring efforts and devotion to duty. As an Agency, with an investment promotion and export development mandate, we will continue to align our strategies with Government priorities as well as regional initiatives of investment promotion for export development.

I look forward to a successful implementation of the recommendations contained herein.

Patrick T. Caulker
Chief Executive
Sierra Leone Investment & Export Promotion Agency

COMMONWEALTH SECRETARIAT STATEMENT

Why the Commonwealth Secretariat has supported the Sierra Leone National Export Strategy project

The Commonwealth Secretariat works as a trusted partner for all Commonwealth people as a force for peace, democracy, equality and good governance. It is a catalyst for global consensus building and a source of assistance for sustainable development and poverty eradication. Deriving its mandates from the Commonwealth Heads of Government, the Commonwealth Secretariat serves the needs of member governments and their peoples, providing a forum for discussion and collective action and assisting with political, economic and social development.

Our support to this project is hinged on our believe that Exports can be a very powerful driver of economic growth and poverty reduction. Globalisation offers endless opportunities for Sierra Leone exports. But these opportunities can only be exploited if the country has a clearly thought out strategy for exports which is consistent with the country's national vision.

We are supporting this project because it derives from the country's Vision 2025 and the Agenda for change. The NES Vision, "Transforming Sierra Leone into a flourishing country through a globally competitive export driven economy" is supportive of two of the priorities of Agenda for change; the promotion of pro poor growth by raising quantity and value added productivity and fisheries and the promotion of human resource development through the provision of improved social services.

Developing this Strategy is the easy part. Implementing it will pose several challenges. Three key challenges merit pointing out:

1. Though the process of developing this Strategy received overwhelming support and endorsement from across all the sectors, there are still divergent stakeholder interests that need to be reconciled. Different sectors must be supportive of each other and contradictions and competition for resources minimized.
2. The implementation of this Strategy must embrace total stakeholder participation. All stakeholders must be involved in public debate and implementation as these are the cornerstones for good governance and the establishment of an environment conducive to broad based investment and economic growth.
3. The effective implementation of this Strategy will require massive resources over the implementation period. While this project will be competing with other initiatives to access limited national resources, it should be noted that it is only by making such resources available that the Vision set out in this Strategy will be realized.

The Commonwealth Secretariat wishes the people of Sierra Leone every success in the implementation of this Strategy.

Isaac Njoroge

Sierra Leone National Export Strategy, Project Manager

EXECUTIVE SUMMARY

Sierra Leone's traditional exports have been diamonds, gold, rutile, bauxite, fish, shrimps, cocoa and coffee, ginger, rice and palm kernel. The 1991-2002 civil conflict resulted in a decline of the national export performance in terms of production volumes and quality issues. Sierra Leone relies on its exports for generating domestic revenue, provision of foreign exchange for the banking system and reduction of the balance of payments deficit.

The country has a comparative advantage over its export resources and potential, which by themselves cannot stimulate economic growth. To improve the national export performance, there is need to move the export sector from a situation of comparative advantage to one of competitive advantage. This process requires a robust strategic policy shift within the productive sectors of the economy, which resulted in the preparation of the National Export Strategy.

The National Export Strategy has been developed under the leadership of the Sierra Leone Investment and Export Promotion Agency (SLIEPA) with technical assistance from the Commonwealth Secretariat.

The process of developing a National Export Strategy started off by way of bilateral consultations with key government Ministries and private sector organisations. Stakeholders from the private sector, government, civil society and the academic community were invited to a kick start workshop on developing a National Export Strategy where the concept of a National Export Strategy was endorsed. The development of the National Export Strategy was managed by two teams; a Core team and a National team which provided policy and strategic directions to the process respectively. The Core team comprised four key institutions; the Ministry of Trade and Industry; SLIEPA, Sierra Leone Business Forum and the Sierra Leone Exporters Association.

The National Export Strategy initiative is not a stand alone initiative. It complements existing government development initiatives like the PRSP 2, the NSADP, the Fisheries Strategic Plan, the Tourism Master Plan and the Minerals Policy.

Four priority sectors of the economy and six cross cutting issues affecting the national export performance were selected for strategic intervention. The priority sectors of agriculture, fisheries, mining and tourism were selected on criteria relating to their current contribution to exports, GDP and employment. Within the agriculture sector, the coffee, cocoa, oil palm, cashew, rice, cassava, ginger and chili sectors were initially considered for intervention. The sugar sector was later included although at a much lower scale. The six cross cutting issues identified were Trade Finance, Quality Management, Trade Facilitation, Export Competence Development, Export Packaging and Trade Information Services.

Several sector teams were formed to critically analyse each sector and cross cutting issue, and then develop for the sector or cross cutting issue, a vision statement, strategic objectives and strategies to improve the sectoral export performance. The composition of the sector teams was from the private and public sectors drawn from persons having considerable experience and expertise in the sector issues.

The National Export Strategy document integrates the work of the various sector teams and the national and core teams. The document covers the period 2010-2015 and comprises seven chapters. Chapters One to Three introduce the NES process, its goals and vision and an analysis of the Sierra Leone economy with a focus on demand and supply side issues, trade agreements and highlights priority sectors and cross cutting issues. Chapters Four and Five present a detailed analysis of each priority sector and cross cutting issue highlighted for the NES with the following outline:

1. A Sector Overview
2. A Strategic Vision for the Sector
3. A Sector/Sub Sector SWOT analysis
4. Strategic Issues emanating from the SWOT analysis
5. Strategic Objectives to be addressed
6. Sector Strategies to address the Strategic Objectives
7. Activities to accomplish the sector strategies

The sector strategies are presented in a matrix indicating the implementation agency and implementation costs over a 4 year period.

Chapter Six summarizes the costs of the strategic activities and makes suggestions on financing of the strategy and Chapter Seven outlines the structures to be created to implement the strategy. An implementation action plan will be developed in collaboration with the implementing agencies for the implementation phase of the National Export Strategy. It is envisaged that implementation of the NES will start in the second half of 2010.

ORGANIZATION OF THIS STRATEGY

The National Export Strategy document is organized into three main parts:

Part One describes “Where we are” and comprises of Chapter One, Introduction to the Strategy and Chapter Two, Situation Analysis. Chapter One explains the concept and goals of the National Export Strategy and its relationship with other national development initiatives such as the PRSP II. Chapter Two is devoted to analyzing the economic situation in Sierra Leone with a focus on demand and supply side issues, capacity issues and trade agreements.

Part Two which comprises Chapters Three, Four and Five, focuses on “Where we want to be”. Chapter Three outlines the criteria used in selecting the priority sectors and cross cutting issues identified for the NES, and Chapters Four and Five examine the priority sectors and cross-cutting issues in detail. Each sector/cross cutting issue carries a sector overview, a vision developed for that sector, a SWOT analysis. The strategic issues emanating from the SWOT analysis are identified and strategic objectives are developed from the strategic issues for each sector.

Within Chapters Four and Five, a number of sector strategies are developed for each strategic objective. The strategies developed for each sector are presented in a matrix which relates to the strategic objective, the partner(s) responsible for implementation, costs and a timeline for implementation.

Part Three describes “How we will get there” and details how the strategy will be financed and implemented. Chapter Six is devoted exclusively to financing the strategy and Chapter Seven outlines the structures to be created to implement the strategy.

PART ONE:

WHERE WE ARE

The future is to a great extent dependent on the present. We cannot do much to change the present but the future is entirely in our hands. We need therefore to learn from the past and the present so as to plan for the future. This National Export Strategy has been developed within the context of the following three criteria:

1. Suitability

The introduction starts with the rationale for a National Export Strategy, the poor export performance over the last decade contributed in part by the 11 year long civil war. The need to formulate a framework under which a coordinated export development effort is underpinned by the numerous opportunities that Sierra Leone has in terms of good agricultural land, suitable climate, beautiful beaches, a good harbour and the country's location that provides ready accessibility to the large ECOWAS and EU markets.

2. Feasibility

From the very outset, it has been emphasised that the National Export Strategy is not a standalone project but is one of the instruments that the government is using to support the country's "Agenda for Change". The following factors form the basis and justification for the National Export Strategy: economic conditions and resources, population and markets, relative distances from regional and international markets, scale and industry structures. The National Export Strategy is about strategic choices and for these choices to be appropriately made, there is need for:

1. Collaboration and partnership between the government and the private sectors.
2. Sectors to be prioritised and strategies appropriately formulated.
3. Government to provide resources for the strategy's implementation just like any other national undertaking.

3. Acceptability

This is concerned with the expectations of the stakeholders with the expected performance outcomes. Benefits to the stakeholders from the process must be evident otherwise their support cannot be guaranteed. At the back of every strategy is the risk of failure and efforts by all stakeholders must be galvanised to deal with this risk. The management of stakeholder expectations is essential for their continued support. A National Export Strategy is a dynamic document. It is a dynamic document which must be reviewed and adjustments made with the passage of time and as new issues come to the fore.

CHAPTER ONE:

INTRODUCTION TO THE STRATEGY

Sierra Leone has a narrow export base dominated by a few minerals, agriculture produce and fisheries. The minerals exported are mostly diamonds, rutile and small quantities of gold and represent nearly 85% of the total value of the country's exports. Agriculture and fisheries represent 15% of exports and the agriculture exports are made up mainly of cocoa and small amounts of coffee. From the sixties up to the early nineties before the civil war, the country had a vibrant export sector and the export base of the agriculture sector was more diversified.

The eleven year civil war resulted in a drastic decline in Sierra Leone's export performance. The export sector which is a major source of domestic revenue and foreign exchange was badly affected as bauxite, rutile and official diamond mining ceased. Official agriculture exports ceased as major production areas were seriously affected by the conflict. In 2004, there was strong recovery of exports from the minerals sector led by diamonds. The value for mineral exports (diamonds, rutile, bauxite) reached \$211million in 2007 and experienced a decline in 2008 to \$162 million. The half year results for 2009 showed a drastic drop of mineral export revenue to \$69 million. Production volumes of key mineral exports showed a significant drop between 2007 and first half of 2009. World prices for diamonds which account for over 70% of mineral exports have fallen and an estimated 50% of diamond production is smuggled. For agriculture exports, only cocoa has shown a major recovery. Coffee which used to dominate agriculture exports in the eighties and early nineties declined significantly due to low international prices but is recently showing signs of a slow recovery. There were no recorded exports of palm kernel and piassava (now replaced by modern materials) both of which contributed significantly to the export trade.

Key issues affecting the national export performance include:

1. Production issues
2. Global economic conditions and commodity prices
3. Smuggling of export products

Sierra Leone relies on its exports for providing foreign exchange for the banking system and reducing the balance of payments deficit. Export of goods as a percentage of GDP declined from 20.7 percent of GDP in 2007 to 16.3 percent of GDP in 2008.

While Sierra Leone has a comparative advantage over other countries in terms of its export resources and potential, these by themselves cannot stimulate economic growth. There is a need to move away from a situation of comparative advantage to a situation of competitive advantage to improve national export competitiveness. Creating a competitive advantage requires a carefully crafted strategy. In an increasingly globalized world, nations and organizations simply have to stay ahead of the competition to survive and they need a strategy to do so. An export strategy is part of a wider market entry strategy for goods and services of a country to enter the world trading system.

The National Export Strategy of Sierra Leone is a competitive strategy which seeks to improve the national export performance through a focussed approach to export development. Formulating the Export Strategy is a participatory process, involving both the public and private sectors in a collaborative framework. A national team selected from both sectors including civil society gave guidance to the process. Specialist sector teams were formed for each sector and provided technical input for developing the sector strategies.

Development of the National Export Strategy takes place along specific export and cross cutting sectors and follows the 'traditional' approach to strategy formulation which involves developing vision statements, objectives and goals for the general export sector and specific export and cross cutting sectors. The vision, goals and objectives of the general export sector guide the development of sector strategies. The sector strategy process starts with a situation analysis of the sector using a SWOT analysis. Strategic Objectives are derived from the SWOT analysis with the aid of a Value Chain Analysis which indicates viable strategies for the sectors to follow. Stakeholders then develop realistic sector export strategies to pursue, implement and manage.

There are several limitations to the Sierra Leone National Export Strategy. The strategy does not cover all sectors of the economy and does not address infrastructure issues which are critical to the export economy. Sierra Leone has a weak underdeveloped infrastructure such as poor road network country wide, inadequate airport and air transportation services, inefficient port facilities and services, underutilized riverine transport system and unreliable electricity supply. These critical infrastructure issues which are a national priority are being addressed by other national development initiatives.

NES VISION

The overall objective of a National Export Strategy is to improve the international competitiveness of a country leading to enhanced export performance. The ultimate result is the raising of incomes and standards of living of the people.

The Vision for the Sierra Leone National Export Strategy is:

Transforming Sierra Leone into a flourishing country through a globally competitive export-driven economy

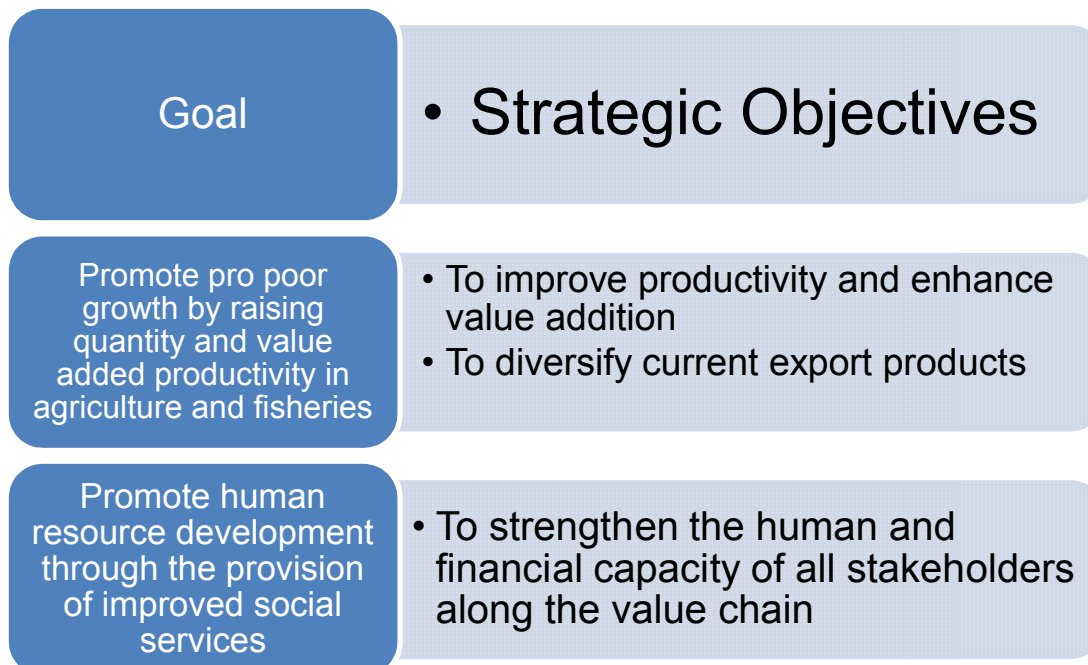
NES GOALS

This vision will be achieved by pursuing two key goals which are priorities of the government's 'Agenda for Change'.

The key goals of the National Export Strategy are to:

NES Strategic Objectives

Three strategic objectives have been developed to support the goals of the National Export Strategy:



Pursuing these strategic objectives will broadly have the effect of:

- Increasing the export sector's contribution to GDP

- Reducing the balance of trade deficit)
- Increasing the export sector's contribution to overall employment generation
- Achieving greater diversification of the export sector

It should be mentioned that the NES is not a standalone document nor is it a new development initiative. It is one of the many instruments that support the National Vision contained in the Agenda for Change and will also complement existing national development initiatives like the NSADP, the revised national mining policy, the Tourism Master Plan and the Fisheries Strategic Plan.

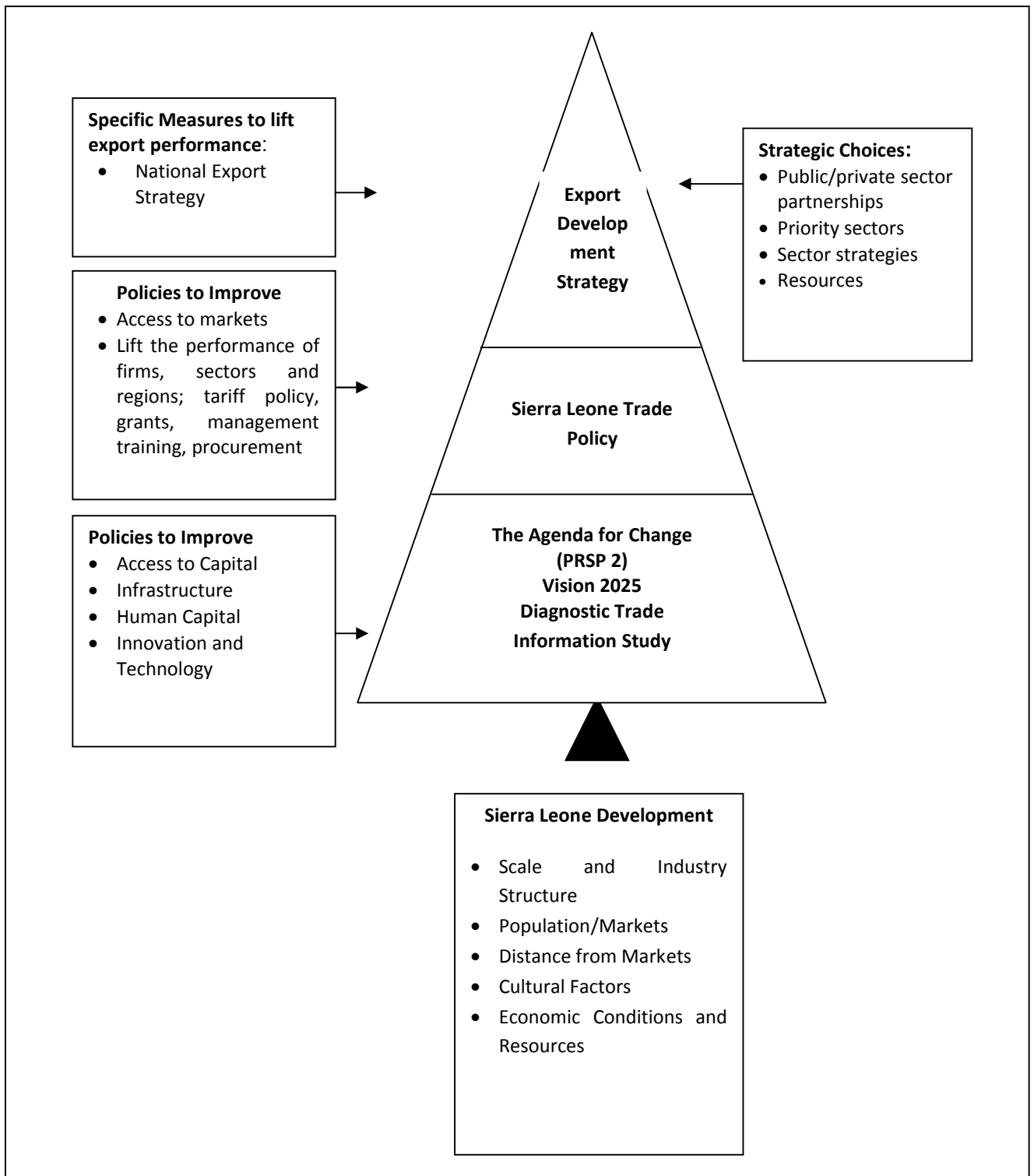
The Agenda for Change has four priorities which when attained will lead to a flourishing Sierra Leone with high standards of living for her people. These are:

Figure 1: Priorities of the Agenda for Change

1. Provision of reliable power supply to the country.
2. Promotion of pro poor growth by raising quantity and value added productivity in agriculture and fisheries.
3. Development of a national transportation network to enable the movement of goods and people and thereby facilitate increases in investment and economic activity.
4. Promotion of human resource development through the provision of improved social services

The National Export Strategy can be clearly understood by looking at the following graphical representation which illustrates how it fits within the country's national development aspirations.

Figure 2: Sierra Leone National Export Strategy Framework



CHAPTER TWO:

SITUATION ANALYSIS

Background

Sierra Leone has a small economy which suffered a period of deterioration from the mid eighties until the end of the civil war in 2002. The economy recovered strongly in the immediate post-conflict period. Real GDP grew by an average of 7.6 % between 2003 and 2007. However, real GDP growth slowed down to 5.5% in 2008 and is estimated to have grown by 4% in 2009 due to the negative impact of the global economic and financial crisis.

The key sectors of the Sierra Leone economy are:

1. Agriculture

This sector which includes the crops, fisheries, livestock and forestry sub sectors accounts for 46% of GDP and employs about 70% of the working population. Sector producers are mainly at subsistence levels even for export crops.

2. Manufacturing and Services

The manufacturing sector is small and consists mostly of import-substituting industries that employ about 2% of the labour force. The services sector comprises mainly of transport, banking, communications, insurance and professional services. Together, these sectors are second highest contributor to GDP accounting for about 40% of GDP.

3. Mining

The mining sector contributes around 5% of GDP and contributes more significantly to export earnings than the agriculture sector. With proper management, this sector's contribution to GDP can increase substantially in the next five years.

These sectors have a high potential for exports but the national export performance continues to remain weak even after the war

The Demand Side Issues

Sierra Leone's trade policy is part of its strategy of poverty reduction and in line with its ECOWAS commitments. Trade policy development and instruments have taken into account fiscal and other reform-related priorities such as:

1. The consolidation of regional economic integration

2. The restart of exports of mineral resources
3. The diversification of agricultural output and exports (e.g., rice)
4. The creation of an industrial free zone

Sierra Leone's trade policy must address the issue of the country's excessive reliance on a few exports, which makes it highly vulnerable to external shocks. The need for increasing and diversifying the production and export of non-traditional goods cannot be over emphasized, and should therefore be a priority macroeconomic goal so as to maximize the potential benefits from deeper integration into the world economy.

