**Sierra Leone Economic Diversification Project (SLEDP)**

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**SIERRA LEONE ECONOMIC DIVERSIFICATION PROJECT (SLDEP)**

**MONITORING AND EVALUATION BASELINE REPORT**

**October 2022**

**SUBMITTED BY:**

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# ACRONYMS

|  |  |
| --- | --- |
| DSTI | Directorate of Science, Technology, and Innovation |
| FCC | Freetown City Council |
| FGD | Focus Group Discussion |
| MLHCP | Ministry of Lands, Housing and Country Planning |
| KII | Key Informant Interview |
| MOAF | Ministry of Agriculture and Forestry |
| MOED | Ministry of Economic Development |
| MOF | Ministry of Finance |
| MoGCA | Ministry of Gender and Children Affairs |
| MOT | Ministry of Trade |
| MTCA | Ministry of Tourism and Cultural Affairs |
| MSW | Ministry of Social Welfare |
| NRA | National Revenue Authority |
| OARG | Office of the Administrator and Registrar General |
| PDO | Project Development Objective |
| PWD | Persons with Disabilities |
| SLEDP | Sierra Leone Economic Diversification Project |
| SME | Small and Medium Enterprise |
| SMEDA | Small and Medium Enterprises Development Agency |
| TIN | Taxpayer Identification Number |
| TOR | Terms of Reference |
| WB | World Bank |
| NGO | Non-Governmental Organisation |

# EXECUTIVE SUMMARY

Introduction

This Monitoring and Evaluation Baseline Assessment report presents the key findings and recommendations from independent research conducted by a hired consultant to review and validate baseline figures and targets as set out in the result framework of the Project Appraisal Document (PAD). The assessment was also conducted to generate additional information important for the project team to consider and report throughout the project-implementing period. Additionally, the assessment defined key project indicator terminologies and methodologies for consistent collection of data throughout the project.

Private Sector Investment

* Communities around tourism destination sites are generally poor and income generating opportunities are limited. There is a general lack of entrepreneurial support systems in Sierra Leone. Most of the start-up entrepreneurs who participated in the Focus Group Discussions (FDGs) in the tourist destination sites indicated that they started their ventures with little or no support from investors, government, or Non-Governmental Organisations (NGOs).
* Poor private sector investment in tourism sites is a result of the poor infrastructure, limited access to utilities and lack of access to credit and loans among a myriad of other challenges in the entrepreneurship ecosystem[[1]](#footnote-2).

Legislative and Policy Reforms

* Women in tourism businesses at destination sites are generally less productive which calls for more investments in this area.
* Some of the key laws and regulations that govern requirements for businesses to operate in Sierra Leone are outdated, do not have sufficient clarity, or lack implementing regulations. Examples of laws that should be reviewed include the Freetown Improvement Act which regulates the construction permit process and dates back to the 1960s, the Registration of Instruments Act which governs the execution of the sales agreement and deed registration at the Office of the Administrator and Registrar General’s office last modified in 1964, and dates back to 1906. Additionally, the Companies Act needs to be modified to match current global trends in business development.
* The business-enabling policy and institutional landscape is fragmented, weak and complex. Sierra Leone’s government’s support to businesses is characterised by a plethora of policies, initiatives and strategies, some of which are (in theory at least) active, some of which have lapsed, and some of which are still in draft.
* An unfavourable legislative and policy framework that is essentially gender blind continue to impact negatively on women entrepreneurs and makeit excessively difficult to start and run businesses compared to their male counterparts.

Access to Credit and Loans

* Access to finance is a key constraint inhibiting entrepreneurship growth. Interest rates are typically 20–30 percent, and loans tend to be short-term (maximum two years). For informal enterprises, the options are micro finance, savings, and loan schemes.
* Recent reforms include improved banking supervision (by the Bank of Sierra Leone), through higher capital and reserves requirements, and the setting up by the Bank of Sierra Leone of Credit Reference Bureau and the Collateral Registry.
* Data from BSL shows that there was a significant drop in the number of registered collateral in 2019 with a total of 14 which is far lesser than the 2018 levels (105). This deep slide in the number of registered collaterals may be attributed to the outbreak of the Covid-19 pandemic. As a result of this unwarranted situation, several businesses were affected, reducing their potential to grow or grounded them to halt. In 2020, there was a sharp increase in number of registered collaterals to a tune of 362.

Single Window and SME Solution Centres

* The study noted that there is a limited understanding of business registration processes among the business community, and this invariably affects especially women due to the fact that women lack the required knowledge in Business Registration Processes. General information/sensitization would be needed to enhance and upgrade the participation of women led businesses
* Business registration data revealed a decline in the number of businesses registered from 2018 (3680) to 2021 (1356).
* The general limited information available for potential entrepreneurs, coupled with few entrepreneurship development support systems make the process of starting a viable business tedious. Services are available in different institutions, but accessibility is a challenge especially for female entrepreneurs and Persons with Disabilities (PWDs).

Tourist Destinations

* The number of international visitors in Sierra Leone included 71,193 in 2021, 41,238 in 2020, 71,000 in 2019, 66,000 in 2018 and 59,000 in 2017 respectively.
* There are limited available jobs at the project sites. For example, there are no existing jobs at the sites in Bonthe and Leicester peak. Tacugama, Bureh and River no. 2 beaches however accounts for a limited number of jobs
* The study also revealed that most of the household heads residing in and around the tourist destination sites rely on informal activities as sources of income, with 32% self-employed, 17% running unregistered businesses and 25% involved in other income generating activities such as bike riding, petty trading and fishing while only 7% were in formal employment.
* The main source of income among several families in the project communities is petty trading. Further analysis showed that there were declining household income levels during the Covid-19 pandemic as shown by increased number of people in the income levels, and reduced number of people in high-income levels during covid-19.
* There are currently limited laws or policies that encourage increased participation of women in business.
* Access to credit by women is limited due to lack of collateral, financing, markets, limited access to technology and business management skills, education, and training. FGDs revealed limited diversification of tourism income activities among women entrepreneurs within the tourist destination sites.

Entrepreneurship Training and Coaching

* Opportunities for business training including coaching activities such as hackathons and pitch nights are limited in Sierra Leone despite the existence of several incubators and accelerators. For example, the research reports that the selected entrepreneurial institutions have a zero (0) record of organizing entrepreneurship trainings, hackathons, pith nights etc, though these activities are not new in the ecosystem, yet, they have not been given the required supports especially financially to sustain them
* Business incubation and acceleration under the project is facilitated with support from
* entrepreneurship enterprises; Sensi Hub and Innovation Sierra Leone. During the conduct of t his study, both Sensi Hub and Innovation SL had completed the mapping, identification and selection of beneficiary SMEs and start-ups. Additionally, they had completed diagnostic reports of 60 businesses with crucial baseline cumulative and individual data on volume of sales, employee sizes among others. The diagnostic reports detail key capacity gaps at the onset of the project.

Project Management and Evaluation

* The study found out that project structures were put in place to provide platforms for discussion and to ensure that reforms under the project were effectively supported. It was noted that various project structures were in place involving the government institutions supported by the project at policy and implementation levels. Having established these structures at the onset of the project, it is crucial for regular monitoring to track the relationship through assessing the number of coordination meetings and collaboration platforms that facilitated engagement during project implementation.
* Availability of updated disaggregated data depends on the project’s ability to set up appropriate M&E frameworks including gender sensitive statistics on all project indicators. This includes clearly laid out systems of monitoring entrepreneurship growth, tracking activity implementation and beneficiaries reached.

Recommendations

* The study proposes the initiative promote tourism product marketing and awareness. River #2's arts and crafts and fishing can attract tourism and private investment. SLEDP should enhance private sector participation and financing in these communities.

***Component 1: Business Environment and Capacity Building***

* The project should support the review of appropriate legislations, especially outdated and old laws like the Borrowers and Lenders Act and Building Control Act, which are currently being reviewed, and the Companies Act, which needs significant improvements regarding minority investor protection, among other issues.
* SLEDP should create a platform for women entrepreneurs to routinely discuss with peers, seasoned entrepreneurs, and business experts.This could be done through pitch nights, hackathons and other forms of interactions.
* SLEDP should support Bank of Sierra Leone in developing financial products and programmes for women entrepreneurs to enhance gender mainstreaming.
* Training relevant organizations like OARG and SMEDA on newly automated platforms will be important to ensuring entrepreneurs use e-government services.
* Improper sewage and solid waste disposal continue to diminish the attractiveness of River #2 and Bureh, according to project beneficiaries. The project can involve NTB and Freetown City Council in law enforcement and rubbish disposal. Properly managing liquid waste will contribute to a better environment for tourists.

***Component 2: SMEs and Entrepreneurship***

-SLEDP should address deforestation, sand mining, encroachment on sensitive regions, insufficient sewage and waste disposal systems, and diminishing wildlife populations when upgrading destinations. At Bureh beach, nearby sand mining might cause water pollution. By solving these challenges, SLEDP can prevent coastal damage and revive tourism.

* Once the single window opens, SLEDP should make sure online systems are user-friendly and easy to use , especially for low-literate people like women and PWD (PLWs). Social media, SMS, and radio will be crucial in spreading information about business registration. SLEDP should cooperate with relevant agencies to create incentives for female entrepreneurs to formalize their enterprises, such as fee waivers for first-time registration.
* While visa procedures have been overhauled and Sierra Leone has moved 11 places up the 2020 Africa Visa openness rating, additional improvements are needed to improve airport experience. Managing the interaction between visitors and airport businesses can increase a visitor's airport experience.
* Along with providing grant support to the firms, the project should develop their financial management skills so they can properly manage and account for the cash. The project must also implement a rigorous monitoring mechanism to manage fund usage and reporting and to detect and fix difficulties.
* It will be vital that Ministries, Departments, and Agencies create efficient coordination structures to guarantee that they collectively work toward effectively implementing a business environment reform agenda.

# 1. CHAPTER ONE: INTRODUCTION

## Project Summary

The Sierra Leone Economic Diversification Project (SLEDP) is a five-year World Bank funded project that is implemented by the Government of Sierra Leone. The overall Project Development Objective (PDO) is to increase investment and growth of Small and Medium Enterprises (SMEs) in non-mining productive sectors. The project aims to strengthen the business-enabling environment, facilitate strategic public investments to improve competitiveness and investments, through supporting SMEs and entrepreneurs and building capacity of public institutions and private sector operators. The project is also geared towards setting the pace for economic diversification through promoting investments in overall conditions that can promote investments and firm growth in the business environment while also directly promoting sustainable growth and competitiveness of specific non-mining sectors in the economy. It has three key components.

* Component 1 is Business Environment and Capacity Development, which aims at supporting policy, administrative and regulatory reforms that will facilitate business entry and operations in Sierra Leone.
* Component 2 deals with SMEs and Entrepreneurship’s whose objective is to facilitate SME growth and stimulate entrepreneurship in high growth productive sectors by addressing critical firm level and sector level constraints.
* Component 3 deals with project management and evaluation and is geared towards providing the necessary technical, advisory and financial support for the adequate implementation, management and coordination of project activities.

The project is expected to stimulate an increase in private sector investment including co-investments in SMEs, start-ups, and destination investment as well as boost sales in supported businesses. The project will also increase the number of registered businesses, improve access to land records and construction permits, enable more loans secured by movables, increase tourist numbers and jobs in tourism in targeted destinations.

To achieve these results, this baseline report serves to assess the prevalent conditions in project communities before the start of interventions so that progress made throughout the project could be reliably measured. This baseline survey report can also help to adjust the program’s implementation design to the reality on the ground.

## Objectives of the Study

The overall objectives of the baseline study were to:

1. Review and validate baseline figures and targets as set out in the result framework of the Project Appraisal Document (PAD), which will form the basis for assessing results throughout project implementation.
2. Generate additional information that will be important for the project team to consider and report throughout the project-implementing period.
3. Define key project indicator terminologies and methodologies for consistent collection of data throughout the project.
4. Develop a knowledge base of the project components necessary to track possible changes and needs throughout the project intervention, taking into consideration the pre-Covid, Covid and recovery periods.

