

NATIONAL EBOLA RECOVERY STRATEGY FOR SIERRA LEONE

2015-2017



GOVERNMENT OF SIERRA LEONE

ACRONYMS

A4P Agenda for Prosperity
CSO civil society organization
DISECS District Security Committees

ECOWAS Economic Community of West African States

EVD Ebola virus disease
GDP gross domestic product
IMF International Monetary Fund
MDG Millennium Development Goal

MW megawatt(s)

NGO non-governmental organization PROSECS Provincial Security Committees

UNDP United Nations Development Programme

WASH water, sanitation and hygiene

CONTENTS

Foreword	5
Executive Summary	6
	4.4
1. Introduction	11
1.1. Background	11
1.2 Strategy Preparation Process	13 14
1.3 Structure of the Strategy Document	
2. Economic Impact of the Ebola Crisis	14 14
2.1 Impact on Economic Sectors	14
Agriculture	15
Mining and Construction	15
Manufacturing Transport and Tourism	16
Transport and Tourism	17
Energy Roads Infrastructure	18
	18
2.2. Impact on Macroeconomic Aggregates Inflation and Exchange Rate	18
Balance of Payments	18
Public Finances	19
Public Debt	20
Financial Sector	20
Medium-term Macroeconomic Outlook and Challenges	22
3. Social Impact of the Disease	24
3.1 Health Services	24
3.2 Education	26
3.3 Water, Sanitation and Hygiene	26
3.4 Gender, Women and Children	27
3.5 The Elderly and Disabled	27
3.6 Labour and Employment	27
3.7 Implication for Social Protection	28
4. Impact on Governance, Security and the Justice System	30
5. Lessons Learned from the Ebola Epidemic	31
6. The Recovery Strategy	32
6.1 General Objectives of the Recovery Strategy	32
6.2 Principles Guiding the Post-Ebola Recovery Strategy	33
6.3 Strategic Assumptions	35
7. Immediate Recovery Strategies	35

National Ebola Recovery Strategy for Sierra Leone

7.1 Getting to and Maintaining Zero Infections	35
7.2 Managing and Mitigating Immediate Ebola Impact in the Social Sector	36
Health Care Services	36
Water and Sanitation	36
Education	37
Gender, Children, Social Protection	37
Labour and Youth Employment	38
7.3 Restoring Economic Growth and Output	38
Strategies to Recover Agriculture	38
Strategies to Recover Fisheries	39
Strategies to Recover Tourism and Air Transport	39
Strategies to Recover Trade and Private Sector Development	39
Strategies to Recover Road Development	39
Strategies to Recover Energy Services	40
Strategies to Restore Mining Operations	40
Strategies to Increase Domestic Revenue Mobilization	40
Strategies to Recover Financial Services	40
7.4 Strategies to Strengthen Governance, Justice and Security	40
8. Building National Systems for Resilience and Sustainable Development	41
8.1 Building a Resilient Health System	41
8.2 Community Development, Trust in Public Institutions and Peacebuilding	42
8.3 Establishment of Integrated National Security and Disaster Risk Management System	42
8.4 Strengthening Implementation of Public Sector Reforms	42
8.5 Strengthening Aid Effectiveness through the New Deal and Mutual Accountability Principles	42
8.6 The Role of the Private Sector and Trust	42
8.7 Dealing with Inequalities, Especially Gender-based	43
8.8 Regional Opportunities	43
8.9 Strengthening Economic and Financial Policy Management	43
9. Preconditions Underpinning Immediate Recovery Efforts	44
10. Risk Management	45
11. Transition Arrangements	45
12. Financing and Implementation	46
Annex 1	50
Annex 2	51
Annex 3	53

FOREWORD

Message from the President

Sierra Leone as we all know was a leading United Nations example of post-conflict recovery. This was evidenced by the closure of the UN peace mission in March 2014. As a show of resilience, we contributed troops towards peace-keeping in Africa; we became one of the fastest growing economies in the world; growth rates in real GDP stood at 15.2 percent in 2012, and 20.1 percent in 2013; and poverty dropped from 70 percent in 2003 to 52 percent before the Ebola Virus Disease struck in May 2014.

These gains have been largely reversed by the Ebola outbreak, compounded by two related shocks: coincidental drop of global price of the country's leading export commodity, iron ore; and two of the major mining companies – the African Minerals and the London Mining – suspended operations due to financial distress. The twin crisis constrained our progress and drive to achieving our collective Vision 2035 of middle income country and drastically reducing poverty.

We believe all is not lost. While the disease has caused unspeakable carnage, we are encouraged that it has equally presented us with invaluable opportunities and lessons to learn. We are left to accept that our country was still fragile and that more reform efforts are needed in building public institutions.

We have worked on recovery today because we have seen light at the end of the tunnel in the fight against the disease; an outcome of concerted efforts of Government, the public, and the international community.

Our recovery strategy is planned for implementation within a period of 24 months, spanning July 2015 to June 2017, with the first six to nine months focusing on 1) restoring basic access to health-care; 2) getting kids back to school; 3) social protection; and 4) restoring growth through the private sector and agriculture.

I am very hopeful that, with the lessons learned from this epidemic and sustained commitment from my Government and our Development Partners, this recovery programme shall heal affected communities and institutions, and build a foundation for a more resilient Sierra Leone that is better prepared to face future shocks and epidemics. We hope to quickly recover from the epidemic and reengage the Agenda for Prosperity. Let me take this opportunity to thank our Development Partners, our communities and front-line doctors and nurses, some of whom laid down their lives for God and Country.

H.E. Dr. Ernest Bai Koroma President of the Republic of Sierra Leone

EXECUTIVE SUMMARY

A. Background Context

Sierra Leone is one of three countries in the Mano River Union to suffer from the worst recorded Ebola outbreak since the disease was first diagnosed in 1976 in the Democratic Republic of Congo. The socio-economic impact of the disease has been devastating. To date more than 8,000 infection cases and more than 3,000 deaths have been recorded. Medical personnel are among the victims, with at least 295 health care workers infected and 221 dead, including 11 specialized physicians. This is especially worrying, as these personnel were already in short supply. The ratio of skilled health personnel to population size has reduced from an already low level of 17.2 personnel per 10,000 people before the outbreak to the current record low of 3.4 per 10,000. The required minimum ratio is 25 per 10,000. Of the cumulative deaths, 446 are children: 222 girls and 220 boys. Orphans are estimated at 8,345: 4,182 girls and 4,163 boys. Widows are estimated at 954 and widowers at 465. The epidemic has crowded out the effective response to other diseases (including traditional killers such as malaria) in the national health care system; non-Ebola illnesses certainly will have added to the death toll recorded during this period. Following substantial efforts by the government, communities and international agencies, the disease is trending downward, with the number of new infections significantly decreasing in the past couple of months, but it cannot be said to be contained until zero cases are recorded.

Economic growth rates have slumped since the onset of Ebola virus disease (EVD), which followed very strong growth rates in 2012 and 2013, of 15.2 and 20.1 percent respectively. The economy suffered a double shock from the Ebola outbreak and the simultaneous sharp decline of iron ore prices that resulted in both iron ore companies being placed under administration and a sharp curtailment of production and revenues to government.

The gross domestic product (GDP) growth rate for 2014 is estimated at 7 percent, and 1 percent excluding iron ore, compared to the 11.3 percent projection at the beginning of the year. For 2015, the economy is projected to contract by 23.5 percent, and by 1 percent excluding iron ore. Inflation rates increased modestly over the second half of 2014, while the monthly average exchange rate depreciated by around 13.5 percent, and the trade balance deteriorated from US\$362.3 million in 2013 to US\$6.8 million. The government's fiscal deficit doubled to 3.8 percent of GDP (compared with 2013), reflecting higher current spending and decline in revenues (both associated with EVD, although revenues were also impacted by the decline in iron ore revenues late in the year). Despite the higher deficit, official interest rates remained low, reflecting increased system liquidity from unsterilized foreign exchange inflows associated with the Ebola efforts. The fiscal position is expected to deteriorate sharply in 2015, reflecting full year effects from the same pressures, and there is an increased risk of higher domestic financing costs raising debt sustainability risks. The country's fragility has been increased once again; the hopes embodied in its Agenda for Prosperity (2013-2018) and chances of achieving Vision 2035 have been badly undermined.

B. Socio-economic Impact

1. Impact on Social Services Delivery

There has been a 23 percent decrease in health service delivery. About 78 teachers are reported to have died, and the educational institutions remain closed, with some school facilities used as Ebola holding and treatment centres. This poses a serious risk of pupils not returning to school after the disease has been controlled, and brings a higher chance of increased teenage pregnancy.

The epidemic has seen the disruption of the implementation of water and sanitation projects. Expert personnel have fled the country following the outbreak, and public works generally have been put on hold in many parts of the country. This can also be said for projects in other social service sectors.

2. Growth, Employment and Human Development

Revenue lost to the disease is estimated at about Le350 billion (US\$74 million). There has been a significant disruption in agricultural activities and a decline in agricultural output. The private sector has been severely affected, with a 50 percent decline in formal employment. Manufacturing has lost 60 percent of its employees, and a number of new investment ventures have been postponed. Cross-border trade has come to a standstill. Air transport remains handicapped, with only two carriers providing flights, and sea transport has been reduced.

3. Implications for Social Protection

EVD has increased levels of poverty and vulnerability. The situation is dire especially for women, children and the youth. To date, 3,034 survivors have been registered, of which 750 are females and 591 males. This has increased social spending pressures, while the government's revenue position has been badly undermined.

C. Recovery Strategy

1. Context and Objective of the Strategy

The 24 month Recovery Strategy – spanning July 2015 to June 2017 – will focus on three

sequential steps: (i) getting to and maintaining zero cases, (ii) implementing immediate recovery priorities, with a special focus on restoring access to basic healthcare, reopening and running of schools in a healthy environment, providing social protection support, and revamping the private sector, including agriculture activities; and (iii) transitioning back into the Agenda for Prosperity plan.

It is crucial to underscore that the Agenda for Prosperity (A4P) remains the defining document for the overall development of the country, despite the EVD setback, and is the main national anchor for dealing with the medium- to long-term challenges posed by the disease. Lessons learned from the outbreak reinforce the need to recalibrate our development trajectory and ensure a robust A4P and drive to Vision 2035. It is also recognized that, given scarce resources and a multitude of spending priorities, the recovery plans must be brought back into the prescribed public financial management framework of the budget, forward estimates, and prescribed procurement processes to ensure the necessary internal accountability, assessment of options, transparency, and valuefor-money outcomes.

The recovery strategy will rely on the New Deal for Engagement in Fragile States as an implementation guide. The New Deal, to which Sierra Leone is a signatory, is a guide for fragile states to attain and sustain resilience. Its emphasis on country ownership, strengthening institutions, capacity building, and the effective use of government resources dovetail with the objectives and highlights of the report.

2. Preparation Process

The Recovery Strategy preparation process has been highly participatory, and the process continues to evolve. It draws input from the Ebola Recovery Working Group, which comprises representatives from the government and

development partners, including the private sector, non-governmental organizations and civil society. It also takes into account sector and ministerial consultations; inputs from national experts and international missions; the multiagency Ebola Recovery Assessment; and various national and international socio-economic impact studies. Comments were also received from Development Partners Committee meetings and Cabinet consultations.

The recovery strategy will rely on the New Deal for Engagement in Fragile States as an implementation guide. The New Deal, to which Sierra Leone is a signatory, is a guide for fragile states to attain and sustain resilience. Its emphasis on country ownership, strengthening institutions, capacity building, and the effective use of government resources dovetail with the objectives and highlights of the report.

D. Immediate Priorities

1. Eradication of the Disease

Stepping up efforts to completely eradicate the disease to ensure effective socio-economic recovery, through enhancing disease surveil-lance and contact tracing; improving infection prevention and control; maintaining safe and dignified burials; deepening community engagement; increasing cross-border surveillance; sustaining support for mental and psychological services; and improving operational services.

2. Restoring Health Services

These include a review of the national health system, strengthening of health care facilities, and ensuring compliance with infection protection and control standards; leveraging existing foreign medical teams to address immediate health staff shortages; new recruitment/training of health personnel; restoring the trust

of communities; improving surveillance and health management information; ensuring the thorough disinfection of all facilities used as holding and treatment centres; and providing for post-Ebola complications and challenges, especially those associated with Ebola survivors.

Access to Water and Sanitation

These include provision of emergency water, sanitation and hygiene (WASH) services to Ebola care centres; disinfection of affected communities and monitoring of WASH services' functionality; restoration of water, sanitation and hygiene service delivery in health units and schools; promotion of the retention of positive health and hygiene behaviour through community engagement and ownership.

4. Getting Kids to School

Decontaminate educational institutions used as holding and treatment centres; repair schools to basic operational level; promote better health habits and access to water and sanitation; train teachers on Ebola and psychosocial therapies; provide early Ebola detection devices and isolation facilities; engage communities on child care; expand the school feeding programme; provide incentives for pupils to return to school; and support the most vulnerable children, including those with disabilities and girls, as well as Ebola survivors.

5. Protection of the Most Vulnerable

Recovery assistance will be targeted at the most vulnerable and affected individuals – Ebola survivors, orphans, widows and widowers – and interim care centres and homes will be established. The reintegration of Ebola survivors and related health workers, including burial teams, into their communities will be facilitated, and livelihood support provided.

6. Economic Sectoral Response and Prudent Macroeconomic Policies

Provide support to the agricultural sector; rebrand the country and improve its image through destigmatization campaigns to restore tourism and attract private investment, as well as ensure the resumption of air and sea transport operations; provide support to the energy sector; resume public infrastructure programmes, including road works; improve the implementation of revenue collection strategies; strengthen the implementation of financial services policies and maintain appropriate monetary and debt policies to stabilize the financial sector.

E. Subregional Dimension

This will focus on strengthening the provision of service delivery centres at border crossings to stimulate cross-border trade and regional trade and investment through the Growth Triangle Framework; adopting a unified approach to Ebola eradication and recovery; improving cross-border coordination on security, disease control, and data sharing; deepening and broadening the scope of regional infrastructure projects (roads, transport and energy); and ensuring a regional approach for image rebuilding, rebranding and destigmatization.

F. Budgeting and Implementation Issues and Risks

1. Zero Infections and Full Recovery

The current focus of the government is on getting to and maintaining zero infections and the delivery of quick wins and immediate and short-term recovery programmes. The medium- to long-term needs shall be integrated into the Agenda for Prosperity.

The total cost of implementing the strategy for full recovery for a period of 24 months – spanning July 2015 to June 2017 – is estimated at US\$1.3 billion, with a financing gap of US\$896.2 million.

Implementation will focus on two broad strategic components. Component One will focus on delivering four highly prioritized recovery areas in the first six to nine months: i) sustaining the fight against the disease and restoring access to basic health services; ii) getting kids back to school; iii) social protection; and iv) supporting private sector recovery with special focus on accessing finance and supporting agricultural activities. These six-to-nine month initiatives have a total cost of US\$306.3 million, with a current financing gap of US\$102.1 million, taking into consideration existing government and in-country donor resources towards the rapid results project. In Component Two, the government will focus the 10 to 24 months on three areas to sustain the recovery process: i) water and sanitation; ii) private sector development; and (iii) providing energy services to support and sustain the recovery. Activities not completed in the first 6 to 9 months under Component One will be carried forward into the 10-to-24 month period. And recovery areas for which strategies have been identified in this programme but not prioritized for funding here will be addressed within the normal national budget.