A key feature of the government's efforts to increase and sustain growth rates is through the establishment of a liberalized trade regime. This requires addressing key issues of demand as well as supply that affect Sierra Leone's competitiveness. Efforts have been made in this direction but much needs to be done. Significant investment in agriculture to boost agricultural exports has been put in place. A National Sustainable Agricultural Development Plan (NSADP) has been developed among other initiatives. In a broader context, the NSADP serves as Sierra Leone's Comprehensive Africa Agriculture Development Programme (CAADP) under the African Union's New Partnership for Africa's Development (AU/NEPAD) activities to assist countries and development partners to share a common vision for development. The NSADP/CAADP plan provides a roadmap for moving the crops, livestock, forestry and fisheries sectors forward. Following from the government's 'Agenda for Change', the objective of the plan is to commercialize these sectors through linkages with market economies.

Government has reviewed its mining policy and encouraged large scale investments in iron ore, the diamond industry and other minerals. The new mining policy provides tighter rules for administrators and mineral rights holders, provides clearer instructions, rights-obligations, greater reporting and transparency and establishes a new licensing regime to better enable investments. There has been a decline of mining exports in 2009 due to significant decline of mineral prices on global markets.

Government has also made strides to revive the tourism sector by developing a tourism strategic plan which will serve as the framework for future developments in this sector.

With an underdeveloped manufacturing sector, Sierra Leone imports manufactured products and exports primary commodities and is a price-taker in international markets.

The EU is Sierra Leone's largest single trading partner, buying an average of 80% Sierra Leone's exports and providing 30% of its merchandise imports. Sierra Leone benefits from the "Everything But Arms Initiative of 2001" (EBA) arrangement with the E.U. which provides the country with favorable access to the EU market and does not require Sierra Leone to offer preferential market access to the EU. A new

Sierra Leone/EU trade relation is now being negotiated under the planned Economic Partnership Agreements (EPA) between the EU and ECOWAS, an arrangement which could have significant impact on Sierra Leone's economy.

The key feature of the EPA is its reciprocity and non-discriminatory nature which involve the removal of trade preferences and progressive removal of trade barriers between partners. Consequently, the preferential system for ACP export products entering the EU market will be replaced by a trade agreement based on reciprocity. The EPAs are envisaged to include mutual access to each others' markets, liberalization of trade in services, a regulatory agenda to promote investment and competition, and institutional provisions to facilitate trade as well as related technical and financial assistance for trade and development.

ACP countries will progressively have to open up their markets to European imports, including agricultural products bringing Sierra Leone's agricultural exports into competition with those from more developed economies. The impact could be severe for small farmers and the entire agriculture economy as our agriculture production systems are still fragile. Logically, Sierra Leone has to take urgent action to improve on its agriculture production systems and quality of exports to be able to withstand the competition. The liberalization process will be guided by the principles of asymmetry and flexibility in terms of product coverage and tariff dismantlement periods. Moreover, EPA's will also encompass trade-related issues such as technical barriers to trade, sanitary and phyto-sanitary (SPS) measures.

Negotiations are also foreseen on more controversial issues such as trade facilitation, competition policy, government procurement, investment and intellectual property rights, which the EU argues will help reinforce ACP regional integration.

Within the context of ECOWAS, Sierra Leone signed the ECOWAS Trade Liberalization Scheme (ETLS). Under this scheme, products originating from member states are allowed to be exported duty free and without quota restrictions to other member states provided they meet the 35% local content requirement. Sierra Leone has not been able to take advantage of the scheme losing much needed revenue while other ECOWAS nations are exporting to Sierra Leone.

The United States African Growth Opportunity Act (AGOA) of 2000 enhances market access for 39 Sub-Saharan African countries and provides a wonderful opportunity for them to increase trade with the United States. In 2002, Sierra Leone became eligible for AGOA benefits following a review conducted by the Government of the United States. Countries eligible for AGOA preferential treatment were initially granted GSP status in the U.S. market until September 2008 and qualified for an expanded list of GSP products. In 2004, AGOA was further extended to 2015. Sierra Leone also qualified for AGOA's apparel provisions in April 2004 and met the requirements of exports of handicrafts to the US in November 2005. To date, Sierra Leone's export performance to the US under AGOA provisions remains weak.

Sierra Leone's advantage in terms of production of ginger, cashews, textiles and garments could still be exploited for export under the AGOA Provisions.

South –South Cooperation

South-South trade has emerged as the new focus for LDCs and is likely to continue to expand. As emerging markets have grown, their demand for food, energy and commodities from other partner countries has increased. Sierra Leone is now taking advantage of this and is already liaising with many countries in that direction. This seems a good time to renew efforts to further develop and diversify south-south trade, which in the long term would benefit most Sierra Leoneans, ending over-reliance on the markets of rich countries and creating multiple sources of growth

Sierra Leone now enjoys strengthened trade and economic ties with China, India, Brazil and other developing countries. Recently, a trade deal was concluded with India for the supply of tractors and other agricultural equipment under concessionary terms. China and Nigeria both provide agricultural experts through MAFFS and Njala University respectively

Growing trade liberalization has provided opportunity for expansion and diversification of markets for Sierra Leones goods and services which must be explored.

The Supply Side Issues

Given the country's post-conflict situation, ongoing bilateral and multilateral trade negotiations and the drive towards complete agricultural trade liberalization, Sierra Leone will need to strike a balance between wider domestic policy objectives and broader global trade policies. The national trade policy should address food security needs and also issues of support to infant agro-based and agro-processing industries. Sierra Leone's trade policy should be flexible on utilization of trade policy tools (quotas, import licensing arrangements, special agricultural safeguards and tariff restrictions) as well as strengthening food supply chains and the role of the various players. Agricultural trade liberalization should be accompanied by development support to address supply-side constraints, including strengthening the infrastructure (road, electricity, transportation network, ports) as well as related institutional and structural weaknesses.

Regulatory issues are a barrier to trade and affect the cost of doing business. A series of ongoing reforms have been initiated to address these regulatory issues and they include land reform and registration. Sierra Leone's overall rankings for doing business have steadily improved in the last three years and compares favorably with other countries in the sub-region.

Provision of electricity supply has improved with the commissioning of the Bumbuna hydro electric dam in November 2009. There are also reforms in the ports as

legislation has been passed to privatize key aspects of the ports operations. While efforts have been made to enhancing reforms, much is to be done for Sierra Leone to take advantage of trade at the international level.

Productivity

Economic productivity in Sierra Leone takes place in the manufacturing, agriculture, mining and fishing sectors of the economy with agriculture making the highest contribution to GDP. Productivity is low in all economic sectors as Sierra Leone cannot fully harness its resources for economic growth and take full advantage of export markets. This can be linked to wider issues of technology, information, capital, labour, pricing and infrastructure. There is strong government effort to build capacity to increase the levels of productivity in the various economic sectors. Government has made agriculture production its top most priority with a strong focus on increasing production through commercialization. However increased production volumes should be matched with quality and the need for adding value.

There is evidence of cross-border trade in rice with neighboring countries because transaction costs are undoubtedly lower when transported across the borders than through the poor road infrastructure to markets in Freetown and the rest of the country. While there is a strong preference for local rice, lower transaction costs will generally mean a higher margin for the farmer thus the option of exporting rice to neighboring Guinea translates into higher incomes for Sierra Leonean rice farmers.

Capacity issues

Sierra Leone faces numerous challenges in its capacity to deliver goods and services. These challenges are found across all productive economic sectors and include human, financial, manufacturing, technological and infrastructural capacities. During and after the civil war, the country's human resource base dwindled as a result of the migration of highly trained professionals and skilled workers to more lucrative markets, a situation quite glaring in the public sector. A weak national infrastructure (roads, transport, electricity, water and sanitation) also contributes to the limited production of goods and services for the domestic and export markets.

Standards Issues

The ability to meet commercial quality requirements and comply with international standards is becoming increasingly important. Increasing globalization demands conformity to high standards of quality. For over a decade, Sierra Leone's fishery products cannot enter EU markets because of non conformance with the high EU quality standards. Produce exports are fetching below premium prices because of poor quality of exports.

The Sierra Leone Bureau of Standards has been established by government to develop and maintain national quality management and audit systems. Its main focus presently is on developing a broad awareness of standards and quality issues, and establishing infrastructure for standards and quality management. Initial efforts have aimed at high risk export-oriented sub-sectors that require specific regulatory and institutional structures like the fisheries and cocoa sectors.

Rules of Origin

Application of rules of origin remains a constraint for Sierra Leone's exports. Several rules of origin exist under the various bilateral and multilateral trade preferential schemes and capacity issues often arise in their application under the trade agreements.

Sierra Leone needs assistance to address its demand and supply issues of trade and should therefore take advantage of Aid for Trade as it presents opportunities to avert the worst consequences of the global economic downturn, while addressing underlying vulnerabilities to provide an enabling environment for economic growth-assisting producers in Sierra Leone to effectively participate and compete in local, regional and international markets. Aid for trade will help Sierra Leone address broad growth and poverty reduction challenges, overcome long-term constraints and make the economy more resilient with diversified sources of growth.

PART TWO:

WHERE WE WANT TO BE

Strategy, derived from the Greek word “Stratos” is all about where you want to be. It refers to getting round given parameters and finding best solutions. In its modern meaning, strategy signifies a set of goals, ideas and knowledge on how to conduct a certain activity and achieve the desired end product in the most efficient manner with the least risk.

The NES vision, “Transforming Sierra Leone into a flourishing country through a globally competitive export driven economy” is the desired state that we want Sierra Leone to be. This vision is supportive of the Agenda for Change. To achieve this desired state of affairs, key sectors of the economy and cross cutting issues have been identified for strategic intervention.

The development of specific strategies to enhance the contribution of these sectors to economic development starts with identifying the issues that are impeding these sectors’ growth. Strategies have then been developed to address each of these issues.

The reward for accepting the ambitious view that anything can be changed in the long run may be surprisingly copious. This approach indicates that we should act in areas that today seem difficult to change. A small step from today to tomorrow may lead to a great stride from tomorrow to the day after. The main source and driver of this change is people. People prepared to learn and accept the challenges.

For the people of Sierra Leone, achieving the goals and objectives of the National Export Strategy will require a transformation of their values and thinking and above all the way business is conducted. The Attitudinal and Behavioural Change Campaign launched by the Government of Sierra Leone lays the building blocks of a transformational change in the nation and its efforts could target specifically stakeholders and actors in the export sector of the economy.

Human resource development is at the core of this strategy just as it at the core of “the Agenda for Change”. Needless to say, human resource is the very foundation of prosperity. People who are well trained know how to use their creativity in the right manner. Highly trained people can apply modern technologies that stimulate productivity, competitiveness and an improved standard of life.

Promotion of human resource development will inevitably not reach every citizen. And not every citizen will apply new technologies. Furthermore; science and technological development are not exclusive answers to the challenges that face Sierra Leone but answers can be found through the recognition of individual, regional and national advantages and through the creation of simpler working

processes, products and services. This is the only way to differentiate the country from the competition. In the current global environment, excellence is one of the ways to ensure differentiation. Excellence in working processes, product quality, organisation and services. This Excellence should become a recognisable Sierra Leone Brand and every citizen should work towards achieving it.

CHAPTER THREE:

PRIORITY SECTORS

The Priority Sectors were selected against the background of the broad National Export Strategy design Framework that:

1. The NES is not a new development initiative.
2. The NES will support existing national development initiatives like the 'Agenda for Change' PRSP 2, NSADP, Revised Mining Policy, Tourism Master Plan and Fisheries Development.

For the Sierra Leone NES, the following sectors were broadly considered for formulating export strategies:

Agriculture, Manufacturing, Fisheries, Telecommunications, Mining, Tourism, Financial and Professional Services.

Most of the activities in these sectors are informal. All sectors of the economy are considered important as they all contribute to the national GDP of the economy. But as resources are scarce, it is necessary to prioritize the sectors to be included for the National Export Strategy. Strategies will be developed to improve on the export performance of these sectors first while those not on the priority list will be considered as more resources become available. It is anticipated that the success of the priority sectors would ultimately contribute resources to cover those sectors not considered in this phase.

Prioritization Criteria

The criteria used in identifying and selecting priority sectors for the NES must be objective. While this is not expected to be scientific, the criteria used should to a great extent be acceptable to all stakeholders. For the Sierra Leone NES, the following criteria were applied.

1. The sectors current contribution to exports.
2. The sectors contribution to GDP.
3. The sectors potential to generate employment.
4. The sectors contribution to improving livelihoods.
5. The sectors potential for exports.
6. The sectors potential for diversification.
7. The sectors potential for mainstreaming gender issues

Application of these criteria to the national economy resulted in the selection of the following sectors for the NES:

1. Agriculture Sector

2. Fisheries Sector
3. Mining Sector
4. Tourism Sector

To identify sub sectors, the following criteria were reapplied to each of the priority sectors

1. The sectors potential for exports
2. The sectors potential for diversification

Only the agriculture sector met these criteria and the following sub sectors of the agriculture sector were identified:

1. Coffee
2. Cocoa
3. Oil Palm
4. Cashew
5. Rice
6. Cassava
7. Ginger
8. Chili
9. Sugar

The National Export Strategy recognizes the importance and contributions of every economic sector to the national economy and also the limitation of resources to engage every economic sector. As national priorities change with time, new priority sectors can be added to the NES.

CHAPTER FOUR: SECTOR STRATEGIES

Agriculture Sector

Sector Overview

The Agriculture sector dominates the Sierra Leone economy accounting for about 46% of GDP as of (2008) and providing employment for about 75% of the population. The agriculture sector is made up of crops, livestock, forestry and fisheries sub-sectors.

The table below indicates the contribution of each agriculture sub-sector to agriculture GDP.

Table 1: Contribution of major agricultural sub-sectors to agricultural GDP

<i>Sub –Sector</i>	<i>2004</i>	<i>2005</i>	<i>2006</i>	<i>2007</i>	<i>2008</i>
<i>Crops</i>	30	32	32	31	32
<i>Livestock</i>	3	3	3	3	3
<i>Forestry</i>	4	4	4	4	3
<i>Fishery</i>	9	9	8	8	8
<i>Agriculture’s contribution to GDP</i>	46	48	47	46	46

Source: NSADP 2010-2030

The total land area available in the country is 7.2 million hectares made up of 6.0 m hectares of uplands and 1.2m hectares of lowland. Arable land area is 5.4 million hectares of made up of:

1. Uplands: 4.3m hectares (59%)
2. Lowlands: 1.1m hectares (15%)
3. Inland Valley Swamps (630,000 hectares)
4. Mangroves Swamps (2000 hectares)
5. Riverine Grassland (110,000 hectares)
6. Boli lands (120,000 hectares)

Over the last five years, the crops sub sector has contributed about 67% to agriculture GDP. (Source: NSADP 2010-2030). The main crops produced are cocoa, coffee, oil palm, ginger, cashew, Chili, rice and cassava. In the sixties and early seventies, Sierra Leone was a major exporter of cocoa, coffee, ginger, palm kernel, rice and piassava. Sierra Leone's export performance in agriculture commodities declined sharply as a result of structural adjustment policies of the mid eighties and the eleven –year civil war which ended in 2002. In recent years, there has been a modest increase in the volume and value of agriculture exports. The

total value of agricultural exports in 2007 amounted to US\$ 13.67 million, an increase from US\$ 12.8 million in 2006 with cocoa alone accounting for US\$ 11.36 or 83.2% of agriculture export earnings. In 2008, total value of agricultural exports amounted to US\$ 18.5, of which cocoa exports accounted for almost US\$ 15 million or 81% of the value of agricultural exports. As at October 2009, the value of agricultural exports increased to US\$ 33.1 million and cocoa exports made up US\$ 15.4 or 46.6% of the total value of agricultural exports. (Source: MOFED)

Some of the major challenges facing the agriculture sector include a high dependency on subsistence farming, heavy reliance on rain fed agriculture inadequate rural finance, poor rural road network and a weak extension system.

The crops sub-sector presents enormous opportunity for growth in the export market particularly through increased productivity, improved quality and value addition. Government which is responsible for creating an enabling environment for economic activity has in its “Agenda for Change”, the PRSP II made agriculture a top priority shifting the focus from a pro-poor growth perspective to raising quantity and value-added productivity” and outlined the following priorities for the agriculture sector:

1. Fostering increased agricultural productivity
2. Promoting commercial agriculture through the private sector
3. Improving research & extension service delivery
4. Promoting effective and efficient resource management
5. Mainstreaming cross-cutting themes

The NSADP launched by the government in September 2009 provides a broad framework for bringing the governments objectives for the agriculture sector in the Agenda for Change into focus. An objective of the NSADP is to increase growth in the agriculture sector from 2% to 6% annually by 2015 and also increase income of producers. Four sub-programmes have been designed to achieve the objectives of the NSADP which are also of major significance to the National Export Strategy. These are:

1. The commercialization of key commodities including a small-holder commercialization scheme and medium and large farm producer’s promotion scheme involving the participation of the private sector.
2. Improvements to agriculture infrastructure with focus on rehabilitation and upgrading of feeder roads, development of irrigable swamps, rehabilitation and modernization of storage and processing facilities and rehabilitation and construction of research centers and MAFFS/MFMR facilities.
3. Promotion of the private sector in the agriculture and fisheries sectors with a focus on policies and legislation that encourage sustainable domestic and international investments.

4. Efficient and effective sector coordination and management by developing capacities and governance structures for the management of sector programmes and activities.

Strategic Vision

Commercialization of the agriculture sector is at the heart of the NSADP and will increase employment in the sector and raise production levels of export crops. Our vision for the agriculture sector in the NES is:

'To increase the value of agriculture exports annually by 50% from \$33.1 million in 2009 to \$251 million by 2015'

Realising this vision will require strong private sector participation, increased investments, capacity building and improved quality management practices. Two key private sector players crucial to the implementation of the NASDP and the NES are the Sierra Leone Chamber of Agriculture and the National Federation of Farmers of Sierra Leone. The SLCAD is a private sector partner of the government, promoting private investments in agriculture through agribusiness initiatives. It will be instrumental in promoting public-private partnerships and commercialization of agriculture. The NaFFSL, an umbrella organization for farmers' organizations country wide will be useful in strengthening value chain activities of farmers and providing linkages with other value chain actors.

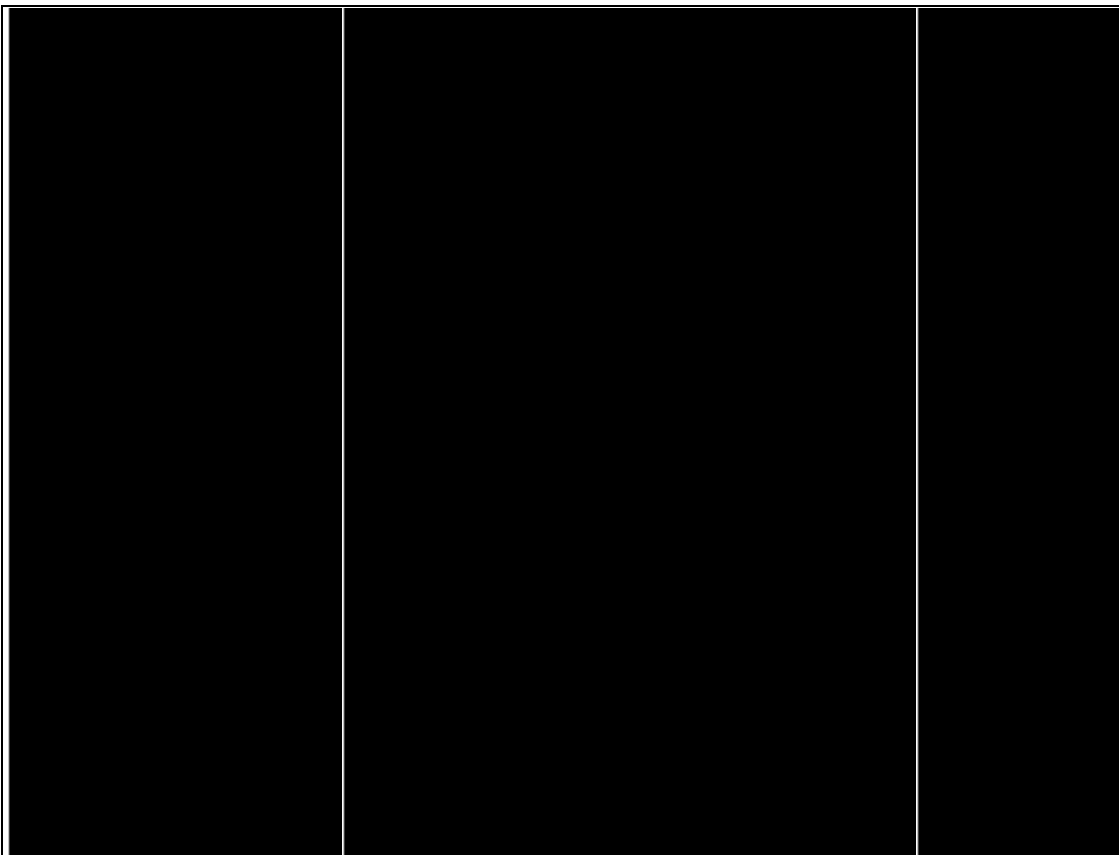
Cocoa Sub Sector

Sub Sector Overview



Cocoa has been one of the major cash crops exported from Sierra Leone and in the pre war years, exports reached 12,000 mt. Cocoa exports declined considerably during the war and has gradually increased over the last five years. Presently, Cocoa exports are estimated to have risen to about 18,000 mt in 2008 which is quite below the export performance of The Ivory Coast and Ghana which export on average 1.3 million mt and 440,000 mt respectively. See figure below.

Figure 3: Cocoa and Coffee Exports 2004-2008



Source: BSL

Cocoa is grown extensively in the Eastern Province of Sierra Leone using mostly the low yielding *Amelonado* varieties which are over 60 yrs old. The Upper *Amazonian* varieties which give a slightly better yield /hectare are also cultivated. On average the yields from Sierra Leone cocoa are estimated at 100-200 kg/ha and average yields in West Africa are 300 kg/ha. There is a potential to increase production volumes to 1 -1.5 million mt/hectare utilising hybrid varieties used in Ghana and the Ivory Coast.