# **2. CHAPTER TWO METHODOLOGY & APPROACH**

## Approach to the study

The approach followed a systematic process that was divided into four phases as follows:

Phase 1: Inception Phase –This includes the development of methodologies and data collection tools. During the inception phase, the consultant held a series of meetings with related departments within the PCU and the World Bank Task Team to help understand the assignment. SLEDP’s PCU shared relevant documents with the consultant and supported in reviewing the inception report and data collection tools and worked closely with the consultant in the identification of primary data and secondary data sources based on project indicator needs. The approval of the inception report and data collection tools marked the end of this phase.

Phase 2: Data Collection

This phase included the following:

* Review of relevant reports/documents to obtain secondary data from key institutions as listed above and the collation of key information for project use.
* Administering questionnaires to businesses and households in project communities,
* Administering Key Informant Interview guides to key government institutions including the Ministry of Trade and Industry, Ministry of Tourism and Cultural Affairs, National Tourist Board, Bank of Sierra Leone’s collateral registry, service providers (Sensi Hub and Innovation Sierra Leone), Small and Medium Enterprises Development Agency (SMEDA), the Project Coordination Unit (PCU).
* Conducting mapping of businesses (trade), income, and jobs in project communities
* Conducting FGD to determine the status of business, jobs, access including roads to the communities, livelihood support, and provision of utilities, and opportunities for women business owners / managers in relation to the interventions that focus on them.

Phase 3: Data Analysis and Presentation of Findings

During this phase, findings were analysed and presented in a simplified manner. Data from questionnaire responses were analysed using excel spreadsheets (see annexed). The report presents findings in the form of frequencies and percentages summarized with the aid of charts, tables, and graphs where possible. Qualitative data analysis involved organizing information collated, describing the viewpoints of participants, and explaining the findings in response to the baseline objectives stated above. As much as possible the report presented triangulated results from different data sources.

Phase 4: Consolidation and Finalization

The final phase of the baseline study involves the submission of a draft report to SLEDP for their input and review leading to a final approved version. The assignment will be considered as completed after the final approval of the report by the World Bank.

## Research Design

A mixed methodology that combined both qualitative and quantitative research was employed in gathering data for the baseline study. This included a combination of desk review, Key Informant Interviews (KIIs), Focus Group Discussions (FGDs), mapping of businesses and administration of household income questionnaires in project communities

### 2.2.1 Secondary Data (Desk Review):

This process involved reviewing of the following documents that were crucial in providing key information for the baseline study.

1. Project Appraisal Document (PAD),
2. Reports from the Collateral Registry,
3. Business pulse survey
4. the Technical Assistance Diagnosis and Baseline Data Collection Report produced by Service Providers
5. Tourism and immigration reports from National Tourism Board
6. We Tour 2019 Survey Results -Women Tourism SMEs and MSMEs in Sierra Leone

### 2.2.2 Primary Data

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| *Category of target group* | *Study tool used* | *Respondents/ Targeted Geographical area* | *Number reached* | *Totals* |
| Household income survey questionnaire | Survey for households | Bonthe | 23 | 159 |
| Bureh | 31 |
| Leicester (Community and Peak | 45 |
| River no. 2 | 30 |
| Tacugama (Bathurst and Regent | 30 |
| Businesses located within the tourist destination sites | Mapping of businesses | Bonthe | 13 | 115 |
| Bureh | 7 |
| Leicester (community and peak) | 32 |
| River No.2 | 16 |
| Tacugama (Bathurst and Regent) | 47 |
| Key informant Interviews with government institutions supported by the project | KIIs | SMEDA | 2 | 14 |
| NTB | 2 |
| Sierra Leone Commercial Bank | 2 |
| PCU | 4 |
| Ministry of Trade | 2 |
| OARG | 2 |
| Community women engaged in tourism related businesses | Focus Group Discussion | Bonthe | 10 | 50 |
| Bureh | 10 |
| Leicester (community and peak) | 10 |
| River No.2 | 10 |
| Tacugama (Bathurst and Regent) | 10 |
| SLEDP PCU | KIIs | 4 |  | 4 |
| Service Providers | KIIs | Sensi Hub | 2 | 4 |
| Key Informant Interviews | Innovation Sierra Leone | 2 |
| **Total** | | | | **346** |

Data was collected from 5 project sites (River #2, Bonthe, Tacugama, Leicester and Bureh) instead of 6 sites as initially planned. This was due to the fact that the sixth site (Kent and banana island combined) was yet to be finalized. Once this is done, additional baseline data will be collected and reported

## Primary Data Collection Tools

### 2.3.1. Household Tourism Related Income Tracking Survey

A household Income questionnaire was designed to track and ascertain the income status of community people residing in project community areas. The aim was to capture baseline information on the income status of the beneficiaries prior to project intervention so that changes can be measured against the baseline at midterm and endline surveys. This is in recognition of the fact that the project intends to influence the income status of the beneficiary communities from tourism related activities in both short and long term. The income survey also identified the tourism related and non-tourism related income-generating activities that beneficiary communities were engaged in. Additionally, it determined variances in total monthly household income before Covid 19 (2017-2019), during COVID-19 (2020) and the recovery period (2021). Productive and household assets currently owned by households were identified and key challenges affecting the ability of households to increase their income generating capacities were listed per household. 159 Questionnaires were administered in the five project communities (Bonthe, River no. 2, Bureh, Leicester and Tacugama)

### 2.3.2. Mapping of Tourism Related Businesses

A mapping of tourism related businesses was conducted in the project communities to identify existing businesses and investments before the project intervention. This was aimed at developing a database that can be used as a baseline against which increased investment or businesses can be measured during and after project implementation. The database also recorded the registration status of the businesses, number of employees and listed the challenges each business cited as affecting expansion efforts.

### 2.3.3 Key Informant Interviews (KII)

Key informant interviews targeted the PCU, and key government institutions supported by the SLEDP project. Guiding questions were specific to key indicators that are relevant to each institution to define the baseline information. The institutions also supported new initiatives that would contribute to SLEDP’s results. Additionally, the institutions provided relevant documents that were reviewed as part of the data gathering process. At least two individuals per institution participated in the discussion, thus ensuring complementarity and objectivity. The following institutions were interviewed.

* SMEDA
* PCU
* National Tourist Board
* Office of the Administrator and Registrar General
* Innovation Sierra Leone
* Sensi Innovation Hub
* Bank of Sierra Leone Collateral Registry

Corporate Affairs Commission officials were not available for interviews. However, they provided key documents that informed the study.

### 2.3.4 Focus Group Discussions (FGDs)

FGDs were administered to businesswomen located in the project communities. Discussions were focussed on issues relating to project indicators that are women related. Key discussion points were related to verifying the specific challenges women face in registering and running tourism related businesses considering the pre-Covid, Covid and recovery period. Additionally, the discussions also focused on income, access to market and sales during the three periods listed above. Finally, to ascertain the perceptions of women concerning project initiatives, and whether any additional initiatives might be necessary to complement SLEDP towards the achievement of project outcomes.

### 2.4. Training of Enumerators on Data Collection and Reporting

A training of enumerators and pretesting of tools preceded the data collection phase. This activity that lasted for two days to ensure that the tools were accurate and that the enumerators understood the questions . The following topics were discussed during the training

* Brief overview of the Project and Project rationale
* Role of enumerators
* Introduction to Kobo Collect tool[[2]](#footnote-3)
* Conducting an income tracking survey
* Conducting a tourism business mapping
* Administering a FGD and note taking
* Ethical issues
* Safeguards issues
* Feedback

The training included question-by-question translation into the local language (Krio for Western Area and Mende for Bonthe) and a pre-test that enabled the consultant and the M&E Specialist to refine the questions to ensure that enumerators and respondents understood the questions clearly. The Household questionnaires and mapping of businesses were administered using online digital platform, called KoboCollect. This enabled the supervisor and consultant to regularly monitor data and ensure an error free process. Regular updates were provided by the enumerators through a WhatsApp group established for that purpose, which also included the PCU M&E Specialist. The survey was monitored by SLEDP and directly supervised by the Monitoring and Evaluation Specialist.

## Limitations of the Study

The following were the key limitations associated of the study.

1. Interviews scheduled with state institutions took much longer than was initially anticipated because of delays in securing appointments. Sometimes appointments were severally postponed due to other engaging issues from the ministries and Agencies. However, SLEDP supported greatly in facilitating this process.
2. Lack of available data that is appropriately disaggregated at the respective TIMAs made it difficult to provide baseline information and status before project implementation for some indicators.
3. The fuel crisis hindered the process: due to the fuel crisis in the country, enumerators could not complete the task in a timely manner. Data collection was postponed severally which contributed to the delay in submitting the draft report.

# 3. CHAPTER THREE: PRESENTATION AND ANALYSIS OF FINDINGS

## Project Development Objective Indicators

***PDO Indicator One: Amount of private sector investment leveraged through project activities, including co-investments in and from SMEs and start-ups supported by the project and investments in upgraded destinations (Amount –‘000’ (USD)) cumulative***

A business mapping was conducted within the project sites to understand the level of investment before project implementation. The study thus identified informal and formal enterprises including ownership, registration status, employment levels and key challenges faced by the entrepreneurs located within the project sites.

#### **Ownership**

A mapping of private businesses operating in the beneficiary tourist destination sites found 115 start up and small tourism related businesses owned by female and male entrepreneurs. Generally, the study found that there were no disparities in ownership of the businesses because male and female owned businesses were recorded cumulatively at 49% each with 2% co-owned by a male and a female.

Disaggregated by project site however, gender disparities were noted as women enterprises were grossly underrepresented in Bureh and oversubscribed in Bonthe. The table below summarises the data by project site and gender.

|  |  |  |  |
| --- | --- | --- | --- |
| Project site | % of male owned enterprises | % of female owned enterprises | % of enterprises co-owned by male and female |
| Leicester | 53.1% | 43.75% | 3.1% |
| Bonthe | 7.6% | 92.4% | 0 |
| River #2 | 50% | 43% | 7% |
| Tacugama | 53.1% | 46.9% | 0 |
| Bureh | 71% | 29% | 0 |

#### **Registration Status**

The most common business registration entity in the target communities is the District and municipal Councils. 85% (98 of 115) of the businesses indicated that they registered with the councils and only 10% reported having registered with Corporate Registry and Office of the Administrator General. The reason stated includes proximity of the councils to their localities.

However, though women and men participate in income generating activities, it was ascertained that women owned businesses were much smaller and less productive. Data from the business mapping in project sites revealed that only 22.8% (13 of 57) of the female businesses as opposed to 58.9% (33 of 56) of the male owned businesses had paid employees in their businesses. 71.7% (33 of 46) businesses that had paid employees were male owned businesses while 28.3% were female owned, thereby, presenting a gender gap of 43.4%. 91.3% (105 of 115) of the businesses identified in the tourist destination cites were at start-up phase with less than five paid employees.

**Type of Employment**

Across the board, investments with more than five employees were associated with entertainment and accommodation related businesses such as bars and clubs, restaurants, guesthouses, and resorts. Other businesses identified were retail shops, transport, cookery shops, boutiques, arts and crafts centres, salons and barbing centres, car wash centres, money transfer and mobile cash centres, and cosmetic shops among others. (See attached annex of identified businesses by community).