2. Existing Plan

The recovery strategy will be implemented within the existing budget and medium-term expenditure frameworks, consistent with the Agenda for Prosperity plan, including these monitoring and evaluation arrangements; development partners' support will be

coordinated to ensure that they operate within the New Deal and the Mutual Accountability Framework principles; and a subregional approach will be adopted, but with countryspecific implementation through sector basket funds.

3. Risks

The strategy will be subjected to significant risks which, given the urgency of recovery efforts, will be hard to mitigate. Getting to zero and maintaining zero could take longer than anticipated, which will either delay the recovery efforts or erode them. The shortage of skilled administrators and analysts in the public sector could frustrate timely implementation due to the limited absorptive capacity of the economy. Raised community expectations of equitable aid disbursements, if not met, could lead to social unrest. There is a significant risk that unfunded budget shortfalls could develop through the year, particularly if significant iron ore production fails to materialize, leading to

pressure on suppliers and the domestic financial sector and resulting in higher government security yields and domestic debt sustainability challenges. Further capital flight due to perceptions of an ailing banking sector could add to depreciation pressures on the currency, adding to macroeconomic instability and thwarting the recovery efforts. To mitigate some of these risks, the government will maintain the agreed International Monetary Fund programme, performance criteria and structural benchmarks.

4. Principles Guiding the Recovery

Thus, the key principles guiding the recovery process include building on the existing response capacity in the fight against the disease; ensuring continued mobilization of communities; strengthening sector coordination; ensuring an implementation recovery that is effective, efficient, and accountable; and strengthening subregional coordination.

1. INTRODUCTION

1.1 Background

Sierra Leone is among the West African countries worst affected by the Ebola virus disease. The disease was detected in rural Guinea in February 2014 and spread to Sierra Leone in May 2014. Since then, more than 8,000 Sierra Leoneans have been infected, and more than 3,000 have died of the disease. While the epidemic has killed many people, mostly women and children, it is especially worrying that a good proportion of doctors, nurses and other health personnel are among the fatalities. Children have been orphaned by the disease; schools closed down from the beginning of the academic year in September 2014 until April 2015. Over two-thirds of those infected are in the economically active age group. Furthermore, the epidemic has crowded out effective response to other diseases in the national health care system, and, as a result, non-Ebola-related illnesses have added to the suffering and the death toll.

The disease has caused unprecedented social and humanitarian damage, accompanied by severe economic consequences. It has remarkably reduced the impressive gains made in economic growth over the years, badly affecting farmers, traders, investors and a range of other economic agents. Key economic activities — including agriculture, manufacturing, construction, trade and commerce, transport, and tourism — have been disrupted, and this has significantly increased the national unemployment rate.

Prior to the epidemic shock, the economy of Sierra Leone had recovered remarkably following the end of the civil war in 2002, and was on a trajectory to sustainable development. The country recorded double-digit real GDP growth rates of 15.2 and 20.1 percent in 2012 and 2013, respectively, driven largely by iron ore

mining, with the agricultural, construction and services sectors showing strong performance.1 Macroeconomic stability had considerably improved: single-digit inflation was recorded, as well as low official interest rates and stable exchange rates. The country was assessed as having a low risk of debt distress. The country's performance was encouraging not only on the growth front, but also in poverty reduction and human development. The national poverty headcount dropped from 70 percent in 2003 to 52 percent before the Ebola outbreak, and the Human Development Index had shown signs of improvement, increasing from 0.329 in 2005 to 0.374 in 2013, and ranking 183rd out of 187 in 2013.2 The strong growth performance was accompanied by improved ratings on the World Bank's Ease of Doing Business Index, as the country strove to emerge from a fragile post-conflict state. Notable progress had been made in peace consolidation and strengthening of democratic governance and human rights. Considerable investment had been put into public sector capacity to deliver effective and efficient public services with transparency and accountability. These efforts all culminated in the peaceful conclusion of the second and third post-conflict democratic elections of 2007 and 2012, respectively.

The EVD epidemic, along with the sharp decline in commodity prices that has caused the country's two iron ore mines to be placed under administration, has reversed many of these achievements. The hopes embodied in the Agenda for Prosperity (the third generation poverty reduction strategy) and the country's Vision 2035 have been badly undermined. It has wreaked untold havoc on the economic and social fabric of Sierra Leone, weakening the growth prospects of the economy and causing

¹ Ministry of Finance and Economic Development of Sierra Leone. *Economic Bulletin 2013*, Volume 19, Issue 2, p. 3.

² Government of Sierra Leone, UNDP, World Bank, and African Development Bank. *The Economic and Social Impact of Ebola Virus Disease in Sierra Leone: Joint Preliminary Assessment Report*, p. 17.

a rapid reversal of the gains made in managing macroeconomic stability and improving human development. This has consequently held back the government's efforts at fighting unemployment, poverty and vulnerability.

The country is confronted with numerous post-Ebola challenges that demand planning and urgent action if the country is to (i) ensure the timely implementation of actions to arrest further erosion of the development gains obtained prior to the disease outbreak, (ii) expedite socio-economic recovery and reduce the suffering caused by the disease, and (iii) speedily chart a course to reclaim the path to sustainable development that Sierra Leone had laid before the outbreak of the disease and the demise of the iron ore sector.

Figure 1 is a graphical representation of the Agenda for Prosperity growth path along which the country was moving, illustrating the socioeconomic disruption caused by the shock of the Ebola epidemic. The A4P remains the defining document for the overall development of the country despite this shock. The mediumto long-term recovery programmes will be integrated within the A4P, while we immediately implement others to restore lost livelihoods and address heightened levels of poverty and vulnerabilities due to the disease.

The Ebola Recovery Strategy will therefore not replicate the A4P, but repair, strengthen and build on it with the following specific objectives:

- Getting to and maintaining zero infections
- Focusing on implementing quick-wins/ immediate actions for dealing with the current epidemic shock
- Formulating and adopting strategies to prevent future health and other emergencies of similar magnitude, as well as building a robust health care system
- Applying lessons learned from the

- outbreak, pointing towards the need to recalibrate our development trajectory and ensure a robust A4P and drive to Vision 2035
- Identifying missed opportunities and planning for their exploitation, particularly the need to accelerate the implementation of structural reforms, emphasizing application of the rule of law (particularly the public finance management laws) and strengthening of regional cooperation, especially within the Mano River Union States, on issues pertaining to health, security, management of natural resources, and general subregional socio-economic development

It should be emphasized that this strategy was prepared when the disease was still infecting and killing people, although it has been encouragingly trending downward decisively. Therefore, given the unique crisis we are facing, which necessitates planning for recovery with the continuity of EVD, and in order not to lose sight of the risk of complacency in the fight against the disease, we will integrate *getting to and maintaining zero infections* within the recovery strategy.

A two-year implementation period is planned for ending the disease and overcoming the immediate post-Ebola challenges, from June 2015 to May 2017, while incorporating the medium- to long-term actions within the A4P. The success of this will depend on the efficiency and effectiveness of programme implementation, and calls for enhanced coordination and application of basic principles of good governance and management. A joint government-development partners committee, with civil society participation, will be set up to provide guidance on the implementation, monitoring and evaluation of the immediate recovery programme within the framework of the A4P.

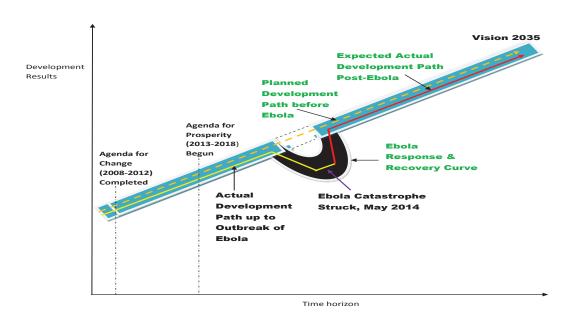


Figure 1: The Ebola Recovery Strategy, Agenda for Prosperity (2013–2018, and Vision 2035

1.2 Strategy Preparation Process

The preparation of the Sierra Leone Ebola Recovery Strategy draws from the various analyses carried out on the economic and social impact of the disease by the Government of Sierra Leone and other stakeholders. These include assessments by the Ministry of Finance and Economic Development; the ministry's various policy documents; strategic plans submitted by government ministries, departments and agencies for the 2015 financial year budget process and Medium Term Expenditure Framework 2015-2017 driven by the epidemic; ministerial discussions on the 2015 financial year budget and strategic priorities post-Ebola; sectoral recovery strategies; joint assessments by the government and development partners; impact studies by the Work Bank, Statistics Sierra Leone and International Poverty Action; the United Nations Development Programme

(UNDP) studies on the economic and social impact of Ebola on households in Sierra Leone; a study on the impact of Ebola on business in Sierra Leone; assessments by the International Growth Centre; and the Ebola Recovery Assessment done in January 2015 by the Multi-Agency Mission, comprising representatives from the UN, the World Bank, the European Union, and the African Development Bank.

The government and the development partners established the Working Group on Ebola Recovery, co-chaired by the Ministry of Finance and Economic Development, UNDP, and the World Bank. The working group comprised a wide range of stakeholders, including key government agencies, donors, UN agencies, non-governmental organizations (NGOs), civil society organizations (CSOs), and the private sector. It organized several meetings and technical workshops to provide inputs to the preparation of this document, including the identification of immediate recovery needs.

Various other stakeholders, including international missions and national experts, have also provided strategic inputs.

1.3 Structure of the Strategy Document

A review of the socio-economic, governance and justice system impact of the disease is presented in Sections 2, 3 and 4, while Section 5 presents lessons learned from the disease. Sections 6 and 7 discuss the recovery priorities. Strategies to restore functionality in the national health care system and other social sectors have been outlined alongside actions to relaunch economic activities to stimulate state revenue generation and restore viable public investments. Actions to restore normal operations in the security and justice system have also been outlined.

Section 8 discusses opportunities the disease has presented for building national systems for resilience and sustainable development, identifying fault lines leading to the outbreak and the difficulty of containing it, and suggesting long strategies to overcome weaknesses identified. It stresses those actions that would continue into the medium and long term and that will be incorporated into the Agenda for Prosperity. Sections 9 and 10 are devoted to discussing the preconditions and risks underpinning the implementation of the recovery programmes, with 10 discussing management of the implementation risks. Section 11 discusses the transition arrangement, including management of a possible resurgence of the disease in the recovery phase, and linking medium- to longterm recovery to the A4P. Section 12 discusses programme cost details/financing issues and the implementation arrangement, including monitoring and evaluation.

2. ECONOMIC IMPACT OF THE EBOLA CRISIS

2.1 Impact on Economic Sectors

Agriculture

EVD significantly reduced agricultural and food production in Sierra Leone in the second half of 2014 (this sector employs 70 percent of the labour force and contributes to 40–45 percent of the GDP). The epidemic started spreading from mid-2014 when crops were being planted and expanded during the crop maintenance and critical harvesting period of staple crops (rice, maize and cassava). Labour shortage is the main factor that affected crop production in 2014, as the traditional work gangs were disbanded.

The total national crop production of 2.09 million tons in 2014 was a decrease of about five percent from production levels in 2013.1 Production of the main staple crop, rice, is estimated to have declined by eight percent. The relatively low level of impact at the national level reflects the onset of the disease in the second half of 2014 and masks relatively high subnational production and food security impacts. For example, the decline in rice production is estimated at 17 percent in Kailahun District. Cash crop performance was also affected to the extent that, although production of crops like cocoa was estimated to be normal in 2014, exports fell by 30 percent owing largely to a reduction in cross-border trade. Women's cooperatives in other rural districts such as Koinadugu have witnessed a decline of at least Le200 million (about US\$42,000) in revenue since the disease struck.2

¹ Ministry of Agriculture, Forestry, and Food Security and Food and Agriculture Organization. *The Food Security Situation in the Context of Ebola Outbreak in Sierra Leone: A Rapid Assessment Report*, September 2014. 2 lbid. p. 23.

Generally, about 47 percent of all agricultural activities have been disrupted, resulting in the likelihood of the agricultural sector's contribution to GDP being negative compared with the earlier (March 2014) projection of a positive 4.6 percent contribution to real GDP growth.3 This has worsened the livelihoods of a considerable proportion of farm families, currently estimated at 420,000 nationwide. Within the non-farm household sector, 179,000 household heads are reported to have lost jobs or employment since Ebola broke out. At an average of six persons per household, according to the last national population census of 2004, the livelihoods of close to 2.3 million people have been worsened by the disease.

Livestock trade dropped significantly, due mostly to the restriction of movement and limitation of transport services. Furthermore, many farmers depend on wild animals as a source of animal protein and income. The outbreak has affected this source of livelihood following restrictive public messages on the consumption of bush meat, reinforced by community by-laws.

Mining and Construction

Mining contributed around 27 percent of GDP in 2014 and has been dominated by the iron ore subsector over the last three to four years, which alone contributed around 24 percent.⁴ Other mining operations include rutile, ilmenite, bauxite, and diamonds. Ebola has had little direct effect on mineral production in 2014, with the main companies generally achieving their planned production levels in that year. However, the sharp decline in the price of iron

3 Ministry of Agriculture, Forestry, and Food Security; Food and Agriculture Organization; World Food Programme; and International Fund for Agricultural Development. Agriculture Sector Post-Ebola Virus Disease Response Programme, December 2014.
4 Government of Sierra Leone, UNDP, World Bank, and African Development Bank. *The Economic and Social Impact of Ebola Virus Disease in Sierra Leone: Joint Preliminary Assessment Report*, p. 31.

ore resulted in both iron ore companies being placed under administration in late 2014/early 2015. While the administrators were able to structure a deal on the resumption of production from the smaller of the two mines, the larger one remains on hold. Meanwhile, iron ore prices have continued to decline to multiyear lows (by end March 2015), which does not bode well for this subsector.

If iron ore production levels cannot be resumed in 2015, this will have a major adverse impact on government revenues, GDP, and the workforce and businesses connected to the sector. Similarly, the decline in world oil prices is likely to impact government revenues adversely through the reduction of petroleum license fees, although there will be some offset from the extinguishment of implicit petroleum consumer subsidies. Also, reports suggest that artisanal mining, especially gold and diamond activities, almost ceased operations owing to restrictions on movement of people.

The construction industry was buoyant prior to the outbreak of Ebola, and had been crucial to poverty reduction given its labour-intensive nature. It utilized unskilled labour intensively during the implementation of public and private investment programmes, particularly road and building construction. The disease has overturned this source of livelihood by creating a lull in construction activities. Several road works and many other infrastructure construction projects have been suspended. The construction industry is estimated to have declined in real terms by 10 percent in 2014.

Manufacturing

The small but expanding manufacturing sector had been instrumental in boosting employment and poverty reduction prior to the EVD outbreak. Besides its direct impact on employment, it has had an indirect impact through backward and forward linkages, bringing

together small-scale business operators and rural farmers with large businesses within supply and value adding chains. Manufacturing enterprises had consumed intermediate inputs from other sectors in the production of beer, soft drinks, paint, soap, cement, foam mattresses, and so on, and the vast majority of street vendors traded in products from the manufacturing sector. The disease has seriously affected these income avenues. Bars, night clubs, cinemas and related activities ceased trading in response to Ebola measures, which, coupled with the lull in construction activities, resulted in a significant drop in demand for locally manufactured products. A leading manufacturing firm, the Sierra Leone Brewery, which manufactures alcoholic and non-alcoholic beverages, deferred its investment plan and significantly scaled down operations because of falling demand. This led to a loss of about 24,000 jobs related to the entertainment industry. The loss of market for agro-industry inputs upstream rendered 22,500 persons in agriculture unemployed; they depended on these firms to purchase the raw materials they produced.