Cultivation is done mainly by small holders and during the war period, many of the estates were neglected which affected production levels and the quality of produce exported. Not much rehabilitation has been done after the war largely as a result of lack of finance. It is estimated that 25,000 ha of cocoa needs to be replanted and 17,000 ha can be rehabilitated.

World prices for cocoa have risen over the last three years making cocoa exports quite attractive. However because of quality issues, Sierra Leone's cocoa suffers large price discounts.

The following is a SWOT analysis for the cocoa sub-sector. The overriding objective of the SWOT analysis is to identify the sector strengths so that efforts and initiatives can be employed to optimise on these strengths; to identify weaknesses so that initiatives can be put in place to overcome them; to identify sector opportunities so that efforts and initiatives can be made to exploit them and to identify threats so that the strategy is aware of them and any intervention takes their existence or potential for existence into account.

Sub-Sector SWOT Analysis

<i>Strengths</i>	<i>Weaknesses</i>
<ul style="list-style-type: none"> • Favourable soil and climatic conditions • Good local and improved high yielding varieties available • Farmers have acquired knowledge and skills to grow crops over the years • Available land for expansion • Availability of two clonal seed gardens for cocoa and coffee under SLARI 	<ul style="list-style-type: none"> • Poor rehabilitation and management of Cocoa estates • Low labour supply: high rural to urban migration • Farmer-based organizations have weak operational and financial capacities • Low level of adherence to quality standards • Unfair and weak marketing and pricing arrangements for producers and buyers
<i>Opportunities</i>	<i>Threats</i>
<ul style="list-style-type: none"> • Increased government commitment to 	<ul style="list-style-type: none"> • Fluctuations in commodity prices

<p>agriculture as shown in PRSP II, CADEP/NSADP, DTIS documents and policy statements</p> <ul style="list-style-type: none"> • Growth of organic and Fair Trade market globally • Improved climate for private sector development and public/private partnerships 	<ul style="list-style-type: none"> • Climatic changes • High incidence of Black Pod diseases and pests
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Strategic Issues

1. Slow rehabilitation of cocoa estates
2. Inability to attain good product standard quality and attract premium prices
3. Lack of access to affordable finance affects proper maintenance of plantations resulting in reduced yields and poor processing methods
4. Inadequate capacity to handle quality issues
5. Inadequate marketing and operational management capabilities.
6. Susceptibility to Black Pod disease.
7. Insufficient supply of labour to the cocoa estates.

Strategic Objectives

1. To enhance the application of quality standards to the production, processing and marketing of cocoa:
2. To increase production levels, strengthen the extension delivery services and add value to cocoa exports
3. To develop a robust marketing system for the cocoa sector

Cocoa Sub Sector Strategies

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr1	Yr2	Yr3	Yr4	Total
To enhance the application of quality standards to the production, processing and marketing of cocoa	1. Improve on the quality of cocoa produced for export	Provision of fermentation boxes and drying tables	MAFFS Private Sector	0.05	0.06	0.07	0.08	0.26
		Training of producers in quality assurance and best hygiene practices	SLSB CMMU Private Sector, NaFFSL	0.08	0.10	0.15	0.20	0.53
		Sorting of defective beans (flat, moulded and germinated beans)	Private Sector CMMU	0.03	0.04	0.05	0.06	0.18
	2. Modernization of the produce regulatory	Review and harmonization of the current produce regulatory framework	MAFFS MTI SLSB, NaFFSL	0.05	0.04	0.01	0.01	0.11

				Cost in million US\$				
Strategic Objectives	Strategy	Activities	Responsible Partner	Yr1	Yr2	Yr3	Yr4	Total
	framework in line with produce certification schemes and conformity assessments							
	3. Strengthening of Produce Inspectorate Division of MAFFS	Provision of mobility for Produce Inspectorate staff.	MAFFS	0.15	0.10	0.05	0.01	0.31
		Provision of inputs - seals, hammers, presses, moisture meters	MAFFS, NaFFSL	0.02	0.01	0.01	0.01	0.05
		Capacity building for Produce Inspectorate staff	MAFFS	0.30	0.20	0.10	0.05	0.65
To increase production levels, strengthen the extension delivery services and add value to cocoa export	1. Strengthen extension delivery system at district and community levels	Provision of mobility for extension staff	MAFFS	0.15	0.10	0.05	0.01	0.31
		Provision of communication systems for extension staff	MAFFS	0.05	0.03	0.02	0.01	0.11
		Production of extension manuals and direct programmes	MAFFS	0.03	0.02	0.01	0.01	0.07
	2. upgrading of skills and provision of incentives	Training of extension personnel	MAFFS	0.10	0.10	0.10	0.10	0.40
		Provision of field allowances	MAFFS	0.05	0.05	0.05	0.05	0.20
		Provision of field equipment and materials	MAFFS	0.05	0.05	0.04	0.04	0.18
	3. Rehabilitation and expansion of existing plantations	Under brushing, pruning and management of shade in plantations	MAFFS Private Sector, NaFFSL	2.50	3.00	3.50	4.00	13.00
		Establishment of nurseries with improved seeds	MAFFS Private Sector	1.50	1.00	1.00	1.00	4.50
		Support to growers for establishment of new plantations	MAFFS Private Sector, NaFFSL	1.00	1.50	1.50	1.50	5.50
		Increase knowledge of combatting black pod and cocoa diseases	MAFFS Private Sector, NaFFSL	0.30	0.25	0.20	0.20	0.95
4. Introduction of Fair Trade, organic cocoa farming and sustainable	Introduction of certification schemes and identification of organic cocoa farmers	SLIEPA MAFFS, Private Sector, NaFFSL	0.40	0.50	0.60	0.70	2.20	

				Cost in million US\$					
Strategic Objectives	Strategy	Activities	Responsible Partner	Yr1	Yr2	Yr3	Yr4	Total	
	management certification schemes	Undertake training in Fair Trade and organic farming.	MAFFS Private Sector, NaFFSL	0.25	0.30	0.35	0.40	1.30	
		Provision of fair trade, organic and sustainably managed certification opportunities	SLIEPA	0.30	0.25	0.20	0.20	0.95	
	5. Introduction of small holder commodity commercialization and medium to large farm producers schemes using appropriate hybrid varieties	Support clonal seed gardens for cocoa trials and first stage multiplication	MAFFS SLARI Private Sector	1.00	1.25	1.40	1.50	5.15	
		Provision of credit for expansion of cocoa plantations	Private Sector, NaFFSL	4.50	5.00	6.00	7.00	22.50	
		Provision of research materials and equipment	MAFFS Private Sector	1.00	1.50	1.00	0.75	4.25	
	To develop a robust marketing system for the cocoa sector	1. Organize producers into network of marketing organizations	Identify, develop and support governance arrangement for producer organizations	Cooperatives Private Sector, NaFFSL	0.10	0.15	0.20	0.25	0.70
Network producers into marketing organizations			Cooperatives Private Sector, NaFFSL	0.05	0.05	0.05	0.05	0.20	
2. Develop market and price information systems		Set up and support MIS	SLIEPA	0.15	0.10	0.05	0.20	0.50	
		Provision of ITC equipment	SLIEPA	0.10	0.75	0.75	0.75	2.35	
		Training for use of ITC equipment	SLIEPA, NaFFSL	0.01	0.01	0.01	0.01	0.04	
3. Strengthen produce exporting mechanisms and organizations		Support secretariat for marketing organization	SLIEPA	0.08	0.07	0.05	0.04	0.24	
		Establish links with other partners	SLIEPA	0.01	0.01	0.01	0.01	0.04	
		Institute export credit schemes	MOFED MAFFS	1.00	1.50	1.00	0.75	4.25	
Total Costs					15.36	18.09	18.58	19.95	71.98

Coffee Sub Sector

Sub Sector Overview



Until the early nineties, world market prices for coffee were high and coffee used to be the most important export crop from Sierra Leone, dominating cocoa. Coffee production and exports declined during the civil war. Exports are gradually increasing even though they are far below pre-war levels. (See Fig 3)

Coffee is largely grown in the Eastern Province and parts of the Southern Province of Sierra Leone. Cultivation is mainly by smallholders and the total area under cultivation is estimated at 67,000 ha of which 50% needs rehabilitation.

The varieties planted in Sierra Leone are the *Robusta* type, which are generally more resistant to disease and attacks from pests. Presently, farmers tend to neglect their coffee estates in favour of cocoa because of low producer and world market prices.

Compared to the major producers in Africa and the rest of the world, coffee production and exports from Sierra Leone is quite low.

Table 2: Coffee Exports of selected countries

In Tons	2006	2007
Vietnam	1,050,000	995,000
Uganda	112,500	-
Brazil	83,000	90,500
Tanzania	12,500	-
Sierra Leone	2800	1260

Source: STABEX Sierra Leone

Sierra Leone has a natural advantage to diversify its coffee production to certified coffee. Two key certifications are Fair Trade Certified and Organic Certified Coffee. Fair-trade practices which also apply to Cocoa will ensure that smallholders and farmer groups receive fair prices for their produce against certain standards of production and quality. Another feature of the fair-trade system is premium and organic pricing which are higher and serve as incentives for quality and organic production.

The following is a SWOT analysis for the coffee sub-sector. The overriding objective of the SWOT analysis is to identify the sector strengths so that efforts and initiatives can be employed to optimise on these strengths; to identify weaknesses so that initiatives can be put in place to overcome them; to identify sector opportunities so that efforts and initiatives can be made to exploit them and to identify threats so that the strategy is aware of them and any intervention takes their existence or potential for existence into account.

Sub Sector SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Favourable soil and climatic conditions • Farmers have acquired knowledge and skills to grow crops over the years • Available land for expansion • Availability of two clonal seed gardens for cocoa and coffee under SLARI 	<ul style="list-style-type: none"> • Poor rehabilitation and management of coffee estates • Farmer-based organizations have weak operational and financial capacities • Coffee is generally exported as unprocessed green beans • Unfair and weak marketing and pricing arrangements for farmers, producers and buyers • Certification schemes are expensive • The framework for coffee certification along the value chain is generally not in place
Opportunities	Threats
<ul style="list-style-type: none"> • Increased government commitment to agriculture as shown in PRSP II, CADEP/NSADP, DTIS documents and policy statements • Growth of sustainable and certified coffee markets globally • Improved climate for private sector development and public/private partnerships 	<ul style="list-style-type: none"> • Fluctuations in commodity prices • Climatic changes • Outbreak of pests and diseases • Low world market prices for coffee a disincentive for growing coffee

Strategic Issues

1. Slow rehabilitation of coffee estates
2. Lack of access to affordable finance affects proper maintenance of plantations resulting in reduced yields and poor processing methods
3. Inadequate capacity to handle quality issues
4. Inadequate marketing and operational management capabilities.
5. Production of certified coffee is under developed
6. There is little value added to coffee harvested for exports

Strategic Objectives

1. To enhance the application of quality standards to the production, processing and marketing of coffee
2. To increase production levels, strengthen the extension delivery services and add value to coffee exports
3. To develop a robust marketing system for the coffee sector
4. To establish a framework for producing and exporting certified coffee

Coffee Sub Sector Strategies

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$					
				Yr1	Yr2	Yr3	Yr4	Total	
To enhance the application of quality standards to the production, processing and marketing of coffee	1. Improve on the quality of coffee produced for export	Provision of processing facilities for coffee producers	MAFFS Private Sector	0.30	0.40	0.50	0.60	1.80	
		Training of producers in quality assurance and best hygiene practices	SLSB Private Sector, NaFFSL	0.08	0.10	0.15	0.20	0.53	
	2. Modernization of the produce regulatory framework in line with produce certification schemes and conformity assessments	Review and harmonization of the current produce regulatory framework	MAFFS MTI SLSB, NaFFSL	0.05	0.04	0.01	0.01	0.11	
		3. Strengthening of Produce Inspectorate Division of MAFFS	Provision of mobility for Produce Inspectorate staff.	MAFFS	0.15	0.10	0.05	0.01	0.31
			Provision of inputs - seals, hammer, presses	MAFFS	0.02	0.01	0.01	0.01	0.05
	Capacity building for Produce Inspectorate staff	MAFFS	0.30	0.20	0.10	0.05	0.65		
	To increase production levels, strengthen the extension	1. Strengthen extension delivery system at district and	Provision of mobility for extension staff	MAFFS	0.15	0.10	0.05	0.01	0.31
Provision of communication systems for extension staff			MAFFS	0.05	0.03	0.02	0.01	0.11	

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr1	Yr2	Yr3	Yr4	Total
delivery services and add value to cocoa export	community levels	Production of extension manuals and direct programmes	MAFFS	0.03	0.02	0.01	0.01	0.07
	2. upgrading of skills and provision of incentives	Training of extension personnel	MAFFS	0.10	0.10	0.10	0.10	0.40
		Provision of field allowances	MAFFS	0.05	0.05	0.05	0.05	0.20
		Provision of field equipment and materials	MAFFS	0.05	0.05	0.04	0.04	0.18
	3. Rehabilitation and expansion of existing plantations	Under brushing, pruning and management of shade in plantations	MAFFS Private Sector, NaFFSL	2.50	3.00	3.50	4.00	13.00
		Establishment of nurseries with improved seeds	MAFFS Private Sector	1.50	1.00	1.00	1.00	4.50
		Support to growers for establishment of new plantations	MAFFS Private Sector, NaFFSL	1.00	1.50	1.50	1.50	5.50
	4. Introduction of Fair Trade, organic and sustainably managed coffee farming and certification schemes	Introduction of certification schemes and identification of organic cocoa farmers	SLIEPA MAFFS, Private Sector, NaFFSL	0.40	0.50	0.60	0.70	2.20
		Undertake training in Fair Trade and organic farming.	MAFFS Private Sector, NaFFSL	0.25	0.30	0.35	0.40	1.30
		Provision of fair trade, organic and sustainably managed certification opportunities	SLIEPA	0.30	0.25	0.20	0.20	0.95
	5. Introduction of small holder commodity commercialization and medium to large farm producers schemes using appropriate	Support clonal seed gardens for coffee trials and first stage multiplication	MAFFS SLARI Private Sector	1.00	1.25	1.40	1.50	5.15
		Provision of credit for expansion of coffee plantations	Private Sector, NaFFSL	4.50	5.00	6.00	7.00	22.50
		Provision of research materials and equipment	MAFFS Private Sector	1.00	1.50	1.00	0.75	4.25

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$					
				Yr1	Yr2	Yr3	Yr4	Total	
	hybrid varieties								
	6. Explore niche market opportunities for growing speciality coffee	Undertake research for growing speciality coffee in selected parts of the country	SLARI Private Sector	1.00	1.50	1.00	0.50	4.00	
		Establish linkages with speciality coffee house	Private Sector	0.08	0.09	0.09	0.10	0.36	
To develop a robust marketing system for the coffee sector	1. Organize producers into network of marketing organizations	Identify, develop and support governance arrangement for producer organizations	Cooperatives Private Sector, NaFFSL	0.10	0.15	0.20	0.25	0.70	
		Network producers into marketing organizations	Cooperatives Private Sector, NaFFSL	0.05	0.05	0.05	0.05	0.20	
	2. Develop market and price information systems	Set up and support MIS	SLIEPA	0.15	0.10	0.05	0.20	0.50	
		Provision of ITC equipment	SLIEPA	0.10	0.75	0.75	0.75	2.35	
		Training for use of ITC equipment	SLIEPA, NaFFSL	0.01	0.01	0.01	0.01	0.04	
	3. Strengthen produce exporting mechanisms and organizations	Support secretariat for marketing organization	SLIEPA	0.08	0.07	0.05	0.04	0.24	
		Establish links with other partners	SLIEPA	0.01	0.01	0.01	0.01	0.04	
		Institute export credit schemes	MOFED MAFFS	1.00	1.50	1.00	0.75	4.25	
	Total Costs				16.36	19.73	19.85	20.81	76.75

Oil Palm Sub Sector

Sector Overview



Palm Oil which is used mainly for cooking by the majority of Sierra Leonean households is processed from the oil palm fruit. Palm Kernel nuts, palm kernel oil and palm kernel cake which are used in the production of vegetable oil animal feed and soap are also processed from the oil palm fruit. Until the mid eighties, Sierra Leone had a vibrant export of palm kernels to the EU and has traditionally exported very small quantities of palm oil to the UK and USA for domestic purposes.

Total Oil Palm production is estimated at 50,000 ha (SL-DTIS) of which 60% is grown wildly and the rest is cultivated on estates. 60% of the oil palm estates were planted in the early sixties using the low yielding *Dura* varieties. In the seventies, high yielding *Tenera* hybrids were introduced in estates and among smallholders. The oil palm estates have largely reached the end of their useful economic life and there is need for replanting of the oil palm estates. The eleven year civil war also resulted in the neglect of the oil palm estates and numerous smallholdings around the country and consequently a drop in oil palm fruit yields and palm oil and kernel nuts production. Many of the oil palm estates have reverted to the land owners who do not have the resources to rehabilitate and manage them. Currently, the Gambia estate in the Bonthe District estimated at 3000 ha is been re-planted with high –yield planting material from Malaysia and there has been interest from private investors regarding other oil palm estates around the country.

However, potential also exists for locally labelling of highly sought after “wild” or “local” varieties with modern small-scale processing.

From the early sixties on to the mid eighties, a total of 13 oil mills were established in the country to process oil palm fruits for the estates and out growers. None of these mills are operational and processing is done using small holder equipment and traditional processing methods. There is a privately owned functional palm kernel mill at Wellington which processes palm kernel oil and palm kernel cake for animal feed and soap production.

While there are no official exports of palm oil and palm kernel, there is a vibrant cross-border trade in palm oil with neighbouring countries.

The following is a SWOT analysis for the oil palm sector. The overriding objective of the SWOT analysis is to identify the sector strengths so that efforts and initiatives can be employed to optimise on these strengths; to identify weaknesses so that initiatives can be put in place to overcome them; to identify sector opportunities so that efforts and initiatives can be made to exploit them and to identify threats so that the strategy is aware of them and any intervention takes their existence or potential for existence into account.

Sub Sector SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Availability and suitability of land • Suitable climatic conditions 	<ul style="list-style-type: none"> • Ageing oil palm estates • Inadequate and inappropriate milling facilities for oil palm and palm kernel • Unsuitable varieties planted • Inadequate research and extension services • Labour shortage in production areas
Opportunities	Threats
<ul style="list-style-type: none"> • Oil palm selected as priority crop by government • Growing private sector interest in agriculture • Modernized small-scale processing and labelling of high value local varieties. • Opportunities exist for development under NSADP and ECOWAS initiatives • South-South cooperation with Malaysia 	<ul style="list-style-type: none"> • Global climate changes affecting production levels • Introduction of foreign pests and diseases • Competition with other commodities for land and labour • Emerging bio fuel industries could affect domestic supply of palm oil and increase prices

Strategic Issues

1. Declining production levels of oil palm fruits because all oil palm estates in the country have reached the end of their useful economic life.
2. Low efficiency in widely used traditional processing methods.
3. Low yielding varieties.
4. Poor oil palm management.

5. Poor management of pests and diseases.
6. Inadequate labour.

Strategic Objectives

1. To increase oil palm production levels and improve on secondary processing
2. To strengthen the extension delivery services in the oil palm sector
3. To facilitate private sector investment in commercial production of oil palm

Oil Palm Sub Sector Strategies

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr1	Yr2	Yr3	Yr4	Total
To increase oil palm production levels and improve on secondary processing	1. Increase area under cultivation by replanting existing oil palm estates and establishing new ones and small holder plantations	Replant oil palm estates with improved F1 seeds	Private Sector, NaFFSL	4.50	5.00	5.50	6.00	21.00
		Conduct short term training for extension workers in oil palm rehabilitation and replanting	Private Sector, NaFFSL	0.08	0.05	0.05	0.04	0.22
	2. Introduction of high yielding oil palm varieties	Procure high yielding oil palm pre germinated seeds from the Ivory Coast etc.	MAFFS, Private Sector	1.50	0.75	0.50	0.50	3.25
	3. Promotion of locally manufactured processing equipment for smallholders	Awareness raising on uses and advantages of small scale oil palm mills through demonstrations and trade fairs	Private Sector, NaFFSL	0.05	0.05	0.06	0.06	0.22
		Develop sales and marketing mechanisms for locally manufactured mills	Private Sector, NaFFSL	0.02	0.03	0.03	0.04	0.12
To strengthen the extension delivery services in the oil palm sector	1. Upgrading of skills and knowledge of Extension Agents and Farmers in oil palm value chain processes	Training of extension agents and farmers in oil palm production, processing and marketing	MAFFS, NaFFSL	0.05	0.05	0.05	0.04	0.19
		Provision of field equipment and materials	MAFFS Private Sector	0.05	0.05	0.05	0.05	0.20
	2. Provision of logistics and incentives for extension agents	Provision of mobility to extension agents	MAFFS Private Sector	0.01	0.01	0.01	0.01	0.04

				Cost in million US\$				
Strategic Objectives	Strategy	Activities	Responsible Partner	Yr1	Yr2	Yr3	Yr4	Total
	3. Organisation of oil palm production throughout the country	Organize oil palm producers into producer organizations/ groups	MAFFS Cooperatives, NaFFSL	0.05	0.04	0.03	0.02	0.14
To facilitate Private Sector investment in commercial oil palm production	1. Under take studies in oil palm sector	Conduct oil palm and investment studies	Private Sector	0.35	0.30	0.25	0.20	1.10
		Explore regional markets for palm kernel cake and other oil palm products	Private Sector	0.10	0.05	0.05	0.00	0.20
	2. Facilitate investments in oil palm production	Negotiate land for investment in oil palm cultivation	MAFFS SLIEPA Private Sector, NaFFSL	0.10	0.10	0.05	0.20	0.45
		Implementation of oil palm out grower schemes	MAFFS Private Sector, NaFFSL	0.70	0.75	0.80	0.85	3.10
		Provision of credit facilities to oil palm producers	Private Sector, NaFFSL	2.00	2.50	3.00	3.50	11.00
		Facilitate investments in small scale oil palm mills	Private Sector, NaFFSL	1.00	2.00	2.50	2.50	8.00
Total Costs				10.56	11.73	12.93	14.01	49.23

Cashew Sub Sector

Sector Overview



Cashew production only started in Sierra Leone in the late eighties. Because it

grows well on almost all ecological zones nationwide and has a relatively short maturity period of 4-5 years, its cultivation is rapidly increasing. In January 2005, about 3,600 hectares of cashew trees existed, mostly in the Northern and Western parts of the country. Production levels were estimated at 500 mt in 2005 (DTIS) and this may increase to about 600 mt by 2010.