**General Issues related to Entrepreneurship within tourism destination sites**

* There is a general lack of entrepreneurial support systems. Almost all start-up entrepreneurs who participated in the FGDs in the tourist destination sites indicated that they started their ventures with little or no support from investors, government or NGOs.
* Several businesses are listed as cooperatives, family ventures or partnerships earning only enough to support daily consumption and household needs with no savings made.
* Inaccessibility to basic services such as financial institutions, police stations and hospitals. For instance, River #2 does not have any banking hall within its radius and surrounding. The closest banks (Bank of Sierra Leone and United Bank of Africa) are located approximately 10miles away. This is not only a challenge for businesses and households but also for tourists. This is even worse for Bureh Community, as banking facilities are found in Waterloo located approximately 30 miles from the Bureh Community.
* Poor private sector investment in project communities is a result of the poor infrastructure, limited access to utilities and lack of access to credit and loans among a myriad of other challenges in the entrepreneurship ecosystem[[3]](#footnote-4).
* There is an anticipated growth in business by communities because of the upgrading of the tourist destination cites likely to attract both internal and external tourists with a possibility of boosting sales for businesses. The influx of construction workers and other service providers is also expected to attract customers and boost income for the local economy.

***PDO Indicator Two: Average percent increase in gross sales by firms supported by the project – Cumulative***

***Sub Indicator: Average percentage increase in gross sales by women-owned/managed firms supported by the project (%).***

**SMEs and Start-ups**

Baseline information for 60 SMEs and start-ups supported by the project was obtained from the Business diagnostic assessment reports 2021 produced by the two service providers i.e. Sensi Hub and Innovation Sierra Leone. Each one of these service providers supports thirty (30) businesses with acceleration and incubation activities.

*Data for Cohort 1 support by Innovation Sierra Leone*

|  |  |
| --- | --- |
| **Indicator** | **Baseline Data (2021)** |
| Total number of employees | 348 |
| Male employees | 68% (235) |
| Female employees | 32% (113) |
| Gender of business owners | 50% (15) male; 50% (15) female |
| Cumulative Gross Sales | Le2,178,079.92 |
| Average cumulative gross sales | Le72,602.66 |

*Data for Cohort 1 support by Sensi Hub*

|  |  |
| --- | --- |
| Indicator | Baseline Data (2021) |
| Total number of employees | 170 |
| Male employees | 85 |
| Female employees | 85 |
| Gender of business owners | 55% (16) male and 45% (13) female |
| Cumulative Gross Sales | Le4,912,000.00 |
| Average cumulative gross sales | Le169,3799.31 |

## Component 1: Business Environment and Capacity Building

***Intermediate Results Indicator Three: Improvement in the overall business enabling environment, as measured by selected Ease of Doing Business Scores***

### Following the end of the production of the Doing Business Report by World Bank, it is no longer expedient to retain this indicator in the project’s Results Framework. However, the project requires systematic ways of measuring the progress of reforms supported by Component 1 of the project. Therefore, the key findings relating to legislative and policy reforms are highlighted below:

### Legislative and Policy Reform

Some of the key laws and regulations that govern requirements for businesses to operate in Sierra Leone are either outdated, do not have sufficient clarity, or lack implementing regulations. For instance, the Freetown Improvement Act, which regulates the construction permit process dates to the 1960s. Similarly, the Registration of Instruments Act, which governs the execution of the sales agreement and deed registration at the Office of the Administrator and Registrar General (OARG) was last modified in 1964, and dates to 1906. However, there is an extensive list of business legislations that has been enacted over the last twelve years. In addition, there is a draft legislation waiting in the wings that includes a draft Fisheries Bill. While some important laws - such as the Borrowers and Lenders Act and Building Control Act - are currently being reviewed or re-drafted, for other pieces of legislation the process has not yet started. One of them is theCompanies Act, which now lacks key elements of a modern insolvency and secured-transactions framework and could be significantly improved when it comes to the protection of minority investors.

The business-policy and institutional landscape is fragmented, weak and complex. Sierra Leone’s government’s support to businesses is characterised by a plethora of policies, initiatives, and strategies, some of which are (in theory at least) active, some of which have lapsed, and some of which are still in draft[[4]](#footnote-5). The business policy and environment is characterised by institutions with overlapping mandates, roles and responsibilities. For example, there are multiple registrations by state institutions with Office of the Administrator and Registrar General (OARG), Small and Medium Enterprises Development Agencies (SMEDA), Councils and some Ministries Departments and Agencies(MDAs) keeping databases of Small and Medium Enterprises (SMEs). Additionally, the business policy environment is characterised by failures to prioritise and sequence reforms effectively, resulting in thinly spread human and financial resources and incomplete reforms. There is limited coordination between the large number of government ministries and agencies involved with private sector development/business environment and in many of them, there is only a handful of people with real capacity, particularly at the mid-level. During the study, OARG, Ministry of Tourism, National Tourist Board (NTB), and SMEDA highlighted shortage of key technical experts as one of the major challenges affecting their ability to effectively support entrepreneurs. The Economist Intelligence Unit risk ratings classify Sierra Leone as having severe risk indicators relating to government effectiveness (82/100) and legal and regulatory risk (68/100). Sierra Leone scores particularly poorly on measures of government effectiveness, falling in the bottom 10th percentile in the Worldwide Governance Indicator.

An unfavourable legislative and policy framework that is essentially gender blind continues to negatively affect women entrepreneurs and make it excessively difficult to start and run businesses compared to their male counterparts. The study found no existing gender mainstreaming policies or strategies at institutions that are supporting business development in Sierra Leone. Therefore, processes such as business licensing, property registration and acquiring permits were found tedious, more time consuming and expensive for businesses, especially women entrepreneurs. Similarly, diversity and inclusion strategies that would ensure access to services for people with disabilities were also found non-existent. Therefore, the development of strong communication strategies targeted at these groups will be needed so that information about the changes being implemented reaches these groups. The review of the SME policy and strategy that was developed in 2014 may present an opportunity for SLEDP to facilitate inclusivity and diversity.

The Investment Promotion Act 2004[[5]](#footnote-6) offers incentives to foreign investors including the ability to repatriate profits and capital without restriction, the ability for companies to carry forward losses indefinitely and customs exemptions for expatriate workers. Its objective is to provide the legal, economic, and financial framework for investment in Sierra Leone and to provide incentives for investors who contribute substantially to the realisation of the major objectives of the national development plans and programmes in Sierra Leone. The Sierra Leone Investment and Export Promotion Agency (SLIEPA) is responsible for the implementation of the provisions of the IPA as enshrined in the Sierra Leone Investment and Export Promotion Agency Act (2007). There is need to harmonise the IPA 2004, the SLIEPA 2007 with other legislations creating investment friendly climate in Sierra Leone. This could be done by replacing the IPA and SLIEPA Act with a single legislation.

The research also noted that the legal framework regulating trade and industry in Sierra Leone is constituted of Acts and Degrees that date back nearly sixty years ago, presenting an urgent need for review and introduction of new legislation. Specifically the Price Tag Order (1956), the Non-Citizen Trade and Business Act (1969), the Cooperative Societies Act (1949, amended in 1977), the Sierra Leone Export Development and Investment Decree (1993) are examples of outdated laws and decrees.

* + 1. Business Registration

Thus, a baseline of the number of procedures, time and cost are collected and presented as below.

Business Registration Procedures as of 31 December 2021

|  |  |  |  |
| --- | --- | --- | --- |
| **#** | **List of Procedures** | **Time (days) per procedure** | **Cost (number)** |
| **I** | **Ease of doing business indicator: Starting a business** | | |
| 1. | Name search | 1 | 0 |
| 2. | Registration with Corporate Affairs Commission | 3 | Le250 |
| 3. | Payment of Registration fees to CAC (through Sierra Leone Commercial Bank) | 1 | 0 (No payment of registration at the Bank) |
| 4. | Registering employees with social security | 1 | 0 (No cost for registering |Employees) |
| 5. | Company seal | 2 | Le50 |
| Total: 5 procedures | | 8 | Le300 |
| **II** | **Ease of doing business indicator: Dealing with Construction Permits** | | |
| 1. | Hire a licensed surveyor to visit the property and prepare the survey plan | 20 | Le1,000 |
| 2. | Licensed surveyor submits the survey plan to Ministry of lands | 1 | 0 ( No cost ) |
| 3. | Obtain results of soil test report | 30 | USD4,750 |
| 4. | Receive countersignature of the Director of Surveys and Lands on the Survey Plan | 14 | 0( No Cost) |
| 5. | Register the survey plan with the Lands Registry | 1 | Le10 |
| 6. | Submit the building permit application to the Office of the Chief Building Inspector | 1 | 0 ( No Cost) |
| 7. | Receive inspection from the Ward Building Inspector to verify the land survey | 1 | 0 ( No Cost) |
| 8. | Receive signed certificate and pay fees to NRA Desk | 4 | Le2,970 |
| 9. | Obtain building permit | 14 | 0 ( No Cost) |
| 10. | File notice of commencement of construction | 1 | 0 ( No Cost) |
| 11. | Receive inspection of completion of structure | 1 | 0 ( No Cost) |
| 12. | Receive inspection when roof has been covered | 1 | 0 ( No Cost) |
| 13. | File a notice of completion with Ministry of Works and request final inspection | 14 | 0 ( No Cost) |
| 14. | Receive final inspection from Ministry of Works | 1[[6]](#footnote-7) | 0 ( No Cost) |
| 15. | Purchase and submit application form for Guma Valley Water Company for water connection | 1 | Le10 |
| 16. | Receive inspections from water authorities | 1 | 0 ( No Cost) |
| 17. | Pay and connect to water | 90 | Le900 |
| Total: 17 procedures | | 182 | USD 4,750  Le 4,890 |

Sources: *World Bank 2020 Ease of Doing Business Report; Corporate Registry Office and Ministry of Works*

Company registration procedures for most times are done manually at CAC offices. Payments are done through the CAC cashier, mobile money transfer or wire transfer. Once a certificate of incorporation is issued by CAC, prospective businesses can register their employees with the National Social Security Insurance Trust (NASSIT). Though company seal was outlawed with the amendment of the Companies Act (2014), it is in practice still being done. While improvements have been noted, particularly in reduced cost and time, many businesses in Sierra Leone are not registered, thus calling for robust action to increase the uptake of business registration.

For the year 2021, the study established that 2,644 sole proprietors and 594 partnerships were registered from January to December by OARG and the total revenue generated was Le606,568,205.00.

The study found that 17 procedures involving 182 days costing were involved in obtaining construction permits. A majority of the business people interviewed demonstrated lack of understanding of procedures involved in obtaining construction permits while a few who understood some processes raised concern over the bureaucratic processes and considered the process rather expensive.

***Intermediate Results Indicator Four: Number of new businesses registered using single window or SME centers implemented by the project. Cumulative***

***Sub indicator: Number of new businesses that are women-owned or managed that registered using single window or SME centers implemented by the project. Cumulative***

Intermediate Results Indicator Two and its sub-indicator were not measured because the single window and/ or SME centres were yet to be established during the study period. Therefore, no information is available to serve as baseline for this indicator.

***Intermediate Results Indicator Five: Number of new loans secured by movables (as registered by the Collateral Registry, cumulative***

***Sub-Indicator: Number of new loans secured by movables for women owned or managed firms, cumulative***

### Access to Loans and Credit

Access to finance is identified as the most difficult factor for doing business in the 2015–16 Global Competitiveness Report. Almost, all small and medium-sized local firms interviewed identified access to finance as a key constraint. Interest rates are typically 20–30 percent, and loans tend to be short-term (maximum two years). For informal enterprises, the available options are micro finance and savings and loan schemes.

**Underlying reasons for high interest rates and limited access to finance**

1. High rates of default (12–20 percent) associated with high percentages of non-performing loans;
2. Problems with enforcing contracts through the courts.
3. A small-scale banking sector with high operating costs.
4. Limited credit worthy information and low levels of financial literacy among the business people
5. Limited availability of loan products enabling use of non-land collateral (such as equipment or stock).

Recent reforms, however, include improved banking supervision (by the Bank of Sierra Leone), through higher capital and reserve requirements, and the setting up by the Bank of Sierra Leone of Credit Reference Bureau and the Collateral Registry.