Transport and Tourism

The recovery of domestic transport following the end of the civil war had supported an expanding economy, enhancing the development of supply and value chains through the strengthening of forward and backward linkages, and hence the development of small-scale enterprises and survival of informal economic operators. International transport had picked up impressively, supporting the revitalization of the tourism sector and private sector development. Now, all of these positive trends have been reversed by the disease.

Air transport has been particularly hit; since August 2014, all airlines, with the exception of Air Maroc and Brussels Airlines (and Air Côte d'Ivoire lately), have suspended operations. Travel restrictions imposed by countries around the world, including African states, compounded the frustration of the industry. The disruption of air transport hampered crossborder and regional trade and reduced the supply of essential commodities, exerting upward pressure on prices. It also frustrated government efforts at fighting the disease, impeding needed humanitarian assistance from abroad, including essential medical supplies and staff. Lulls in sea transport additionally hampered the movement of international traders, as the disease caused a growing general scare. Sea vessels that maintained operations were run with higher costs and insurance.

About 70 percent of business establishments attributed the "limited availability of raw materials and resale difficulties" to the limited air travel and quarantine policies, with 65 percent asserting that the disease caused an increase in transportation costs. This contributed to business reports showing significant decreases in total sales.

The tourism and hospitality sector is highly vulnerable to domestic shocks, and Ebola has devastated it. According to available data from the National Tourist Board, tourist arrivals from abroad dropped by 46.1 percent in 2014 compared to 2013. Foreign investors declined by 46.9 percent. A total of 50 out of 70 hotels and 200 out 242 guest houses closed down because of the fall in occupancy, while all night clubs totally ceased operations. This led to a 75 percent fall in employment in the sector, from 4,207 people pre-Ebola to 1,051 at the end of 2014. Revenue generated in the sector declined from US\$58.8 million in 2013 to US\$31.8 million in 2014. Some hotels managed to operate at a half-month workforce rate to cushion the costs of operations.

Energy

Unreliable and limited energy services in urban areas and the near absence of energy services in rural areas are major obstacles to an adequate response to the Ebola crisis. Many health centres are without light and a cold chain for medicines. The lack of street lighting contributes to a worsening security situation. Structural deficiencies in service delivery systems were clearly exposed by EVD. Electricity access and consumption in Sierra Leone are among the lowest in Africa. The country's limited and dilapidated power infrastructure (for generation, transmission and distribution) is a major constraint to expanding electricity access in the country, which remains below 10 percent. Public electricity services are limited to selected areas, and sparse coverage and unreliable service exacerbate poverty. Electricity tariffs remain among the highest in Africa, constraining energy consumption. Because of scarce supply and high costs, electricity represents only 7 percent of the total energy consumption.

Improving energy services will not only be required for the containment of the crisis, but also for the successful economic and social recovery following reasonable 'containment'. The Ebola crisis impacts the energy sector in various ways. Fiscal space for the financing of infrastructure services has further decreased as public funds were reallocated to the crisis and as financing options evaporated. There were delays in the maintenance of thermal plants and implementation of energy projects as expatriates were evacuated and external consultants could not visit Sierra Leone to provide needed technical assistance. In particular, critical periodic maintenance was deferred, as contractors did not visit the country during the epidemic, and this resulted in the deterioration of the existing thermal plants at Kingtom and Black Hall Road in Freetown. In addition, the need to provide power throughout the outbreak

resulted in the plant being run beyond its technical limits.

A number of energy projects that were in the offing in the wake of the outbreak have suffered severe implementation setbacks:

- Construction of 2.2 MW hydropower plants in Charlotte and Bankasoka
- Extension and rehabilitation of the low and medium voltage distribution network in Western Area (Islamic Development Bank project), and extension and rehabilitation of the distribution network in Freetown (Japan International Cooperation Agency project)
- Emergency grid works/Energy Access Project and energy sector Utility Reform Project (World Bank)
- Moyamba hydropower project (UN Industrial Development Organization) and Betmai hydropower plant project
- The 128 MW thermal generation project for Western Area (Copperbelt Energy Corporation) and electrification of 14 district headquarter towns
- Solar street light project phases 1 and 2; the Goma Hydropower Dam Extension Project; and the Côte d'Ivoire, Liberia, Sierra Leone and Guinea West African Power Pool Project to cover seven districts in Sierra Leone

Furthermore, the installation of a new thermal power plant (Copperbelt Energy Corporation heavy fuel oil plant) was planned for 2016 to generate additional capacity, but this is unlikely to materialize due to the effects of the Ebola crisis; as such, severe power outages between March and July 2016 are projected. The crisis has also led to the deferment of studies on long-term power generation options, which are necessary to minimize poor investment decisions in the future. Overall, an integrated approach in the energy sector must address both short-term electricity supply needs in health facilities so that these have lighting, cold chain, and other facilities, as well as support to

improve broader electricity services to contribute to economic and social recovery following reasonable 'containment'.

Roads Infrastructure

Road projects, including maintenance works, have been interrupted since the onset of the epidemic. Almost all activities in this sector came to a standstill. International contractors and consultants supporting operations left the country following the outbreak. Restrictions of movement also affected the projects' timelines. Projects in the offing, with design works commenced, were all postponed until the end of the epidemic. In turn, the poor road network that existed in most communities thwarted a more robust response to the disease.

2.2. Impact on Macroeconomic Aggregates

The combined effect of the disruptions to agriculture, mining, manufacturing, construction, transport and tourism, and domestic and international trade on the GDP has been substantial. Economic growth is estimated to have decelerated to 7 percent in 2014 from a pre-Ebola projected growth rate of 11.3 percent. The non-iron ore economy grew by 1 percent compared to the earlier projected growth rate of 6 percent. The deceleration was magnified in the second half of 2014 given the strong growth rates up to mid-year prior to the EVD outbreak.

Inflation and Exchange Rate

The closure of markets (*lumas*), internal travel restrictions, and the resultant difficulty in the distribution of farm produce caused some price spikes. Data indicates price spikes for the staple food, rice, of up to 30 percent countrywide, although there was no discernable increase in

food inflation on a national basis over the second half of 2014. The national inflation rate, which had fallen from 8.2 percent at the end of 2013 to 6.4 percent at the end of April 2014, rose to 7.9 percent at the end of January 2015.

About 65 percent of business establishments attributed the "limited availability of raw materials and resale difficulties" to the rising level of general prices. The depreciation in the exchange rate contributed to the rise in inflation. The exchange rate, which had been stable between 2012 and the first half of 2014, depreciated by 13.5 percent in the second half of 2014 due to foreign currency demand pressures arising from Ebola-related uncertainties and essential imports (food, pharmaceutical and petroleum products), but also from the demise of iron ore production and exports late in the year, a sharp decline in foreign investment inflows, and maintenance of very low government security yields.

To meet the increased demand for foreign currency, the Bank of Sierra Leone increased its weekly sales of forex from US\$0.5 million in June to US\$3 million in October, and carried out five wholesale forex operations between September and December 2014 amounting to US\$30 million. Nevertheless, EVD-related donor inflows, including IMF extended credit facility support, supported central bank foreign exchange reserves, which steadily increased over the second half of 2014 and into 2015. With the demise of the iron ore sector and large financing requirements for the post-EVD recovery programme, continued donor inflows will be required to support the currency over 2015-2016.

Balance of Payments

The improvement in the balance of payments in 2012–2013 continued into the first half of 2014, reflecting both a strong iron ore–driven increase in export receipts and a decline in

imports (particularly of machinery and equipment related to the iron ore construction phase). Hence, despite lower-than-projected capital inflows, at the end of June 2014, gross official foreign international reserves increased to US\$570 million (4 months of imports) from US\$473 million (1.8 months of imports).

The external trade balance deteriorated in the second half of 2014 on account of lower iron ore export receipts and maintenance of a relatively high level of imports, predominately due to EVD requirements. However, capital inflows increased significantly during the same period, mainly due to higher-than-anticipated budget support and Ebola-driven foreign support, which resulted in some additional reserve accumulation by the central bank.

Public Finances

While there was some moderate fiscal slippage over the first half of 2014 due to some spending overruns and shortfalls in revenue and grants, resulting in an accumulation of unpaid bills totalling about 1 percent of non-iron ore GDP, the onset of EVD greatly accelerated fiscal pressures. By the end of 2014, tax revenues were down 1.5 percent of GDP and tax arrears had mounted significantly. Fiscal expenditure also declined by just over 1 percent of GDP, but higher current outlays due to higher EVDrelated expenditures and a higher wage bill (mainly for subvented agencies) were offset by much lower capital expenditure. The total fiscal impact in 2014 was estimated at US\$130 million, which occurred through two channels:

• Firstly, the slowdown in economic activity and weaker tax compliance adversely affected domestic revenue collection. Total revenue collected in 2014 was US\$90 million below the pre-Ebola projection. The deterioration in international prices of iron ore also weakened revenues at year end. In all, state revenue loss since the beginning of the outbreak is estimated at Le350 billion (US\$74 million).

Secondly, government current spending increased, with public funds the first line of resources for the Ebola response. In total, the government allocated US\$27 million (2.8 percent of expenditure) in 2014 to fund Ebola-related activities. It is notable that public servants have continued to be paid throughout this period at the increased rates announced in the 2015 budget. Areas where government spending has declined include domestically funded capital projects (down by around 14 percent of the planned budget) and foreign-financed capital projects (down by 40 percent of the budget) as contractors and international technical assistance ceased work and left the country.

Scaled-up budget support from development partners – including the African Development Bank, World Bank, European Union and IMF – through the Extended Credit Facility and access augmentation played a critical role in covering the financing gap. All outstanding bills were cleared at the end of 2014, and advances from the central bank were reduced substantially below prescribed limits. While these actions ensured that the budget was adequately financed for 2014, huge challenges were expected to emerge in 2015 and subsequent years.

Over 2015, revenues are expected to remain weak, reflecting the economic slowdown (particularly in the iron ore sector, which is unrelated to the EVD crisis), lower commodity prices and associated investment flows, and ongoing compliance challenges exacerbated by EVD. In contrast, fiscal expenditure to achieve and maintain zero infections and for the post-Ebola recovery efforts and resumption of the existing public investment programme is significant. Accordingly, in line with ongoing IMF programmes and the commitments made following the Heavily Indebted Poor Countries debt forgiveness process, the government remains committed to limiting debt financing

and maintaining fiscal sustainability, despite the EVD spending requirements and the collapse of the iron ore sector.

Under the IMF programme formalized in April 2015, the fiscal deficit in 2015 is projected to decline to 3.6 percent of GDP from 3.8 percent in 2014. Estimates of external financing and contributions to the Ebola response amount to US\$381 million, while domestic financing is set at around US\$90 million. Should resumption of iron ore exports from the larger iron ore mine fail to occur from mid-2015 and if zero EVD infection rates is not achieved by the second quarter of 2015, then the fiscal deficit and its financing requirements could widen further.

Public Debt

Total public debt is estimated at US\$1.49 billion, of which US\$1.1 billion is external. Debt management policies and strategies since the end of the civil war have been underpinned by a robust macroeconomic framework manifested in recent years in declining inflation rates, a stable exchange rate, declining government security yields, and rising foreign exchange reserve cover. Debt sustainability analyses consistently concluded that Sierra Leone's risk of debt distress remains moderate.

However, the current Ebola epidemic, which has impacted negatively on key macroeconomic indicators, poses additional challenges to maintaining debt sustainability. The drop in domestic revenue and increase in expenditure induced by the Ebola outbreak in the first couple of months resulted in a widening of the financing gap. Part of this gap was covered by increased borrowing from the domestic banking sector. The situation was compounded by the sharp decline in securities held by non-bank financial institutions, in part the result of the success in achieving lower government security yields resulting from high system liquidity.

The situation was also compounded by difficulties experienced by the two state banks in reconciling a large percentage of non-performing loans. With additional foreign borrowing and downward pressure on the currency, a key challenge ahead is the ability of the state to service external debt due in 2015, 2016 and 2017, which is estimated at US\$36.4 million, US\$42.1 million and US\$49.8 million respectively, excluding debt owed to the IMF. The IMF has provided debt relief support towards the recovery effort through the New Catastrophe Containment and Relief Trust Fund. But greater efforts are required to secure additional debt relief from other creditors, since the IMF's exposure is only 14.7 percent of current debt stock. A further challenge could materialize if the financing gap is unable to be covered by foreign inflows and substantial recourse to the domestic financial system is warranted. If domestic liquidity were to tighten and non-bank financial institutions were to continue to withdraw from the market in government securities, any substantial increase in domestic financing could result in sharply higher treasury bill yields, which will place even greater strains on the budget, particularly in 2016.

Financial Sector

In recent years, the government embarked on the establishment of community banks and financial services associations to improve access to finance for farmers and small-scale enterprises, especially in rural areas. Ebola has seriously affected financial intermediation in rural areas. Some bank branches in epicentres temporarily suspended operations, and this affected trade. Some banks reported that cash withdrawals were high at the onset of the crisis, as depositors sought to convert local currency into dollars, which also contributed to the depreciation of the exchange rate and consequent inflationary pressures. Some community banks and financial services associations that provided

Table 1: Selected Incidence and Impact Indicators of the Ebola Disease in Sierra Leone

Impact on Growth and Household Poverty	
Proportion of infected in the economically active age group (%)	70
Job loss in the private sector (%)	50
Job loss in manufacturing sector (%)	60
GDP growth rate in 2012/2013 (%)	15.2/20.1
GDP growth rate 2014 (estimated)	6
Revenue loss since outbreak of disease (Leones)	Le350 billion
Revenue loss since outbreak of disease (US dollars)	US\$74 million
Poverty headcount prior to outbreak (%)	52
Proportion of agricultural activities disrupted by the disease (%)	47
Decline in agricultural output due to disease (%)	30
Total number of farm families	420,000
Number of farm families with worsened livelihoods due to the disease	197,400
Number of non-farm household heads with worsened livelihoods due to the disease	179,000
Estimated population with worsened livelihoods due to the disease	2,258,400

Source: Sector Working Groups on Ebola Recovery

services for farmers and small-scale businesses in rural areas cut back on their operations.

Normal banking hours were reduced, while in some cases operations were temporarily halted. As economic activities slowed down in the country, profitability and returns on government securities declined, thereby reducing the capacity of investors and businesses to service their financial obligations to the banks. While non-performing loans were elevated prior to the EVD crisis, reflecting in part the application of new prudential guidelines, the onset of the disease exacerbated conditions, resulting in additional provisions and erosion in bank capital ratios. Non-performing loans increased from 23 percent in April to 34 percent by the end of 2014, higher than the prescribed industry threshold of 10 percent. The erosion of capital in the system is particularly evident in the two state banks, where the central bank has had to intervene and the government has had to inject capital to restore solvency.

Credit extended to the private sector by commercial banks has remained at very low growth rates over the past three years, averaging about 3 percent per year. This reflects the very high lending rates, which have remained above 20 percent, and structural problems in credit markets in Sierra Leone. Outstanding credit could be expected to decline over coming quarters if the economy fails to recover, as banks could be forced to write off loans. This will be particularly so for the state banks, should loan recovery efforts be unsuccessful. Capital adequacy remains an elevated risk. The government may also be required to increase funding for the state bank recapitalization exercise.

It is reported that microfinance institutions are also struggling to recover loans, as some of

the victims of the Ebola epidemic were major clients of these institutions.