Sierra Leone has good long term prospects for cashew exports as demand for raw cashew on the world market is currently high. Government has launched an initiative to promote cashew cultivation country wide through a public-private partnership in which over 300,000 planting materials have been distributed to farmers and small holders around the country for cultivation.

There are currently no exports of raw or processed cashew as sufficient volumes have not been produced to warrant exports or investments in processing. The major producers of cashew in the West Africa sub region, Guinea Bissau, Senegal and The Republic of Guinea each produce in excess of 50,000 mt on over 70,000 ha cultivated.

The following is a SWOT analysis for the cashew sector. The overriding objective of the SWOT analysis is to identify the sector strengths so that efforts and initiatives can be employed to optimise on these strengths; to identify weaknesses so that initiatives can be put in place to overcome them; to identify sector opportunities so that efforts and initiatives can be made to exploit them and to identify threats so that the strategy is aware of them and any intervention takes their existence or potential for existence into account.

Sub Sector SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Availability and suitability of land • Suitable climatic conditions • Priority given to sector by government • Growing participation of the private sector including farmers • Cashew trees used in soil conservation 	<ul style="list-style-type: none"> • Poor knowledge on cashew cultivation and management • Inadequate research and extension services • Labour shortage in production areas • Low yielding varieties dominate the country • Lack of local packaging
Opportunities	Threats
<ul style="list-style-type: none"> • Ready , available and accessible markets • Opportunities exist for development under NSADP, DTIS and ECOWAS initiatives • Potential to improve on domestic market • Grafting techniques available for cashew production 	<ul style="list-style-type: none"> • High volume cashew producers e.g. Guinea Bissau, Gambia • Global climate changes affecting production levels • Introduction of foreign pests and diseases • Volatility of world market prices

Strategic Issues.

1. Inadequate knowledge on cashew cultivation and management.
2. Inadequate research and extension services.
3. Low yielding varieties.
4. Inadequate labour.

Strategic Objectives

1. To undertake research on suitable cashew planting materials for Sierra Leone
2. To increase the acreage of cashew under cultivation
3. To strengthen extension delivery services in the cashew sector

Cashew Sub Sector Strategies

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr1	Yr2	Yr3	Yr4	Total
To undertake research on suitable cashew	1. Undertake research to determine cashew yields	Undertake trials and tests of different varieties of cashew planting materials in all	SLARI	2.00	2.50	1.50	1.00	7.00

				Cost in million US\$				
Strategic Objectives	Strategy	Activities	Responsible Partner	Yr1	Yr2	Yr3	Yr4	Total
planting material for Sierra Leone	in different parts of the country	ecologies of Sierra Leone						
		Establish clonal gardens using appropriate varieties	SLARI	0.50	0.35	0.25	0.20	1.30
To increase the acreage of cashew under cultivation	1. Adopt a country wide cashew cultivation programme	Establish a national policy on cashew	MAFFS	0.01	0.01	0.00	0.00	0.02
		Develop smallholder schemes for cultivation of cashew in appropriate areas nationwide	Private Sector MAFFS, NaFFSL	0.50	0.70	0.80	0.90	2.90
		Provision of high yielding cashew planting materials to out growers	SLARI Private Sector, NaFFSL	0.05	0.07	0.08	0.09	0.29
		Introduction of grafting practices	MAFFS	0.02	0.03	0.04	0.05	0.14
		Promote large scale cultivation through private sector investment	Private Sector, NaFFSL	0.70	0.75	0.80	0.85	3.10
To strengthen extension delivery services in the cashew sector	Upgrading of skills and knowledge of Extension Agents and Farmers in cashew cultivation and processing	1. Disseminate best practices on cashew management and primary processing to farmers, small growers and ABU's	MAFFS Private Sector, NaFFSL	0.02	0.02	0.01	0.01	0.06
		2. Build capacity of small growers and farmers in secondary processing	MAFFS Private Sector, NaFFSL	0.05	0.06	0.07	0.08	0.26
Total Costs				3.85	4.49	3.55	3.18	15.07

Ginger Sub Sector

Sector Overview



Ginger production started in Sierra Leone around the 1930's. It is a traditional spice crop grown in the

south and northern regions of the country notably in Moyamba and Kambia Districts. Quite recently ginger production has spread to parts of Tonkolili, Port Loko and Bombali Districts. From the mid-thirties unto the late seventies, Sierra Leone was a leading producer and exporter of ginger to the United Kingdom (UK). Between the eighties and 2000, ginger production fell considerably due to a shift in the taste preference of the European market from the local ginger varieties exported from Sierra Leone to the South East Asian varieties. Farmers therefore placed more emphasis on the production of rice, cassava and oil palm which commanded attractive prices locally.

Between 2003 and 2004, ginger production was revived in the country by the Ministry of Agriculture Forestry and Food Security (MAFFS) in collaboration with former SLEDIC through the support of UNDP and the International Trade Centre. Some Asian varieties of ginger were introduced with mixed results and Sierra Leone was able to export about 40mt of ginger to the Netherlands for the first time since 1984. In spite of this, there is need for new research on the local varieties of ginger as they seem to be more resistant to disease and have a low water content and fibre content compared to the introduced Asian varieties. The local varieties of ginger have a characteristic pungency and the world demand for this type of ginger is on the increase again. Sierra Leone could increase its share of the world ginger market.

The following is a SWOT analysis for the sector. The overriding objective of the SWOT analysis is to identify the sector strengths so that efforts and initiatives can be employed to optimise on these strengths; to identify weaknesses so that initiatives can be put in place to overcome them; to identify sector opportunities so that efforts and initiatives can be made to exploit them and to identify threats so that the strategy

is aware of them and any intervention takes their existence or potential for existence into account.

Sub Sector SWOT Analysis

<p>Strengths</p> <ul style="list-style-type: none"> • Suitable land and favourable climatic conditions • Good local improved varieties with high intrinsic values available • Farmers have experience in ginger cultivation • Available land for expansion 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Insufficient quantity of planting material for ginger • Low and unattractive producer prices • Inadequate knowledge of processing techniques • Inadequate research and extension services • Lack of specialized processing and storage facilities
<p>Opportunities</p> <ul style="list-style-type: none"> • Increased demand for African ginger in European market, which varieties are found in Sierra Leone • Opportunities exist for development under CAADP/NSADP, DTIS, AGOA and ECOWAS initiatives • Potential to improve on domestic market 	<p>Threats</p> <ul style="list-style-type: none"> • Fluctuations in international commodity prices • Imported varieties reduce the pungency and resistance of local varieties to disease • High volume production from Nigeria • Variations in weather conditions affect production levels

Strategic Issues

1. Untested introduced foreign varieties of ginger have affected the local varieties.
2. Low production volumes.
3. Inadequate research into ginger cultivation and processing.
4. Inadequate processing and storage facilities in production areas.
5. Weak marketing structures for ginger.

Strategic Objectives

1. To increase the volumes of exportable dried and processed ginger.
2. To improve on the processing and storage of ginger.
3. To strengthen research and extension activities in the ginger sector.
4. To improve on the marketing of ginger.

Ginger Sub Sector Strategies

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr1	Yr2	Yr3	Yr4	Total
To increase the volume of exportable ginger	1. Increase acreage under cultivation	Sensitize ginger producing communities	MAFFS	0.01	0.01	0.01	0.00	0.03
		Increase acreage and number of farmers involved in ginger production	Private Sector MAFFS, NaFFSL	0.15	0.20	0.25	0.35	0.95
	2. Provision of high yielding planting materials	Investigate varieties most suitable for export markets	SLARI	0.10	0.20	0.15	0.05	0.50
		Promote multiplication of suitable varieties for sustainable supply of ginger	SLARI	0.05	0.04	0.01	0.01	0.11
		Conduct research trials on best practices for growing ginger	SLARI	0.05	0.04	0.01	0.01	0.11
	3. Improving general agriculture and management practices	Strengthen extension field supervision by provision of mobility, field equipment and incentives to extension agents	MAFFS Private Sector	0.07	0.04	0.04	0.04	0.19
		2. Train extension agents and farmers in general agriculture and management practices	MAFFS Private Sector, NaFFSL	0.03	0.03	0.02	0.01	0.09
	4. Organisation of ginger production	Organize farmers into production groups	MAFFS Cooperatives, NaFFSL	0.02	0.02	0.01	0.01	0.06
		Network production groups into ABU'S and Cooperatives	MAFFS Cooperatives, NaFFSL	0.01	0.01	0.01	0.01	0.04
	To improve on processing and storage of ginger	1. Introduce appropriate processing, storage techniques and equipment for ginger production to groups, cooperatives and FBO's	Organise study tours to other ginger processing countries	SLIEPA, NaFFSL	0.03	0.02	0.01	0.01
Train farmers and extension agents on quality assurance, sanitation and handling			MAFFS Private Sector, NaFFSL	0.04	0.04	0.03	0.02	0.13
Provision of ginger drying platforms, concrete drying floors and water to ginger FBOs			Private Sector, NaFFSL	0.04	0.05	0.05	0.05	0.19
To strengthen research and extension services in the ginger sector	1. Undertake research on ginger production systems	Under take research trials on ginger production	SLARI	0.10	0.15	0.20	0.25	0.70
		Collection of data on ginger harvests, seed	SLARI, NaFFSL	0.05	0.05	0.05	0.05	0.20

				Cost in million US\$				
Strategic Objectives	Strategy	Activities	Responsible Partner	Yr1	Yr2	Yr3	Yr4	Total
		rate, planting time, yields, soil, pest and diseases						
	2. Disseminate research findings and general agriculture and management practices to ginger production groups	Develop information, education and communication materials for research findings	SLARI MAFFS	0.01	0.01	0.01	0.01	0.04
		Disseminate ginger research findings through media, meetings and training workshops	MAFFS Private Sector	0.02	0.02	0.03	0.03	0.10
To improve on marketing of ginger	1. Organization of local buying centres and contract arrangements	Locate buying centre at strategic locations in communities	MAFFS Private Sector, NaFFSL	0.01	0.01	0.01	0.00	0.03
		Provision of water and sanitation facilities at centres.	MAFFS Private Sector, NaFFSL	0.04	0.05	0.05	0.05	0.19
		Provision of scales at buying centres and training of producers on use of the equipment	MAFFS Private Sector, NaFFSL	0.02	0.02	0.03	0.03	0.10
Total Costs				0.85	1.01	0.98	0.99	3.83

Chili Sub Sector

Sub Sector Overview



Chili is a traditional spice product grown all over the country on relatively small plots of land and its cultivation is

dominated mostly by the women. Chili pepper has high resistant to pest and disease and can be traded in its raw form or dried. There is an enormous market for Chili pepper at both local and international levels and it is one of the priority products identified by the MAFFS for product development and export promotion.

The following is a SWOT analysis for the sector. The overriding objective of the SWOT analysis is to identify the sector strengths so that efforts and initiatives can be employed to optimise on these strengths; to identify weaknesses so that initiatives can be put in place to overcome them; to identify sector opportunities so that efforts and initiatives can be made to exploit them and to identify threats so that the strategy is aware of them and any intervention takes their existence or potential for existence into account.

Sub Sector SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none">• Suitable land and favourable climatic conditions• Good local and improved varieties available• Available land for expansion• Grown throughout the country	<ul style="list-style-type: none">• No organised cultivation and marketing of Chili in sierra Leone• Inadequate knowledge on Chili cultivation and management• Inadequate research and extension services• Lack of specialized processing and storage facilities for Chili

<i>Opportunities</i>	<i>Threats</i>
<ul style="list-style-type: none"> • Export markets available regionally • Opportunities exist for development under CAADP/NSADP, AGOA and ECOWAS initiatives • Potential to improve on domestic market • Possibility of organic certification • Utilisation of modern production techniques 	<ul style="list-style-type: none"> • Fluctuations in international commodity prices. • Organised Chili production and marketing in neighbouring Liberia may increase the risk of smuggling of products

Strategic Issues

1. Poor organisation of the cultivation and marketing of Chili in Sierra Leone.
2. Inadequate knowledge on Chili cultivation and management.
3. Inadequate research and extension services.
4. Lack of specialized processing and storage facilities for Chili.

Strategic Objectives

1. To increase the production of Chili for export purposes.
2. To build the capacity of Chili growers and extension agents in Chili cultivation, management and processing.
3. To organise an efficient marketing system for Chili.

Chili Sub Sector Strategies

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr1	Yr2	Yr3	Yr4	Total
To increase the production of Chili for export purposes	1. Organise production using high yielding varieties of Chili	Provide suitable high yielding disease resistant varieties like the African bird eye Chili	Private Sector	0.02	0.03	0.03	0.03	0.11
		Organise farmers into smallholder Chili producer groups	MAFFS Private Sector, NaFFSL	0.01	0.01	0.02	0.02	0.06
		Strengthen research into Chili cultivation	SLARI	0.00	0.02	0.02	0.02	0.06
		Provision of inputs for Chili cultivation and storage and drying facilities	Private Sector	0.05	0.05	0.05	0.05	0.20
To build the capacity of Chili growers and extension agents in Chili cultivation, management and processing	1. Train farmers and extension agents on Chili cultivation and processing	Training extension agents and producers in best practices and new techniques in drying, sorting and packaging	MAFFS Private Sector, NaFFSL	0.05	0.04	0.02	0.01	0.12
		Develop processing centres and collection points	Private Sector, NaFFSL	0.10	0.05	0.03	0.01	0.19
		Developing product delivery mechanisms	Private Sector, NaFFSL	0.03	0.02	0.01	0.01	0.07
To organise an efficient marketing system for Chili	1. Organize producers into network of marketing organizations	Introduction of incentive buying methods in the producer groups	Private Sector, NaFFSL	0.02	0.01	0.01	0.01	0.05
		Developing appropriate pricing mechanisms	Private Sector, NaFFSL	0.01	0.01	0.01	0.01	0.04
		Developing and strengthening market and price information systems and marketing channels	Cooperatives Private Sector, NaFFSL	0.05	0.06	0.07	0.05	0.23
Total Costs				0.34	0.30	0.27	0.22	1.13

Rice Sub Sector

Sector Overview



Rice is the nation's staple food and is grown in all ecological zones in Sierra Leone with both local and improved

varieties. It accounts for over 75% of agricultural GDP and production is done at subsistence levels to meet the food security needs of households but government is currently pursuing a policy of mechanization and commercialization of rice farming. Rice production in 2007 was estimated at 638,000 Mt which is 60% of total demand (MAFFS report 2007).

Estimated average yield is 1.3 – 1.5 Mt per Ha for improved varieties and below 1 Mt per Ha for local varieties. Rice cultivation was highest in the upland ecologies compared to the lowland ecologies. For the lowland ecologies, the Inland Valley Swamps had the highest hectareage under cultivation.

Presently, there is a shortfall in domestic rice production to meet national food requirements. The shortfall is met by a large volume of rice imports mainly from Asia and the USA to ensure its availability year round. This large scale importation of rice is costing the country tens of millions of dollars annually. In the sixties and early seventies, Sierra Leone exported rice surpluses to West African countries but the sector experienced a decline in production from the mid seventies on to the end of the civil conflict in 2002.

Table 3: Area and Production of Rice in 2007 and Projections for 2013 and 2018

Ecology	2007			2013			2018		
	Area (Ha)	Yield mt/ha	Prod. (Mt)	Area (Ha)	Yield mt/ha	Prod. (Mt)	Area (Ha)	Yield mt/ha	Prod. (Mt)
Upland	363,894	0.72	349,561	400,000	1.25	500,000	425,000	1.50	637,500
IVS	170,000	1.23	324,442	225,000	2.50	562,500	400,000	4.00	1,600,000
Mangrove	70,000			100,000	2.25	250,000	125,000	3.50	437,500
Riverain	5,593			25,000	2.50	62,500	50,000	3.50	175,000
Boliland	50,000			80,000	1.50	120,000	100,000	2.50	250,000
Total	659,487			0.97	637,983	830,000	2.00	1,495,000	1,100,000

Source: NRDS

Rice is the staple food in the four MRU countries of Guinea, Liberia, the Ivory Coast and Sierra Leone. The 2008 estimates for demand and production in the MRU

nations were 3.4 million mt and 2.2 million mt respectively resulting in a shortfall which is imported. Recent studies indicate a consumer preference for good local rice in these countries because of its taste and freshness and the need to replace imported rice in national urban consumption patterns. The availability of local rice is often constrained by low surplus volumes, weak marketing channels and high transportation and transaction costs. Sierra Leone is working with the other MRU nations on a rice development program which in the short term, seeks to improve rice productivity along the value chain activities to achieve rice self sufficiency by 2013 and develop national export capacities by 2018.

The Sierra Leone National Rice Development Strategy adopts a two prong approach to realising the GOSL and MRU goals of attaining rice self sufficiency by 2013 and exports of surplus by 2018.

1. increase in area under cultivation with a focus on the lowlands where there is underutilised capacity
2. increases in productivity per unit area in all ecosystems.

At the centre of the NRDS thrusts in the lowland ecologies are the inland valley swamps as they exist in all parts of the country and have a high potential for sustainable production. By 2013 when rice self sufficiency will have been achieved, the total land area under cultivation will have been increased to 830,000 ha and the average rice yield/ha increased to 2mt/ha. By 2018, it is envisaged that there would be a total area of 1,100,000 ha under cultivation resulting in production of over 3,100,000 mt. The MRU countries are ready markets for the export of the rice surpluses as they all have similar consumer preferences for good local rice.

The following is a SWOT analysis for the sector. The overriding objective of the SWOT analysis is to identify the sector strengths so that efforts and initiatives can be employed to optimise on these strengths; to identify weaknesses so that initiatives can be put in place to overcome them; to identify sector opportunities so that efforts and initiatives can be made to exploit them and to identify threats so that the strategy is aware of them and any intervention takes their existence or potential for existence into account.

Sub Sector SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Good local knowledge in rice farming • Numerous high yielding improved varieties available • Rice is cultivated in five different ecologies • Local varieties can qualify as specialty varieties. • Availability and suitability of land • Suitable climatic conditions • Government's prioritization of sector 	<ul style="list-style-type: none"> • Rice farming is largely non-mechanized, at subsistence levels and cannot meet local demand • Migration of labour to urban areas adversely affects production • Low yields and poor farming practices • Inadequate extension services for rice • Inadequate milling and storage facilities for rice • Disorganized rice marketing systems
Opportunities	Threats
<ul style="list-style-type: none"> • Access to new high yielding varieties of rice • Opportunity to increase rice production in the short term • Local branding of rice varieties • Trade with neighbouring countries • Ready, available and accessible markets in the sub-region • Growing interest of the private sector in commercial rice farming • Opportunities exist for development under CAADP/NSADP, AGOA and ECOWAS initiatives 	<ul style="list-style-type: none"> • Subsidized rice production in external producer countries is a disincentive to local production • Lack of trade agreements with neighbours is disincentive for producers

Strategic Issues

1. Rice production at subsistence levels in most parts of the country.
2. Production levels reduced by lack of mechanization.
3. Rice marketing organisations are weak.
4. Milling and storage facilities are inadequate.
5. Extension delivery systems are weak.
6. Insufficient labour

Strategic Objectives

1. To increase rice production through commercial farming
2. To develop and strengthen rice marketing institutions
3. To improve on milling and storage facilities in rice production areas
4. To strengthen research and extension delivery systems

Rice Sub Sector Strategies

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr 1	Yr 2	Yr 3	Yr 4	Total
To increase rice production through commercial farming	1. Develop a framework for effective private sector participation in commercial rice farming	Promote private sector partnerships with ABU's and cooperatives	SLCAD SLBF, NaFFSL	0.30	0.20	0.10	0.05	0.65
		Build capacity of ABU's and cooperatives for partnerships	SLCAD, NaFFSL	0.50	0.70	0.80	0.80	2.80
		Negotiate commercial land leases	MAFFS, NaFFSL	0.02	0.02	0.01	0.01	0.06
		Develop a supply chain for farming inputs like fertilizers, herbicides and pesticides	Private Sector, NaFFSL	3.00	3.50	4.00	4.50	15.00
		Support contract farming schemes to overcome labour shortages in producer areas	SLCAD, NaFFSL	0.05	0.05	0.05	0.05	0.20
	2. Provision of high quality rice seeds	Mobilise private sector to develop, produce and supply certified rice seeds	SLCAD, NaFFSL	0.09	0.09	0.05	0.05	0.28
		Strengthen the activities of the National Seed Board	MAFFS	0.10	0.10	0.10	0.10	0.40
		Intensify national rice research programmes	SLARI	3.50	3.50	4.00	4.50	15.50
	3. Increase area of rice cultivated in IVS and riverine areas	Undertake feasibility and water management studies in the Torma Bum, Gbondapi and Tonkolili flood plains	MAFFS Private Sector	0.45	0.35	0.25	0.20	1.25
		Develop water management schemes for IVS	MAFFS Private Sector	3.50	4.00	4.50	5.00	17.00
	4. Improve mechanized rice farming	Introduce leasing and hire purchase schemes for agriculture machinery and equipment	Private Sector, SLCAD, NaFFSL	0.25	0.30	0.25	0.20	1.00
		Establish supply chain for spares	Private Sector,	0.25	0.25	0.25	0.30	1.05

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr 1	Yr 2	Yr 3	Yr 4	Total
To develop and strengthen rice marketing institutions	1. Revive and build capacity of rice marketing organisations		NaFFSL					
		Undertake skills based training for mechanics and machine operators operations	Private Sector	0.10	0.10	0.05	0.05	0.30
		Undertake sensitisation and mobilisation campaign	SLCAD, NaFFSL	0.08	0.05	0.04	0.03	0.20
		Review organisational structures and legislation governing Cooperatives, ABU's and FBO's	MTI, NaFFSL	0.05	0.04	0.03	0.01	0.13
		Build the capacity of ABU's, FBO's and Cooperatives with Business Development Services	SLCAD SLBF, NaFFSL	0.04	0.03	0.02	0.01	0.10
To improve on milling and storage facilities in rice production areas	1. Enhance rice processing facilities in production areas	Establish rice hullers in rice production areas	Private Sector, NaFFSL	4.50	5.00	5.50	6.00	21.00
		Set up mini rice mills at strategic locations in rice production areas	Private Sector, NaFFSL	5.00	5.50	6.00	6.50	23.00
		Establish large rice mills at Torma Bum, Gbondapi and Sairces rice production areas	Private Sector, NaFFSL	6.00	7.00	8.00	9.00	30.00
To strengthen extension and research delivery systems	2. Facilitate the construction of additional storage facilities in production areas	Undertake construction of additional rice drying floors, marketing centres, marketing sheds and stores in production areas	Private Sector, NaFFSL	1.00	1.50	1.00	1.00	4.50
		1. Build the capacity of rice farmers to utilise best practices and new technology, practices and	MAFFS, NaFFSL	0.10	0.10	0.10	0.10	0.40
		Undertake continuous	MAFFS, NaFFSL	0.08	0.10	0.10	0.10	0.38

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr 1	Yr 2	Yr 3	Yr 4	Total
	planting material for rice farming	capacity building of extension agents						
	2. Ongoing development and selection of improved and high yielding rice varieties and seeds	Support ongoing rice research	SLARI	4.50	5.00	5.50	5.50	20.50
		Disseminate research findings	SLARI	0.10	0.10	0.10	0.10	0.40
	3. Facilitate ongoing research into adaptive technologies and rice farming systems	Adapt proven technologies to farming systems		0.05	0.04	0.03	0.02	0.14
Total Costs				38.11	42.62	46.33	50.18	177.24

Cassava Sub Sector

Sub Sector Overview



Cassava is grown in all ecological zones in Sierra Leone with both local and improved varieties. After rice, it is the second most important food crop in

the country and has very high economic value. It is grown as both sole and mixed crop by farmers and extension workers are already familiar with the agronomic practices of cassava production. Average yield for cassava production is estimated at 4.9 mt per Ha in the north, and between 5-8 mt in the south and eastern region of the country. Cassava production has been increasing gradually since 2005 and is expected to reach over 3.1 Million mt by 2010.