The Bank of Sierra Leone under the Borrowers and Lenders Act 2014 set up the Collateral Registry. It enables lenders to register all forms of mortgages and charges, which use movable (personal) property as collateral. The registry enables lenders to register their interests in an asset, and the Act provides for the prioritisation of competing interests. This has the potential to open the increased use of non-land assets as collateral, and thus to enhance access to finance in Sierra Leone, especially for small businesses. This may be particularly important for women, who are less likely than their male counterparts to have access to land to use as collateral for loans but may have stock or machinery that could be used to secure loans through instruments such as pledges or leases. Banks such as Ecobank are beginning to use movable property as security through products including leasing.

Data from BSL shows that there was a significant drop in the number of registered collateral in 2019 with a total of 14 which is far lesser than the 2018 levels (105). This deep slide in the number of registered collaterals may be attributed to the outbreak of the Covid-19 pandemic. As a result of this unwarranted situation, several businesses were affected, reducing their potential to grow or grounded them completely. In 2020, however, there was a sharp increase in number of registered collaterals to a tune of 362.

The table below presents baseline data from 2017 to 2021 on the number of collaterals registered from 2017 to 2021.

Table 1: Number of Collaterals Registered from 2017 to 2022

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  |  | **2017** | **2018** | **2019** | **2020** | **2021** |
| 1 | Accounts receivable / Other rights to payment | 4 | 2 | 0 | 5 | 0 |
| 2 | All assets | 9 | 0 | 0 | 8 | 2 |
| 3 | Consumer / Household goods | 43 | 0 | 1 | 3 | 0 |
| 4 | Deposit Accounts | 2 | 0 | 0 | 12 | 1 |
| 5 | Documents of title / Negotiable Instruments | 3 | 0 | 0 | 7 | 0 |
| 6 | Electronics (Television, Refrigerator, Projector) | 30 | 0 | 1 | 7 | 0 |
| 7 | Equipment | 75 | 0 | 5 | 23 | 0 |
| 8 | Farm products | 5 | 0 | 0 | 0 | 0 |
| 9 | Fixtures | 5 | 0 | 0 | 0 | 0 |
| 10 | Intellectual property | 0 | 0 | 0 | 9 | 0 |
| 11 | Inventory | 41 | 86 | 0 | 66 | 13 |
| 12 | Mobile Home | 4 | 0 | 0 | 0 | 0 |
| 13 | Money | 0 | 0 | 0 | 150 | 41 |
| 14 | Motor cycle | 1 | 0 | 0 | 0 | 0 |
| 15 | Motor vehicle | 104 | 15 | 6 | 39 | 13 |
| 16 | Plants and Machinery | 84 | 1 | 1 | 26 | 1 |
| 17 | Securities | 0 | 0 | 0 | 7 | 0 |
| 18 | Trailer | 2 | 1 | 0 | 0 | 0 |
|  | **Total** | **412** | **105** | **14** | **362** | **71** |

*Source: Collateral Registry – Bank of Sierra Leone*

The table below presents data for searches on the collateral registry website from 2017 to 2021. The data shows increased searches from 62 in 2017 to 51 in 2019, 459 in 2020 and 787 in 2022.

Table 2: Number of Search Reports Generated from the Collateral Registry (2017 to date)

|  |  |
| --- | --- |
| **YEAR** | **AMOUNT** |
| 2017 | 62 |
| 2018 | 87 |
| 2019 | 51 |
| 2020 | 459 |
| 2021 | 787 |
| **Total** | **1,446** |

***Intermediate Results Indicator Six: Number of reforms implemented as a result of training and/or policy reviews undertaken (cumulative)***

### Institutional Capacity

**National Tourist Board**

The National Tourist Board of Sierra Leone is a Semi-Autonomous Body enacted by the Tourism Development Act (No.11 of 1990) with a general mandate of developing all aspects of the tourist industry in Sierra Leone, marketing and promoting Sierra Leone as a unique and attractive travel destination. Literature review and key informant interviews identified the following as key institutional capacity issues:

1. The lack of qualified and trained tourism professionals in the country is one of the most significant obstacles to the recruitment of qualified technical person thus negatively impacting on quality service delivery.
   1. Lack of budget to implement policies and programmes
2. NTB lacks national coverage because it does not have regional offices. It is only based in Freetown.
3. Limited office furniture, Information Technology equipment and office consumables.
4. Lack of capacity development opportunities and staff exposure to international training and exposure visits.

**Ministry of Tourism and Cultural Affairs (MTA)**

Ministry of Tourism and Cultural Affairs is the government ministry with a constitutional mandate of promoting, developing and preserving tourism and cultural activities in Sierra Leone. The study noted the following key issues relating to institutional capacity in relation to the Ministry of Tourism and Cultural Affairs.

1. Ministry of Tourism and Cultural Affairs, faces significant technical capacity challenges in providing adequate tourism related information nationally and internationally, especially via the Internet. A significant proportion of global and domestic markets are not well informed about Sierra Leone's tourism offerings.
2. The Ministry of Tourist and Cultural Affairs has limited qualified technical personnel especially in the tourism and cultural Divisions. Very few technical staff have professional degrees in tourism management or a related field. This affects its performance.
3. The Ministry does not have sufficient financial support due to low national budget allocation. It lacks adequate office furnishings, office space and equipment. This has severely undermined the Ministry's smooth and efficient operation.
4. The Ministry lacks strategy, planning, and leadership trainings. Before SLEDP, Staff were not exposed to study excursions to nations with sophisticated tourism management to boost productivity and efficiency.

**Office of the Administrator and Registrar General**

The General Registration Ordinance (Cap 255)[[7]](#footnote-8) created the OARG. It "administers and registers entities including business registration, land transactions, industrial property, marriages, and estates of deceased persons" and hosts the Trademarks and Patent Office, which registers intellectual property except copyright[[8]](#footnote-9). Key institutional capacity issues include

1. Manpower shortage which hinders service delivery. This is worsened by limited capacity development opportunities and little staff exposure to international best practices.
2. Financial constraints - The government's budgetary allotment to the office is meagre, thereby limiting their operations.
3. Limited office furniture and equipment including photocopiers, printers and personal computers.
4. Centralisation of work - Decentralization hasn't been effective since provincial offices lack appropriate financial and human resources to run effectively. Also, OARG has three regional offices in Bo, Bombali and Kenema and is yet to establish an office in North-western Region.
5. Limited technical capacity in information technology to run digital and online comprehensive business registration and database. This is a major constraint on implementing any digital registration platform.
6. The officers attached to the OARG (NRA, Sierra Leone Commercial Bank) are limited. For example, the commercial Bank and NRA have one staff each at the OARG which makes the registration process cumbersome and time consuming.

**Small and Medium Enterprise Development Agency (SMEDA)**

SMEDA is a government agency with overall responsible for coordinating SMEs activities in Sierra Leone established under the SMEDA Act No.11 of 2016[[9]](#footnote-10). Highlighted below are key institutional capacity issues related to SMEDA, that were noted during the study:

1. SMEDA has limited capacity to relate with entrepreneurship training institutions This has limited its capacity to link up entrepreneurs to capacity development opportunities and to work with training institutions to design tailor made curriculum for specific groups of entrepreneurs.
2. Additionally, SMEDA has limited platforms of interaction with entrepreneurs thus affecting its capacity to deliver on its mandate, for instance linking up entrepreneurs to capacity development, marketing and credit opportunities.
3. Limited exposure to trainings and international capacity development opportunities by SMEDA staff thereby reducing their capacity to design and conduct online training and capacity development programme for entrepreneurs.
4. Low budget allocation resulted in inadequate office furniture and equipment including personal computers, photocopiers and printers; as well as consumables such as stationery.
5. SMEDA is yet to design and implement gender mainstreaming initiatives. Both the SMEDA Act and the Policy do not make provision for gender mainstreaming. This has not generally influenced more women led businesses

**Ministry of Trade and Industry**

The Ministry of Trade and Industry is responsible for developing policies and programmes to stimulate local and export trade as well as to enhance private sector investment, industrial and economic growth. The ministry is also responsible for overseeing and facilitating the liberalisation of trade in Sierra Leone, encouraging the development of cooperatives and supporting SMEs. The following issues pertaining to institutional capacity of the Ministry of Trade and Industry were noted during this study:

1. There is currently a shortage of skills in key posts in the Ministry, specifically the professional fields relating to Trade, Industry and Cooperatives.
2. There are limited opportunities for training and personal development, and very slim chances of staff undergoing some overseas training and learning from advanced countries. Most of the staff have ever attended any job-related training course and this affects quality service delivery.
3. Shortage of office space in Freetown has resulted in some officers working in overcrowded offices. For instance, the Registry Section responsible for filing is housed in a small office. Outside Freetown, some staff are working in temporary accommodation. However, the survey team found that one vehicle has been provided to the Ministry of Trade by SLEDP to facilitate their work.
4. Though the SLEDP project has provided a face lift in the conference room of the Ministry by providing tables, laptops, desktops and other office furniture and equipment, yet there are other offices that still lack such facilities, thus, hampering their efficiency..

## Component 2: SMEs and Entrepreneurship

***Intermediate Results Indicator Seven: Number of business owners visiting SME Solution Centers (SMESC)***

***Sub-Indicator: Number of business owners visiting SME Solution Centers per month who are women***

### Single Window and SME Solution Centres

The Single Window and SME Solution Centres were yet to be set up during the conduct of this baseline. The study noted limited understanding of business registration processes among prospective entrepreneurs, and this invariably affects women. Other notable challenges with experienced currently during business registration, that SLEDP may address are as follows:

* The issuance of TIN (Tax Identification Number)- The issuance of TIN is being done at NRA Head office and not by NRA officials attached to the OARG. The back and forth of entrepreneurs from NRA office and OARG makes business registration cumbersome and time consuming. However, the study ascertained that there were ongoing negotiations between NRA and OARG to allow NRA officers attached at OARG to issue out TIN to clients. These processes can also be supported by SLEDP.
* Inadequate Banking staff - At the time of this study, the commercial Bank attached to the OARG had only one staff. This affects the registration process because some clients wait for long to make payments.

However, given that the Single Window and SME Solution Centres are initiatives to improve business registration and access to information, statistics on businesses registered annually in 2018, 2019, 2020 and 2021 provided baseline data as indicated in the chart below.

Figure 1: Businesses Registered by the Office of Administrator and Registrar General

*Source: Office of Administrator and Registrar General*

Business registration data revealed a steady decline in the number of businesses registered from 2018 (3680) to 2021 (1356).

The study noted key issues and challenges facing SMEs and Start-ups especially women owned businesses that solution centres might contribute towards addressing. The general limited information available for potential entrepreneurs, coupled with few entrepreneurship development support systems makes the process of starting a viable business tedious. Services are available in different institutions, and this makes accessibility a challenge especially for female entrepreneurs and Persons with Disabilities (PWDs). For instance, there are currently no spaces for entrepreneurs to interact and get information on available trainings, marketing opportunities, credit facilities and business events. Moving forward, it will be critical for the project to evaluate occurring changes because of the single window and one-stop shop especially in the following areas;

1. Availability of business information in the one-stop-shop and this should include information about business procedures, licenses and permits. This means connectivity across institutions through an online and physical platform.
2. The ability of interested entrepreneurs to register businesses and apply for licenses in a single place.
3. Ability of entrepreneurs to get online construction permits through an Online Construction System (web portal and mobile application)

***Intermediate Results Indicator Eight: Number of destinations upgraded - Cumulative***

### Tourist Destinations

Sierra Leone Economic Diversification project targeted tourist destination sites are to be supported through strategic tourism public goods including rebranding and infrastructure development. Beneficiary communities like River Number 2, Tacugama, Leicester Peak, Bureh beach, Bonthe Island, Kent and Banana Island. The selection of these destination sites was strategic, based on a rigorous assessment exercise conducted by the World Bank at the onset of the project[[10]](#footnote-11). River #2, Leicester Peak, Tacugama and Bureh Beaches are strategically located in the Western Peninsula while Bonthe is located in the southern region of Sierra Leone.