Medium-Term Macroeconomic Outlook and Challenges

The Ebola epidemic has adversely affected economic prospects for 2015. The situation is compounded by the collapse in commodity prices, particularly iron ore prices and the resultant financial difficulties faced by the two iron ore mining companies. The largest iron ore mining company, African Minerals Limited, shut down operations in December 2014 and was placed under administration in early March 2015. The administrators of the smaller London Mining operation were able to structure a deal with Timis Mining that has allowed production at this mine to recommence, although the continuing decline in iron ore prices over the March 2015 quarter does not bode well for the continuing operation of Timis Mining or the likely early restart of the larger African Minerals Limited operations.

The decline in oil prices will also have adverse implications for the prospects of early development of a petroleum industry. Exploration has been halted, which will impact on license fees, although a lower fuel price regime will likely give a boost to consumers and businesses. The implications for economic growth, domestic revenues, foreign exchange earnings, and employment in general are substantial; revenues from the iron ore sector formed the basis for significant expenditures under the government's A4P plan. The revised macroeconomic framework agreed between the Government of Sierra Leone and the IMF assumes that African Minerals Limited operations will recommence from mid-2015 and that the Timis Mining operations continue to produce at projected levels. It also assumes that EVD will be contained by mid-2015. However, the IMF emphasizes that the outlook is highly uncertain and subject to significant downside risks.

Under the agreed framework with the IMF, real GDP growth is projected to decline by almost 13 percent in 2015 because of the continued adverse impact of the Ebola epidemic on key sectors that normally drive growth and the decline in iron ore production over the first half of 2015. Excluding iron ore, real GDP is expected to contract by 2 percent in 2015. Real GDP is expected to recover strongly by 8.4 percent in 2016 and 8.9 in 2017 as economic activities, including iron ore production, return to normal. Non-iron ore GDP, however, is expected to recover much more slowly – 1.5 percent in 2016 and 2.5 percent in 2017, well below the earlier projections of 6 percent growth per year.

Importantly, there are a number of significant downside risks to these projections:

- An extended period to contain the Ebola virus and to maintain a zero infection rate, and the adverse impact this will have on the resumption of domestic economic activity
- An extended period of low or no iron ore production, which will reduce government revenues and employment markedly
- Greater pressures on the domestic financial system to fund higher levels of domestic finance and expand private sector credit, which could result in much higher domestic security yields
- Failure to address much-needed structural reforms, particularly those related to public financial management, state-owned enterprise reform, governance and accountability, because of the redirection of priorities towards the vital Ebola response

Price pressures are expected to remain elevated. Consumer price inflation is expected to increase as agriculture production continues to be affected by the Ebola epidemic, and nonfood inflation is likely to remain high in view of continued demand for foreign exchange. Hence, the annual average consumer price inflation rate is projected to rise from about 8 percent in 2014 to 13 percent in 2015, before

trending lower to 11.8 percent in 2016 and 9.5 percent in 2017.

The external position is projected to worsen. The terms of trade are expected to deteriorate modestly further by 1 percent following the 13 percent decline in 2014. The current account deficit is projected to increase from an estimated 9 percent of non-iron ore GDP in 2014 to 15 percent in 2015, mostly because of the projected decline in iron ore exports over the first half of 2015. The current account deficit is expected to improve to 9.5 percent and 7.7 percent in 2016 and 2017, respectively, as iron ore exports reach the pre-Ebola levels.

The fiscal position is likely to remain precarious. The impact of the economic slowdown in the non-iron ore economy in 2014 and projected contraction in the economy as a whole in 2015 are expected to dramatically affect revenues in 2015, while expenditure pressures will remain high, notably in priority sectors. Under the government–IMF programme, a financing gap of over US\$200 million remains to be filled in 2015.

It is recognized that a number of pre-Ebola adverse challenges also will need to be addressed if the fiscal accounts are to be made sustainable:

- Some structural challenges in achieving higher tax compliance in the non-mineral economy, which has languished for some time, and a reduction in tax waivers
- Enhancing the performance and revenue from state-owned agencies/enterprises that have remained poor over recent years
- Restructuring the state banks and likely provision for additional recapitalization spending if the banking system is to improve financial intermediation and support recovery efforts
- Stimulating private sector credit, which has been negative in real terms for a number of years and which is critical in support nonmineral economic growth

 Addressing fiscal risks inherent in the expanding current budget, particularly the wage bill, which was based on iron ore revenue expectations that turned out to be overly optimistic

It is also recognized that EVD has raised the imperative of achieving greater progress in the implementation of the current structural reform agenda. This is particularly so for public financial management, especially relating to public investment management, debt management, and fiscal accountability. In this respect, the government is committed to introducing a new public financial management act that will enhance greater fiscal responsibility and improve macro-fiscal planning and risk management.

Overall, domestic revenue is projected to improve to 10.1 of GDP in 2016 and 10.9 percent in 2017 as economic activity improves, while expenditures are targeted to average 20 percent of GDP during this period. The overall balance (excluding grants) is projected to deteriorate to 10.5 of GDP in 2015, but is expected to improve to 9.8 percent and 9.4 percent of GDP in 2016 and 2017, respectively.

3. SOCIAL IMPACT OF THE DISEASE

Ebola has had a devastating impact on the social fabric of Sierra Leone. Various geographical (ease of cross-border movement, outbreaks in urban areas leading to high transmission), cultural (religious practices and customs facilitating transmission, care-seeking behaviour), structural (poor roads and infrastructure, lack of access to clean water and basic sanitation), and socioeconomic (high poverty levels, low literacy rates, post-conflict environment) factors have made this epidemic especially difficult to tackle.

Weak health systems, poor implementation of the World Health Organizaion International Health Regulations, and governance challenges (lack of linkages between central and peripheral levels) have further compounded the problem. The following paragraphs present a summary of EVD's effects on the national health care system, nutritional status, education, water and sanitation, women, children, the disabled, and social protection and safety nets. They also highlight the challenges facing the system.

3.1 Health Services

The health sector has to be viewed within the broad historical context of poverty and a high illiteracy rate (43 percent). Sierra Leone is recovering from multiple disasters: the civil war (1990–2002); the cholera epidemic (2012); and the EVD outbreak (2014-present). The country was deemed to have "not attained the minimum International Health Regulations core capacities by 2012". Nevertheless, prior to the EVD outbreak in mid-2014, Sierra Leone had made substantial progress towards a number of the Millennium Development Goal targets in the health and nutrition sectors, including a reduction in child and maternal

mortality and improving coverage with a range of critical interventions such as family planning, skilled birth attendance, and immunization. The recent National Nutrition Survey (2014) also demonstrated major improvements in nutrition levels.

Framed alongside commitments articulated in the national development plans, the National Health Strategic Plan 2010–2015, Free Health Care 2010, the Basic Package of Essential Health Services 2010, and the National Health Compact 2011 provide overall guidance for health system strengthening and for improving the health status of the population. Health policies, programmes and coordinating structures, such as the Health Sector Coordinating Committee chaired by the Minister of Health and Sanitation, do exist, galvanizing cooperation among health, environment and development partners in the country.

Prior to the onset of the EVD outbreak, the country faced a range of critical implementation challenges. The health workforce was concentrated in the capital Freetown, where 50 percent of all health professionals work, serving just 16 percent of the population. There was a critical general shortage of health professionals (0.3 physicians per 10,000 people), and wage bill constraints limited public sector employment (despite a vacancy rate among health professionals of 54 percent).

Despite efforts to improve the availability of services, including a network of nearly 1,200 Peripheral Health Units, and efforts to improve access – such as the Free Care Act, which reduces financial access barriers for pregnant women, lactating mothers, and children under five – gaps persisted in the quality of care. Only 35 percent of facilities had the basic equipment required for service delivery, and none had what was required to provide all basic laboratory services. Few facilities met the standard requirements to provide emergency obstetric

care, resulting in some of the highest maternal and newborn mortality rates in the world. In addition, only 1 percent of facilities fulfilled the requirements for patient safety. The ability of health information systems to inform decision making is limited by the timeliness, completeness and quality of data. Finally, stock-outs of essential medicines are far too common, with recent data suggesting an average of just 28 percent of 14 essential medicines being available at facilities where they were needed.

Epidemiological reports have shown that the number of cases, widespread distribution (all 13 districts), and intense transmission of EVD from May 2014 onwards in Sierra Leone have remained unprecedented, outpacing the morbidity and mortality figures of neighbouring Guinea and Liberia. By January 2015, the country had witnessed a total of 10,124 EVD cases and 3,062 deaths (30.2 percent). Evidence shows that lack of infection prevention and control contributed to the rapid spread of the virus. Patient safety is therefore an important element of the recovery phase. Additionally, resources meant for other programmes have been diverted to the containment of EVD, potentially reversing gains in addressing child mortality (Millennium Development Goal 4), maternal mortality (MDG 5), and HIV/ AIDS, malaria and other diseases (MDG 6). The health and nutrition sectors experienced a disproportionate range of direct and indirect effects of the Ebola epidemic.

Health workers responding to the Ebola crisis are uniquely affected by the epidemic, given their high risk of exposure and infection through routine service delivery. By January 2015, a total of 296 health care workers are known to have been infected with EVD, with 221 deaths (74.6 percent), 11 of whom were specialized physicians. Prior to the EVD outbreak, the ratio of skilled providers to population was very low, at just 3.4:10,000, against optimal levels of 25:10,000. This critical loss of front-line health

workers has exacerbated already inadequate human resources in the health sector. Improving the number and capacity of the skilled health workforce is a central challenge for the post-Ebola recovery period.

The EVD outbreak has led to a decline in the utilization of health care facilities for non-Ebola-related health needs, particularly in urban areas such as Freetown, with a much lower proportion of women reporting post-natal clinic visits. A survey conducted in October 2014 among 1,185 Peripheral Health Units in Sierra Leone noted that 47 were closed at the time of assessment, with a similar number reporting temporary closure since the start of the epidemic. Although 96 percent of Peripheral Health Units remain operational, the country recorded a 23 percent drop in institutional deliveries; a 39 percent drop in children treated for malaria; and a 21 percent drop in children receiving basic immunization (Penta 3). The decline in utilization of health services is due to a number of factors: the absence of trusted health staff; loss of confidence in the health system (as non-Ebola cases would mingle with Ebola cases); and safety-related reasons.

While the Ebola outbreak continues and services remain constrained, there is a high risk of concurrent health vulnerabilities that must be addressed immediately, including possible outbreaks of vaccine-preventable diseases (particularly measles), a surge in malaria cases and deaths, acute malnutrition, and maternal/newborn deaths due to home deliveries. Concerted efforts to restore and scale up essential health services in line with the Basic Package of Essential Health Services will be a major challenge. Importantly, the outbreak underpins the need to have strong social capital, to engage communities in the planning and delivery of health services, and to integrate risk communication and social mobilization into health system strengthening.

3.2 Education

Schools have remained closed since the beginning of the academic year in September 2014 due to the EVD outbreak. Two critical standard exams, the Basic Education Certification Exam and the West Africa Association for Senior Secondary Examination, have been postponed indefinitely, preventing students from progressing to the next level.

Lack of movement across the country also prevented the distribution of interim tools to keep the students learning and engaged. Schools are expected to reopen by the end of March 2015 as the disease continues to trend down (with the hope of reaching zero infections by then). Both teachers and pupils have been infected and have died. The death toll of teachers is recorded at 78, and a number of schools have been used as holding and treatment centres. Post-Ebola complications and psychosocial challenges in learning institutions are therefore expected to be substantial.

About three million children live in communities affected by the disease, with a good proportion roaming the streets and many utilized by parents and guardians to carry out petty trading and other activities for household survival. Prior to the crisis, 25 percent of school-age children were already out of school. Even when schools reopen, there will be a serious risk of pupils not returning to school, especially those from low-income/impoverished households. This could significantly reverse efforts towards achieving both universal education in Sierra Leone and the education-related Millennium Development Goals, including the aim of increasing gender equality and empowering females. The challenge will be to provide an effective education response to the Ebola crisis that will do the following:

Respond to the immediate impact of the crisis (emergency response)

- Support the recovery once the crisis has subsided, allowing the return of the education sector to some level of normalcy (resilient recovery)
- Enhance preparedness of schools and personnel to ensure long-term resilience and reduce vulnerability to future outbreaks (relevant development)

3.3 Water, Sanitation and Hygiene

Lack of access to water and sanitation and poor hygiene practices were problems pre-Ebola, have exacerbated the outbreak, and will remain problems post-Ebola. Even before the Ebola outbreak, the intermittent or non-existent water, sanitation and hygiene (WASH) services in both urban and rural areas was causing major hardships to vast swaths of the population. In Sierra Leone, coverage rates are lower than other countries in the region, with national sanitation coverage of 13 percent and water supply coverage of 60 percent.

The WASH response has focused on the key elements of (i) WASH in Ebola Care Centres, including waste management, (ii) WASH in non-Ebola health facilities, and (iii) WASH in communities. This is to support the scaling up of hand-washing, in close collaboration with the social mobilization interventions, and to ensure the continuity of essential WASH services to prevent outbreaks of water-related diseases (e.g. cholera), which would lead to a complex emergency.

However, the EVD response has exacerbated the stresses on the existing weak WASH systems. WASH equipment and supplies such as chlorine have been diverted from general service to EVD response, and maintenance systems, particularly for water points, have relapsed. There has also been a loss of the gains made on having communities free from the practice

of open defecation. The travel and transport restrictions and border closures affected the movement of persons with expertise and the supply of WASH inputs such as chemicals for water treatment plants.

The EVD emergency also exposed the deterioration of the capacity and quality of WASH services in urban centres, with a particular gap in service provision to vulnerable communities such as the rapidly urbanizing, underserved poor areas in the centre and periphery (so-called "urban slums"). The lack of safety protocols and trained, professional sanitation technicians highlighted major gaps in sanitation infrastructure and services. These developments will reduce the country's chances of achieving the Millennium Development Goals relating to access to safe drinking water and sanitation. Thus, investment in WASH recovery and reconstruction/development will be essential to support countries to not only return to their pre-Ebola state, but also to address the structural weaknesses in the WASH sector and services that contribute to recurrent health (e.g. cholera) epidemics.

3.4 Gender, Women and Children

Of the cumulative national deaths from EVD, 442 are children – 222 girls and 220 boys. Orphans are estimated at 8,345 (4,182 girls and 4,163 boys). A total of 711 children have been placed outside their traditional family or social support systems. Widows are estimated at 954 and widowers at 465. Post-Ebola complications among Ebola survivors are posing serious challenges, with a good proportion already developing complications such as short-sightedness and derangement. To date, a total of 1,341 survivors (750 females and 591 males) have been registered.

The disease has reversed government efforts aimed at increasing women's empowerment.

Its compounding effects imply that the government's early education support programmes for the girl child will substantially require doubling in the post-Ebola recovery phase. It has had reducing effects on the chances of achieving the Millennium Development Goal relating to promoting gender equality and empowering women. The post-Ebola complication challenges among women and children (including psychological trauma) are substantial.

3.5 The Elderly and Disabled

The elderly in Sierra Leone face heightened poverty and social exclusion, as many of them do not have a pension, and they rely on labour and family members for income. Under the current epidemic, when breadwinners and benefactors have been equally devastated by the disease, this group has become even more vulnerable. The situation of the disabled is also grim, as they have limited strategies to cope with the direct and indirect effects of the disease. Their sources of livelihood have grown smaller, and they continue to depend on begging on the street, which exposes them to the disease.