Table 4: Cassava production in Sierra Leone

Production Year	Area Cultivated (Ha)	Yield (Mt/Ha)	Production(Mt)
2005	175,923	6.37	1,120,630
2006	228,700	6.37	1,456,819
2007	297,310	6.37	1,893,865
2008	312,176	6.37	1,988,561
2009	359,002	7.01	2,516,604
2010	412,852	7.71	3,183,089

Source: PEMSD

Cassava is one of the products identified by the Ministry of Agriculture Forestry and Food Security (MAFFS) with export potentials and promoted by the Sierra Leone Investment and Export Promotion Agency (SLIEPA). Cassava can be exported in three main forms: as human food, as a starch and as a component of animal feed. The cassava export markets are mainly in the EU, USA and China and for use as animal feeds, they are exported in a dry form as either chips or pellets. Cassava chips or pellets exported to the EU and USA must meet prescribed standards of quality relating to colour, odour, pest infestation, fibre and cyanide content.

The following is a SWOT analysis for the cassava sub-sector. The overriding objective of the SWOT analysis is to identify the sector strengths so that efforts and initiatives can be employed to optimise on these strengths; to identify weaknesses so that initiatives can be put in place to overcome them; to identify sector opportunities so that efforts and initiatives can be made to exploit them and to identify threats so that the strategy is aware of them and any intervention takes their existence or potential for existence into account.

Sub Sector SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Good local knowledge in cassava farming • Grown in all ecologies in the country • Numerous high yielding improved varieties available for multiplication, utilization and adoption • Availability and suitability of land and climatic conditions • Several by-products and derivatives from cassava • Core of well trained cassava scientists available at SLARI • Processing can be undertaken at cottage, small, medium and large scales 	<ul style="list-style-type: none"> • There is no government policy on cassava • Cassava production, harvesting, processing and preservation is non-mechanized • Inadequate knowledge on processing and marketing of cassava products • Inadequate extension and research services for cassava • Quality standards are not applied in cassava production and processing
Opportunities	Threats
<ul style="list-style-type: none"> • growing interest to commercialize cassava production • Ready, available and accessible markets in the sub-region • Government's prioritization of sector for agricultural development • Opportunities exist for development under CAADP/NSADP, AGOA and ECOWAS initiatives • Potential to improve on domestic market • Opportunity for value addition on products 	<ul style="list-style-type: none"> • Cassava is prone to pest and disease attacks • Variations in weather conditions affect production levels

Strategic Issues

1. Cassava production is largely at subsistence levels and non commercialized
2. Quality standards are not applied in cassava production and processing
3. There is a need to strengthen research and extension services for cassava production and processing

Strategic Objectives

1. To commercialize the production and processing of cassava for export purposes
2. To analyse the markets for processed cassava products
3. To strengthen the research and extension delivery systems for cassava

Cassava Sub Sector Strategies

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr1	Yr2	Yr3	Yr4	Total
To commercialize the production and processing of cassava for export purposes	1. Increase cassava production to exportable levels	Organise farmers into production groups, zones and develop production quotas	Private Sector, NaFFSL	0.07	0.05	0.06	0.04	0.22
		Increase acreage of cassava under cultivation with improved planting materials	MAFFS SLARI, NaFFSL	0.10	0.20	0.30	0.30	0.90
		Promote private sector investment in cassava cultivation	Private Sector SLBF, NaFFSL	0.03	0.02	0.01	0.01	0.07
	2. Improve on cassava processing and quality management	Introduce smallholder modern processing equipment	Private Sector, NaFFSL	0.20	0.30	0.40	0.40	1.30
		Develop proper storage facilities for cassava tubers and processed cassava	Private Sector, NaFFSL	0.30	0.35	0.40	0.50	1.55
		Apply quality schemes in cassava production, processing and packaging and storage	SLSB SLIEPA, NaFFSL	0.07	0.08	0.09	0.10	0.34
To analyse the markets for processed cassava products	1. Position processed Sierra Leone cassava in the export market	Undertake a market survey for cassava products	Private Sector	0.10	0.05	0.00	0.00	0.15
		Develop a cassava export policy in line with sub-regional cassava marketing policies	Private Sector	0.02	0.00	0.00	0.00	0.02
		Target major animal feed producers	Private Sector	0.02	0.02	0.00	0.00	0.04
To strengthen the research and delivery extension systems for cassava	1. continuing research on cassava planting material, cultivation and processing	Support research on appropriate cassava planting material and cultivation	SLARI	0.25	0.35	0.45	0.50	1.55
		Participation at scientific and technical meetings on cassava	SLARI MAFFS	0.05	0.07	0.08	0.10	0.30
	Upgrading of skills and knowledge of Extension Agents and Farmers in	Training of extension agents and farmers in cassava production, processing and marketing	MAFFS	0.25	0.35	0.45	0.50	1.55
		Provision of field	MAFFS,	0.06	0.07	0.08	0.09	0.30

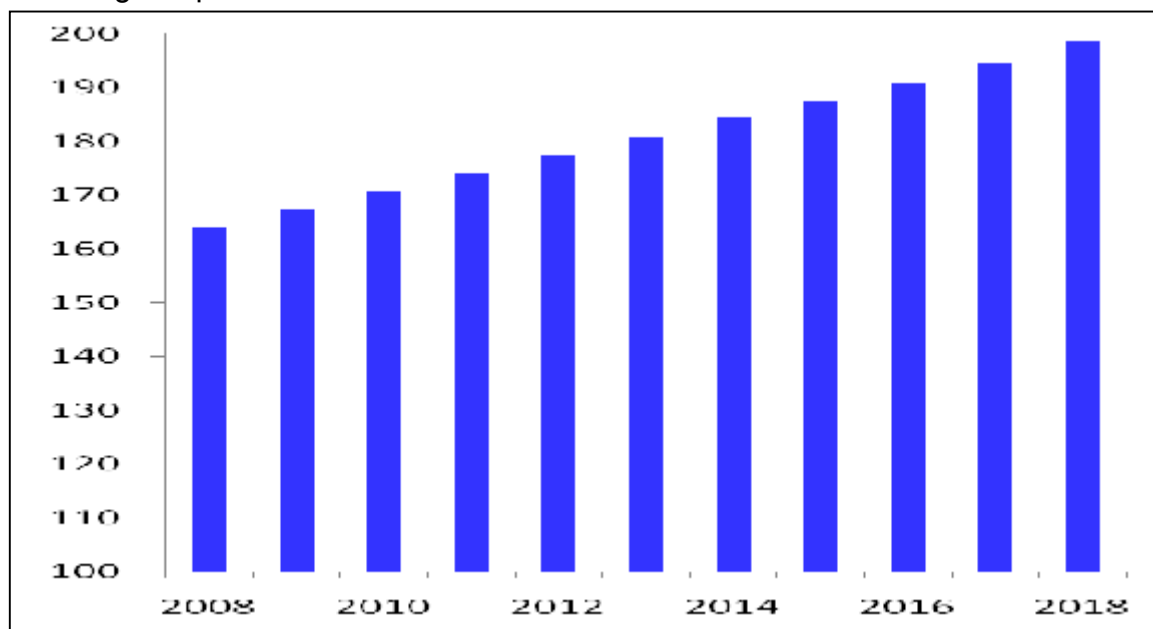
				Cost in million US\$				
Strategic Objectives	Strategy	Activities	Responsible Partner	Yr1	Yr2	Yr3	Yr4	Total
	cassava value chain processes	equipment and materials	Private Sector					
	Provision of logistics and incentives for extension agents	Provision of mobility to extension agents	MAFFS	0.01	0.01	0.02	0.02	0.06
Total Costs				1.53	1.92	2.34	2.56	8.35

Sugar Sub Sector

Sugar is Sierra Leone's second food import and the country consumes more than 30,000 tons of sugar annually. Commercial cultivation of sugar cane started in Sierra Leone in the early eighties through a 1300 Ha estate scheme developed by the Chinese government at Magbass in the Tonkolili District, from which brown sugar and ethanol are produced in commercial quantities for domestic consumption and exports. The facility which was badly damaged during the war has been rehabilitated and now managed by a private Chinese company, COMPLAN. In comparison to other Africa and world producers, sugar production and exports from Sierra Leone is relatively low amounting to only 6900 tonnes in 2007. A private investor, ADDAX has experimented on 40 ha and plans to cultivate up to 1000 ha in the next three years.

In recent years, the global demand for cane products like sugar, ethanol and molasses, etc.) has grown rapidly. This growth can be easily attributed to growing interest in renewable fuels as a cheaper alternative to fossil fuels and rising incomes in emerging markets. India, China, the EU and USA which are among the world's largest producers have changed from exporters to net importers while supplies from most of the major producers like Brazil, Australia, Cuba and South Africa are flat or declining. Global demand for cane-based products is forecast to grow by 20+% over the next 10 years as shown in figure 4 below.

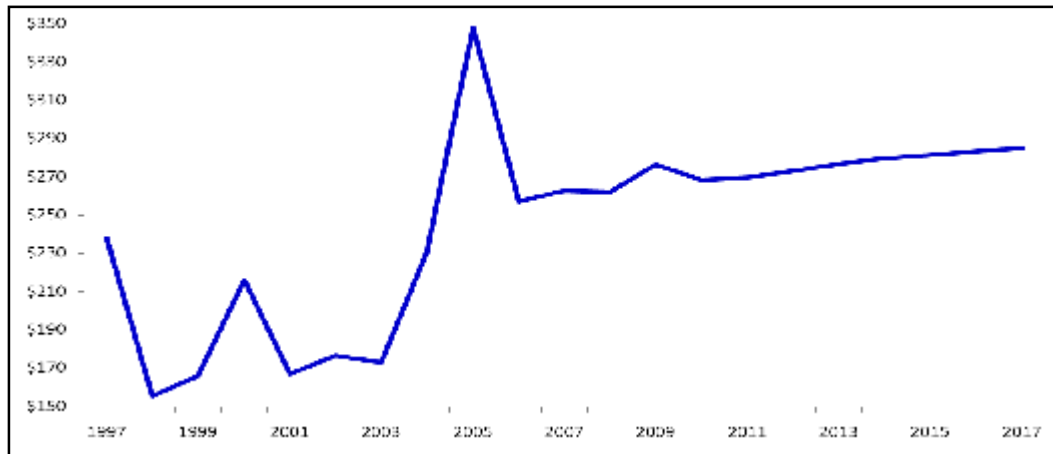
Figure 4: Current/Projected World Sugar Consumption 2008-2018 (million tonnes, raw sugar equivalent)



Source: OECD-FAO Agricultural Outlook 2009-2018

Despite the global economic downturn, sugar prices on the commodities markets have risen and are expected to continue to remain high over the next five years.

Figure 5: Current and Projected World Sugar Prices \$/Tonne (1997-2017) Raw Sugar



Source: OECD-FAO Agricultural Outlook 2009-2018

As a result of the global demand and supply situation for sugar as well as its complex trading arrangements, major producers are shifting from traditional to new production areas particularly in Africa and Asian countries. The new investments in sugar production and processing are taking the form of Public-Private Partnerships and Joint Venture arrangements. The level of investments are high, running into hundreds of millions of dollars on nucleus and smallholder land producing sugar, ethanol, electricity and generating thousands of jobs per investment.

Over the years, the sugar sector in Sierra Leone has remained unexplored and small. Published research and studies on the cultivation, processing and marketing of sugar and its derivatives in Sierra Leone were generally unavailable. In March 2010, SLIEPA published a study which indicated that Sierra Leone has high potential for becoming a sugar producing country meeting domestic needs for sugar consumption, ethanol, production of electricity and surplus of exports. The study highlighted in particular the following:

1. Suitable agro-climatic conditions for cultivation of sugar which are similar to major sugar cane producing areas in Brazil, Cuba and Australia
2. 2 potential growing areas with good drainage for irrigation purposes
3. Flexible land laws

There has been considerable expression of interest in sugar cultivation from potential investors since the publication of the SLIEPA study. The study itself indicates that large-scale investments in sugar cultivation similar to the current Addax initiative, on 10,000+

hectares of land cultivation plus 10,000 hectares of outgrower-based production and installation of sugar mills to generate own power could result in possible medium to long term benefits to Sierra Leone which include:

1. Creation of 25,000+ direct jobs and support of 25,000+ independent small farmers in rural areas
2. An increase in export earnings by at least \$250 million
3. A reduction in the food import bill by \$25 million per year
4. Additional electricity generation capacity of up to 200+ MW
5. Vastly improved rural incomes and infrastructure

The sugar sector in Sierra Leone is still at an infancy stage of development. Attracting suitable investments into this sector and the realisation of the full benefits of potential commercial investments requires the creation of a suitable enabling environment. Creating an appropriate enabling environment requires a mix of policy reforms, infrastructural development, changes in agricultural land use patterns, intensive agricultural research and a buy in from all national stakeholders. Some of these factors are outside the direct scope of the NES but the following broad recommendations are made which if pursued could pave the entry of the sugar sector as a full fledged agriculture sub-sector for exports in an updated National Export Strategy.

Recommendations	Lead Agencies
1 Accelerated road and port infrastructure improvements and management	MTA, MWHI, SLRA, SLPA
2 Finalisation of incentives for agribusiness investors	SLIEPA, MOFED, MTI, MAFFS
3 Streamlined process for duty-free imports	SLIEPA, NRA Customs, MTI
4 Develop guidelines for biomass-based energy projects - clarify principles and formulae for all investors (e.g. pricing formulae for power sales; permits for fuel imports during off-season, etc.)	MEWR, MTI, MAFFS
5 Development of a national biofuels policy	MEWR, MTI, MAFFS
6 Development of chiefdom-level Geographic Information Systems (GIS) - complete chiefdom-level GIS for each area of Sierra Leone (starting with Pujehun, Kenema, Tonkolili, Kambia and Port Loko Districts)	MLHE, SLIS
7 Collection and analysis of critical climatic, drainage and irrigation data and land use patterns	MAFFS, MEWR, Metreological Department
8 Launch crop trials and demonstrations of sugarcane using latest varieties and techniques	SLARI, MAFFS
9 Determine sugar cane value chain activities and economic impact on value chain actors	SLARI, Private Sector

Tourism Sector

Sector Overview



Sierra Leone is endowed with abundant and diversified natural and cultural attractions, including beautiful

Since the end of the war, the tourism industry has been served by a small but vibrant group of entrepreneurs and community organisations providing a variety of services like guesthouses and tour operations. There has also been a steady increase in the number of arrivals by air, mainly business travellers and nationals living in the Diaspora on vacation during festive seasons. Meanwhile the tourism infrastructure still remains weak. Total room capacity in the country is 1100. There are only 10 Principal Hotel operators in the capital city, Freetown. Three are Class 1(Business Standard) offering 105 rooms and the other seven are non-Class 1 operators offering 405 rooms. The remaining 510 rooms in the country are accounted for by Class 3 hotels and guest houses. Tourist attractions and camp sites are insufficient and under-developed and the sector suffers from a lack of trained manpower at managerial and skilled levels.

The main form of tourism in Sierra Leone is beach tourism which remains under developed and needs investments. Development of eco-tourism and cultural tourism is gaining ground particularly outside the Western Area. Other sectors in the tourism sector which include restaurant services, night life, air transport, ground transport, travel agencies, arts and crafts, and small scale handicrafts are also under developed.

beaches, picturesque landscape (islands, hillsides, mountains, and waterfalls), wildlife sanctuaries and parks, fine weather, a rich cultural heritage, and hospitable people. There is a strong potential for the tourism sector to emerge as a major revenue earner for the country.

In the eighties, the country had a booming tourism industry. There were strong branded operators like Sofitel and Caledonian Hotels operated, tourism services like guided tours, fishing expeditions and trained staff were active. These services together with the tourism infrastructure collapsed during the ten year civil war.

The tourism industry is regulated by the Ministry of Tourism and Cultural Affairs through the National Tourist Board.

Strategic Vision

During the war, tourism infrastructure and services were badly affected which has resulted in a reduced demand for Sierra Leone as a favourite tourist destination. The vision for the tourism sector is:

‘Rebranding Sierra Leone as an attractive tourist destination by 2015’

The vision will be accomplished by strong investments in tourism infrastructure and services and capacity building within the sector.

The following is a SWOT analysis for the tourism sector. The overriding objective of the SWOT analysis is to identify the sector strengths so that efforts and initiatives can be employed to optimise on these strengths; to identify weaknesses so that initiatives can be put in place to overcome them; to identify sector opportunities so that efforts and initiatives can be made to exploit them and to identify threats so that the strategy is aware of them and any intervention takes their existence or potential for existence into account.

Sector SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Good primary attraction sites • Rich cultural heritage and historical background • Pleasant weather during peak tourist season 	<ul style="list-style-type: none"> • Poor marketing of Sierra Leone as a tourist destination • Lack of a basic tourist infrastructure • Slow airport transfer system • Weak tourism regulatory body • Poor delivery of tourism services across the sub sectors • Underdeveloped primary attraction sites • Absence of branded hotel operators
Opportunities	Threats
<ul style="list-style-type: none"> • Domestic Tourism • Cultural tourism • Emerging ecotourism market • Growing interest shown by international hotel chains • Organisation of meetings and 	<ul style="list-style-type: none"> • Civil conflict in neighbouring countries • Regional drug-trafficking • Regional tourist destinations with better tourism infrastructure and lower operating costs

Strategic Issues

1. Poor tourism infrastructure throughout the country.
2. Insufficient tourism support services.
3. Inadequate capacities at all levels of the tourism value chain.
4. Poor quality standards at hotels, guest houses and restaurants.
5. Cumbersome airport transfers.
6. Poorly mapped tourism development areas.

Strategic Objectives

1. To facilitate investments in tourism infrastructure
2. To deliver professional and efficient services in the tourism sector
3. To rebrand Sierra Leone as an attractive destination for holidays eco-tourism and MICE

Tourism Sector Strategies

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$					
				Yr1	Yr2	Yr3	Yr4	Total	
To facilitate investments in tourism infrastructure	1. Design attractive incentives for investments in hotels, guest houses and other tourist infrastructure	Review tourism sector incentives for attracting for investments in hotels, guest houses and other tourist facilities	NTB, MTI, MOFED	0.45	0.00	0.00	0.00	0.45	
		Review of Tourism Development Act of 1990	NTB	0.30	0.00	0.00	0.00	0.30	
	2. Develop primary attraction sites for beach, cultural and ecotourism	Facilitation of land lease agreements with local councils and investors	MTCA, NTB	0.01	0.01	0.01	0.01	0.04	
		Facilitate permits and provision of utilities to primary attraction sites	MTCA, NTB	0.03	0.02	0.02	0.02	0.09	
	3. Preserve and upgrade monuments and relics sites	Develop project proposals for upgrading monuments and relics	MTCA	0.10	0.15	0.05	0.05	0.35	
		Raise awareness on the significance of monuments and relics to the tourism industry	MTCA	0.05	0.03	0.02	0.02	0.12	
	4. Develop conference and meeting venues	Develop national capacity for event management and conference management	Private Sector	0.10	0.15	0.15	0.10	0.50	
		Formulate policy for the planning, design and construction of venues for meetings and conferences	MOFED Private Sector	0.02	0.02	0.02	0.02	0.08	
	To deliver professional and efficient services in the tourism sector	1. Capacity Building in the tourism sector for efficient delivery of services	develop capacity at managerial and skilled levels across all tourism sectors	MTCA, NTB, Private Sector	0.15	0.15	0.15	0.10	0.55
			Improve the capacity of HTTC to deliver quality services	HTTC, MMCE,	0.10	0.10	0.75	0.75	1.70
Forge links with branded hotel and tour operators for transfer of skills			NTB, Private Sector	0.05	0.03	0.02	0.02	0.12	
To rebrand and market Sierra Leone as an attractive destination for holidays eco tourism	1. Strengthening the regulatory capacity of the NTB	Training NTB staff for inspection of quality standards in hotels, guest houses, restaurants and tour operators	NTB, Private Sector	0.05	0.05	0.04	0.04	0.18	
		Provision of logistics assistance to the NTB	MTCA	0.10	0.07	0.05	0.03	0.25	
	2. Launch	Marketing Sierra Leone	NTB	0.10	0.10	0.10	0.10	0.40	

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr1	Yr2	Yr3	Yr4	Total
and MICE	marketing campaign to position Sierra Leone as an attractive destination	through recognised international Tour Operators and Travel Agencies						
		Promoting Sierra Leone through international media adverts, supplements and coverage	NTB	0.10	0.10	0.10	0.10	0.40
		Professional participation at international industry events and trade fairs	NTB	0.05	0.05	0.06	0.06	0.22
	3. Facilitate best user experiences for tourism	Improve transfers from the airport to hotels and primary attraction sites	Private Sector	0.05	0.05	0.03	0.02	0.15
		Retrain immigration, airport, customs and other support staff in customer care	NTB Private Sector, SLAA, NRA	0.05	0.03	0.02	0.02	0.12
		Advocacy for sound environmental and cultural practices at tourist attraction sites and tourist development areas	NTB, MTCA	0.02	0.01	0.01	0.01	0.05
	Total Costs			1.88	1.12	1.60	1.47	6.07

Fisheries Sector

Sector Overview



Its fisheries contribute an estimated 9.4% of GDP and provide 60%–80% of animal protein requirements for the local population.