***Intermediate Results Indicator Nine: Number of new jobs created as a direct result of activities undertaken in component 2 of the project. Cumulative***

***Sub-Indicator: Number of new jobs for women created as a direct result of activities undertaken in component 2 of the project. Cumulative***

At project design, SLEDP assumes that in each of these communities, the project beneficiaries will get increased income following the proposed infrastructural developments and investments. This study conducted a household (HH) income survey that reached 159 households; and a business mapping exercise that engaged 115 entrepreneurs located in the five destination sites to determine household income levels and identify existing enterprises located in the sites.

As stated above, 159 households in the respective communities were engaged through the HH income survey, the breakdown is listed below

Table 3: Respondents by Project Location

|  |  |  |
| --- | --- | --- |
| Community | Respondents | Percentage |
| Bonthe Island | 23 | 14% |
| Bureh | 31 | 20% |
| Leicester Peak & Community | 45 | 28% |
| River #2 | 30 | 19% |
| Tacugama | 30 | 19% |

The disaggregation of the respondents by sex for the household survey shows 52% females and 48% males. Average household composition among the 159 households was found at 6, which is equivalent to the average Sierra Leonean household size estimated in 2018 by the Sierra Leone Integrated Household Survey Report[[11]](#footnote-12). Bonthe community members have larger household sizes at an average of nine, followed by River #2 at 7 and Bureh at 6; while Tacugama and Leicester households are much smaller at an average size of 5 each. Poverty levels are high in the target communities as illustrated by household income levels. Further revealing the vulnerability of the population, the study found that education levels are low among the population residing within the tourist destination sites with only 11.25% having completed university education and 10% vocational training respectively as revealed in the income survey results. Almost a quarter of the respondents (22.5%) had attained Junior Secondary education, 22.5% Senior Secondary, 12.5% primary education while 21.5% had no education. These literacy statistics are almost aligned with the national statistics according to Sierra Leone’s 2015 Census Report. National statistics indicates that post-secondary level education completion rate is at 6%, senior secondary education completion rate is at 20%, junior secondary completion rate at 23% and basic education (pre-primary and primary level) at 49%[[12]](#footnote-13).

The study also revealed that most of the household heads residing in and around the targeted tourist destination sites rely on informal activities, with 39% self-employed, 21% running unregistered businesses and 14% involved in other income generating activities such as bike riding, petty trading and fishing while only 7% were in formal employment. ( See disaggregation by sites on Pg 30)

Findings show that a majority of the household heads in River #2 (77%),Tacugama 50%) relied on self-employment, 44% in Bonthe raised income through unregistered enterprises. The chart below shows the data disaggregated by location.

The study also confirmed that households within the targeted destinations rely on tourism related activities for income as revealed by 70% of the income survey respondents. In particular, the table below summarizes the activities the households are engaged in and whether they are tourism related or not.

Table 4: Household sources of Income

|  |  |  |
| --- | --- | --- |
| Household sources of income | % engaged in the activity – tourism related | % engaged in activity but not tourism related |
| Petty trading | 16% | 3% |
| Art and craft | 2% | 0.62% |
| Fishing | 8% | 2% |
| Stone mining | 0.62% | 2% |
| Sand mining | 0 | 0.62% |
| House rent | 1.25% | 0 |
| Bike riding | 2% | 0 |
| Commercial driving | 1.25% | 0 |
| Boat riding | 3% | 0 |

**Household income in pre Covid, during Covid and recovery periods**

The study also revealed that the main source of income among several families in the project communities is petty trading. Further analysis showed that there were declining household income levels during the Covid-19 pandemic as shown by increased number of people in the income levels, and reduced number of people in high-income levels during covid-19. During Covid-19, the number of households earning le600 to le1,000 (New Leones) per month increased from 26 (16%) to 49 (30%) and those earning le100 to le500 (NL) from 32 (20%) to 52 (33%) respectively per month. Similarly, the number of people earning between le3,100 and 5,000 (NL) and those earning le5,100 (NL) and above reduced during Covid 19, and similar trends were witnessed for those earning between le1,100 and le2,500. (NL). Cumulatively, the number of people earning above le1,100 to 5,100 (NL) and above declined by 26% from 102 (63%) to 59 (37%), further revealing the negative impact of the pandemic on household income levels.

Figure 2: Estimated household income before (2019), during (2020) and after (2021) Covid-19

The chart below shows estimated household income disaggregated by project site.

**Ownership of Assets**

Asset ownership revealed existence of extreme poverty in the project communities. According to this survey, ownership of assets is mostly confined to houses (62%), land (39%), livestock (11%) and an information and communication asset such as cell phone, television or computer (11%). Ownership of plantation trees for economic purposes was found at 7%, transportation asset (e.g., vehicle or motorbike) at 7% and agricultural equipment at 2%.

**Household Shocks**

The baseline study indicates that communities are vulnerable to economic and social related shocks that have impacted negatively on their businesses. Thus, households reached were asked whether they had experienced any economic or social situation that have impacted negatively on their ability to raise income. 35% of respondents indicated that they had bad returns from their business investment, 19% said that an earning household member got ill or died during this period, 18% said that a household member lost a job within the past 12 months. Other factors that negatively impacted on households' ability to raise income include death or illness of a household member, bad harvest, low sales, poor light facilities, water system and poor refuse disposal facilities. Women running food related businesses including small restaurants and vegetable markets indicated that their activities are frequently disturbed by the intermittent light supply and the curfew that was imposed on movement by the government during the height of the covid pandemic. In general, women in business also cited the following in FGDs as impacting negatively on their businesses.

* Women were overburdened with responsibilities that relate to the running of the households, thereby making it difficult for them to continuously devote time on income generation activities
* There are limited opportunities to access credit and loans for business expansion
* Visitors reduced drastically from the onset of Covid-19 thus reducing the clientele base (cited by 40%).
* Transportation costs are worsened by the poor road network and lack of vehicles to transport their goods from one point to another

Guesthouses/hotels reported that there was a massive drop in reservations during the covid-19. The nationwide curfews and restrictions on crowds also affected nightclubs and bars who had to reduce their operating hours leading to substantive loses. 75% of the respondents believed that investment in tourism is key to improve the development of the country. However, they noted that key attention must be paid to improving the road network, provision of financial support to local entrepreneurs in the tourism sector and making the beach attractive.

Literature review of key documents (see footnote) and discussions with the Ministry of Tourism and Cultural Affairs; and the Tourist Board using the KII guide revealed that a poor regulatory environment, an outdated tourism master plan, poor institutional capacity, lack of adequate budget, inadequate infrastructure, poor maintenance of touristic sites, and corruption are some of the challenges that are hardly hitting the tourism sector[[13]](#footnote-14). According to NTB, the regulatory framework of the tourism industry is obsolete, weak and does not reflect modern trends[[14]](#footnote-15). The Ministry of Tourism and Culture is governed by a regulations such as the Tourism Development Act No. 11 of 1990. The Act does not account for contemporary concerns such as mainstreaming gender equality, digitalization of tourism processes, climate change mitigation, human capital development, and institutional development. However, the MoTCA indicated its current thrust towards the reviewing of the Tourism Development Act into an integrated National Tourism and Cultural Act. The National tourism policy (2017) and National Ecotourism Policy (2017) provides that the tourism sector, through NTB seeks to attract 20,000 international and 30,000 domestic ecotourism visits by 2025. At the time of this study, several changes were noted as having been influenced by the drive for reform in the sector, including from the SLEDP project. Reforms in the tourism sector included provision of visas on arrival, upgrading of the airport infrastructure, expansion of arrival facilities, and improvement of security.

Discussions with women entrepreneurs and NTB revealed that the tourism sector offers opportunities for women entrepreneurs, but the benefits are not automatic. Gender related constraints to women’s entrepreneurship in tourism persists and includes discriminatory laws, societal and cultural constraints, constraints related to business regulation that make it difficult for women to start or run tourism businesses. Limited access to credit due to the lack of immovable assets, financing, markets, access to technology and a general lack of business skills, education and training are among the key challenges that hinder women in business (World Bank survey, 2022)[[15]](#footnote-16).

FGDs revealed that women entrepreneurs within the destination sites are found involved in small restaurants and bars, handcraft, and petty trading. Moving into other sectors like agriculture as part of the supply chains could offer a promising alternative. Women tourism entrepreneurs are generally concentrated in less productive low paying activities with limited growth. It was revealed that women generally find it difficult to grow their businesses from small to medium sized or large businesses. This is worsened by a general gender-blind business legal environment, which negatively impacts women’s entrepreneurship.

***Intermediate Results Indicator Ten: Number of international visitors to the country ( per year).***

### Information on international visitors

Sierra Leone’s tourism sector was hard hit by the Ebola virus in 2014 and 2015 resulting in drastic falls in the number of international visitors to the country. However, Sierra Leone has made remarkable progress until the Covid-19 pandemic also hit the sector hard. Below are the number of international tourist visitors over the past 6 years preceding the implementation of SLEDP.

Figure 3: International Visitors 2012 to 2020

*Source: World Bank (2022) International Tourism, numbers[[16]](#footnote-17)*

Sierra Leone tourism spending for 2018 was US$39,000,000.00 like 2017. In 2017 there was a 4.88% decline from the 2016 tourism spending of US$41,00,000.00 which represented a 10.81% increase from 2015’s US$37,000,000.00. Kindly note that there are some inconsistencies in the methodology used, because it does not currently follow international standards. The chart below presents the statistics diagrammatically.

Figure 4: Sierra Leone Tourism Spending (2015 to 2018)

*Source: World Bank Development Indicators*

In 2018, the revenue from tourism amounts to 39.00 million USD, accounting for 0.95 percent of the gross national product and reflecting that each visitor spends an average of US$591 for his/her holiday in Sierra Leone. This accounts for 1% of all international tourism receipts in West Africa.

The table below summarizes the number of tourists, receipts, and percentage of Gross National Product from the tourism sector from 2017 to 2019.

Table 5: Tourism Receipts from 2017 to 2021

|  |  |  |  |
| --- | --- | --- | --- |
| Year | Number of tourists | Receipts (million $US) | Receipt per tourist (us$) |
| 2021 | 71,193 | 28.03 | 394 |
| 2020 | 41,238 | 15.36 | 373 |
| 2019 | 71,000 | 25.40 | 354 |
| 2018 | 66,000 | 39.00 | 591 |
| 2017 | 59,000 | 39.00 | 661 |

*Source: World Bank Data*

***Intermediate Results Indicator Eleven: Number of entrepreneurs that aachieve first sales. Cumulative***

***Sub indicator: Number of entrepreneurs who are women supported by the project that achieve first sales. Cumulative***

Data obtained from Sensi Hub and Innovation Sierra Leone shows that twenty six start businesses were refistered in this first cohort. Out of this figure, only seven (7) start-up businesses have not registered sales The remaining nineteen (19) start-ups businesses have registered sales , though these sales were registered before they were incorporated into SLEDP activities. Out of the seven businesses that have not registered first sales, , only two (2) are female owned/managed.

***Intermediate Results Indicator Twelve: Number of new entrepreneurs who participated in hackathons, trainings, pitch nights and other activities organized by entrepreneurship institutions supported by the project. Cumulative***

### Entrepreneurship Training and Coaching Opportunities

Entrepreneurship training institutions working with the project are Milton Margai College of Education and Technology (Milton Margai), the Institute of Public Administration and Management (IPAM) and Limkokwing University. These institutions offer diploma and first-degree courses in Tourism and Hospitality Management programmes. These institutions have been providing a human resource base for smaller training institutions and for the tourism sector. However, concerns have been raised over the limited qualified and trained staff, inadequate facilities and tools, uncoordinated and misaligned curriculums. During the baseline study, no data was obtained on the trainings, pitch nights and hackathons facilitated by the institutions. However, it is anticipated that under the project, and through collaborating with Sensi Hub and Innovation Sierra Leone, these institutions will engage in several of such activities. Thus, progress is anticipated to be measured considering the following:

1. Number of trainings, pitch nights and hackathons organised for project SMEs and start-ups.
2. Number of entrepreneurs (disaggregated by gender) who participated in trainings, pitch nights and hackathons supported by the project.