3.6 Labour and Employment

According to the Cell Phone Survey carried out by Statistics Sierra Leone, with technical support from the World Bank and Innovations for Poverty Action of the Massachusetts Institute of Technology, there has been a significant impact of the EVD crisis on employment in urban areas, particularly in Freetown. The urban employment rate decreased from 75 percent to 67 percent. Freetown, the capital and the largest urban centre, experienced a slightly larger decrease in the employment rate, dropping nine percentage points from 73 to 64 percent. Employment in other urban

areas decreased from 77 to 69 percent, while employment in rural areas remained steady at 86 percent. In urban areas, the net job losses in self-employment are estimated at 170,500, compared to 8,500 job losses in wage employment. Ebola is cited as one of the main reasons for not working during the period (including temporary layoffs).

The disease disrupted business operations and reduced revenues among non-farm household enterprises. Among households engaged in non-farm enterprises, the proportion of business closures tripled from 4 to 12 percent, and Ebola was cited as the main cause. For enterprises that continued to operate, average monthly revenues shrank dramatically, dropping from Le1.4 million (US\$280) to Le850,000 (US\$170). Youth – defined as those aged between 15 and 35 - are facing larger employment shocks than the broader population. Since the outbreak began, the employment rate among youth in some urban areas declined more steeply than among workers overall. Youth in rural areas also experienced a larger drop in hours worked. Over one-third of youth work in non-farm household enterprises, one of the hardest hit sectors of the economy.

3.7 Implication for Social Protection

The adverse effects of the epidemic on social protection, safety nets, and nutrition are expanding. Before the outbreak, the depth of national poverty and vulnerability had necessitated a significant investment in social protection. With the outbreak of the disease, the need to scale up investment in this sector cannot be overemphasized in light of the aforementioned impact of the disease: the numbers sliding into poverty and deeper deprivation is soaring, with children, women and the disabled mostly hit. According to the study by UNDP

(January 2015) of the impact of the disease on livelihoods in Sierra Leone, about 71 percent of household respondents indicated that their incomes had been reduced following the outbreak. Ninety-one percent of respondents in Port Loko, Kailahun, Bombali, Kenema and Western Urban expressed concern about worsened livelihoods and attendant post-Ebola recovery challenges.

Table 2: Selected Incidence and Impact Indicators of the Ebola Disease in the Social Sector in Sierra Leone

Distribution of Infections, Death Toll and Impact on Health Services	
Cumulative number of infections to date	> 8,000
Cumulative number of deaths due to the disease	> 3,000
Proportion of infected females (%)	57
Proportion of infected males (%)	43
Total number of health care workers infected	295
Total number of health care workers that died of the disease	221
Total number of specialized physicians that died of the disease	11
Cumulative child deaths from the disease	446
Cumulative girl child deaths from the disease	222
Cumulative boy child deaths from the disease	220
Cumulative number of children orphaned by the disease	8,354
Cumulative number of girl children orphaned by the disease	4,092
Cumulative number of boy children orphaned by the disease	4,093
Ratio of skilled health personnel to population size before outbreak	17.2 per 10,000
Ratio of skilled health personnel to population size now	3.4 per 10,000
Required minimum ratio of skilled health personnel to population size	25 per 10,000
Decrease in health services due to the Ebola outbreak (%)	23
Decrease in children treated for malaria due to the Ebola outbreak (%)	39
Decrease in childhood immunization (%)	21
Challenges for Child Care, Widows, Widowers and Post-Ebola Complic	ation Management
Children already placed outside their traditional family or social support systems	711
Total number of registered widows	954
Total number of registered widowers	465
Infant mortality rate prior to Ebola outbreak per 1,000 live births	128
Under-five mortality rate prior to Ebola outbreak per 100 live births	217
Post-Ebola complications challenges: total number of currently registered survivors	1,341
Post-Ebola complications challenges: total number of currently registered females	750
Post-Ebola complications challenges: total number of currently registered males	591
Impact on Educational Services	•
Proportion of learning institutions closed down (%)	100
Total number of teachers that died from the disease	78
Total number of schoolchildren that died of the disease	-
Children of school-age out of school prior to Ebola outbreak (%)	25

Source: Sector Working Groups on Ebola Recovery

4. IMPACT ON GOVERNANCE, SECURITY AND THE JUSTICE SYSTEM

Justice and Security. Justice and security sector institutions, which were already fragile prior to the crisis, have been degraded further following the outbreak. Evidence suggests that case backlogs increased during the crisis for a number of reasons, including a lockdown of courts or the suspension or downgrading of court operations. Adjournments increased; key personnel were absent; capacities were downgraded in the Criminal Investigation Department; operations of the prosecutors and courts were scaled down; and legal aid and access to justice services from civil society organizations were curtailed. Following the declaration of the state of emergency and the approval of by-laws to accompany this, the number of persons arrested and imprisoned has increased case backlogs. Gender-based violence and teenage pregnancies have increased, while the capacity of state institutions to investigate and prosecute cases decreased. Currently, there are about 1,900 persons in prison at the Pademba Road Prison in Freetown, which should hold only 380 persons.

Compared to the 2014 financial year, the sector experienced budget cuts of between 30 and 40 percent for 2015, largely attributed to the shift in national spending towards containing the outbreak. As a result, there have been delays in paying staff salaries, and there will be challenges in recovering and re-establishing essential services in the security and justice sector after the crisis.

The security institutions, including the Republic of Sierra Leone Armed Forces and Sierra Leone Police, played a prominent role during the crisis, including monitoring or managing burials, quarantines, and checkpoints, as well as guarding key installations, keeping the peace, and providing security facilities for use as holding and treatment centres (which implies that certain security sector operations were put on hold).

The high level of unemployment caused by the disease, particularly among the youth (representing a third of the population), has exacerbated insecurity and places additional pressure on an already devastated justice and security system, limiting the capacity to plan for early warning and response in the context of emerging post-epidemic challenges.

Trust in Government Institutions. Trust has been eroded as a result of the justice and security institutions being degraded during the crisis. Meeting the justice needs of the communities became more difficult, and the rural areas have had to rely more on traditional structures and local solutions rather than state institutions.

5. LESSONS LEARNED FROM THE EBOLA EPIDEMIC

Valuable lessons have been learned from the crisis and can inform the recovery and development process in the immediate, medium and long term. The following are critically important in building resilience against future health and other emergencies:

- Getting to and maintaining zero infections could be difficult to achieve and sustain if the health, social, political and economic systems remain what they were before the outbreak.
- Local communities were very active at the front line, fighting the disease through social mobilization. Indeed, as was also demonstrated during the civil war, when faced with a common threat, Sierra Leoneans have the capacity to build social capital rapidly. This represents an untapped resource that can be exploited for recovery and rapid return to the sustainable development pathway.
- The rapid spread of the disease was due to major shortcomings in governance, social cohesion, and missed opportunities in exploiting the benefits of subregional collaboration, such as the Mano River Union.
- The most significant lesson is that what was considered 'normal' before the crisis was unsustainable over the long term. Given the fragility of the country's institutions and systems, a disaster of any other form may well have produced similar outcomes. While maintaining focus on fully containing the epidemic, the recovery must simultaneously include action to correct the problems exposed by the EVD crisis.

A trend of double-digit GDP growth was emerging when the epidemic struck. Coincidentally, this happened when the price of the country's principal export, iron ore, was crashing on the international market, thereby leading to massive unemployment, cancellation of subcontracts, and the attendant loss of government revenues for essential programmes. The high level of vulnerability of the country's development trajectory was exposed. Heavy dependence on one or two products for economic growth certainly leaves the economy vulnerable to external threats outside national control. Thus, there is need for economic diversification.

6. THE RECOVERY STRATEGY

The main thrust of this strategy – to span July 2015 to June 2017 – is to put together a framework to ensure the speedy recovery of economic activities and restore basic social services at the end of the epidemic. While we acknowledge the huge damage the disease has caused to the socio-economic fabric of Sierra Leone, the crisis presents opportunities for us to review the country's health care system and institute a functional mechanism which will engender health care service delivery that will adequately respond to future health emergencies. This will require strategies that are integrated with other crucial social and economic sectors that have a direct bearing on health outcomes: education, water, environmental sanitation, and hygiene. Maintaining improved health outcomes will require significant up-front capital spending and increased recurrent financing in these sectors.

While support from our international partners is sought, the government is programming additional fiscal space for this purpose to be created in the medium-term expenditure framework confirmed in a mid-year supplementary budget. Given the likely contraction in government revenues in 2015–2016 due to EVD impact lags and slowdown in iron ore production and given constraints on domestic financing, the government intends to create this fiscal space through the reprioritization of spending, greater revenue efforts, and a strong commitment to the structural reform agenda agreed with the IMF and under the World Bank budget support operations.

A significant lift in non-mineral economic growth rates is an essential component of the recovery strategy. This will require investments in agriculture, manufacturing, tourism, information and communications, energy, road infrastructure and the mineral sector to

lift employment and incomes, but also to support the new health framework and access to it. In this respect, there will be a renewed emphasis on the implementation of the Public Investment Programme, the three-year forward programme underpinning the government's Agenda for Prosperity plan, through a much improved and more accountable public investment management process. This will ensure that scarce resources, both from donors and the budget, are directed at the highest priorities and that there is value for money.

The Agenda for Prosperity (2013–2018) plan (A4P) remains the government's overall national development framework that provides direction towards the achievement of the country's Vision 2035. The Ebola Recovery Strategy and the amended Public Investment Programme will be compatible with the goals set out in this plan.

6.1 General Objectives of the Recovery Strategy

The overarching objectives are to eradicate EVD, restore basic socio-economic services across the country, and lift economic growth rates, with special focus on the following:

- Getting to and maintaining zero infections
- Restoring access to basic health services
- Getting kids back to school
- Strengthening social protection
- Re-establishing a robust and sustainable macro-fiscal framework
- Supporting enhanced private sector development and higher economic growth rates

While the immediate focus is on getting to zero infections and restoring basic socio-economic services and activities, lessons learned from the epidemic will assist in building a resilient national system that will engender a robust response to future health emergencies and disasters.

6.2 Principles Guiding the Post-Ebola Recovery Strategy

As this Ebola Recovery Strategy is meant to repair the damage done to the socio-economic fabric and recalibrate our path to Vision 2035, a range of principles have been established to guide its preparation and implementation and inform the period beyond the recovery.

a. Emphasize Rapid Results

The strategy's priority will be on the immediate needs of the population in response to lost livelihoods and heightened levels of poverty and vulnerability, while not compromising the transition strategies for addressing medium- to long-term priorities to be integrated into the A4P.

b. Complement Existing Strategies

The Ebola Recovery Strategy will not replace the existing development frameworks. The Agenda for Prosperity remains the country's definitive development guide, and thus the recovery programme will include short-term actions and be seen as a separate but integral part of the A4P. The medium- to long-term actions will then be incorporated into the A4P as part of its mid-term review.

c. Promote Resilient Recovery

It is necessary to develop a robust integrated health sector framework that can respond speedily to future health emergencies. This will involve (i) restoring social services related to education, water, environmental sanitation, and hygiene, (ii) increasing support for social protection and safety nets, and (iii) mainstreaming the capacities developed during the Ebola Response for future preparedness and

risk management. It will embrace the concept of "building back better", which is aligned with one of the four Priorities for Action of the recently launched Sendai Framework for Disaster Risk Reduction 2015–2030.

d. Restore and Sustain a Robust Macro-Fiscal Framework

Public investment programming and service delivery can be thwarted by adverse macroeconomic developments and fiscal and financing shocks. Fiscal risk and financing arrangements will be embedded in a revised and agreed IMF framework that incorporates a debt sustainability analysis and the Ebola Recovery Strategy.

e. Ensure Sector Coordination, Aid and Public Investment Effectiveness and Accountability

National development planning, coordination and implementation must be enhanced and progressed through the prescribed public investment management processes to ensure that resources are well targeted, options reviewed, and value for money achieved, and that accountability and transparency are paramount. This will also assist in ensuring adherence to the principles of aid effectiveness as embedded in the New Deal and Mutual Accountability Framework.

f. Enhance Decentralization

The epidemic has tested the efficacy of service delivery at the community level and the use of local capacity in the development process. Community engagement strategies are critical, and adequate governance arrangements at both subnational and national levels need to be established.

g. Increase the Implementation of the Public Service Reforms and General Governance Programmes of the State

The Ebola crisis revealed the need for enhancing the capacity of the overall public service delivery system. In particular, improvements are required at the management, technical and motivational levels; the rule of law and behavioural and attitudinal change must all be given renewed emphasis. Corruption needs to be addressed.

h. Strengthen Gender Equality and Women's Empowerment

The epidemic once again underscores the leading role of women as caregivers, and these women have been at the front line battling the disease. All recovery strategies should seek to enhance gender equality and the empowerment of women. It is important to ensure the full participation of women in the planning and implementation of the recovery programme, leveraging their household- and community-level knowledge and their role in promoting social cohesion.

i. Define a Framework for Building an Integrated National Disaster Management Mechanism

It is crucial to set up a disaster management system that is linked to the rest of the Mano River Union subregion as an integrated disease surveillance network, and with the capacity for future risk management and emergency response.

j. Mobilize Communities for Efficient and Accountable Recovery

Sierra Leoneans (particularly at the community level) demonstrated vigilance and resilience during and after the civil war of the 1990s; they have demonstrated these qualities again through social mobilization and community participation to resist and fight Ebola. Thus, local resources and mechanisms for social communication, social mobilization, community organization, and social awareness must be encouraged and maintained during the recovery phase and beyond. At the heart of this bottom-up action is accountability, transparency and strong engagement by communities, especially the youth, women and civil society.

k. Build on Existing Ebola Response Capacities

Assets from the Ebola response include trained and semi-trained personnel and volunteers, contact tracers, vehicles, and medical and laboratory equipment, supplies, and facilities. These assets should be rapidly integrated into the regular social services and governance systems, particularly at the community level. Building public confidence in the health system will remain critical after Ebola.

I. Strengthen Subregional Cooperation

Countries fully recognize the regional dimensions of the epidemic and the need for regional and subregional considerations to be part of the recovery effort, strengthen preparedness, and facilitate joint responses to future outbreaks. It is necessary to strengthen the role of Mano River Union and reprioritize programmes such as the African Development Bank/Mano River Union Initiative to frontload those actions that would underpin more robust growth in the subregion.

m. Implement Recovery That Is Effective, Efficient and Accountable

Implementing the Ebola Recovery Strategy will require effective partnerships under national leadership and coordination. Priority should be given to community-based, community-led approaches, building national capacities, strengthening national systems, and increasing transparency and mutual accountability between the government and development partners. Existing national coordination and reporting systems should be used, and strengthened where necessary, to avoid creating parallel systems.

6.3 Strategic Assumptions

It is assumed that the downward trend of the disease will continue, and zero infections will soon be achieved and maintained. Sustaining the current downward trend of the disease and ensuring its eventual defeat within the shortest possible period is crucial for the resumption of economic activities and regaining government capacity to generate domestic revenues. This requires sustained efforts by the government and development partners in the fight against the disease.

7. IMMEDIATE RECOVERY STRATEGIES

7.1 Getting to and Maintaining Zero Infections

The key objectives are to get to zero infections and maintain zero infections.

Strategies

To achieve these objectives, the government, through the National Ebola Response Centre and the Ministry of Health and Sanitation, shall monitor key Ebola virus events in the process, including (i) EVD deaths in quarantined homes; (ii) health worker infections; (iii) new cases in districts that have previously recorded zero infections; (iv) cases imported from one district to another; and (v) new chains of transmission and index cases.