The marine resources include demersal (bottom-dwelling) and pelagic (surface-dwelling) fish, shrimps, cephalopods, lobsters and crabs. Some 200 species of fish have been identified in the country's EEZ. Recent estimates of the current status of fish stocks on the continental shelf of Sierra Leone are illustrated in **Table 5** below

Sierra Leone has a coastline of 570km and a continental shelf area of 25,600 km – which reaches a width of 125km.

Table 5: Fish stock estimates

Species	Biomass (mt)
Fresh water	16000 – 40000
Demersals	57664
Pelagic	246400
Shrimps	3000
Cephalopods	1000

Source: MFMR, Itaf Deme Survey 2008

The fisheries of Sierra Leone constitute three major sectors, the artisanal fishery, the industrial fishery and inland fishery and aquaculture. The artisanal fishery operates in estuaries and coastal waters extending from the shoreline to a depth of 15-45m. This sector employs largely Sierra Leoneans which target both pelagic and demersal inshore fish resources. There is a great potential for the exploitation of offshore high-valued export species such as Sparids, *Lutjanids*, Lobsters (*Panulirus spp*). The catch from the artisanal fishery was estimated at 167,757mt in 2008 (MFMR) and there is high volume of post-harvest losses/wastage. This sector contributes 70% to the total fish production in Sierra Leone.

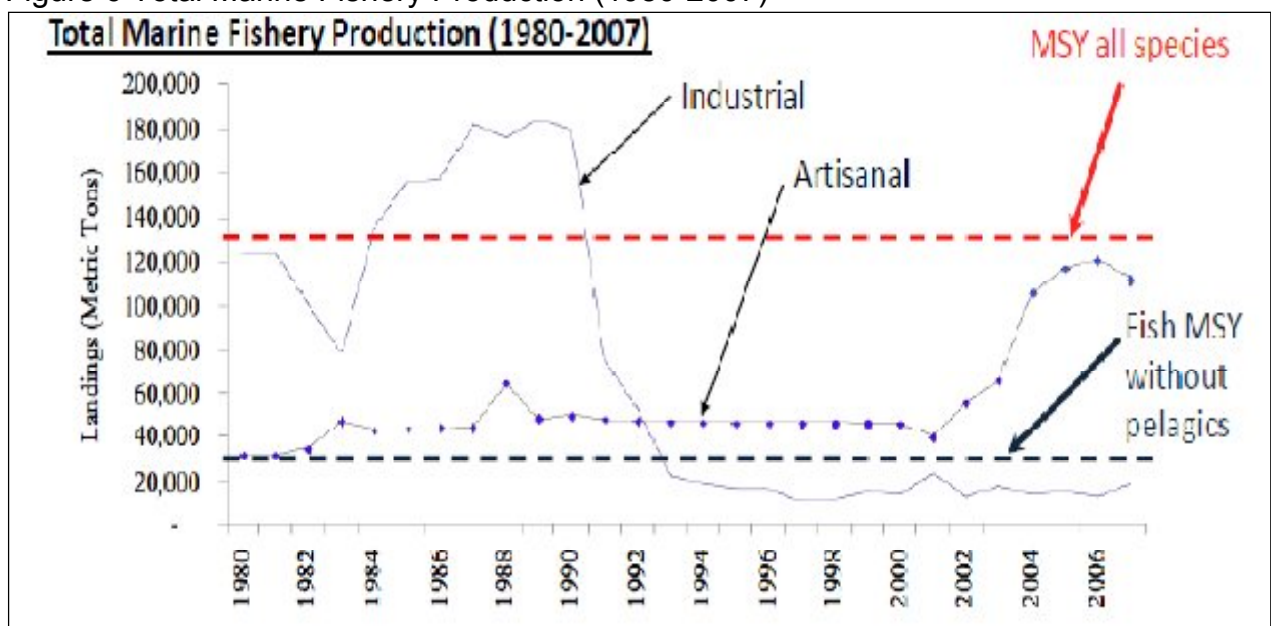
The industrial fisheries operate in the deep waters, and it is characterized by multinational fleet which includes trawlers, shrimpers, long liners, canoe support vessels (motherships) and carriers. It is export-oriented and the principal species

are the Croakers (*Pseudotolithus spp*), Sparids, Haemulidae, Lutjanids, Shrimps (*Penaeidae*), Cephalopods (Cuttlefish, Squid and Octopus), Cynolossidae, etc. Production from the industrial fisheries has declined from pre war levels of 180, 000 mt to current levels of 20,000 mt (Figure 5). The industrial fishery is dominated by Chinese, Korean, Greek, Spanish and French vessels which enter into agency agreements with Sierra Leonean individuals or companies. The industrial fishery in Sierra Leone is somewhat offshore in nature principally due to lack of suitable fishing harbour which can centralize fishing activities such as transshipments, local discharges, dry-docking, etc onshore. Because of this limitation, industrial catch are transferred into refrigerated reefer vessels where processing takes place and then Trans shipped to Dakar or Las Palmas for export to other markets.

Sierra Leone fish and fishery products are restricted from entering the EU because of not meeting the EU sanitary and quality standards. This has created major trade barriers for her high-valued fish species to reach the EU markets

The inland fishery operates in rivers, a few lakes, floodplains and swamps. Aquaculture is mostly practiced in inland valley swamps and wetlands and has great potential for developments.

Figure 6 Total Marine Fishery Production (1980-2007)



Source: SLIEPA

Strategic Vision

The fisheries sector is a potential major revenue earner for the country but minimal benefits are derived from this resource because of weak enforcement of government policies and poor fisheries infrastructure. The vision is therefore

'To improve export earnings from the fisheries sector from current values of \$1.2m annually to \$25m by 2015'

This vision will be realised by improved management of the national fisheries resources, investments in fishing infrastructure and capacity building across the sector.

The following is a SWOT analysis for the fisheries sector. The overriding objective of the SWOT analysis is to identify the sector strengths so that efforts and initiatives can be employed to optimise on these strengths; to identify weaknesses so that initiatives can be put in place to overcome them; to identify sector opportunities so that efforts and initiatives can be made to exploit them and to identify threats so that the strategy is aware of them and any intervention takes their existence or potential for existence into account.

Sector SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Availability of diverse fishery resources • trained marine and fisheries scientists and research facilities • High consumer preference for Sierra Leone fishery products 	<ul style="list-style-type: none"> • Lack of suitable fishing harbour with landing, storage and processing facilities • Inadequate fisheries technologists and marine mechanics • Industrial fishing activities and benefits are mainly offshore • Weak fisheries monitoring, control and surveillance systems • Lack of competent authority to address fish quality and other control issues for fish exports to the EU
Opportunities	Threats
<ul style="list-style-type: none"> • Private sector investment in industrial fish processing and storage facilities • Construction of fish landing, processing and storage facilities for artisanal fisheries at 3 strategic locations • Successful negotiation of a fisheries access agreement with the EU will bring improved fisheries management and MCS, training opportunities and modern efficient vessels 	<ul style="list-style-type: none"> • Illegal, Unregulated and Unreported (IUU) fishing practices

Strategic Issues

1. High transaction costs in industrial fisheries because of lack of a fishing harbour complex
2. Minimal benefits derived from the industrial fisheries as there is minimal value addition to the fishery products
3. Illegal Unregulated and Unreported fishing can reduce fish stocks
4. Lack of Competent Authority to address fish quality and other control issues

5. Capacity building needs for fisheries and marine technologists
6. Lack of fish reception centres and storage facilities at the port, airport and border areas hinder the export of fishery products

Strategic Objectives

1. To increase export earnings from the fisheries sector
2. To diversify fishery exports
3. To build management and research capacity in the fisheries sector
4. To enhance the application of quality standards in the fisheries export sector
5. To strengthen monitoring, control and surveillance of the fishery resources

Fisheries Sector Strategies

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr 1	Yr 2	Yr 3	Yr 4	Total
To increase exports earnings from the fisheries sector	1. Upgrade and modernise fisheries infrastructure to international standards	Facilitate investments in fishing harbour complex, artisanal fisheries landing sites, processing plants and reception centres	MFMR Private Sector	35.0	25.0	25.0	15.0	100.00
		Establish cold storage facilities at the port, airport and border posts for exports	Private Sector	0.15	0.01	0.01	0.01	0.18
	2. Revision of government fisheries policies and regulations towards export development	Facilitate the implementation of the revised policies on shore-based, landing and processing facilities for export of fish and fishery products	MFMR, MOHS	0.05	0.05	0.05	0.05	0.20
		Promote the implementation of revised fisheries policy on onshore bunkering, victual and financial transactions	MFMR	0.05	0.05	0.05	0.05	0.20
		Promote target fishing of high value export species for processing and exports to the sub region by artisanal fisheries with supply of inputs like boats, engines and nets on cost recovery basis	MFMR Private Sector	3.00	1.50	1.50	1.50	7.50
To diversify fishery exports	1. Target commercial exploitation of non traditional marine resources with export potential	Promote research in commercial oyster culture along estuarine mangroves and mariculture	IMBO	0.03	0.025	0.025	0.02	0.10
		Promote commercial lobster fishing and exports	MFMR Private Sector	0.01	0.01	0.01	0.01	0.04
To build management	1. Strengthen the human	Re establish marine training	MFMR Private	0.25	0.20	0.10	0.05	0.60

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr 1	Yr 2	Yr 3	Yr 4	Total
and research capacity in the fisheries sector	resources capability in the private and public sectors	school to develop skills in fish processing, boat building, fishing gear technology, refrigeration technology and marine engineering	Sector					
		Strengthen the public sectors capacity in fisheries management and regulation	MFMR	0.10	0.10	0.05	0.05	0.30
	2. Build national research capability for the fisheries sector	Provide institutional support for National fisheries research	MFMR IMBO	0.10	0.05	0.02	0.02	0.19
To enhance the application of quality standards in the fisheries export sector	1. Develop an analytical and certification framework for the fisheries sector	Establishment of microbiology and analytical laboratories for certification as a Competent Authority for fisheries export	MFMR, MOHS Private Sector	0.04	0.02	0.02	0.02	0.10
		Regular inspection of laboratories for compliance with international quality standards	MFMR, MOHS Private Sector	0.01	0.01	0.01	0.01	0.04
		Establishment of fish processing plants and cold storage facilities that meet international prescribed quality standards	Private Sector	0.40	0.20	0.20	0.20	1.00
		Periodic sanitary and hygiene inspection of fishing vessels, fish processing plants and cold storage facilities for compliance with international quality standards	MFMR Private Sector	0.01	0.01	0.01	0.01	0.04
To strengthen	Mobilise additional	Strengthen institutional	MFMR RSLAF	0.05	0.05	0.05	0.05	0.20

				Cost in million US\$				
Strategic Objectives	Strategy	Activities	Responsible Partner	Yr 1	Yr 2	Yr 3	Yr 4	Total
monitoring, control and surveillance of the fishery resources	resources for undertaking monitoring, control and surveillance activities	collaboration with security agencies						
		Introduce joint maritime licensing, inspections and monitoring	MFMR Private Sector	0.10	0.10	0.05	0.05	0.30
Total Costs				39.35	27.39	27.16	17.10	110.99

Minerals Sector

Sector Overview



Sierra Leone is endowed with mineral resources and has proven deposits of diamonds, gold, rutile, bauxite and iron ore. Other minerals which have been identified include platinum, ignite, Ilmenite and Chromite.

The minerals sector dominates the national economy and represents nearly 85% of the total value of the country's exports and is the largest employer, employing 14% of the total labour force. The value for mineral exports (diamonds, rutile, bauxite)

reached \$211million in 2007 and experienced a decline in 2008 to \$162 million. The half year results for 2009 shows a drastic drop of mineral export revenue to \$69 million. Production volumes of key mineral exports have shown a significant drop for all minerals between 2007 and 2008 and have dropped further in 2009.

Table 6: Mineral export volumes

Period	DIAMONDS (000'carats)	GOLD (ounces)	BAUXITE (M. Tons)	RUTILE (M. Tons)
2004	691.8	-	-	-
2005	668.7	751.2	-	-
2006	582.3	2,642.1	970,654.6	70,361.3
2007	604.7	6,513.4	1,154,223.5	86,505.4
2008	371.3	5,623.4	815,371.3	69,163.6

Source: Bank of Sierra Leone

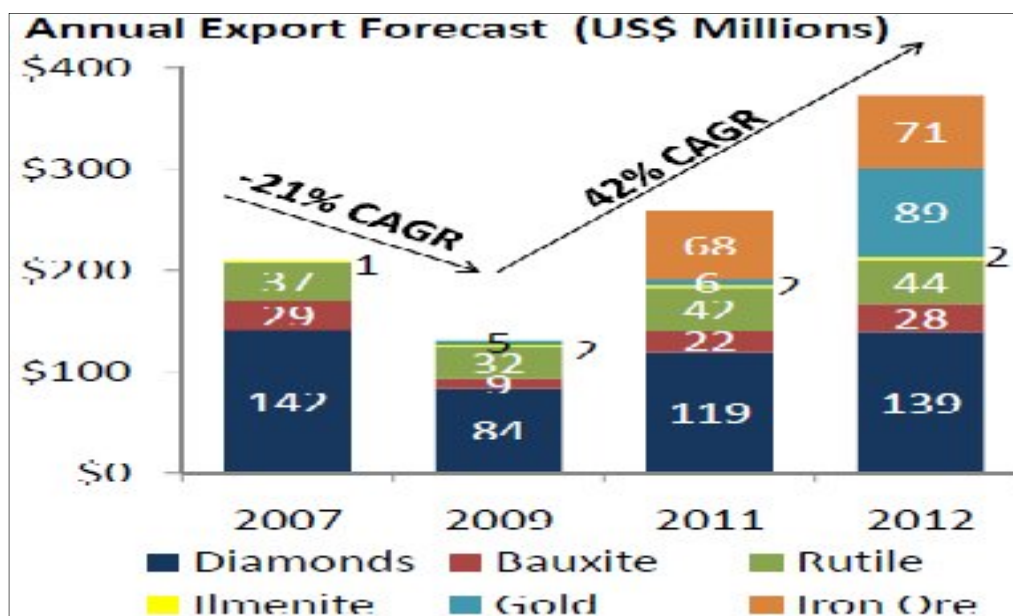
The minerals sector has three sub-sectors:

1. Large-scale production of non-precious minerals – rutile and bauxite;
2. Large scale production of precious minerals – diamonds and gold
3. Artisanal production of precious minerals – mainly diamonds and to a much lesser extent gold.

Large scale production of both non –precious minerals and precious minerals stopped during the civil war and only resumed in the last 5 years. Artisanal production of diamonds and gold is on-going and the products are susceptible to smuggling. Presently only diamonds, gold and rutile are mined.

Analysts estimate that with the prospects of new gold, diamond and iron ore mines opening in the next 3-5 years, annual mineral exports could exceed \$370 million. (Source: GOSL Mineral Bulletin 2009).

Figure 7: Annual Mineral Export Forecast



Source: SLIEPA

Following representations from stakeholders in the mining sector and civil society for reforms relating to environmental, transparency and investment issues, a new Mines and Minerals Act 2009 was recently adopted. Four key objectives that it addresses are:

1. Issues not previously covered by any mining act or policy: *Health and safety, community development, environment*
2. Tighter general rules for administrators and mineral rights holders: *Clearer instructions, rights-obligations, greater reporting and transparency*
3. Establishes a new licensing regime to better enable investment: *Prevents lengthy holding of land under license without demonstrable activities*
4. Rebalances fiscal benefits between companies, communities and GoSL, revised royalties

Strategic Vision

The National Export Strategy realises that the full potential of export earnings from the minerals sector is not realised because the full potential of the country’s mineral resources is unknown, weak regulatory capacity and limited value addition to primary products. The NES vision for the minerals sector is:

‘A maximized mining sector, centrally positioned to support national economic growth through responsible mining activities by 2015.’

Realising this vision will involve strengthening government's ability to manage and regulate the minerals sector, undertake new geological exploration and value addition to precious minerals for exports.

The following is a SWOT analysis for the sector. The overriding objective of the SWOT analysis is to identify the sector strengths so that efforts and initiatives can be employed to optimise on these strengths; to identify weaknesses so that initiatives can be put in place to overcome them; to identify sector opportunities so that efforts and initiatives can be made to exploit them and to identify threats so that the strategy is aware of them and any intervention takes their existence or potential for existence into account.

Sector SWOT Analysis

Strengths	Weaknesses
<ul style="list-style-type: none"> • Untapped kimberlite diamond and gold deposits • High quality gem diamonds • Kimberley certification process for diamonds • Assayed gold content is on average 75-80% purity • High grade deposits of rutile, bauxite and iron ore 	<ul style="list-style-type: none"> • Minimal or no value addition to primary mineral products • Insufficient geological research and information in the mineral sector • Weak regulatory ability and capacity of the MMRPA
Opportunities	Threats
<ul style="list-style-type: none"> • Legislation promoting the diamond cutting and polishing enterprises • Establishment of gold smelting and refining plants • Public-private partnerships for mining • Increasing geological exploration in the country may result in the establishment of new mines • A new legal and regulatory framework for the mining sector • Emerging minerals with a strong potential for exports (columbine, tantalite, platinum, chromite, zircon) 	<ul style="list-style-type: none"> • Organized crime for the gold and diamond industries • Global economic downturn affecting all industries in the mining sector • Social unrest in mining communities • Environmental degradation • Rampant smuggling of diamonds and gold products • Sierra Leone is susceptible to potential conflict as a result of its rich mineral resources

Strategic Issues

1. Diminishing alluvial diamond deposits
2. No value added to diamonds exported
3. poor management of the sector results in over-exploitation and exhaustion of mineral resources
4. limited gold refining facility in the country

5. weak professional and technical capacity at the Ministry of Mineral Resources and Geological Surveys Division
6. weak framework for disseminating geological and mining information
7. high incidence of smuggling of precious minerals particularly to MRU countries

Strategic Objectives

1. To improve governments capacity to manage and regulate the minerals and mining sectors of the economy.
2. To increase earnings from exports of precious minerals.
3. To attract responsible investments in the mining sector.

Minerals Sector Strategies

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr 1	Yr 2	Yr 3	Yr 4	Total
To improve government's capacity to manage and regulate the minerals and mining sectors of the economy	1. Strengthening of the human resources and professional capacity of the MMRPA	Recruit professional and technical staff on incentives based schemes	MMRPA	0.04	0.04	0.03	0.03	0.14
		Build professional and technical capacity at Geological Surveys Division	MMRPA	0.25	0.20	0.10	0.10	0.65
		Strengthen mines monitoring and environmental impact assessment activities	MMMRPA	0.15	0.15	0.04	0.04	0.38
To increase earnings from exports of precious minerals	2. Mitigate the effects of smuggling of diamond and gold to neighbouring states	Support inter governmental action for rigid enforcement of the Kimberley process of certification for diamonds in neighbouring states	GGDO, MMRPA	0.15	0.10	0.05	0.04	0.34
		Inter governmental action for the harmonisation of duties and taxes on diamond and gold under the MRU	MOFED, GGDO	0.15	0.10	0.05	0.04	0.34
		Facilitate the establishment of diamond cutting and polishing industries and gold refineries in Sierra Leone	Private Sector	5.00	3.00	3.00	3.00	14.00
	3. Strengthen the capacity of the GGDO to undertake analysis and valuations	Provide training opportunities for diamond valuers and sorters and gold assayers	GGDO	0.15	0.14	0.13	0.12	0.54
		Replacement of analytical equipment with state-of- the art equipment	GGDO	0.20	0.15	0.05	0.05	0.45
	To attract responsible investments in the mining sector	1. Update the national mineral potential	Undertake nationwide assessment of geological and mineral resources	MMMRPA Private Sector	2.0	1.5	1.5	1.0
Publication of results of geological surveys into a marketing information system			MMRPA Private Sector	0.35	0.30	0.20	0.10	0.95
2. Establish		Facilitate policies	MMRPA	0.50	0.40	0.10	0.10	1.10

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr 1	Yr 2	Yr 3	Yr 4	Total
	safeguards to protect investments and mining communities	and linkages to protect investors from expropriation						
		Streamline procedures for exploration, licensing and environmental impact assessments	MMRPA	0.03	0.03	0.02	0.01	0.09
		Revise incentives and tax regimes, exploratory licences, lease arrangements and mining licences to reflect market conditions	MMRPA	0.03	0.03	0.02	0.01	0.09
Total Costs				9.00	6.14	5.29	4.64	25.07

CHAPTER FIVE:

CROSS CUTTING ISSUES

In developing the Sierra Leone National Export Strategy, there are certain emergent and recurring thematic issues that appear to affect the overall national economic performance and the national export performance. These issues 'cut-across' all the priority sectors identified for intervention. They are referred to as cross cutting issues and include: Transport Infrastructure, Costs of Doing Business, Electricity, Water, Land Tenure Issues, Finance and Investments, Gender Issues, Quality Issues, Business Competency, Transportation, Taxation, Incentives, Packages and Corruption, Costs and ease of doing business, employment generation, contribution to GDP and Trade Information.