SMEDA and SLEPA have over the years been involved in the provision of short-term training programmes. However, the opportunities are limited because of challenges associated with resources, logistics as well as limited capacities of the service providers. Apart from the traditional workshops and trainings, enterprise institutions are anticipating to organise and run hackathons, pitch nights and several other activities supported by the project.

## Component 3: Project Management and Evaluation

***Intermediate Results Indicator Fifteen: Number of Private Public Dialogue consultations held for project activities***

***Intermediate Results Indicator Sixteen: Percentage of reported grievances actually addressed within a specified period of time***

### Project Coordination

The study found out that project structures were put in place to provide platforms of implementation and to ensure that reforms under the project were effectively supported. It was noted that various project structures were in place involving the government institutions supported by the project at policy and implementation levels. Having established these structures at the onset of the project, it is crucial for regular monitoring to track the relationship through assessing the number of coordination meetings and collaboration platforms that facilitated engagement during project implementation.

The study found that a committee composed by the National Doing Business Coordinator (Ministry of Trade and Industry) and a set of the Reform Champions have led the business reform communication strategy belonging to the line ministries responsible for the areas of business regulation. Identifying and strengthening such committees with the necessary resources and expertise will be necessary to help achieve their mandate of supporting the nation’s investment climate reform programs and performing its functions (i.e., strategy, prioritization, implementation monitoring, tracking progress, collecting inputs, and feedback from stakeholders).

Even with these initial structures and gains by the project, however, progress can be assessed through the achievement, review and enforcement of the following;

1. Project meetings conducted regularly at all levels, minutes recorded, and action points followed up.
2. Communication strategy and materials developed and appropriately disseminated with key considerations made on literacy levels and disabilities.
3. Development and implementation of grievance and complaints redress mechanisms and safeguard policies.

***Intermediate Results Indicator Seventeen: Percentage of beneficiaries reporting satisfaction with project activities***

Gauging the levels of satisfaction of project beneficiaries during project implementation is critical to the success of a project. It presents a clear picture of the relationship between the project coordination team and the beneficiaries. It also provides the feedback that will help to improve the services and support to the beneficiaries. The study therefore ascertained that a beneficiary satisfaction survey has been conducted in 2021 by the Monitoring and Evaluation Specialist, to assess the level of satisfaction in terms of coordination and supports received from the PCU. The finding revealed that 100% of beneficiaries were satisfied with the overall support and coordination of project activities so far.

### Monitoring and Evaluation

The study also ascertained that monitoring and evaluation mechanisms and structures had been put in place for the regular assessment of the project activities. For example, an updated M&E results framework, M&E plan, indicator definition, reporting templates are all in place. However, availability of updated disaggregated data depends on the project’s ability to set up appropriate systems including gender sensitive statistics on all project indicators. This includes clearly laid out systems of monitoring entrepreneurship growth, tracking activity implementation and beneficiaries reached. Thus, the following can be key milestones to consider in assessing progress made:

1. Project Baseline Study
2. Mid-term and endline evaluation
3. Regularly updated project data disaggregated appropriately for project indicators.
4. Beneficiary data base for all businesses working with the project

# CHAPTER FOUR: INDICATORS- DEFINITION, BASELINE VALUES AND TARGETS

This chapter provides the baseline values per indicator and provides key suggestions on

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Indicator as defined in the result framework** | | **Proposed indicator** | | **Unit of**  **Measure** | | **Definition of key terms** | **Comments** | **Baseline**  **(2020)** | | **End Target** | | **Periodicity**  **(when)** | **Data Source/Collection Methods/** | **Frequency** |
| **Project Development Indicators** | | | | | | | | | | | | | | |
| **Indicator One**: Amount of private sector investment leveraged through project activities, including co-investments in and from project start-ups and SMEs and investments in upgraded destinations (Amount –‘000’ (USD)) cumulative | | Amount (Amount –‘000’ (USD)) of private sector investment leveraged through project activities (cumulative). | Amount (USD) | | **Investment leveraged**: includes all investments that are attributable to the project. These investments include the interventions under components one and two:   * Investments accessed through secured lending (Collateral Registry). * Investments attracted into the upgraded tourist destination sites and other investments as result of the project’s interventions in improving the investment environment for tourism. * Investments made by SMEs as part of matching grants contributions and additional investments leveraged as result of project’s intervention (technical assistance for accessing finance and leveraging facility).a | | The ‘co-investments in and from project start-ups and SMEs and investments in upgraded destinations’ have been included as part of the project activities and are thefore included into the new indicator. | 0 | 6,000,000 | | 2025 (year 5) | | PCU-M&E  Survey, collateral registry, incubators and accelerators’ reports, Ministry of Tourism | Annual |
| **Indicator Two**: Average percent increase in gross sales by firms supported by the project **–** Cumulative | | Retain | Percentage | | **Average percent increase** means the average rate of growth that is measured in percentages as referred to the firms that the project will be working with.  **Gross sales** refer to the grand total of all sales of a company within a given period without any deductions like returns or allowances. This project aims to support the selected firms in increasing their gross sales to an average of 15 %. The project will work with selected businesses to increase the total sales of their businesses that were supported through the implementation of the project.  **Firms** for this project refer to the SMEs and start-ups that are supported through different activities **Formula:** The standard formula to calculate average % gross sales is by subtracting the baseline sales from final year’s sales. This would result in the absolute increase/decrease in amounts of sales, then divide this value by the baseline value and multiply by 100%. | | No changes proposed to the indicator | 0 | 15% | | 2025 (year 5) | | M&E Survey, Reports from activities-PCU, incubators and accelerators’ reports | Annual |
| **Sub Indicator:** Average percentage increase in gross sales by women-owned/managed firms supported by the project (%). | | Retain | Percentage | | **Women owned/ women managed** refers to all businesses or companies (SME & start-up) supported by the project that are owned or managed by women. | | No changes proposed to this indicator | 0 | 15% | | 2025 (year 5) | | Survey Reports from activities-PCU, incubators and accelerators’ reports | Annual |
| **Component 1: Business Environment and Capacity Building** | | | | | | | | | | | | |  |  |
| ***Intermediate Results Indicator Two:*** Number of new businesses registered using single window or SME centers implemented by the project. Cumulative | | Number of new businesses registered using single window implemented by the project. Cumulative | Number | | New businesses registered, refer to all businesses that are recorded through the One Stop Shop for Business Services (OSSBS).  Single window refers to one entrance platform either physically or digitally that will fast track the registration and automation processes of businesses and handles all data related to the such businesses. This figure will be cumulative and disaggregated by sex | | The indicator was subdivided to separate the single window from the SME centres because they are separate entities. The indicator was moved to component 2 which is related to SMEs and start-ups. | 0 | 2500 | | 2025 (year 5) | | PCU  M&E /Project Activity Records, SME-SC,, OBRS | Annual |
| ***Sub indicator***: Number of new businesses that are women-owned or managed that registered using single window or SME centers implemented by the project. Cumulative | | ***Sub indicator***: Percent of new businesses that are women-owned or managed that registered using single window implemented by the project. Cumulative | Percent | | **Women owned:** women owned / managed businesses refer to businesses that are managed or owned by women that are registered through the single window. This is cumulative | | As above | 0 | 30% | | 2025 (year 5) | | PCU  M&E /Project Activity Records,SME-SC,single OBRS | Annual |
| ***Intermediate Results Indicator Three***: Reduction in Days to Obtain Construction Permit (days) | | Retain | Days | | **Obtaining construction permit** means the actual number of days that are involved in getting construction permit excluding electricity and water connections | | There are no changes proposed to this indicator | 182 | 142 | | 2025 (year 5) | | PCU reports, Ministry of Lands, Housing and Country Planning | Annual |
| ***Intermediate Results Indicator Five***: Number of new loans secured by movables as registered by the Collateral Registry, cumulative | | Retain | Number | | ***New* loans** mean monies that are given out to businesses/companies/individuals that are registered with the collateral registry in exchange for future repayment of the **loan** value amount with interest  **Movable assets** refer to everything that can be transported from one place to another, including: vehicles, motor bikes, electronic devices, jewellery, books, timber etc. These assets do not include houses, apartments, or land.  **Collateral registry** refers to a web-based system that is based at the Bank of Sierra Leone which allows lenders to search for any prior security interests, as well as establish their security interests using movable assets provided as collateral. | | There were no changes proposed to this indicator | 412 | 2000 | | 2025 (year 5) | | Collateral Registry-PCU | Annual |
| ***Sub-Indicator***: Number of new loans secured by movables for women owned or managed firms, cumulative | | Percentage of women owned or managed firms that secured new loans by movables | Percentage | | Same definition as above | | It is recommended that the indicator be measured in percentage | 45 | 500 | | 2025 (year 5) | | Collateral Registry-PCU | Annual |
| ***Intermediate Results Indicator Six***: Number of reforms implemented as a result of training and/or policy reviews undertaken (cumulative) | | Retain | Number | | **Reforms**: changes made into an improved version of the existing laws of Sierra Leone  **Trainings** refer to all processes of learning or being conditioned to something new. This includes all capacity building activities like site visits, coaching  **Policy review** means the evaluation or change that takes place on an existing law to have an improved version. | | No changes were proposed to this indicator | 0 | 7 | | 2025 (year 5) | | PCU Records | Annual |
| **Component 2: SMEs and entrepreneurs** | | | | | | | | | | | | |  |  |
| ***Intermediate Results Indicator Seven***: | | Number of new businesses registered using SME Solution Centres implemented by the project. Cumulative  **(Proposed)** | Number | | **New businesses registered,** refer to all businesses that are recorded as using the SME Solution Centres.  **Solution Centres** refers to a physical incubation style building which provides business development services, access to market information, and access to finance, all under one roof. | | New proposed indicator | 0 | 200 | | 2025 (year 5) | | SMESC- PCU | Annual |
| ***Sub Indicator*** | | ***Sub indicator***: Percent of new businesses that are women-owned or managed that are registered using SME Solution Centres implemented by the project. Cumulative  (**Proposed**) | Percent | | **Women owned:** women owned / managed businesses refer to businesses that are managed or owned by women that are registered through the Solution Centres. This is cumulative | | New proposed sub-indicator | 0 | 30% | | 2025 (year 5) | | SMESC- PCU | Annual |
| ***Intermediate Results Indicator Eight***: Number of business owners visiting SME Solution Centres **(SMESC)** per month | | Retain | Number | | **Business owners** mean people who are in control of the operational and monetary aspects of any business.  **Visiting** means accessing the building physically /online for business development services. Each access to any business service including, marketing, bookkeeping, procurement, customer relationship etc. is counted separately, thereby not double counting  [**SME Solution Centres**](https://www.lawinsider.com/dictionary/sme-solution-centers)**,** - as defined above | | No changes proposed to this indicator | 0 | 150 | | 2025 (year 5) | | SME Solution Centers records, Incubators and Accelerators Reports PCU | Annual |
| ***Sub-Indicator:*** Number of business owners visiting SME Solution Centers per month who are women | | Percent of business owners visiting SME solution centres who are women | percent | | Same as above | | No changes proposed to this indicator | 0 | 50 | | 2025 (year 5) | | SME Solution Centers records, Incubators and Accelerators Reports PCU | Annual |
| ***Intermediate Results Indicator Nine***: Number of destinations upgraded. cumulative | | Retain | Number | | Destinations upgraded means provision of improved facilities at the selected project sites. Facilities include energy efficient lighting and energy provision (grid hook-ups where possible or solar energy), waste management (including material recycling to serve local industries with recovered metals, glass, plastics and paper) drainage, water supply, signage, interpretation, parking (including solar carports), and walkways, as well as related training and capacity building activities to make the investments operational. These destination sites include Tacugama,, Leicester peak, river number two, Bureh beach and Bonthe. Kent and banana island (to be finalized) | | No changes proposed to this indicator | 0 | 6 | | 2025 (year 5) | | Ministry of Tourism-PCU Records | Annual |
| ***Intermediate Results Indicator Ten***: Number of new jobs created as a direct result of activities undertaken in component 2 of the project. Cumulative | | Retain | Number | | **New jobs** mean all jobs (**temporal and permanent, formal, and informal)** that will be created by the project activities including service providers, start-ups, SMEs ,upgraded sites etc as indicated in component 2 including upgraded destinations and support to SME centres, SMEs and start ups | | No changes proposed to this indicator | 0 | 600 | | 2025 (year 5) | | Destination reports-PCU | Annual |
| ***Sub-Indicator***: Number of new jobs for women created as a direct result of activities undertaken in component 2 of the project. Cumulative | | Percent of new jobs created for women as a direct result of activities undertaken in component 2 of the project. Cumulative | Number | | Same definition as above. | | It is recommended that the indicator be measured in percentage | 0 | 180 | | 2025 (year 5) | | Destination reports-PCU | Annual |
| ***Intermediate Results Indicator Eleven***: Number of international visitors to the country ( per year). | | Retain | Number | | **International visitors** mean those (people) whose countries of residence are different from Sierra Leone. They include Sierra Leonean nationals residing permanently abroad or tourists who come to Sierra Leone on business or vacation and who spends more than one night in private or hotel accommodation | | No changes proposed to this indicator | 41,238 | 100,000 | | 2024(year 4) | | Immigration data - PCU | Annual |
| ***Intermediate Results Indicator Twelve***: Number of entrepreneurs that achieve first sales. Cumulative | | Retain | Number | | **Entrepreneurs** means businesses (start-up) with innovation, goods and services that will be supported by the project  **First sales** mean the first purchase, lease, transfer, or distribution of any product, that is uniquely ascribed to a business (start-up) that is supported by SLEDP. | | No changes are proposed to this indicator | 0 | 40 | | 2025 (year 5) | | Incubators and accelerators’ reorts, r-PCU | Annual |
| ***Sub indicator*:** Number of new entrepreneurs who are women supported by the project that achieve first sales. Cumulative | | Percent of new entrepreneurs who are women supported by the project that achieve first sales. Cumulative | Number | | Same as above | | No changes are proposed to this sub-indicator | 0 | 15 | | 2025 (year 5) | | Incubators and accelerators’ reportsPCU | Annual |
| ***Intermediate Results Indicator Thirteen*:** Number of new entrepreneurs who participated in hackathons, trainings, pitch nights and other activities organized by entrepreneurship institutions supported by the project. Cumulative | | Retain | Number | | **New entrepreneurs** mean new businesses (start-ups/SMEs) with innovation, goods and services that will be supported by the project  **hackathons** refer to events that last from one day to one week that are organized by selected entrepreneurship institutions wherein programmers, entrepreneurs, students come together over a short period of time to share ideas on products. The idea mis for each developer to work and share freely ideas and experiences as they relate to any of the product.  **Trainings** mean all processes of learning or being conditioned to something new. This includes all capacity building activities like site visits, coaching  **pitch nights** refer to events where entrepreneurs will attend to provide holistic view of their business to a larger entrepreneurship community. The events provide the opportunity to present investment ready businesses to a wider business community.  **Entrepreneurship institutions are** described as institutions who put effort into establishing and reorganizing structures to exploit economic opportunities that are not feasible within the status quo. They train students into thinking strategically and innovating ideas and activities that will contribute to a productive ecosystem. | | No changes are proposed to this indicator. The original target was 250. We propose to increase to 300 | 0 | 300  (100 entrepreneurs per activity) | | 2024 (year 5) | | Tertiary institutions and emerging incubators, g reports- PCU records | Annual |
| **Sub-Indicator**: Number of new women entrepreneurs who participated in hackathons, trainings, pitch nights and other activities organized by entrepreneurship institutions supported by the project. Cumulative | | Percent of new women entrepreneurs who participated in hackathons, trainings, pitch nights and other activities organized by entrepreneurship institutions supported by the project. Cumulative | Number | | Same as above | | It is recommended that the indicator be measured in percentage | 0 | 150 | | 2024 (year 5) | | Tertiary institutions and emerging incubators, g reports reports-PCU | Annual |
| ***Intermediate Results Indicator Fourteen***: Percentage of SMEs supported by the project that increased their number of buyers  **Sub-Indicator**: Percentage of SMEs supported by the project that increased their number of buyers which are women-owned or managed firms | | Number of SMEs supported by the project that increased their volume of sales  Sub Indicator: Percent of SMEs supported by the project which are women owned or managed who increased their volume of sales. | Percentage | | **Increased number of buyers means** an upward shift in the demand for the product. This simply means that the businesses (SMEs) are recording more people (buyers) that are demanding for the product than the initial (baseline) figures.    **Women owned/managed firms** refer to businesses (SMEs and start-ups) that led or managed by women. | | No changes proposed to this indicator  No changes are proposed to this indicator | 0  0 | 30  15 | | 2024 (year4)  2025 (year 5) | | Incubator/Accelerator reports | Annual |
| ***Intermediate Results Indicator Fifteen***: Number of companies that the project invested in. cumulative | | Retain | Number | | **Companies that the project invested in** means businesses that project invests in using the leveraging facility. | | No changes are propose to this indicator | 0 | 10 | | 2024 (year 4) | | SME survey | Annual |
|  | **Component 3: Monitoring and Evaluation** | | | | | | | | | | | |  |  |
| ***Intermediate Results Indicator Sixteen*:** Number of Private Public Dialogue consultations held for project activities. | | Retain | Number | | **Public private dialogues/consultations** mean discussions /engagements between the public and private sectors that will provide an effective platform for discussions on the proposed reforms, validate changes made and support implementation and communication of the reforms and activities being undertaken. These consultations could include dialogues, engagements that would improve the private /private sector performance  consultations | | No changes proposed to this indicator | 0 | 30 | | 2025 (year 5) | | PCUreports | Annual |
| ***Intermediate Results Indicator Seventeen*:** Percentage of reported grievances actually addressed within a specified period of time | | Retain | Percentage | | **Grievances actually addressed refer** to concerns, complaints from the project communities and beneficiaries that are addressed within a specified period of working days.  **Within a specific period** means 10 working days for the project to address all grieviances from the communities and beneficiaries | | No changes proposed to this indicator | 0 | 95 | | 2025 (year 5) | | GRM Reports | Quarterly |
| ***Intermediate Results Indicator Eighteen:*** Percentage of beneficiaries reporting satisfaction with project activities | | Retain | Percentage | | **Beneficiaries reporting satisfaction** means beneficiaries that express their feelings of satisfaction/ disatisfaction with project activities. This may include selection of participants (SME’s enterpreneurs, start ups) and communities for project activities | | No changes proposed to this indicator | 0 | 80 | | 2025 (year 5) | | PCU reports | Annually |