The following strategies shall be undertaken:

- Scale up quality surveillance and extensive contact tracing through enhancing early warning and alert systems to ensure early detection and referrals, as well as community surveillance and referral systems.
- Scale up infection prevention and control through the constant supply and utilization of personal protective equipment by all health workers, provision of training, and on-site supervision.
- Improve negotiated, safe and dignified burials through training and supporting burial teams in every district, and report all deaths and burials to the appropriate authorities.
- Deepen community engagement and mobilization through social mobilization, psychosocial interventions, and linkages between communities and formal systems.

- Increase cross-border collaboration through joint coordination among stakeholders for resource sharing, cross-border monitoring and evaluation, and sharing of information on contacts and outbreaks.
- Improve the supply of mental and psychosocial support services through providing these services to health care workers, safe burial teams, contact tracers, survivors, and affected families and communities, in addition to providing care and support for children displaced by Ebola spread and infection.
- Improve operational effectiveness through strengthening the coordination between and among partners and governmental institutions, and through the delivery of food and non-food items to quarantined homes.

7.2 Managing and Mitigating Immediate Ebola Impact in the Social Sector

Health Care Services

Key Objectives

- To build a sustainable national health system that delivers safe, efficient and quality health care services that are accessible, equitable and affordable for all Sierra Leoneans.
- To build a resilient national health system that can respond robustly to possible recurrence of EVD and outbreaks of any other deadly diseases.

Strategies

- Make all health care facilities compliant with infection protection and control standards.
- Leverage existing foreign medical teams to solve immediate staff shortages while

- planning for new recruitment/training of health personnel.
- Strengthen mechanisms and services to detect, prevent and control health crises and better respond to future shocks.
- Ensure availability of drugs and supplies.
- Improve ambulance and referral systems.
- Restore trust between communities and health centres through the rebranding of health facilities.
- Review the national health system, plans, policies and strategies, and conduct a comprehensive assessment of the health care needs of communities to determine the geographic coverage of existing health facilities and the current gaps.

Water and Sanitation

Key Objectives

- To support the restoration of services in other sectors such as education through the supply of adequate water and sanitation services to decontaminate Ebola holding and treatment centres.
- To restore water, sanitation and hygiene (WASH) services and address the shortcomings that existed in the provision of these services prior to the EVD outbreak.
- Mainstream sanitation issues into the national, regional, district and community development plans.

Strategies

- Provide WASH services towards the reopening of schools.
- Support the Ministry of Health and Sanitation to decommission and decontaminate Ebola care facilities.
- Provide WASH services to Ebola-affected populations, including health units.
- Sensitize communities on positive health and hygiene.
- Maintain the positive social behaviours that emerged during the Ebola outbreak,

such as increased hand-washing and the reduced incidence of harmful practices such as female genital mutilation; also, scale up positive practices in the areas of social communication, mobilization and awareness raising.

Education

Key Objective

To restore basic education services across the country. Every effort will be taken to ensure that all schools are reopened smoothly in an Ebola-free environment that is safe and supportive for pupils, teachers and visitors.

Strategies

- (i) Reopening of educational institutions in a safe and healthy environment with supportive psychosocial services for students and teachers:
- Clean and disinfect all institutions used as holding and/or treatment centres.
- Provide safe water and sanitary facilities in schools.
- Train teachers on Ebola-related issues, including the identification of signs and symptoms, psychosocial support, and the use of infrared thermometers.
- Commence quick repairs and renovation of unsafe classrooms.
- Mount sensitization and social mobilization campaigns on the reopening of schools and colleges.
- Work with the National Ebola Response
 Centre and the Ministry of Health and
 Sanitation to ensure ready access/links to
 the Ebola hotline, District Ebola Response
 Centre facilities, or nearest community
 health facilities.
- (ii) Encouraging re-enrolment:
- Provide students with free learning materials.
- Pay school fees for all students of government and government-assisted schools.

- Pay public examination fees for all school candidates.
- Recruit teachers to replace those who died as a result of Ebola.
- Expand the national primary school feeding programme so as to help alleviate the financial burden on parents/guardians.
- Support vulnerable students, including orphans and the disabled.
- Support the reintegration of girls who became pregnant during the Ebola epidemic, or find alternative schooling for them.
- Mount destignatization campaigns for Ebola survivors.
- (iii) Improving the quality of teaching and learning:
- Sustain and improve on the ongoing TV and radio lessons, and encourage the use of e-learning in schools.
- Ensure the electrification of schools and higher educational institutions, prioritizing the use of solar power.

Gender, Children, and Social Protection

Key Objective

To restore the lost livelihoods of the most vulnerable, with special focus on children, youth and women, so as to build their resilience against future shocks.

Strategies

- Maintain a social protection registry for EVD victims and related persons.
- Provide livelihood support for EVDaffected children, women, orphans, widows, widowers, and the elderly and disabled.
- Provide cash transfers to poor households and vulnerable groups, therefore benefitting local economies.
- Provide support to address post-Ebola complications with survivors.

- Facilitate the reintegration of EVD victims into their communities through:
 - 1. Community sensitization
 - 2. Organization of social events, including sports
- Develop capacity for monitoring post-EVD social welfare activities.
- Sensitize employers against stigmatizing Ebola survivor employees.
- Ensure that women are able to access information about how to prevent and respond to the epidemic, and ensure their full participation in the planning and implementation of the recovery programme.

Labour and Youth Employment

Key Objectives

- 1. To support programmes for the restoration of lost livelihoods among youth and the general population.
- To put mechanisms in place to build resilience among youth against future health emergencies.

Strategies

- Undertake a comprehensive survey to establish a register of all Ebola youth victims across the country.
- Ensure scaled-up social safety nets to include the unemployed EVD survivors.
- Prioritize the restoration of income and livelihoods for the youth; urban areas have been hardest hit in terms of livelihoods, particularly due to the closing of businesses.
- Improve the capacity of existing technical and vocational training institutions to effectively incorporate EVD youth survivors and temporary Ebola response youth workers.
- Incorporate young EVD survivors and Ebola response workers into national youth employment development programmes.

- Provide post-Ebola psychosocial support to traumatized Ebola youth victims.
- Investment in youth employment and skills-building schemes is essential, namely through employment-intensive infrastructure programmes, to ensure that loss of employment does not further alienate a youth population in a region that is prone to cross-border security challenges.

7.3 Restoring Economic Growth and Output

Key Objectives

- 1. To relaunch economic activities in the various sectors to stimulate employment, increase food security and nutrition, and generate public revenue.
- 2. To improve the image of the country to regain the confidence of private investors.
- 3. To ensure the resumption of public infrastructural investment programmes put on hold due to Ebola, and plan and work towards expanding these investments to do the following:
- 4. Meet the emerging demand with a planned health sector that is robust in responding to any future health emergencies and addressing the general health care needs of the population.
- Meet emerging demand from all socioeconomic sectors that are directed towards ensuring increased economic growth and sustainable development.

Strategies to Recover Agriculture

- Undertake rapid nutrition assessment and surveillance in communities.
- Ensure access of severely malnourished children to Integrated Management of Acute Malnutrition services.
- Train agricultural extension workers to sensitize communities on food-based nutrition alternatives in light of the expected

- rise in food insecurity and malnutrition post-Ebola.
- Support farmers with inputs to restart farming activities in a safe environment, prioritizing EVD-affected households.
- Restock livestock and initiate programmes for providing alternatives to bush meat as a source of animal protein for communities.
- Facilitate the reopening of periodic and daily markets.
- Restore the activities of agriculture producer organizations, agri-business centres, rural banks, and finance institutions.
- Establish strategic grain reserves across the country to address food emergencies.
- Develop a preparedness and response plan to respond to a potential post-Ebola food and nutrition crisis, including nutritionsensitive interventions in the agriculture, social protection, and education sectors.

Strategies to Recover Fisheries

- Facilitate the resumption of artisanal fishing activities through the provision of fishing gear and other equipment.
- Facilitate the full operation of industrial fishing activities.
- Initiate and encourage plans to promote inland fish farming as an alternative to bush meat.

Strategies to Recover Tourism and Air Transport

- Once there are zero EVD infections, negotiate the opening up of borders and encourage governments to exert leverage to resume international flights.
- Encourage donor staff and business visitors to return, which will confirm health safety.
- Relaunch media campaigns aimed at tourists and the broader business community, in order to rebrand and improve the image of the country.
- Develop and implement best practice airport and seaport standard operating

procedures on detection of Ebola-related symptoms.

Strategies to Recover Trade and Private Sector Development

- Implement a communications strategy to mitigate stigmatization and encourage the return of foreign direct investment.
- Reopen local markets and finalize lowhanging investments.
- Undertake national investment mapping and provide additional funds for badly affected small and medium-sized enterprises.
- Focusing on employment creation, support the development of micro, small and medium-sized enterprises targeting youth, women and persons with disabilities.
 These efforts include enterprise enhancement programmes, technical assistance, matching grant schemes, and technical and vocational education and training.
- Enhance access to sustainable financial services, market linkages, and value chain upgrading for micro, small and mediumsized enterprises, with a special focus on rural areas and women.
- Mop up local rice and other agricultural produce from farmers to create demand.
- Maintain and reopen business operations and promote liquidity in domestic markets.
- Build on the initiative of local and international private sector operators who came together in support of the fight against EVD to regularize the structures they have set up and promote economic recovery.

Strategies to Recover Road Development

- Restart all stalled road projects.
- Utilize the Road Maintenance Fund to provide support for the purchase of Caterpillar machines, graders and rollers for all district councils to ensure the periodic maintenance of feeder roads.

 Restart routine and periodic maintenance of trunk roads, bridges and ferries that have been stalled due to Ebola.

Strategies to Recover Energy Services

- Intensify the electrification of public health centres, learning facilities, and communities badly affected by EVD, with on-grid, off-grid, and hybrid solutions.
- Repair existing thermal plants and acquire a 70 MW heavy fuel oil plant to scale up delivery of power to support recovery activities.
- Rehabilitate, extend and fast-track works on the transmission and distribution network.
- Engage the relevant development partners to resume the implementation of ongoing government—donor energy projects disrupted by the Ebola outbreak.
- Utilize the Economic Community of West African States (ECOWAS) grant to address the emergency needs of the National Power Authority.
- Facilitate the implementation of pipeline projects for electricity generation under the arrangements with Addax BioEnergy for 15 MW and Copperbelt Energy Corporation for 128 MW.

Strategies to Restore Mining Operations

- Ensure the resumption of operations of the African Minerals Limited and London Mining companies, which were affected by the Ebola outbreak.
- Restore artisanal mining activities.

Strategies to Increase Domestic Revenue Mobilization

- Collaborate with the National Minerals Agency for effective revenue collection from the minerals sector.
- Strengthen the Revenue Intelligence and Investigation Unit to intensify tax

- investigations, and enhance taxpayer sensitization and education to increase tax compliance.
- Use securitized receipts for tax on goods and services, and conduct regular field audits of large taxpayers.

Strategies to Recover Financial Services

- Maintain, sustain and improve the mobile money transfer system that is currently in existence to pay allowances to Ebola workers in rural areas.
- Inject new capital into small and mediumsized enterprises through Apex Bank to boost the lending capacity of community banks and financial service bodies to support agriculture and small-scale businesses in rural areas.
- Provide capital to the newly established SME Agency to support the growth and development of small and medium-sized enterprises.
- Assist commercial banks in restructuring loan portfolios to deal with non-performing loans post-Ebola, and introduce flexibility in the requirement for collateral in order to improve access to bank credit.
- Encourage commercial banks through moral suasion to reduce lending rates so that the private sector, especially informal sector businesses, can have access to capital.
- Increase the amount offered at the weekly foreign exchange auction in order to mitigate the impact of the excess demand pressures on foreign exchange created by the Ebola epidemic.

7.4 Strategies to Strengthen Governance, Justice and Security

 Decontaminate security facilities used as holding and treatment centres.

- Restore effective operations in the justice system through reopening courts and other judicial facilities across the country.
- Reactivate access-to-justice services, including legal aid, prioritizing women, children and those in detention.
- Improve accountability, transparency and equity in the operations of state institutions that deliver public services, as a means of building public trust.
- Rebuild trust through promoting social cohesion and local consultation and participation.
- Involve youth organizations and leaders as agents of change in the recovery process.
- Support the reintegration of EVD victims and related persons, as well as local conflict resolution processes.
- Undertake regular reviews of the current state of emergency provisions, including by-laws applied in the Ebola response.
- Consider granting presidential pardon to prison inmates whose cases are related to EVD State of Public Emergency offences.

8. BUILDING NATIONAL SYSTEMS FOR RESILIENCE AND SUSTAINABLE DEVELOPMENT

While EVD has caused huge socio-economic devastation to the country, it has also presented opportunities towards building better institutions for effective service delivery. These include lessons learned from the epidemic as highlighted above. The following sections present some of the strategies needed for taking advantage of these opportunities.

8.1 Building a Resilient Health System

Building a resilient health system will require the following:

- 1. Formulation and implementation of a stand-alone Public Health Master Plan to emphasize the preventive aspect of health care delivery systems.
- 2. Restoration of sanitary officials and inspectors across the country, within the framework of an established, well-capacitated Directorate for Environmental Sanitation and Hygiene that is fully decentralized.
- 3. Promotion of in-country post-graduate medical education to increase professional hours in the medical and health care system.
- 4. Establishment of a centre for the control of infectious diseases that is well staffed and equipped; training of hundreds of specialized doctors, including paediatricians, dermatologists, eye specialists, and tropical disease specialists; and training of a large number of midwives, surgeons, and specialists in non-communicable diseases.

8.2 Community Development, Trust in Public Institutions and Peacebuilding

The community alliances built during the Ebola epidemic will serve as a building block for fostering collective action. The government will encourage broad consultations to fashion an appropriate approach that will include the following: (i) revamping and deepening the devolution process by strengthening decentralized service delivery systems, structures and processes, and empowering the community to foster trust; (ii) expanding coverage of the formal justice system in remote areas; (iii) strengthening chiefdom governance; and (iv) reprioritizing budget allocations for gender/women, vulnerable groups, social protection, youth employment, and social services.

8.3 Establishment of an Integrated National Security and Disaster Management System

An all-encompassing early warning and response system is needed that captures fatal epidemics of this proportion. This calls for the transformation of the 117 telephone hotline initiative utilized in the response phase into a centralized emergency response customer service instrument, within an integrated disaster and security management system that will include health issues, fire, crime, environmental disasters, and so on.

8.4 Strengthening Implementation of Public Sector Reforms

A comprehensive functional review of public sector management was undertaken prior to

the epidemic. It is now imperative to implement the reforms. The Auditor General's reports have revealed weaknesses that need to be addressed. Performance contracts need to be implemented, ensuring that they are accompanied by clear incentives and sanctions. The speed at which the health sectors and basic service delivery systems collapsed under the weight of EVD call for a rebuilding of systems rather than the recovery of particular sectors. The goal is to build robust and inclusive health systems that provide equitable access to safe, essential health services.

8.5 Strengthening Aid Effectiveness through the New Deal and Mutual Accountability Principles

The required reforms in the public sector include scaled-up government efforts at ensuring accountability in aid agencies. There is now a need to uphold and implement aid pacts such as the Mutual Accountability Frameworks and the New Deal, with a focus on the use of country systems. It should be noted that the Fragility Assessment commissioned as part of the New Deal in 2013 confirmed progress towards resilience, but pointed out that there was considerable room to be covered.