At the NES kick start workshop in Freetown in July 2009, the cross cutting issues were critically examined and following cross cutting issues were identified as directly influencing all four priority sectors in the Sierra Leone NES.

1. Trade Finance
2. Quality Management
3. Trade Facilitation
4. Export Competence Development
5. Export Packaging
6. Trade Information Services

These Cross Cutting issues can be addressed within the perspective of the National Export Strategy as their role to the national export performance is crucial and strategies must be developed to deal with them. The broader Cross Cutting issues highlighted earlier cannot be addressed within the NES but within the broader national economic development framework.

Trade Finance

Sector Overview

Finance represents the major catalyst for effective trade execution. It spans the entire value chain: from product development to assembling, packaging and down to logistics, finance. In order to strengthen an industry's or sector's competitiveness, ensure fair trade and reasonable access to markets across the board, an effective trade finance infrastructure is needed to support the entire value chain. The availability of cash, credit, investments and other financial assets is a prerequisite for effective trade.

In Sierra Leone, the economy suffers from a thriving informal sector which increases the risks to financial institutions for enhancing availability of finance. To mitigate such risks, these institutions not only restrict the flow of cash to a few companies, but also increase the risk premium on the cost of capital. The absence of credit reference bureaus and other formal mechanisms to regulate trade also exacerbates this situation. Flexible and internationally recognized financial instruments that aid trade (letters of credit, structured commodity finance, invoice discounting, credit insurance, capital markets, hedging etc) are either non-existent, not well understood because of the high level of illiteracy, or generally ignored because of the relatively high costs associated with securing them.

Sector Vision:

A robust and efficient financial system is key to financing the development of the export sector. The vision of the Trade finance sector is:

'Building robust financial services to adequately support the development of a competitive export driven economy'

This vision will be achieved by policy changes and reforms in the national financial industry.

Strategic Issues:

1. Less than 10% penetration levels of 14 licensed commercial banks operating in the country.
2. Traditional banking practices, high interest rates and property collateral requirements characterise the banking sector
3. Reluctance of commercial banks to fund agricultural activities because of the prevalence of subsistence farming, high risks associated with crop failure and

barriers to the use of agricultural land as collaterals because of land ownership issues in the provinces.

4. Lack of medium to long term financing for project development as there are no functional Development, Cooperative or Agricultural banks in operation.
5. SME's have difficulty in preparing business proposals and the banks have difficulties in dealing with the requirements of SME's.
6. There is no operational Export Credit Guarantee Scheme or Credit Risk insurance.
7. The financial markets are still in an infant stage and limited largely to discounting bonds.

Strategic Objectives:

1. To improve the private sector's access to finance.
2. To facilitate the provision of medium and long term financing for development projects.
3. To facilitate financing for exports.
4. To finance investments for capital equipment in the export sector
5. To strengthen the framework for financial risk management in the private sector

Trade Finance Strategies

				Cost in million US\$					
Strategic Objectives	Strategy	Activities	Responsible Partner	Yr1	Yr2	Yr3	Yr4	Total	
To improve the private sectors access to finance	1. Strengthen private sector's capacity to prepare bankable business plans	Formation of an Association of Business Development Services Providers	SLBF	0.05	0.03	0.01	0.00	0.09	
		Facilitate business management capacity building with Business Development Services	Private Sector	0.15	0.10	0.10	0.05	0.40	
		Organise banker/lender forum and activities	SLBF, Private Sector	0.07	0.07	0.08	0.09	0.31	
	2. Design appropriate financial products and services for the private sector	Undertake financing needs assessments of the private sector	Private Sector, SLBF	0.10	0.10	0.05	0.00	0.25	
		Design appropriate financial products and services for ABU's Cooperatives and SME's	Bankers Association	0.20	0.20	0.00	0.00	0.40	
	3. Facilitate collateral based lending	Develop alternatives to collateral based lending	Bankers Association	0.20	0.15	0.10	0.05	0.50	
		Initiate reforms to land ownership in the provinces	Private Sector, Civil Society	0.15	0.10	0.05	0.00	0.30	
	To facilitate the provision of medium and long term financing for development projects	1. Formation of specialized banks to finance agriculture and development projects	Advocacy for the establishment of specialized banks to finance agriculture and development projects	Private Sector, Civil Society	0.08	0.05	0.03	0.01	0.17
			Market survey and feasibility studies	Private Sector	0.50	0.30	0.30	0.20	1.30
Facilitate establishment and licensing			Private Sector	0.01	0.01	0.01	0.01	0.04	
2. Promote the establishment of venture capital companies		Undertake viability studies for establishing venture capital companies	Private Sector	0.35	0.20	0.05	0.01	0.61	
		Review legislation and regulations for venture capital companies	BSL	0.10	0.05	0.00	0.00	0.15	
3. Promote the establishment of leasing companies to facilitate acquisition of capital assets.		Undertake market studies for establishing leasing companies	Private Sector	0.35	0.30	0.10	0.00	0.75	
		Enact legislation for regulating leasing companies	MOFED, BSL	0.01	0.05	0.00	0.00	0.06	
To		1. Develop	Consultations with	SLIEPA	0.05	0.04	0.03	0.02	0.14

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr1	Yr2	Yr3	Yr4	Total
facilitate financing for exports.	special financing packages for SME exporters	commercial banks for developing special financing packages for SME exporters						
		Facilitate matching grant schemes with international banks	Private Sector	0.25	0.20	0.05	0.01	0.51
		Advocacy for the re introduction of an Export Credit Guarantee Scheme (ECGS).	Private Sector	0.01	0.05	0.00	0.00	0.06
		Re introduce an Export Credit Guarantee Scheme	MOFED, MTI	0.00	0.05	0.04	0.00	0.09
To strengthen the framework for financial risk management in the private sector	1. Enact securities and collective investments law	Enact securities and collective investments law	MOFED	0.10	0.10	0.05	0.00	0.25
		Establish a credit reference bureau to assist in financial due diligence issues and sharing of information	Private Sector	0.25	0.20	0.15	0.10	0.70
		Strengthen informal risk management processes utilised by local BMO's	SLBF	0.05	0.05	0.04	0.03	0.17
Total Costs				3.03	2.40	1.24	0.58	7.25

Quality Management

Sector Overview:

Sierra Leone is part of an international trading system that lays strong emphasis on issues of quality and standardization for production and export of goods and services through diverse agreements/negotiations like World Trade Agreement, the Doha Round and Economic Partnership Agreements. The implementation of global quality standards is indispensable to the maintaining and protecting the environment and consumer safety and health.

Sierra Leone's exports, particularly agricultural commodities such as coffee and cocoa have had difficulty in meeting the quality and delivery requirements specified by international buyers. The EU has imposed restrictions on the exports of all fish products from Sierra Leone for failing to meet basic EU quality standards. Sierra Leone has no quality accreditation bodies and the existing quality and conformity assessment infrastructure are in a precarious state. Testing laboratories do not comply with international standards and no organisation is certified with ISO 9001 quality management systems.

The Sierra Leone Standards Bureau (SLSB) has been established with the responsibility of coordinating standards and quality management activities throughout the country. It presently faces operational, financial and human resources challenges and cannot provide local industry with access to both local and international standards. Unquestionably a culture of quality is missing in both the manufacturing and services sectors of the economy.

In the agriculture sector, the Produce Inspectorate division of the MAFFS is legally responsible for enforcing quality standards for coffee, cocoa, oil palm and ginger. Over the years, the division has not been able to provide the required services to exporters due to inadequate logistics and poorly trained staff. To address this issue of quality standards in the agriculture sector, the Government of Sierra Leone under the Ministry of Trade and Industry recently established the Commodities Marketing and Monitoring Unit (CMMU) to provide a platform for the enforcement of quality standards for commodity exports.

It is absolutely essential that the Sierra Leone Standards Bureau develops relevant national standards that will provide for common and repeated use, rules, guidelines or characteristics for products or related processes and production methods, with which compliance is not mandated. It may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a product, process or production method".

Sector Vision

The adoption of quality improvement methods such as standardization, certification, conformity assessments, metrology, and quality management systems to the goods and services produced will ultimately improve the quality and competitiveness of Sierra Leone's exports. The vision for this sector is:

'To position Sierra Leone as a source of quality goods and services by 2015 '

The vision will be met by raising awareness on importance of quality issues and building capacity to maintain and enforce quality.

Strategic Issues

1. The concept of standards and quality is still new in Sierra Leone and its relevance has not been fully grasped by both the public and private sectors.
2. The Sierra Leone Standards Bureau has limited laboratory facilities and equipment to undertake testing and conformity assessment functions.
3. Agriculture produce inspectors are poorly trained and lack the resources to carry out their services.
4. The SLSB is a member of some regional and international Standards Organisations such as ARSO and ISO, but has not fully participated in international standards setting technical committees because of weak capacity.
5. There is weak enforcement of hotel and restaurant standards by the NTB, which are based on ECOWAS Standards.

Strategic Objectives

1. To raise awareness in the export sectors on the importance of standards and quality to the economy.
2. To build the capacity of stakeholders in the export sector on quality management.
3. To facilitate the provision of certification schemes in ISO 9001 quality management systems, ISO 14001 and ISO 22000 (food safety management), HACCP, organic certification and Fair trade.
4. To strengthen the regulatory capacity of regulatory agencies in the export sector.

Quality Management Strategies

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr 1	Yr 2	Yr 3	Yr 4	Total
To raise awareness in the export sectors on the importance of standards and quality to the economy	1. Sensitize stakeholders in the export sector and the public on quality issues using a mass marketing campaign	Organize appropriate programs such as workshops, radio discussions, road shows, publications	SLSB, SLBF	0.15	0.20	0.05	0.05	0.45
		Develop national quality award schemes	SLSB	0.10	0.10	0.15	0.15	0.50
		Identify quality requirements in the export product and service sectors for a National Quality Policy	SLSB, MTI	0.03	0.02	0.01	0.00	0.06
To build the capacity of stakeholders in the export sector on quality management	2. Train exporters and regulators on quality issues	Identify and support training needs of key players in the Produce Inspectorate, CMMU, Fisheries Quality Management, SLSB and NTB	SLSB	0.20	0.25	0.30	0.35	1.10
		Train exporters on standards and quality requirements of export market	SLIEPA SLSB	0.05	0.05	0.04	0.03	0.17
To facilitate the provision of certification schemes in ISO 9001 quality management systems, ISO 14001 and ISO 22000 (food safety management), HACCP, organic certification and Fair trade	1. Develop a national quality certification and accreditation	1. Identify and certify quality experts	SLSB	0.05	0.06	0.07	0.08	0.26
		2. Establish quality certification schemes	SLSB	0.10	0.15	0.20	0.25	0.70
To	Provide institutional support to	Strengthen the capacity of the NTB to undertake monitoring and inspection	MOFED	0.20	0.25	0.25	0.30	1.00

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr 1	Yr 2	Yr 3	Yr 4	Total
strengthen the regulatory capacity of regulatory agencies in the export sector	regulatory agencies in the export sector	of hotels, guest houses and restaurants						
		Facilitate membership and participation in meetings, activities and Journal subscriptions of International Quality Standards organisations	MOFED	0.10	0.10	0.09	0.08	0.37
Total Costs				0.98	1.18	1.16	1.29	4.61

Trade Facilitation (Transport, Logistics and Customs Documentation)

Trade Facilitation can be described as “simplifying and standardizing procedures and associated information flows required to move goods across borders from seller to buyer and the processing of payment in the other direction”. Trade Facilitation actually involves activities and processes carried out by Ports and Airport Authorities, Customs, Freight Forwarders, Banks, Chambers of Commerce, Pre Shipment Inspection Agencies and Government Departments. In the context of the Sierra Leone National Export Strategy, only the aspects of transport, logistics and customs documentation will be considered.

Transport, logistics and customs documentation processes invariably affect export trade transaction costs. The Doing Business Reports compiled by the World Bank / IFC is a series of annual reports that investigates regulations and processes that enhance and constrain business activities across 183 economies globally and presents quantitative indicators on them. The Doing Business 2010 report highlights a study which showed that high transaction costs affect the trade performance of ACP countries negotiating EPA's with the European Union. Using data from 167 countries, the study found that every \$1 reduction in trade costs could increase exports by \$1000. Transactions costs relating transport, logistics and customs documentation are quite high in Sierra Leone.

A section of the report on Sierra Leone, ‘Trading across borders’ deals directly with the trade facilitation issues highlighted in this strategy document. In 2010, Sierra Leone is given a ranking of 137, down 2 places from 135 in 2009. While the time to export a 20ft container may have reduced from 31 days in 2008 to 29 days in 2009 and 26 days in 2010, transaction costs seem to be increasing over the years and compared to other countries in the sub-region, exporting from Sierra Leone is not competitive as shown in the table below.

Table 7: Trading across borders data for Sierra Leone compared to good practice and sub-regional economies

Economy	Documents to export (number)	Time to export (days)	Cost to export (US\$ per container)	Documents to import (number)	Time to import (days)	Cost to import (US\$ per container)
Denmark*		5				
France	2			2		
Malaysia			450			
Singapore					3	439
Sierra Leone	7	26	1573	7	31	1639
<i>The Gambia</i>	6	24	831	8	23	922
<i>Ghana</i>	6	19	1013	7	29	1203
<i>Guinea</i>	7	33	855	9	32	1391
<i>Guinea-Bissau</i>	6	23	1545	6	22	2349
<i>Liberia</i>	10	17	1232	9	15	1212

Source: Adapted from Doing Business 2010

Recently, there have been reforms to the processing and handling of customs documentation at the Port of Freetown. In March 2010, the NRA introduced the

ASYCUDA++ which is a specialized customs software that captures all customs import and export declarations and transactions. Introduction of this software should result in more efficient customs revenue collection, streamlined processing of declarations/entries, reduced clearance times and less administrative burden on the trading community. The ASYCUDA system operates only at the Port of Freetown and is expected to be rolled out to the Lungi International Airport and other Customs Border points when a wide Local Area Network is installed.

Sector Vision:

In Sierra Leone, the key issues of trade facilitation which impinge on the national export performance are manual processing of documents, unnecessary administrative procedures, lack of specialised freight forwarding and haulage services. The vision for this sector in the National Export Strategy is:

'Easing the export process for goods and services by 2015'

The vision will be achieved by undertaking reforms in export procedures, capacity building of public and private sector officials involved in the export trade and modernising handling facilities at the airport and ports and developing professional transport fleets.

Strategic Issues

- Export procedures at the ports and airport are manual, cumbersome often leading to corruption by public officials.
- No specialised storage facilities at the quay and airports for exports of perishable goods.
- Cargo handling facilities at the port and airport are obsolete and inadequate.
- Freight forwarding services are unprofessional and inefficient.
- Lack of professional road haulage system.
- High costs associated with pre shipment inspections and container scanning
- Inadequate air cargo services and long shipping schedules between the port of Freetown, sub-regional ports and European Ports results in frequent deterioration of exports.

Strategic Objectives:

1. To reduce the costs and time taken for export transactions
2. To improve on the management of logistics in the export sector
3. To develop professional freight forwarding services
4. To facilitate the efficient transportation of export commodities from the port areas

Trade Facilitation Strategies

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr 1	Yr 2	Yr 3	Yr 4	Total
To reduce the costs and time taken for export transactions	1. Streamline export procedures	Clarify roles and responsibilities of agencies involved in facilitating trade	SLBF, MTA	0.01	0.01	0.00	0.00	0.02
		Reduce the number of documentation and procedures at ports and border posts	NRA, SLBF	0.02	0.02	0.01	0.00	0.05
		Reduce pre-shipment inspections to risk based inspections	MOFED, NRA	0.03	0.03	0.01	0.00	0.07
		Undertake studies for electronic transactions for bank payments, customs documentation and cargo handling	SLBF, NRA	0.40	0.30	0.20	0.10	1.00
To improve on the management of logistics in the export sector	1. Improve logistics capability at ports, airports and border areas	Develop specialised export warehouses at the port and airport and border posts	SLAA, SLPA, Private Sector	2.50	2.50	2.00	2.00	9.00
		Modernise and privatise cargo handling at the port and airport	SLAA, SLPA, Private Sector	2.00	2.00	1.50	1.00	6.50
		Facilitate the establishment of professional road haulage and transport fleets	MTA, SLRTC, SLRTA, SLRA	1.00	0.75	0.50	0.40	2.65
	2. Build capacity in logistics and supply chain management	Build capacity of ports and airport staff in logistics management	Private Sector	0.07	0.05	0.04	0.03	0.19
		Build professional capacity of institutions offering courses in logistics and supply chain management	Private Sector	0.05	0.05	0.05	0.04	0.19
	To develop professional freight forwarding services	1. Establish professional and modern freight forwarding services in the country	Review and strengthen regulatory framework governing freight forwarding	MTA	0.04	0.03	0.01	0.00
Strengthen capacity of institutions to offer courses in freight forwarding			MTA, Private Sector	0.05	0.05	0.04	0.03	0.17
To facilitate the efficient transportation of export commodities	1. Facilitate efficient, reliable and cost effective	Organise regular air cargo flights to the airport	Private Sector	0.06	0.05	0.04	0.01	0.16
		Advocacy for shortened vessel	Private Sector	0.15	0.15	0.10	0.10	0.50

				Cost in million US\$				
Strategic Objectives	Strategy	Activities	Responsible Partner	Yr 1	Yr 2	Yr 3	Yr 4	Total
from the port areas	commercial transport services at the airport	calling schedules at Port of Freetown						
Total Costs				6.38	5.99	4.50	3.71	20.58

Export Competence Development

Sector overview

A major barrier to realising a robust export sector in Sierra Leone is the low level of competence on issues relating to the export of goods and services among key players in the public and private sectors. Export competence broadly covers aspects of production, marketing, sales, negotiations, international trade finance, export procedures, banking, transport and standards

To promote export growth in Sierra Leone, there is need to develop the level of competences of policy makers and members of the private sector involved in exports. Policy makers include officials of the Trade, Finance, Tourism and Agriculture Ministries and there is need to build an understanding of key issues on export promotion and ensure that policies that promote exports are passed. Within the private sector, there are low levels of export competence. The sector players are weak and not in a position to build the necessary skills required to improve on the export of their products. This problem is exacerbated by high levels of informality in the businesses and poor access to information on export markets, standards and export requirements.

There is currently no specialised institution that provides composite training in export development. The Sierra Leone Trade and Investment School (SLTIS) was set up by SLEDIC in 1996 to provide composite training on exporting, but closed down in 1997 because of the civil conflict. A few tertiary institutions offer business related programs such as business management and international trade but these programs are not specific to export development and are often focussed on theoretical issues instead of practical skills. There are also a few institutions offering courses in aspects of export management at vocational level. While these courses are important in building skills at lower levels, the programs have no accreditation within and outside the country.

Sector Vision

The public and private sector are essential to improving the national export performance and need high levels of competence in export related issues. The vision for this sector is:

'Developing a Competent Export Sector to drive Exports'

This vision will be realised by implementing key strategies which relate to building capacities in the private and public sectors in export markets.

Strategic Issues

1. Export competences in the public and private sectors are weak at all levels
2. Competences in the hospitality industry of the tourism sector are weak throughout the country
3. Workers in the export and hospitality industries are generally not multi-lingual

Strategic Objectives

1. To strengthen the capacity of training institutions to provide appropriate training on export competence
2. To strengthen the Public Sectors ability to understand and develop export policies
3. To develop the Private Sector's capacity to undertake successful exports
4. To improve competences in the hospitality industry

Export Competence Development Strategies

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr1	Yr2	Yr3	Yr4	Total
To strengthen the capacity of training institutions to provide appropriate training on export competence	1. Reopen the Sierra Leone Trade and Investment School	Identify and engage strategic partners	SLIEPA	0.05	0.05	0.01	0.01	0.12
		Training of trainer activities	SLIEPA	0.40	0.35	0.30	0.25	1.30
		Institutional support to SLTIS	SLIEPA	0.15	0.15	0.10	0.10	0.50
	2. Facilitate linkages and accreditation for institutions offering programmes in export management	Undertake survey of training institutions and accreditation bodies	SLIEPA	0.03	0.00	0.00	0.00	0.03
		Facilitate linkages and other network support services	SLIEPA	0.02	0.02	0.00	0.00	0.04
To strengthen the Public Sectors ability to understand and develop export policies	1. Facilitate programmes to develop the Public Sector's understanding of export issues	Organise training events for public sector officials on export policies and processes	MTI, SLIEPA	0.03	0.03	0.02	0.02	0.10
To develop the Private Sector's capacity to undertake successful exports	1. Facilitate capacity building in export competence within the private sector	Build the capacity of BMO's, ABU's and Cooperatives to build export competences within their members	SLBF	0.04	0.03	0.02	0.01	0.10
		Introduce Business Development Services for SME's in export markets	SLBF	0.05	0.05	0.04	0.04	0.18

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr1	Yr2	Yr3	Yr4	Total
To improve competences in the hospitality industry		Facilitate study tours for exporting BMO's	SLIEPA	0.10	0.10	0.08	0.05	0.33
	1. Strengthen training activities and services in hospitality management	Provide institutional support to the Hotel and Tourism Training Centre to deliver its services	MMCE	0.15	0.15	0.10	0.10	0.50
		Undertake needs assessments of service providers in the hospitality industry	NTB	0.02	0.02	0.01	0.05	0.10
		Undertake survey and gap analysis of trainers and training institutions for hospitality management	NTB	0.02	0.02	0.01	0.05	0.10
		Standardise vocational training activities in the hospitality sector	MEYS	0.02	0.02	0.02	0.02	0.08
		2. Facilitate the acquisition of non core industry skills	Introduction of Foreign languages at HTTC	SLIEPA	0.08	0.05	0.03	0.02
		Introduction of applications based computer training	Private Sector	0.01	0.01	0.01	0.01	0.04
	Total Costs				1.17	1.05	0.75	0.73

Export Packaging

Sector Overview

There is no appreciation of the importance of a packaging industry in Sierra Leone. The national packaging industry is underdeveloped and limited to the manufacture of plastic packaging material for locally produced beverages. Local beverage, manufacturing and food industries do not adopt universal best practices for packaging of their products. Packaging material used in the manufacturing, fisheries and agriculture sectors are imported. In the agriculture sector, some of the packaging materials used for agricultural produce do not meet quality standards and at times contribute to the deterioration of the quality of produce exported.

