



NEWSLETTER



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Diversification and globalization are the keys to the future - Fujio Mitarai



Cross section of financial and business stakeholders at the Launch

WITH SLEDP SUPPORT, COLLATERAL REGISTRY HAS BEEN UPGRADED AND GONE LIVE

Sierra Leone's innovative Collateral Registry has been upgraded and gone live, with support from the World Bank-funded Sierra Leone Economic Diversification Project (SLEDP). The system, which went live on 13 December 2021, is a financial tool that will allow Small Medium Enterprises (SMEs) to use movable and immovable assets, such as machinery or equipment and land to secure credit facilities.

Sierra Leone's Collateral Registry is hosted by the Bank of Sierra Leone (BSL) and was launched on the 20th December 2021. In attendance were notable figures across the private, public, financial sectors and development partners.

The Collateral Registry is a public web-based database that provides for registration and searches of collateral on a

real-time basis. It allows borrowers to provide collateral for secure lending, while still having possession of the collateral. The lenders will secure their interest and will be able to access their ranking priority in potential claims against particular collateral in the event of a default.

The Collateral Registry allows for one asset to be used as collateral to secure a loan from more than one bank, based on that asset's value. However, the priority to pay on the value of the asset in the event of a default is on a first come first serve basis. The first institution or individual to have registered a particular property is to be settled first in the event of a default.

The Registry now includes immovable assets as well as electronic means of payment for use of the service through mobile money, visa and master cards, and any other electronic payment system currently in use in the country.

The upgrade was undertaken by BSystems Consultancy which have also concluded training on the use of the system for financial

institutions, the Bank of Sierra Leone and other stakeholders.

A laudable step in the right direction. We can now boast of a collateral registry that registers both moveable and immovable assets

— Dr. Walter Gilpin, VP of the Sierra Leone Association of Commercial Banks during the Launch of the Collateral Registry



Bank Governor Professor Kelfala M Kallon giving the key statement during the launch

SLEDP SUPPORTS NATIONAL TOURIST BOARD TO DEVELOP NATIONAL MARKETING AND BRANDING STRATEGY



SLEDP/World Bank staff with the Minister of Tourism

To boost the tourism sector, the Sierra Leone Economic Diversification Project has supported the National Tourist Board to develop the country's first-ever National Marketing and Branding Strategy. The strategy is expected to guide the marketing of tourism for the next 10 years and includes a 5-year action plan with corresponding activities, tactics, targets and budgets. It was formulated through a process of extensive research, fieldwork and stakeholder consultations across the country.

Market research conducted in formulating the strategy has emphasized the major task facing tourism authorities in addressing lasting market perceptions related to past conflicts, disasters and health events. Much needs to be done to establish a fresh destination image of peace, safety, freedom of movement and hospitality filled with marvelous tourism experiences.

The tool addresses key areas such as product development and packaging - following a path of sustainable tourism development, destination pricing, communicating a value-for-money proposition and offsetting perceptions of the destination being "expensive".

It supports competition in the sector, destination promotion, branding and image management - launching and promoting a differentiated positioning and attractive destination brand.

This would counter lingering market perceptions tied to past conflicts, health risks, travel channel and distribution system development following a diversified and targeted business-to-business (B2B) marketing approach and human resources and institutional development.

Spearheading a "whole of government" approach in promoting and delivering tourism amongst other considerations.

The strategy envisions that by 2030, Sierra Leone will rate among the fastest-growing tourism destinations in Africa and the world. The efforts of the government, working hand in hand with the private sector to develop a higher value brand of sustainable tourism, would have paid off. This will result in the country receiving at least 111,000 visitors per annum with 1,600 direct and 3,200 indirect jobs across the tourism value chain and generate US\$93 million in foreign exchange per annum.

Research reveals that tour operators face barriers in increasing visitors to Sierra Leone is because of the low level of consumer awareness about Sierra Leone and the lack of clear branding and consistent marketing that highlights what is special about the country. The risk of marketing, without the focus afforded by a brand strategy, is that the destination brand may be inadvertently damaged instead of built.

An example of this is that for many years, the country's visual identity was tied to diamonds, despite their link to the bloody conflict in Sierra Leone at the end of the previous century.

As part of the deliverables, a visual identity was revealed to participants accompanied by the slogan 'Explore Freedom'.

The explore freedom theme is a concept to explore relaxing on our beaches surrounded by friendly, helpful Sierra Leoneans who enthrall visitors with stories, myths, legends and the way of life. Also, the Official Visitor's Guide and visitor map would be rebranded and redesigned.