8.6 The Role of the Private Sector and Trust

Many businesses were closed down or reduced to minimum operations throughout the EVD period, which had a major impact on the informal sector and the livelihoods of the poor. Hence, in addition to corrective measures such as cash transfers, innovative mechanisms will be required to stimulate the informal sector.

8.7 Dealing with Inequalities, Especially Gender-based

Women are bearing the brunt of the Ebola epidemic, both as caregivers and often as sole providers of livelihoods. The epidemic has made existing inequalities worse. At the same time, the recent deployment of women and youth at the community level offers hope for greater social cohesion, which is essential for peacebuilding.

8.8 Regional Opportunities

A number of regional initiatives are recommended, including the following:

- Joint development of border areas, as stressed in the Cross-border Security Strategy for the Mano River Union adopted by heads of state in October 2013.
- Mano River Union programmes related to livelihoods in remote areas, already outlined in the Mano River Union Strategy for the current three-year period, particularly within the existing Growth Triangles framework.
- The Mano River Union infrastructure initiative.

8.9 Strengthening Economic and Financial Policy Management

Building sustainable systems requires strengthening structural reforms in the following economic and financial policy management areas:

 Strengthening the management of monetary and financial sector policies to maintain low and stable prices, and implementing appropriate supervisory measures to ensure financial stability.

- 2. Enhancing the government's public financial management reform policies, notably through the implementation of the medium-term Public Financial Management Reform Strategy for the period 2015–2017 under the new Public Financial Management Improvement and Consolidation Project funded jointly by the government and the multi-donor budget support partners.
- 3. Establishing project preparation funds as a demand-responsive facility to finance large- and medium-scale project preparation activities necessary to undertake infrastructure projects from identification through to concept design to financial close, including feasibility studies, financial and legal structuring, as well as raising of capital.
- 4. Scaling up budget execution and project monitoring through the appointment of budget monitors in all districts, and strengthening the role of the District Budget Oversight Committees.
- Strengthening national, sectoral, regional and district coordination and monitoring of development programmes.
- 6. Stepping up efforts to diversify the economy and manage natural resources.

9. PRECONDITIONS UNDERPINNING IMMEDIATE RECOVERY EFFORTS

A number of preconditions exist that will underpin recovery efforts.

Reprioritization of budget allocations. While the government's Agenda for Prosperity (A4P) sets out the country's medium- to long-term development agenda, the severity of the impacts of EVD will have altered the country's priorities, particularly in the short term. Furthermore, the contraction of government revenues as a result of the EVD crisis and the demise of iron ore production will have reduced the projected resource envelope. It is therefore important that there be a reprioritization of budget allocations over the forward estimates based on this recovery strategy, and fiscal and debt sustainability. It is also important that expenditures be brought back into the prescribed public financial management processes to reinforce institutional development for accountability, transparency, and value-for-money considerations.

Reintegration of EVD survivors and related persons. The government and partners should ensure that a feasible reintegration programme is implemented in order to reintegrate EVD survivors, health workers, burial teams, and all persons who have worked on the Ebola response into their respective communities, as well as address stigmatization.

Empowering local councils and community institutions. EVD has demonstrated that local councils were ill prepared at the time of the outbreak. In the short term, the government should ensure that essential services such as health, sanitation, education and water are more effectively devolved to local councils.

This will ensure that there is local oversight and accountability in the operation of the sectors.

Communication and security. In the recovery phase, improvements in communication and cooperation between justice and security partners in meeting the immediate needs of the population is crucial for embedding good behavioural health and sanitary practices and adherence to the rule of law. The enhancement of the effectiveness of local security structures — Provincial Security Committees (PROSECs) and District Security Committees (DISECs) — is all the more crucial.

Cross-border collaboration. Ensuring the immediate improvement of cross-border collaboration at the community level will prevent a relapse into crisis. This will include sensitizing border communities and security actors at local levels and engaging local leaders on early warning to prevent the spread of infectious diseases.

Utilizing existing local structures. Strengthening existing local structures is crucial to ensure resilience in the face of the possible re-emergence of the disease or other epidemics in the recovery phase.

Cross-cutting issues. Issues related to gender, women, children and the vulnerable should be at the forefront in the immediate recovery phase. Recovery strategies should pay attention to rekindling responses to traditional killer diseases such as malaria and HIV/AIDS and their victims, a large proportion of whom are also women and children.

Private sector in the immediate recovery. It is important to utilize the existence of the Ebola Private Sector Mobilization Group in the recovery process. In the response phase, this group was very instrumental in engaging nationally and internationally to garner support for rebranding and destigmatizing Sierra Leone and its neighbours. It has made efforts towards ensuring the resumption of air and sea transport operations, attracting investors, and recovering tourism and socio-economic activities.

10. RISK MANAGEMENT

While there is a clear need to initiate urgent recovery efforts, there are a number of risks that could thwart progress:

- The stigma associated with Ebola could persist, and this will delay the return of visitors, investors and normal flight operations.
- Failure to meet the high expectations of a speedy recovery and inequitable distribution of aid could increase tensions and lead to a deterioration in the security situation, thereby undermining recovery initiatives.
- With the reopening of schools, health facilities and other public services, a shortage of skilled human resources and WASH facilities could deter attendance, which may be difficult to retrieve.
- Uncertainty around donor funding availability and timely disbursement will impact the recovery efforts.
- Implementation of recovery programmes will further stretch the capacity of both the public sector system and donor agencies in-country, which could adversely impact community expectations and the roll-out of programmes.
- Importantly, there is a risk of unfunded budget shortfalls, particularly if iron ore production does not resume significantly. Excessive demands on the domestic financial system would result in sharply higher government security yields and debt sustainability issues, as well as further capital flight and depreciation pressures on the currency. These would add to macroeconomic instability, suppressing the recovery efforts.
- If accountability mechanisms and proper processes are not adhered to, there is the risk of reduced donor support and aid pessimism, which will curtail international support.

11. TRANSITION ARRANGEMENTS

During the epidemic, a number of arrangements, systems, assets, and even institutions were set up to respond more effectively to the demands related to controlling and eventually eliminating EVD. These cannot be closed overnight or passed on to existing institutions without a careful analysis of their optimal use and appropriate conditions for further use.

The recovery programme consists of reparation, compensation for the direct effects of the EVD outbreak, as well as indirect actions to correct the anomalies revealed by the epidemic. Not all of these programmes can be accomplished in a short period of time. Some are critical to the successful and permanent control of the virus and must commence now, but will last over a long period. Such is the case for capacity issues, policy reforms, and modification of administrative practices. A classic case in point is decentralization. This cannot be done overnight, but is central to recovery. Work is underway for a comprehensive mapping of such areas, with a view to proposing policy options for the way forward.

There will need to be trade-offs between the adequacy of the recovery efforts and budget constraints. The government proposes that a supplementary budget be introduced into parliament mid-year that will incorporate the recovery programmes into a consistent framework, and the mid-term review of the A4P will be advanced to allow the rapid incorporation of such lessons.

The government greatly acknowledges the enormous contribution of the international community and development partners to the fight against the Ebola epidemic. Huge resources have been committed towards the epidemic

response, technically, financially and materially. However, a key task is the documentation and effective reporting on the external assistance received. As we transition from response to recovery, maintaining a comprehensive information database on this assistance is critical to ensuring that the available assets, including unused financial commitments, are fully determined and managed. This could be leveraged in the recovery process as a complementary source of resources to start the implementation of the recovery strategy.

The transition period will be marked by complex, politically difficult, and time-sensitive decision making. It will require a delicate balance between getting to zero and relaxing restrictions to allow early recovery, as well as clear communication to the public to reassure them of their safety and the availability of services. The Government of Sierra Leone intends to do so with full transparency and extensive dialogue with all segments of the population.

The creation of a New Deal Mutual Accountability Framework will aid this process by holding the government and its development partners accountable for delivery and for the overall success of the strategy.

12. FINANCING AND IMPLEMENTATION

Financing and Fund Management

The cost estimates of Sierra Leone's Ebola Recovery Strategy and expected recovery results are presented in Annex 1, followed by the financing gap in Annex 2 and specific recovery projects in Annex 3. The total cost of implementing the strategy for full recovery for a period of 24 months spanning July 2015 to June 2017 is estimated at US\$1.3 billion, with a financing gap of US\$896.2 million. The financing gap is obtained taking into consideration the government's current commitment towards the recovery and reported donor support estimated at US\$337.2 million.

To ensure effective managing for recovery results, so as to deliver services quickly to the most affected populations, the government has re-prioritized four areas needing utmost attention: i) sustaining the fight against the disease and restoring access to basic health services; ii) getting kids back to school; iii) social protection; and iv) supporting private sector recovery, with special focus on accessing finance and supporting agricultural activities. The government has planned to deliver concrete results in these four areas in the first six to nine month of the strategy implementation. The specific initiatives to be undertaken within this period and cost are presented in Table 3. These are the most desired quick-win/immediate results to which in-country donors have been requested to align their existing resources. These six-to-nine month initiatives have a total cost of US\$306.3 million, with a current financing gap of US\$102.1 million taking into consideration existing government and in-country donor resources towards the rapid results project.

The government will focus the 10 to 24 months on 3 areas to sustain the recovery process: i) water

Table 3: Priority Programmes for Six-to-Nine Month Specific Activities for Rapid Results (US\$)

Programme Areas	Specific/Prioritized Initiatives	Budget	Government	Donor Partners	Gap	Donors and Implementers		
Restoring Basic Health	Infection prevention and control (IPC), triage and isolation	32,700,000	-	32,700,000	-	Donors: DFID; Germany; EU;		
	Integrated disease surveillance and response	6,800,000	-	5,144,897	1,655,103	Irish Aid; JICA; AfDB; World		
	Water and sanitation	9,800,000	-	8,291,524	1,508,476	Bank		
	Reproductive, maternal, newborn and child health	29,600,000	-	29,562,344	37,656	Implementing Agencies:		
	Expanded programme for immunization (EPI)	10,100,000	-	10,100,000	-	UNICEF; IOM; OXFAM; WHO		
	HIV, TB, Malaria	5,570,000	-	3,850,977	1,719,023	ERC; CHAI;		
	Support to EVD survivors	3,700,000	-	1,505,882	2,194,118	GIZ; KfW		
	Improve supply chain and logistics in the health system	18,900,000	3,000,000	15,723,124	176,876			
	Human resources for health	2,700,000	1,000,000	1,700,000	-			
	Sub-total	119,870,000	4,000,000	108,578,749	7,291,251			
Getting Kids to School	Water, sanitation and hygiene in schools	23,800,000	8,400,000	6,044,032	9,355,968	Donors: DFID, Irish Aid		
	Protocol compliance	570,000	-	3,900,000	3,330,000	Implementing		
	Waive school fees	14,200,000	14,200,000	-	-	Implementing Agencies:		
	School feeding	21,700,000	11,000,000	8,500,000	2,200,000	Street Child;		
	Engage students and community	1,900,000	-	1,900,000	-	Plan; IBIS; Save		
	Special needs	6,200,000	-	194,000	6,006,000	the Children;		
	Teachers content-trained	3,600,000	-	-	3,600,000	IRC; Concern;		
	Reduce class overcrowding	5,800,000	5,000,000	-	800,000	UNICEF		
	Sub-total	77,770,000	38,600,000	20,538,032	25,291,968			
Social	Strengthen information system	3,700,000	-	-	3,700,000	Donors: DFID;		
Protection	Provide income support	21,000,000	1,000,000	20,000,000	-	EU; Irish Aid		
	Delivery of assistance package	9,400,000	-	-	9,400,000	Implementing Agencies: NaCSa; World		
	Social protection and support system	2,200,000	100,000	1,428,720	671,280			
	Managing cases	800,000	-	-	800,000	Bank; ACF;		
	Review partner agreements	500,000	-	-	500,000	WFP; other		
	Sub-total	37,600,000	1,100,000	21,428,720	15,071,280	organizations		
Private Sector	Support to replant lowland farms	17,250,000	2,100,000	3,000,000	12,150,000	Donors: World		
	Recapitalize finance institutions	16,500,000	-	-	16,500,000	Bank; AfDB		
	Affordable finance for small and medium-sized enterprises	8,000,000	2,500,000	-	5,500,000	Implementing Agencies: TBD		
	Agricultural processing	100,000	-	-	100,000			
	Feeder roads	22,200,000	-	2,000,000	20,200,000			
	Sub-total	64,050,000	4,600,000	5,000,000	54,450,000	1		
Delivery and Co	ordination of Implementation	7,020,000	-	7,020,000	-	DFID		
TOTAL		306,310,000	48,300,000	162,565,501	102,104,499			

Note/Source: These six-to-nine month initiatives are derived from their corresponding programme areas in Annex 3; financial estimates are obtained from government budget, line ministries, and donor agency submissions.

and sanitation; ii) private sector development; and (iii) providing energy services to support and sustain the recovery (see Annexes 1, 2, and 3). Activities not completed in the first 6 to 9 months will be carried forward into the 10-to-24 month period. And recovery issues for which strategies have been identified above, such as governance and security, reintegration, tourism, and transport, but have not been prioritized for funding here, will be addressed within the normal national budget.

A financing management arrangement (basket/ trust fund) for the prioritized recovery programme will be agreed with government and development partners for the implementation of the strategy. Direct budget support and more debt relief will be part of the financing strategies to be advocated for.

Implementation Arrangement

The Ebola epidemic challenges are highly poverty-driven. Thus, they fall within the framework of Sierra Leone's third generation poverty reduction strategy, the Agenda for Prosperity (2013–2018). In this regard, we shall not reinvent the wheel by planning different arrangements for implementation, monitoring and evaluation of the Ebola Recovery Strategy. However, the existing implementation framework for the A4P will be modified to capture the arrangement for the implementation, monitoring and evaluation of the 24-month recovery strategy.

A joint committee drawn from government, development partners, non-governmental organizations, and civil society shall be constituted to guide and steer the implementation of the recovery strategy for a period of not more than two years commencing June 2015, and this will be aligned with the A4P Pillars

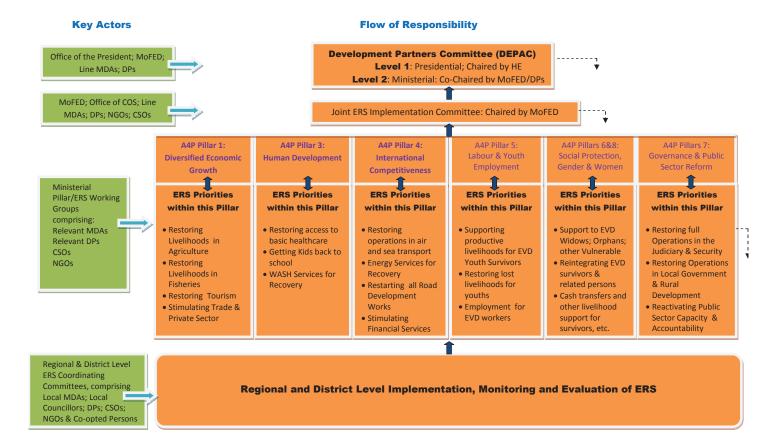
(Figure 2). Below the joint committee are the Ministerial A4P Pillar Working Groups, within which the full Ebola Recovery Strategy will be tracked, monitored, and reported upwards to the joint committee.

The working groups will derive membership from the relevant ministries, departments, agencies, development partners, and non-governmental and civil society organizations. At the regional and district level, there shall be local-level coordination of the implementation of the Ebola Recovery Strategy through sectoral committees drawn from district ministries, departments, agencies, local councils, development partners, non-governmental and civil society organizations, and co-opted members.