Multilateral trade agreements usually place premium on the specifications and quality of packaging material used for exports particularly phyto sanitary exports. There has been increased demand for developing countries to comply with these packaging standards. Non conformity to international packaging standards could result in barriers to Sierra Leone's exports in the future.

Sector Vision:

A packaging industry is not limited only to the provision of export packaging products but also the provision of packaging services underpinned by strong quality assurance measures. The vision for the export packaging sector for the NES is:

'To develop a robust packaging industry for Sierra Leone by 2015'

This vision will be achieved largely through raising awareness of the importance and benefits of packaging products and services and implementation of quality control measures in the sector.

Strategic Issues

1. There is little knowledge and appreciation of packaging issues
2. Packaging material are generally not manufactured but imported
3. Packaging material are imported without reference to quality standards
4. There are no specialised packaging firms and associations in the country
5. There are no defined packaging standards or best practices in the country

Strategic Objectives:

1. To develop a professional packaging industry
2. To develop quality standards for the packaging industry

Export Packaging Strategies

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr 1	Yr 2	Yr 3	Yr 4	Total
To develop a professional packaging industry	1. Raising awareness on the importance and benefits of a packaging industry	Organise media events, road shows and seminars	SLIEP	0.10	0.10	0.05	0.05	0.30
		Organise training events for public sector and private sector	SLIEP A, SLBF	0.20	0.20	0.15	0.10	0.65
	2. Facilitate the establishment of specialised packaging firms	Demand and Supply analysis of the packaging sector	SLIEP A	0.07	0.03	0.00	0.00	0.10
		Capacity building on best practices in export packaging	SLIEP A	0.15	0.10	0.10	0.05	0.40
		Promote networking with professional sector associations in the sub region	SLIEP A	0.04	0.03	0.02	0.01	0.10
To develop quality standards for the packaging industry	1. Develop and establish a national quality framework for the packaging industry	Identify quality and standards issues in the local packaging industry	SLSB	0.04	0.03	0.03	0.03	0.13
		Establish production standards for packaging industries	SLSB	0.10	0.08	0.07	0.06	0.31
		Establish quality assurance schemes for packaging industries	SLSB	0.15	0.15	0.10	0.10	0.50
Total Costs				0.85	0.72	0.52	0.40	2.49

Trade Information

Sector overview

The availability of credible and current information and data is important for the facilitation of trade in an economy as it helps in making informed decisions. For both the public and private sectors, access to trade information opens windows to identifying market opportunities, developing linkages in export markets, and promoting trade. However, trade information is not readily available in Sierra Leone and where available it is often inaccurate and inconsistent.

Trade Promotion Organisations in developing countries have weak financial and human capacity to provide Trade and Business Information for their membership either in print form or electronically. The preferred mode of provision of business and trade information is by printed material and often when available, it is outdated. Sierra Leone is yet to catch up with the global ICT revolution as computer usage and internet connectivity remain one of the lowest in sub-Saharan Africa.

Other issues affecting the Trade Information sector in Sierra Leone are the challenges faced in obtaining reliable and consistent statistics and data on the national economic trends, sectoral performances, production and export volumes in all economic sectors. This affects investment decisions and the flow of foreign direct investment into the country.

Sector Vision:

The development of a competitive export sector will depend on the availability of accurate and up-to-date trade information easily accessible through the use of modern information technology and communications systems particularly the internet. The vision envisaged for the NES is:

‘A thriving export sector driven by a robust trade information architecture by 2015’

This vision will be achieved by building the capacity of key institutions to collate and disseminate trade statistics and information, using modern information and communication systems.

Strategic Issues:

- Trade Promotion Organisations have weak financial and human capacity to provide sustainable Trade and Business Information for their memberships
- Trade statistics and trade information usually provided by public sector agencies are often inaccurate and inconsistent as inter sectoral coordination is weak
- Weak capacity in trade and market intelligence and market surveys

- Printed trade information resources are expensive
- Internet usage and connectivity rates in the country are still low while internet costs are very high
- The country lacks business and trade directories, a national telephone directory and yellow pages
- Trade Promotion activities through trade fairs and exhibitions is not professionally managed

Strategic Objectives:

1. To strengthen the capacity of the public sector and TPO's to collect, manage and supply trade information
2. To strengthen the capacity of the private and public sectors to utilise modern information systems for export development
3. To Improve access to trade and market information

Trade Information Strategies

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr 1	Yr 2	Yr 3	Yr 4	Total
To strengthen the capacity of the public sector and TPO's to collect, manage and supply trade information	1. Set-up a centralized national portal for trade information	Establish and train trade information focal points in BMO's TPO's MDA's and key sectoral agencies	SLIEPA SSL	0.20	0.10	0.10	0.05	0.45
		Establish an electronic trade information network throughout the country	SLIEPA,	0.05	0.20	0.15	0.10	0.50
	2. Strengthen the capacity to undertake trade related research	Undertake capacity building programmes for sourcing, analysing and presenting trade and commercial information	SLIEPA	0.05	0.05	0.04	0.03	0.17
		Build the capacity of BMO's and TPO's to undertake trade and commercial intelligence	SLIEPA	0.15	0.10	0.10	0.05	0.40
	3. Production of a periodic National Trade Journal	Establish a partnership to collect and review articles for publication in a trade journal	USL	0.20	0.15	0.10	0.05	0.50
To strengthen the capacity of the private and public sectors to utilise modern information systems for export development	1. Establishment and maintenance of databases on trade and information sources	Maintain databases on sectoral economic and trade information and trade statistics	SLIEPA SSL	0.03	0.03	0.03	0.02	0.11
	2. Train members of the private and public sectors on the use of trade information	Undertake training in utilising search engines and accessing trade information websites	SLIEPA, SLBF	0.01	0.01	0.01	0.00	0.03
To improve access to trade and market information	1. Facilitate the flow of trade and market information	Implementation of the national ICT policy	SLBF	0.04	0.03	0.03	0.03	0.13
		Create web links with foreign TPO's to transfer knowledge and technology	SLBF, SLIEPA	0.10	0.08	0.07	0.06	0.31
		Facilitate acquisition of periodicals, trade and	SLIEPA,	0.15	0.15	0.10	0.10	0.50

Strategic Objectives	Strategy	Activities	Responsible Partner	Cost in million US\$				
				Yr 1	Yr 2	Yr 3	Yr 4	Total
		professional magazines for BMO's and Sectoral organizations	SLBF					
	2. Train members of the media on reporting of trade information	Undertake training sessions for the media on reporting trade information	SLIEPA	0.05	0.04	0.03	0.02	0.14
Total Costs				1.03	0.94	0.76	0.51	3.24

PART THREE:

HOW WE WILL GET THERE

Research has established that nine out of ten strategies fail to be implemented successfully. Lessons in the recent past have been learnt that implementing a strategy is harder than developing the right strategy. While there are many tools and techniques for developing a strategy, there are very few for implementing it. Despite the high level of political commitment for the Sierra Leone national export strategy, there are a number of strategic challenges that must be addressed if it is to be successfully implemented. These include the following:

1. Reconciling stakeholder interests

The interests of the stakeholders of the national export strategy differ widely. They depend to a great extent on their current access to resources and the resources that they will be called upon to release to support the strategy. There are significant potential contradictions between these interests but at the same time complementarities are not hard to find. In accessing financial resources and in executing the various strategies, these interests must be identified and reconciled. This will enhance the shared vision and help in strengthening trust and confidence among the stakeholders.

2. Fostering governance and all stakeholder participation in implementation

The manner in which state agencies exercise their responsibilities and are held accountable for their actions has a major influence on a country's economic development. Participation of all key stakeholders in public debate and strategy implementation is the cornerstone for good governance and the establishment of an environment conducive to broad based economic investment and growth.

3. Releasing the implementation funds

Funds to support implementation activities identified for the first year should be released quickly so that the momentum that the development process has created can be continued into the implementation phase. There are two advantages in doing this. The first is that the momentum is not lost and therefore activities can be dealt with rather quickly. The second advantage is that benefits of the strategy can start being felt by the people relatively quickly.

CHAPTER SIX:

FINANCING THE STRATEGY

Table 8: Summary of Costs

Sector Strategy	Yr1	Yr2	Yr3	Yr4	Total
Cost in million US\$					
Agriculture					
<i>Cocoa</i>	15.36	18.09	18.58	19.95	71.98
<i>Coffee</i>	16.36	19.73	19.85	20.81	76.75
<i>Oil Palm</i>	10.56	11.73	12.93	14.01	49.23
<i>Cashew</i>	3.85	4.49	3.55	3.18	15.07
<i>Ginger</i>	0.85	1.01	0.98	0.99	4.06
<i>Chili</i>	0.34	0.30	0.27	0.22	1.13
<i>Rice</i>	38.11	42.62	46.33	50.18	177.24
<i>Cassava</i>	<u>1.53</u>	<u>1.92</u>	<u>2.34</u>	<u>2.56</u>	8.35
Sub Total	86.96	99.89	104.83	111.90	403.81
Tourism	1.88	1.12	1.60	1.47	6.07
Fisheries	39.35	27.39	27.16	17.10	110.99
Minerals	9.00	6.14	5.29	4.64	25.07
Cross Cutting					
<i>Trade Finance</i>	3.03	2.40	1.24	0.58	7.25
<i>Quality Management</i>	0.98	1.18	1.16	1.29	4.61
<i>Trade Facilitation</i>	6.38	5.99	4.50	3.71	20.58
<i>Export Competence Development</i>	1.17	1.05	0.75	0.73	3.70
<i>Export Packaging</i>	0.85	0.72	0.52	0.40	2.49
<i>Trade Information</i>	<u>1.03</u>	<u>0.94</u>	<u>0.76</u>	<u>0.51</u>	3.24
Sub Total	13.44	12.28	8.93	7.22	41.87
Total	150.63	146.82	147.81	142.33	587.81

The total indicative costs for financing the NES amount to US \$ 590 million over a four year period. The annual cost over the period is around US\$150 with the agriculture sector requiring about 65% of the financing. As in other national economic development projects, the NES will be jointly funded by the Government of Sierra Leone, the private sector and development partners.

As outlined earlier in this document, the NES is not an entirely new initiative. It will complement existing government development initiatives but have a strong focus on improving the overall national export performance. Several NES strategic activities identified have already been included in the broad development framework in the agriculture, fisheries, tourism, mining and cross cutting sectors for which funding has been obtained or is being sought through specific programmes such as the DTIS, the EU funded Institutional Fisheries Management Project and the World Bank funded Regional Fisheries Management Programme and the mining sector management and reforms programme. It is expected that there will be effective collaboration between the NES and MDA funded programmes with key NES components to

ensure consistency and harmony in the implementation of these activities and utilisation of financial resources.

For NES activities not covered by specific programmes, funding will be provided by the Government of Sierra Leone, SLIEPA and the private sector depending on the activities to be implemented. Activities that fall under the purview of a particular MDA will be integrated into the strategic plan of that MDA so that budgetary allocations could be made for that particular activity. This will facilitate the accessing of funds from the Government budget for the implementation of activities defined in the NES.

The NES proposes the establishment of an export development fund through which government can raise financial resources to finance the NES. The export development fund shall be created by laying aside 1% of the revenue realised by government from the export of products and services considered by the NES.

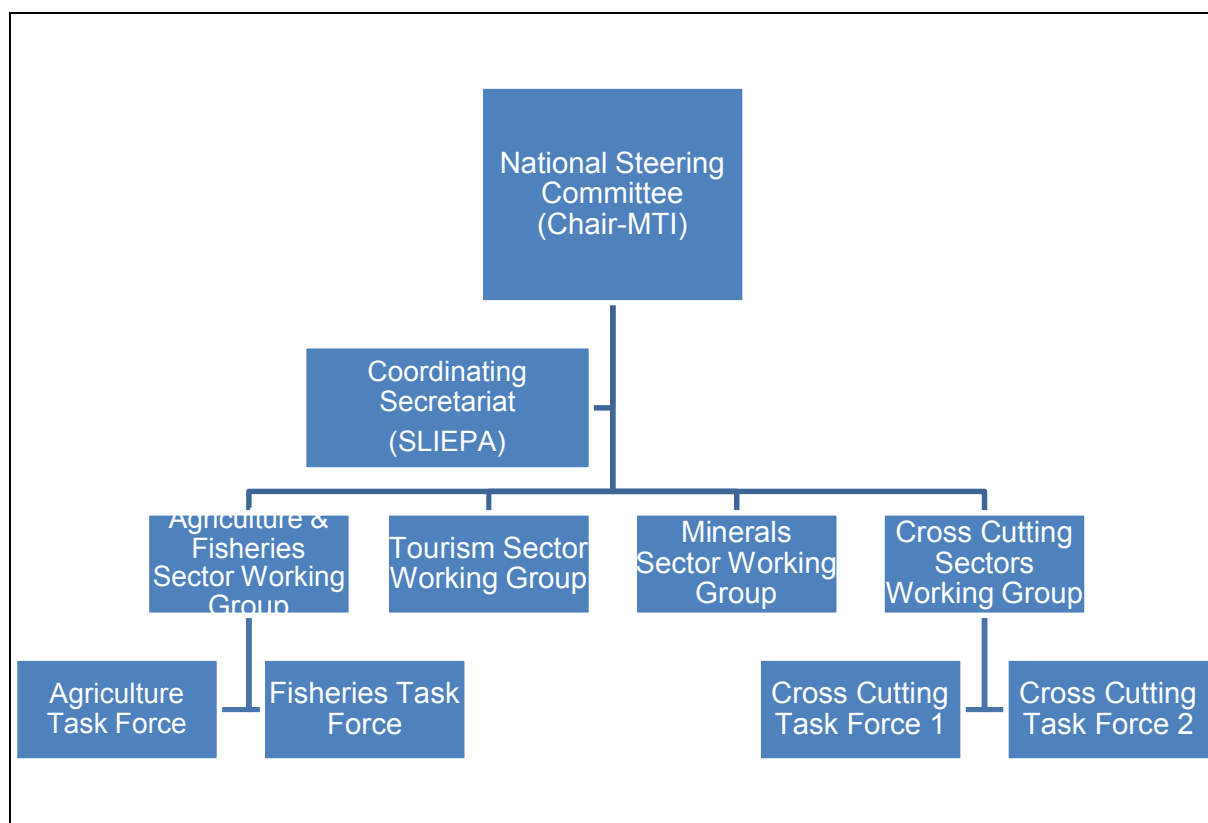
The private sector is expected to fund activities that are entirely under its purview. These include activities outside the Government budget and also not supported by development partners.

CHAPTER SEVEN

IMPLEMENTING THE STRATEGY

Implementation of the Sierra Leone National Export Strategy will be through a National Steering Committee, Sector Working Groups and Sector Task Forces as shown in figure 8 below.

Figure 8: Implementing structure for the National Export Strategy



The responsibility of management of the National Export Strategy shall rest with the National Steering Committee which will be constituted as a Public- Private Partnership. It shall have the highest political representation and will be chaired by the Ministry of Trade and Industry. The National Steering Committee will generally not implement programmes and activities of the NES but provide policy and strategic direction for the implementation process and maintain an overall coordinating function. The relevant Government Ministries, Departments and Agencies (MDA's), and private sector institutions will be responsible for implementing the specific strategies/activities of the NES that relate to their respective mandates.

The following MDA's and organizations will be members of the National Steering Committee and representation on this team will be from the highest decision making level within the MDA:

1. Ministry of Trade and Industry
2. Ministry of Finance and Economic Development
3. Ministry of Agriculture, Forestry and Food Security
4. Ministry of Fisheries and Marine Resources,
5. Ministry of Mineral Resources and Political Affairs
6. Ministry of Tourism and Cultural Affairs
7. The Sierra Leone Chamber of Commerce of Commerce, Industry and Agriculture
8. Sierra Leone Business Forum
9. The Sierra Leone Exporters Association
10. The University of Sierra Leone
11. Civil Society
12. Sierra Leone Indigenous Business Association
13. The Sierra Leone Investment and Export Promotion Agency

SLIEPA will serve as the secretariat for the NES and will provide administrative and support services to the National Steering Committee, the Sector working Groups and Task Forces. SLIEPA was established by an Act of Parliament in 2007 and the general provisions of the Act provide a suitable framework for the management of the National Export Strategy. Specifically, the Secretariat will:

1. Manage the affairs of the National Steering Committee, Sector Working Groups and Sector Task Forces
2. Liaise between the National Steering Committee and the implementing agencies
3. To update the National Export Strategy on a regular basis
4. To facilitate collaboration with other national and private sector initiatives that have an impact on the NES

Sector Task Forces will be constituted only for the Agriculture and Fisheries, and the Cross Cutting Sector Working Group. The Sector Task Forces will report directly to their Sector Working Groups and the Sector Working Groups will report to the National Steering Committee.

The Sector Working Groups and Sector Task Forces will:

1. To coordinate the implementation the sector strategies within the various sector stakeholders within the scheduled timeframes
2. To monitor implementation of the sector strategies through performance and impact assessments
3. To undertake regular evaluations of the performance of the National Export Strategy
4. To regularly update the sector strategies
5. Develop financing strategies and source funds for the implementation of the Sector Strategies

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ANNEXES

NES Core Team

Title	First Name	Surname	Organization	Position
Mr	Patrick	Caulker	Sierra Leone Investment and Export Promotion Agency(SLIEPA) OAU Drive Tower Hill	Chief Executive Officer
Mr	Henry	Kamara	Sierra Leone Investment and Export Promotion Agency(SLIEPA) OAU Drive Tower Hill	Director of Export Development
Mr.	Michael	Kamara	Sierra Leone Exporters Association c/o Cotton Tree Foundation King Street	Chairman
Mr.	Abdul	Kamara	National Implementation Unit Enhancing Integrated Framework Ministry of Trade and Industry Youyi Building	E.I.F. Coordinator
Mr.	Franklyn	Williams	Sierra Leone Business Forum Bishop House Lamina Sankoh Street	Deputy Executive Director
Mr.	Alimamy	Bangura	Economic Policy and Research Unit (E.P.R.U) Ministry of Finance and Economic Development George Street	Director

NES National Team

Title	First Name	Surname	Organization	Position
Mr.	Michael	Kamara	Sierra Leone Exporters Association c/o Cotton Tree Foundation King Street	Chairman
Mr.	Alphonso	Manley	National Youth Coalition 45 Fort Street	Western Area Coordinator
Mr.	Andrew	Conteh	National Association of Farmers of Sierra Leone (N.A.F.S.L) Old Agriculture Building Tower Hill	Public Relations Officer
Mr.	Abdul	Kamara	National Implementation Unit Enhancing Integrated Framework Ministry of Trade and Industry Youyi Building	E.I.F. Coordinator
Mr.	James S.	Dumbuya	Sierra Leone Standards Bureau Old SLPMB Building Cline Town	Director
Mr.	Ahmid	Kabba	Commodity Monitoring Unit (CMU) 15 Charlotte Street	Regional Manager
Haja	Rukiatu	Kamara	Ministry of Fisheries and Marine Resources 7 th Floor Youyi Building	Deputy Secretary
Dr.	Issac	Palmer	University Research Development Studies (URDS) University of Sierra Leone Mount Aureol	Director
Mr.	Franklyn	Williams	Sierra Leone Business Forum Bishop House Lamina Sankoh Street	Deputy Executive Director
Ms.	Victoria	Williams	Sierra Leone Indigenous Business Association (S.L.I.B.A) Ebenezer Millenium Building Circular Road	Executive Secretary
Mr.	Ben	Massaquoi	Ministry of Agriculture, Forestry and Food Security (M.A.F.F.S) Youyi Building	Director of Extension Services
Mr.	Gilbert H.	Cooper	Ministry of Information & Communications (MIC) 8 th Floor Youyi Building	Deputy Secretary
Haja	Kadie	Sesay	Coalition of Civil Society & Human Rights 50 Fort Street	Gender Officer

Mr.	B. K.	Idriss	Ministry of Energy & Water Resources Electricity House Siaka Stevens Street	Deputy Secretary
Mr.	Alimamy	Bangura	Economic Policy and Research Unit (E.P.R.U) Ministry of Finance and Economic Development George Street	Director
Ms.	Shellac	Davies	Sierra Leone Association of Non Governmental Organizations (S.L.A.N.G.O) Pike Street	Coordinator
Mr.	Raymond	Cole	National Revenue Authority (NRA) Customs Department Cline Town	Collector
Mr.	Samuel	Kargbo	Ministry of Transport and Aviation (MTA) Ministerial Building George Street	Senior Assistant Secretary
Rev.	Raymond	Bola-Williams	Sierra Leone Chamber of Commerce, Industry and Agriculture (SLCCIA)	Executive Member
Mrs	Fatmata	Osagie	National Tourist Board Villa 23 Cape Sierra Hotel Aberdeen	Marketing Manager
Mr.	Davidson	Kormoi	Financial Markets Department Bank of Sierra Leone	Deputy Director,
Mr.	Abass S.	Kamara	Ministry of Mineral Resources and Political Affairs	Assistant Secretary
Mr.	Foday	Jalloh	Ministry of Tourism and Cultural Affairs Chinese Embassy Compound Off Kingharman Road	Deputy Director
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