There are plans to design a series

of five to ten posters for hanging in NTB and MoCTA offices, foreign affairs missions, airport, other government offices and private establishments to showcase the iconic sites of Sierra Leone.

Developed by Journey and Acorn Tourism Consulting Limited, the strategy targets Intrepid Explorers, Mature Explorers, Outdoor adventure and eco enthusiasts and SAVE travellers – (Scientific, Academic, Volunteer and Education) tourists.

It has been reviewed and validated by key sector players including representatives from the Public Sector - Parliamentary Committee on Tourism, the Gola Forest

Private Sector - Tacugama Chimpanzee Sanctuary, Association of Small Businesses in the tourism sector and civil society - members from the National Hotel Association, amongst others.

The implementation of the marketing strategy will be financed greatly by SLEDP. The Government and other donors who are expected to fill in any gaps.



Sierra Leone's new visual identity and slogan



The General Manager of National Tourist Board Mrs Fatmata Carew



President of the National Hotel Association Mr. Johnny Shallop

"There's absolute need for capacity building as any gains within the sector would be meaningless outside of sustained education of service delivery"

— Minister of Tourism and Cultural Affairs Dr. Memunatu Pratt

ECO SYSTEM MAPPING TOOL FOR SMEs IN SIERRA LEONE

The SLEDP project, consistent with its development objectives, identified the mapping of the SME/start-ups/tech ecosystems across Sierra Leone as a very important component in building a sustainable business ecosystem.

The ecosystem mapping exercise was focused on identifying how companies solve their problems in a variety of sectors, whether in agriculture, finance, green economy, blue economy, women-owned business, medicine and manufacturing and try to understand how they use tech solutions in solving daily business challenges.

The Project together with SMEDA and DSTI collaborated with UNDP and UNCDF to conduct the country's business ecosystem mapping and development of an interactive mapping tool to be used by SMEs across the country.

The findings of the mapping exercise are to be developed into a report that will produce as much information as possible to ecosystem players and support businesses to grow, thus attracting financing and other business-related support.

SLEDP HANDS OVER 3 VEHICLES FOR PROJECT IMPLEMENTATION

To better work with the Technical Implementing Ministries and Agencies (TIMAs), the Government of Sierra Leone and the World Bank-funded Sierra Leone Economic Diversification Project (SLEDP) handed over 3 brand new Toyota 2020 Land Cruiser Prado TX-L vehicles to the Ministry of Tourism and Cultural Affairs, the Ministry of Trade and Industry and the Small and Medium Enterprises Development Agency (SMEDA) respectively on Thursday 28th October 2021 at the Youyi Building.

During the formal handing over of the vehicles, the SLEDP Project Coordinator Mrs Mary Jalloh remarked that the vehicles were provided to support the implementation of project activities and hoped that this would improve on the transportation needs of the institutions.

The Permanent Secretary of the Ministry of Tourism, Mr. Andrew I. Sorie, stated that the presentation of the vehicles was another justification that projects are designed to solve problems and that his Ministry has been

provided with the means to reach out to communities and stakeholders that they work with to get the tourism sector on its feet.

Representatives on behalf of the Ministry of Trade and Industry and SMEDA also expressed appreciation to the Government of Sierra Leone, the World Bank and SLEDP for the support which according to Admin Officer Kudi of SMEDA, is the first of its kind to the Agency.



SLEDP Project Coordinator formally hands over vehicle to SMEDA representative

ECO-FRIENDLY ALTERNATIVE PLASTIC USE IN SIERRA LEONE



Izelia's alternative bags made out of plastics

The Sierra Leone Economic Diversification Project (SLEDP) aims to facilitate investment, SME growth, and entrepreneurship in non-mining productive sectors in Sierra Leone such as tourism. As such, a Problue Project on the Circular Economy in relation to plastics, was designed to assist the achievement of the SLEDP project by creating opportunities for increased circular economy business and addressing risks to tourism and other sectors from plastic waste.

The Project supports national and local government to foster sustainable industrial growth and sustainable tourism by implementing circular economy strategies to curb the use of plastics products in Sierra Leone. So far, the Problue Project has analysed the plastics lifecycle and value chain, identifying main stakeholders through a recent study conducted by a consultancy consortium comprising of Anteja ECG, VDI/VDE-IT and Manocap (Sierra Leone).