The joint committee will review the progress of Ebola Recovery Strategy implementation, and this will inform onward progress discussions at the Ministerial and Presidential Development Partners Committee meetings (membership draws from the Office of the President, Ministry of Finance and Economic Development, line ministries, departments and agencies, and development partners). The recommendations reached at this level will feed downwards to ensure the effective implementation of projects.

As noted earlier, to ensure effective managing for recovery results, so as to deliver services quickly to the most affected populations, the President has emphasized the need to place special focus on 1) scaling up effort to end the disease and restoring access to basic health services; 2) getting kids back to school; 3) social protection; and 4) restoring growth and output through revamping the private sector, in the first six to nine months. To ensure effective and regular reporting to the President on these four priority areas, a Delivery Unit has been set up at State House under the stewardship of the Office of the Chief of Staff. The Ministry of Finance and Economic Development shall

Figure 2: Implementation, Monitoring and Evaluation of Ebola Recovery Strategy Arrangement



coordinate the overall Ebola Recovery Strategy programme for its two-year implementation.

The implementation of the recovery shall be guided by the principles of the Mutual Accountability Framework and the New Deal on aid effectiveness. Finally, a results framework on the delivery of the immediate needs has been prepared and will be embedded in the framework of the A4P (see recovery deliverables in Annex 2).

Annex 1: Financing Requirement and Gap for Eliminating the Disease and Immediate Recovery Needs (US\$ Million)

Programme/Project	Ebola Re	covery	Cost*	Gove	ernme	nt/Doi	nor Cor	nmitm	ent to	Reco	very**	Fir	nancir	ng Ga	р
Areas					Don	nestic			Fo	reign					
	2015 201	6 2017	Total	2015	2016	2017	Total	2015	2016	2017	Total	2015 2	2016 2	2017	Total
				Six-to-	Nine N	∕Ionth	Focus A	reas							
Getting to and maintaining zero infections	146.8 49	4 12.1	208.3	1.5	-	-	1.5	45.0	7.0	-	52.0	100.3	42.4 <i>′</i>	12.1	154.8
Restoring basic access to healthcare	140.1 146	.9 87.0	374.0	4.0	-	-	4.0	64.3	38.3	38.3	140.9	71.8 1	08.6 4	48.7	229.1
Getting kids back to school	95.7 44.	7 17.8	158.2	38.6	-	-	38.6	20.2	14.1	14.1	48.5	36.9	30.6	3.7	71.1
Social protection (women, children and other vulnerable groups)	68.7 28.	0 18.6	115.3	1.1	-	-	1.1	30.8	8.7	3.7	43.2	36.8 1	19.3	14.9	71.0
				10-tc	o-24 M	onth F	ocus Ar	eas							
Water and sanitation	67.6 52.	32.0	151.6	-	-	-	-	8.9	-	-	8.9	58.7 5	2.0	32.0	142.7
Boosting the private sector, including agricultural activities	73.0 42	1 22.0	137.1	4.6	-	-	4.6	5.5	-	-	5.5	62.9 4.	2.1 2	22.0	127.0
Provision of energy services to support recovery efforts	42.6 41.	7 35.0	119.3	-	-	-	-	30.0	-	-	30.0	12.6 4	1.7 3	5.0	89.3
Coordinating implementation, monitoring and evaluation	10.4 6.0	3.0	19.4	-	-	-	-	2.8	2.8	2.8	8.3	7.7 3	.3 (0.3	11.2
Grand Cost Estimates	644.9 410.	8 227.5	1,283.2	49.8	-	-	49.8	207.5	70.9	58.9	337.2	387.7 3	339.9	168.6	896.2

^{*}The Ebola recovery costs were determined by the various sector working groups organized in technical sessions, drawing participants from government and development partners and reviewed by civil society organizations.

^{**}Government commitments are obtained from the government's Medium-term Expenditure Framework for financial years 2015–2017. Donor commitments are obtained from the Medium-term Expenditure Framework programming and donors' and government ministries', departments' and agencies' sector plans.

Annex 2: Expected Recovery Results and Summary of Costs, July 2015 to June 2017

Programme Key Deliverables Areas		Ebo	ola Rec (US\$ N		
		2015	2016	2017	Total
	Priority Areas with Six-to-Nine Month Foo	us			
1. Getting to and maintaining zero infections	1.1 Zero EVD cases recorded (and sustained) 1.2 All 1,264 health facilities adhere to standard infection prevention and control measures	146.8	49.4	12.1	208.3
2. Restoring basic access to health care	2.1 All health facilities used as holding and treatment centres disinfected 2.2 At least 200 health care workers deployed in place of those deceased from the virus 2.3 All 48 peripheral health units closed due to Ebola reactivated 2.4 Institutional deliveries increased by at least 23% 2.5 Children treated for malaria increased by at least 39% 2.6 Child immunization increased by at least 21% 2.7 Family planning visits increased by at least 90% 2.8 Treatment of HIV, TB and malaria restored to at least pre-EVD levels 2.9 Total of 3,500 Ebola survivors provided with free health care services	140.1	146.9	87.0	374.0
3. Getting kids back to school	3.1 All educational institutions used as holding and treatment centres disinfected 3.2 All educational institutions are fully functional 3.3 All educational institutions are equipped with devices for EVD symptom detection and isolation facilities 3.4 Enrolment rates higher than pre-EVD levels, by 2.2% for primary and 3.4% for junior schools 3.5 School fees paid for all schoolchildren attending government schools 3.6 Public examination fees paid for all public schools 3.7 Teachers and guidance counsellors trained on ebola-related issues	95.7	44.7	17.8	158.2

4.1 At least 25,000 extremely poor households including EVD-related persons provided with (women, children, and other vulnerable groups) 4.2 Psychosocial support provided for at least 8,000 orphaned children and at least 900 widows 4.3 At least 130 social workers recruited, trained and deployed nationwide Priority Areas with 10-to-24 Month Focus 5. Water and sanitation 5.1 Water, sanitation, and hygiene (WASH) services are available in the 1,264 health care facilities 5.2 Water supply and management systems in urban centres and small towns improved 5.4 Communities' resilience and contingency systems against EVD and other diseases supported 6. Boosting the private sector, including agricultural activities 6.2 National investment mapping undertaken 6.3 Destigmatization and rebranding communication strategy developed and implemented 6.4 Input and other farming support to at least 100,000 farm families provided 6.5 Community grain reserves established at all agricultural business centres in the country 6.6 Total of 500 km of feeder roads linking farms to markets reconstructed 6.7 The planting of lowland farms is
protection (women, children, and other vulnerable groups) ## April 2 Psychosocial support provided for at least 8,000 orphaned children and at least 900 widows 4.3 At least 130 social workers recruited, trained and deployed nationwide ### Priority Areas with 10-to-24 Month Focus 5. Water and sanitation 5.1 Water, sanitation, and hygiene (WASH) services are available in the 1,264 health care facilities 5.2 Water supply network in the Wester Area is extended and improved 5.3 Water supply and management systems in urban centres and small towns improved 5.4 Communities' resilience and contingency systems against EVD and other diseases supported 6. Boosting the private sector, including agricultural activities 6.1 Small and medium-sized businesses 73.0 42.1 22.0 137.1 6.2 National investment mapping undertaken 6.3 Destigmatization and rebranding communication strategy developed and implemented 6.4 Input and other farming support to at least 100,000 farm families provided 6.5 Community grain reserves established at all agricultural business centres in the country 6.6 Total of 500 km of feeder roads linking farms to markets reconstructed 6.7 The planting of lowland farms is
5. Water and sanitation 5.1 Water, sanitation, and hygiene (WASH) 5.2 Water supply network in the Wester Area is extended and improved 5.3 Water supply and management systems in urban centres and small towns improved 5.4 Communities' resilience and contingency systems against EVD and other diseases supported 6. Boosting the private sector, including agricultural activities 6.3 Destigmatization and rebranding communication strategy developed and implemented 6.4 Input and other farming support to at least 100,000 farm families provided in the country 6.6 Total of 500 km of feeder roads linking farms to markets reconstructed 6.7 The planting of lowland farms is
sanitation services are available in the 1,264 health care facilities 5.2 Water supply network in the Wester Area is extended and improved 5.3 Water supply and management systems in urban centres and small towns improved 5.4 Communities' resilience and contingency systems against EVD and other diseases supported 6. Boosting the private provided with funding 6.2 National investment mapping undertaken 6.3 Destigmatization and rebranding communication strategy developed and implemented 6.4 Input and other farming support to at least 100,000 farm families provided 6.5 Community grain reserves established at all agricultural business centres in the country 6.6 Total of 500 km of feeder roads linking farms to markets reconstructed 6.7 The planting of lowland farms is
the private sector, including 6.2 National investment mapping undertaken 6.3 Destigmatization and rebranding communication strategy developed and implemented 6.4 Input and other farming support to at least 100,000 farm families provided 6.5 Community grain reserves established at all agricultural business centres in the country 6.6 Total of 500 km of feeder roads linking farms to markets reconstructed 6.7 The planting of lowland farms is
undertaken and supported
7. Provision of energy services to support 7.2 All health care facilities provided with recovery efforts 7.3 At least all secondary and tertiary institutions supported with electricity supply 7.4 At least 50 MW of heavy fuel oil generation on the Freetown network provided 7.2 All health care facilities provided 42.6 41.7 35.0 119.3 41.7 35.0 119.3 42.6 41.7 42.6 41.7 4
8. Coordinating implementation, monitoring and evaluation 8.1 Effective and timely delivery of planned 10.4 6.0 3.0 19.4 19.4
Cost estimates 634.5 404.8 224.5 1,283.2

Annex 3: Recovery Projects (US\$ Million)

	2015	2016	2017	Total			
A. Priority Needs with Six-to-Nin	e Month	Focus					
A.1 Getting to and maintaining zero infections							
Scale up quality surveillance and comprehensive contact	30.0	13.0	4.5	47.5			
Scale up infection prevention and control	33.0	12.0	1.0	46.0			
Improve negotiated safe and dignified burials	1.8	0.4	0.3	2.5			
Deepen community engagement and mobilization	38.0	12.0	2.3	52.3			
Increase cross-border collaboration	15.0	3.0	1.0	19.0			
Improve supply of mental and psychosocial support services	19.5	7.0	2.0	28.5			
Improve operational effectiveness	9.5	2.0	1.0	12.5			
Sub-total	146.8	49.4	12.1	208.3			
A.2 Restoring basic health	services						
Make all health care facilities infection prevention and control compliant	14.6	16.1	13.0	43.7			
Strengthen the referral system: ambulance service and establishing three regional hubs	29.0	31.7	20.3	81.0			
Restore implementation of the (revised) basic package of essential health services	68.0	66.0	30.0	164.0			
Restore trust from communities through rebranding of health facilities and community dialogue	2.3	3.1	2.3	7.7			
Provide support to address post-Ebola complications with survivors	0.5	0.5	0.3	1.3			
Strengthen epidemiological surveillance and information management	15.0	18.0	12.0	45.0			
Review and implement appropriate health services guidelines	0.9	0.6	0.6	2.1			
Improve leadership and management, as well as operational efficiency	3.0	0.9	0.8	4.7			
Strengthen communities to take ownership of their own health and demand accountability	5.0	7.0	6.1	18.2			
Strengthen sector coordination	1.8	3.0	1.6	6.3			
Sub-total	140.1	146.9	87.0	374.0			

A.3 Getting kids back to school						
Repair and renovate unsafe classrooms	2.6	1.1	0.9	4.6		
Train educators/teachers/guidance counsellors	1.2	0.4	0.3	1.9		
Provide infrared thermometers to educational institutions	1.5	2.0	1.1	4.5		
Provide computers with Ebola symptom–tracking software and sensors to tertiary institutions	5.0	3.1	2.0	10.1		
Provide training materials and guidelines for all schools	4.9	1.1	1.3	7.3		
Conduct social mobilization campaigns on education	1.2	0.8	0.4	2.4		
Provide teaching/learning materials	8.0	2.0	1.1	11.1		
Expand school feeding programmes for primary schools	16.0	5.7	2.2	23.9		
Waive school fees	14.2	15.2		29.4		
Provide education support for students with special needs	6.2	2.3	2.3	10.8		
Provide solar radios to schools	1.4	0.2	0.1	1.7		
Reduce overcrowding and phase out double-shift schooling	6.7	4.0	2.0	12.7		
Water, sanitation and hygiene (WASH) in schools	23.8	4.4	2.0	30.2		
Provide school health facilities	3.1	2.6	2.1	7.8		
Sub-total	95.7	44.7	17.8	158.2		
A.4 Social protection (women, children and	other vu	ılnerable	groups)			
Provide livelihood support for EVD-affected children, women and people with disabilities	6.0	5.0	1.0	12.0		
Recruit, train and deploy 181 social workers at chiefdom and ward level	2.4	5.0	3.0	10.4		
Provide cash transfers to 150,000 extremely poor households	48.3	2.0	1.3	51.6		
Pyschosocial Support for survivors and family	2.0	3.7	2.3	8.0		
Provide monetary business start-up support for 1,000 youth EVD survivors	0.5	0.5	0.1	1.1		
Food and non-food items for survivors	2.9	3.0	3.0	8.9		
Building community resiliency and coping mechanisms for crises	2.0	3.5	2.9	8.4		
Interim care centre for Ebola orphans	2.6	3.2	3.0	8.8		
Strengthen social protection information system and coordination	2.0	2.1	2.0	6.1		
Sub-total Sub-total	68.7	28.0	18.6	115.2		

Priority Needs with 10-24 M	onth Foc	us		
B.1 Water and Sanita				
Support water, sanitation, and hygiene (WASH) activities related to school re-opening	23.8			23.8
Support community preparedness and contingency systems against EVD and other diseases	1.8	2.0	1.0	4.9
Extend water supply network in the Wester Area	19.0	24.0	10.0	53.0
Scale up water supply and management systems in urban centres and small towns	23.0	26.0	21.0	70.0
Sub-total Sub-total	67.6	52.0	32.0	151.7
B.2 Boosting the Private Sector, Including	g Agricul	tural Act	ivities	
Inject new capital into small and medium-sized businesses through the APEX bank	22.5	15.0	9.7	47.2
Provide capital to the newly established SME Fund to support the growth and development.	5.0	6.0	4.0	15.0
Rehabilitate feeder roads	22.2	5.0	2.0	29.2
Establish community grain reserves at all agricultural business centres in the country	9.0	5.0	1.0	15.0
Image building and investment promotion	3.3	4.1	2.3	9.7
Provide support for planting lowland farms	7.0	4.0	1.0	12.0
Support farmers with inputs to restart farming activities and reopen periodic markets	4.0	3.0	2.0	9.0
Sub-total Sub-total	73.0	42.1	22.0	137.1
B.3 Energy				
Provide electricity to all public health centres and learning facilities	11.0	9.0	9.0	29.0
Provide electricity support to all 149 chiefdoms	10.0	8.0	9.0	27.0
Expand the Barefoot Solar Energy Programme in the rural areas	1.7	3.0	1.7	6.4
Fast-track works on national transmission network	2.9	4.7	3.0	10.6
Repair and upgrade existing thermal plant and provide maintenance	10.0	9.0	8.2	27.2
Provide 50 MW of heavy fuel oil generation to the Freetown network	7.0	8.0	4.1	19.1
Sub-total Sub-total	42.6	41.7	35.0	119.3
Implementation, monitoring and evaluation	10.4	6.0	3.0	19.4
Total	644.9	410.7	227.5	1,283.2
GRAND TOTAL		1,	283.2	