# CHAPTER FIVE: RECOMMENDATIONS

## the Project Development Objective

1. The study recommends that the project should boost marketing and enhance awareness of tourism products within the project sites. For example at River #2 arts and crafts and fishing are areas that can attract more tourism and private sector investment. Therefore, SLEDP should develop strategies that will boost private sector participation and financing into these communities.

## Component 1: Business Environment and Capacity Building

1. SLEDP should consider creating a platform for women entrepreneurs to regularly dialogue with peers, experienced entrepreneurs and business experts for experience and knowledge sharing.
2. In a bid to promote gender mainstreaming, it is recommended that SLEDP supports Bank of Sierra Leone to develop financial products and schemes targeting women entrepreneurs. Dissemination of information on such services can be done by sms, notices, fliers and media adverts that ensure accessibility of information about terms, conditions and requirements.
3. Training staff of relevant institutions such as OARG and SMEDA on the newly automated platforms will be key to ensuring that entrepreneurs fully utilize e-government services.
4. The project should address the significant capacity weaknesses across technical implementing agencies to effectively support the business enabling environment. This requires substantial investments in training and capacity development, furniture and assets, modern ICT solutions etc.
5. A notable area of focus for this project which has been considered as critical by beneficiaries of the project communities especially River #2 and Bureh is the improper sewage and solid waste disposal that continues to reduce the attractiveness of the sites. The project can engage NTB and Freetown City Council for the enforcement of appropriate legislation and provision of solid waste disposal facilities. Managing this system properly with a more appropriate way of liquid waste will contribute to a healthier environment for tourists.

## Component 2: SMEs and Entrepreneurship

1. Based on the interviews and surveys conducted, In the upgrading of destinations, SLEDP should consider opportunities to address deforestation, sand mining, encroachment on sensitive areas, poor sewage and waste disposal systems, and the dwindling wildlife population. For instance, at Bureh beach, concerns relating to sand mining in neighboring communities have the tendency to cause water pollution. Therefore, by contributing to addressing these issues SLEDP will help to prevent the destruction of the coastline and the hope of tourism revival.
2. Once the single window begins operation, SLEDP should ensure that online systems are user friendly and simple especially for those with low literacy levels including women and People Living with Disabilities (PLWs). Additionally, adequate information sharing on the importance of business registration through social media, SMS and radio engagements will be key in disseminating information. SLEDP to work with relevant institutions to provide incentives for female entrepreneurs to formalise their businesses such as fee waivers for first time registration for women entrepreneurs to inspire informal businesses to register.
3. While visa procedures have been reviewed and remarkable progress made with Sierra Leone moving 11 places upwards on the 2020 Africa Visa openness index, more reforms are needed to improve the airport experience in Sierra Leone. For example, , managing the interaction between visitors and business community at the airport are major experiences that can boost the airport experience of a visitor.
4. In line with the provision of grant assistance to the set of businesses, the project should ensure that they strengthen the business with financial management skills to be able to properly manage and account for the funds . Also, the project must put in place a robust monitoring system to track the utilization and reporting of funds and to quickly identify challenges and address them.

## Component 3: Project Management and Evaluation

1. It will be crucial that effective coordination mechanisms are in place by Ministries Departments and Agencies to ensure that they all work towards effectively implementing a business environment reform agenda.

# ANNEXES

## FOCUS GROUP DISCUSSION GUIDE FOR (WOMEN OWNED/ MANAGED BUSINESSES)

The government of Sierra Leone is implementing a World Bank supported project titled “Sierra Leone Economic Diversification Project (SLEDP)”. The project’s stated Development Objective (PDO) is to increase investment, growth of small and medium enterprises and entrepreneurship in non-mining productive sectors. The project will strengthen the business enabling environment, facilitate strategic public investments to improve competitiveness and investments, supporting SMEs and entrepreneurs and building capacity of public institutions and private sector operators. This discussion is designed to collect data for the project baseline assessment to gauge the status at the onset of project implementation. You have been asked to participate as your point of view is important. I realize you are busy, and I appreciate your time talking to us. I would like to assure you that the discussion will be anonymous. If there are any questions or discussions that you do not wish to answer or participate in, you do not have to do so; however please try to answer and be as involved as possible. This discussion will not take more than 45 mins of your time.

|  |  |  |
| --- | --- | --- |
| I | Interview Date: |  |
| II | Group composition: |  |
| III | District |  |

Ground rules

* The most important rule is that only one person speaks at a time. There may be a temptation to jump in when someone is talking but please wait until they have finished.
* There are no right or wrong answers.
* You do not have to speak in any order.
* When you have something to say, please do so. There are many of you in the group and it is important that I obtain the views of each of you
* You do not have to agree with the views of other people in the group
* Does anyone have any questions? (Answers).