It revealed that 87% of waste generated by the tourism sector is made up of plastic waste with a further breakdown as follows; plastic bottles 28%, plastic bags 19%, cutlery 16%, straws 14%, pre-portioned food and sachets 7%, single-use cups 6%. The research provided an assessment of plastic consumption in the tourism sector and identified means of reducing plastic wastage by experimenting with other substitute materials for packaging. According to the report, nineteen

(19) businesses comprising of hotels, restaurants, nightclubs, fish and fruits centres across Lumley Beach, Bureh Beach, River No 2 and Tokeh Beach were interviewed on the use and disposal of various types of plastics.

An Entrepreneurship Discussion workshop was recently held to finalise on several engagement with the private sector on alternative substitutes of plastics in the concerned sectors and turn plastic waste into business opportunities. Several barriers were highlighted including the unavailability of alternatives in the country, high cost of substitute materials, the fear of customer satisfaction reduction, no support from government etc.

A presentation on the demand and ideas from plastic users in the hospitality industry was done by looking at products, alternative material solutions and the complexities of implementing these ideas. Currently, there is no defined market for recycled

plastics as plastic manufacturers in the country process the recycling of their own plastic waste. Domestic entities are therefore advocating for funding to convert recycled plastics into usable items.

One entrepreneur's attempt to support the joint efforts of the SLEDP and World Bank comes from Isatu Harrison of IZELIA, who designs and markets reusable bags made from plastic offcuts and waste material. The reusable bag which can be used for multi-purposes has been selected to be part of a pilot project for the PROBLUE Plastic Leadership Platform. Isatu who is committed to creating a positive socio-economic impact, is focused on changing the mindset of Sierra Leoneans as to how plastic is used and the various alternative sources available.

The Plastic Leadership Platform's objective is to help reduce the problem of plastic pollution while creating new opportunities for alternative products.

MARKET STUDY ON MOVABLE ASSET BASED FINANCING

In a bid to promote a comprehensive financial infrastructure and legislative framework, conducive to sharing of credit information by financial institutions and encourage greater symmetry in the data and information available for Micro Finance Institutions, banks and financial institutions to make credit decisions, the Sierra Leone Diversification Project (SLEDP) supports the Bank of Sierra Leone (BSL) to undertake a Market Study on Movable Asset-based Financing to Small and Medium Enterprises.

The study conducted by Ecorys Consultancy, provides an estimate of the current level of financing to SMEs by financial institutions and non-bank financial institutions in Sierra Leone, against movable collateral. It also contrasts the level of credit extended in Sierra Leone against movable collateral to global benchmarks for the SME sector, as well



SLEDP's SME Development Specialist Saio B Kuyateh

as, compare what is being reported against the Bank of Sierra Leone statistics and filed at the Collateral Registry.

The study analyses the size of the market for financing against movable collateral that can be potentially tapped by financial institutions with suitable products and with the support of enabling infrastructures such as a collateral registry and credit reporting system. It goes further to identify the current

hurdles for financial institutions in accessing this market segment including a review of the steps, procedures and cost of registering a security interest in the collateral registry amongst other objectives.

A stakeholder consultative workshop has been held to showcase the initial findings as to reasons for low uptake of movables financing products in Sierra Leone. It was also to present findings identified as bottlenecks hindering SMEs' access to credit and financial

services and also assessed the use and effectiveness of the 2018 Collateral Registry where banks register movable assets.

A final workshop will be held in 2022 to present final findings to stakeholders with recommendations as to the barriers impeding SMEs from gaining access to credit which is hoped to be a thing of the past.

"In business, every asset creates value"

- SLEDP Project Coordinator

ABOUT THE SIERRA LEONE ECONOMIC DIVERSIFICATION PROJECT (SLEDP)

The Sierra Leone Economic Diversification Project (SLEDP) is a 5 year Project implemented by the Government of Sierra Leone with USD\$ 40 million grant support from the World Bank.

The Project is implemented by the Project Coordinating Unit (PCU) and the Project Fiduciary Management Unit (PFMU) under the Ministry of Finance and the key beneficiaries are the Ministry of Tourism and Cultural Affairs and the Ministry of Trade and Industry.

The Project Development Objective (PDO) is to increase investment and growth of small and medium enterprises in non-mining productive sectors.

The project will do so by:

1. Strengthening the business enabling environment,
2. Facilitating strategic public investments to improve competitiveness and environmental and climate sustainability of new investments,
3. Supporting SMEs and entrepreneurs, and
4. Building the capacity of public institutions and private sector operators.

SLEDP IN PICTURES



Participants at the ProBlue Validation Workshop



THE SLEDP Team

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