OK, let’s begin.

|  |  |
| --- | --- |
| **Indicators** | **Guiding Questions** |
| **Ind. 1.2.1**  **Business registration** | 1. How do you consider the business registration processes especially for women in Sierra Leone? What are the specific challenges faced by women and PWDs with regards to registering a business? 2. SLEDP will support the streamlining, automation, and digitalisation of business registration processes with the aim of reducing time and cost., thereby leading to efficiency in the process.    * 1. Will you explain to me how you think this will benefit you and your fellow women entrepreneurs? 3. Suggest any relevant areas that the project can improve to encourage high number of registered women owned businesses |
| **Indi. 1.6**  **Reforms implemented** | 1. Describe any policy or law that relates to business registration that you think has negatively impacted women led enterprises and suggest policies/ reforms that can help facilitate improvement in this area. |
| **Indi. 1.5.1**  **Collateral registry** | 1. Explain to me your knowledge on the use of the collateral registry    * 1. In your opinion, what is the role of the collateral registry?      2. Do you know anyone who received a loan through movable collateral over the past two years?      3. If yes, why do you think this type of security (movables) can improve the chances of businesses to getting loans?      4. Describe how you/other women entrepreneurs intend to use the collateral registry to improve on your business |
| **Ind. 2.7.1**  **Increase in the number of buyers** | 1. Did you experience any increase or decrease in your number of buyers in 2021 (compare 2020 and 2021)? Please explain the reasons for the increase or decrease. |
| **PDO Ind-2.1**  **Gross sales** | 1. Did you experience any increase or decrease in sales of your business in 2021? How do you know? What reasons can you explain for the increase or decrease in sales? 2. Did you experience any increase or decrease in your turnover and operating cost of your business in 2021? please explain the reasons for the increase or decrease |
| **Indi. 2.1.1**  **Capacity building** | 1. Will you explain to me if you require any training or capacity development to enhance your business skills? 2. What other capacity training opportunities were available to you before the SLEDP project? 3. What other suggestions can you make to improve the growth of your business in your community? |
| **Ind. 1.5.1**  **Access to loan** | 1. In your opinion, what key challenges do women entrepreneurs face in accessing loans from business institutions (Banks and MFIs)? 2. Have you ever been offered a loan facility and you turned down? If yes, explain to me why you turned down the loan? 3. Explain the chances that women led businesses face as compared to their male counterparts in accessing loans from financial institutions. 4. Describe what you think the project should do to reach out to more businesses on the use of the collateral registry |
| **COVID-19 and access to market** | 1. How was your business and other small businesses impacted by the Covid-19 pandemic? What was the situation before COVID-19 (2017 to 2020)? *(sales levels, employment levels, demand of products, profit levels etc)* 2. In terms of scope and size, what major changes occurred to your business because of COVID-19? *(Effects of lockdowns, temporary closures etc)* 3. In general, what challenges do you face in expanding your business to the market? What type of market do you think exists to accommodate your business? What support do you think SLEDP should consider in enhancing your capacity to expand your market, boost production and profit? 4. Did you make any changes to your business operations because of the impact of COVID-19? If so, how did those adaptations affect your income, sales, and operations? 5. How is your business performing now as compared to pre-Covid 19? (Last three years) 6. Is there anything that we have not discussed that you think is important for this study? |

## Key Informant Interview Guide (SMEDA)

The government of Sierra Leone is implementing a World Bank supported project titled “Sierra Leone Economic Diversification Project (SLEDP)”. The project’s stated Development Objective (PDO) is to increase investment and growth of small and medium enterprises in non-mining productive sectors. The project will strengthen the business enabling environment, facilitate strategic public investments to improve competitiveness and investments, supporting SMEs and entrepreneurs and building capacity of public institutions and private sector operators. This discussion designed to collect data for the project baseline assessment to gauge the status at the onset of project implementation. You have been asked to participate as your point of view is important. I realize you are busy, and I appreciate your time talking to me. If there are any questions or discussions that you do not wish to answer or participate in, you do not have to do so; however please try to answer and be as involved as possible. This discussion will not take more than 45 mins of your time.

|  |  |  |
| --- | --- | --- |
| I | Interview Date: |  |
| II | Organisation: |  |
| III | Interviewee’s Designation |  |
| IV | District |  |
| V | Contact Number |  |

|  |  |
| --- | --- |
| **Indicators** | **Guiding Questions** |
| **General**  **SME Solution centres** | 1. What has been the role of your institution in supporting the development of SMEs and entrepreneurship in Sierra Leone? 2. How can you describe the performance of SMEs and entrepreneur institutions over the last two years 92020 -2021)? 3. What changes do you anticipate seeing because of the implementation of SLEDP? 4. What additional support will your institution provide to the growth of SMEs working with this project? 5. In your opinion, how will the establishment of the SME solution centre support the businesses in terms of building their capacities? 6. Please explain to us the proposed locations and facilities of the solution centres that will make them accessible to the businesses especially People Living with Disability (PWDs) 7. What type of supports do you think that businesses will get from solution centers? |
| **Ind. 1.6**  **Training and reforms** | 1. What institutional reforms have been initiated, or are to be initiated because of your involvement in SLEDP?    * 1. How are these initiatives going to benefit the entrepreneurs?      2. Can you provide us the information on capacity gaps of entrepreneurs before the SLEDP? What has changed since the project started? 2. Are there any policy review processes currently ongoing that can present opportunities for this project? 3. Were there reforms designed and implemented in 2020 or before? If yes, can you provide us information on the types of reforms and its beneficiaries; and implementation challenges (if any). 4. Explain any business regulation or policy that you think has negatively impacted on entrepreneurship especially women that might be considered for review under this project? What specific areas of these laws would you pay attention to review that can facilitate the business processes. |
| **Ind. 1.2** | 1. How would you describe your relationship, before project implementation with other government institutions working with SMEs (MoTIC, MOTCA, OARG, CAC etc)? 2. What changes are likely to be brought about in terms of coordination among these institutions on the operations of SMEs 3. Please explain the changes you anticipate seeing in terms of improving the business processes in Sierra Leone (registration, capacity building, link to markets etc) |
| **Ind. 1.6** | 1. How would you describe your current relationship with SMEs especially women entrepreneurs and their level of uptake of SME services?    * 1. What opportunities do you foresee in terms of strengthened interaction with SMEs/entrepreneurs especially women?      2. What do you think SMEDA will do differently because of its involvement in this project, and why? 2. Is there anything you would want the project to consider in strengthening SMEDA’s capacity to support women’s entrepreneurs, other than what you already know about the project. |
| **Access to market** | 1. What role has your organisation been playing to link production to market for SMEs especially women in Sierra Leone[[17]](#footnote-18)?    * 1. What challenges do you think businesses face in linking their products to market?      2. What available marketing opportunities do you think exist to enable them to compete successfully nationally and internationally? |
| **COVID-19** | 1. Explain in general how COVID-19 impacted the entrepreneurship development especially focusing on the mandate of your institution.    * 1. What has your institution done so far to support the affected SMEs/entrepreneurs before the SLEDP project?      2. How do you think this project is contributing to strengthen entrepreneurship in the COVID-19 recovery period? What else can the project do to promote COVID-19 resilience among entrepreneurs especially women? |
| **Looking forward** | 1. In general, what changes do you foresee as a result of the implementation of SLEDP? What positive initiatives have taken place in your institution already, in anticipation of project implementation? 2. Explain the measures you recommend promoting project sustainability and ensuring that gains from this project will be leveraged beyond project implementation period. 3. Is there anything that we have not discussed that you think is important for this study? |

## Key Informant Interview Guide (Ministry of Tourism and Cultural Affair, National Tourism Board)

The government of Sierra Leone is implementing a World Bank supported project titled “Sierra Leone Economic Diversification Project (SLEDP)”. The project’s stated Development Objective (PDO) is to increase investment and growth of small and medium enterprises in non-mining productive sectors. The project will strengthen the business enabling environment, facilitate strategic public investments to improve competitiveness and investments, supporting SMEs and entrepreneurs and building capacity of public institutions and private sector operators. This discussion designed to collect data for the project baseline assessment to gauge the status at the onset of project implementation. You have been asked to participate as your point of view is important. I realize you are busy, and I appreciate your time talking to me. If there are any questions or discussions that you do not wish to answer or participate in, you do not have to do so; however please try to answer and be as involved as possible. This discussion will not take more than 45 mins of your time.

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| I | Interview Date: |  |
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| III | Interviewee’s Designation |  |
| IV | District |  |
| V | Contact Number |  |

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| **Indicators** | **Guiding Questions** |
| **PDO Ind-1** | 1. Can you provide us information on types of investments (local, International) and their corresponding amounts in 2019/2020 in the project communities? Please explain the available information, if any, on new investments in same communities for 2021? 2. What do think your ministry can do to improve on the investment portfolios of existing businesses and also new investors to enter the tourism business ecosystem in the project community. Explain the current available business/investment opportunities that are relevant to the project and how your ministry is leveraging these opportunities to support formal and informal businesses? (The moderator to call the list of project communities) |
| **Ind.1.6**  **Ind. 2.2**  **Ind. 2.4** | 1. In addition to ongoing reforms in the tourism sector, what can you suggest making visa less expensive and easy to access to boost Sierra Leone’s chances of attracting more tourists to the country? 2. Tell me the reforms that have been initiated or ongoing to improve the arrival experience at the Lungi airport? 3. Are there any areas that you can recommend to SLEDP that will boost the last mile infrastructure? Please expand on the areas within the last mile infrastructure that you would prioritize? |
| **Ind. 2.2**  **Destination upgrade** | 1. In general, what key opportunities will this project support to boost tourist destination sites? 2. Please tell us your view about the accessibility of our destination sites (use of roads to the project sites, number of users) 3. In addition to the present intervention areas, how can SLEDP project make the destination sites more attractive to the private sector investments 4. Please tell us the status of the proposed destination sites in relation to security from encroachers. What is the current situation and what we can do to improve on security at the destination sites? 5. Can you please provide us the list of existing facilities at project sites (trade, jobs, income, etc in 2021, are visitors using these facilities? What has been the turnover on the use of these facilities- 2021. |
| **Ind. 2.2** | 1. Can you provide us information of international visitors for the last two years disaggregated by type, sex, disability and purpose? What values have the international visitors added to our tourism platform in the last two years. 2. What are the issues (on cost and procedures) around visa acquisition by international visitors that have come to your office? What measures do we employ to ameliorate these issues? |
| **Ind. 2.3**  **New jobs created** | 1. What information do you have on existing jobs at the destination and pending construction sites? 2. Please explain to us the types of direct and indirect jobs that you expect to emerge at these project as a result of this project. 3. How do you think women will benefit from direct and indirect employments in the tourism sector? 4. Explain in general term how growth in the tourism sector because of SLEDP will affect local food production and marketing to improve livelihood and reduce poverty? 5. How can SLEDP best provide opportunities for women in the tourism sector and positively impact other livelihood enhancement sectors, for example, the agriculture, fisheries etc |
| **Access to market** | 1. Explain in general the types of markets that were available to businesses in the tourism sector before the outbreak of the pandemic?    * 1. How have women in tourism benefited from accessing those markets, if any?      2. What can be done to promote private sector investment opportunities especially among women in tourism related businesses?      3. Explain any available upcoming investment opportunities in Sierra Leone that can be explored by entrepreneurs in the tourism sector especially women?      4. What other markets do you think tourism related businesses could access to improve their revenue? |
| **COVID-19** | 1. What was the situation, in terms of investment opportunities before COVID-19? What changes occurred because of the pandemic? How can businesses especially women be supported to deal with the impact of COVID-19 and promote investor confidence. *(sales levels, employment levels, demand of products, profit levels etc)* 2. What investment issues do you want SLEDP to take into consideration during project implementation, in light of COVID-19 recovery, and continued entrepreneurship operations during the COVID-19 pandemic? |
| **Looking** | 1. Explain the measures you recommend for project sustainability and ensure gains from the project will be leveraged beyond project implementation period |

## Key Informant Interview Guide (Bank of Sierra Leone/Collateral Registry)

The government of Sierra Leone is implementing a World Bank supported project titled “Sierra Leone Economic Diversification Project (SLEDP)”. The project’s stated Development Objective (PDO) is to increase investment and growth of small and medium enterprises in non-mining productive sectors. The project will strengthen the business enabling environment, facilitate strategic public investments to improve competitiveness and investments, supporting SMEs and entrepreneurs and building capacity of public institutions and private sector operators. This discussion designed to collect data for the project baseline assessment to gauge the status at the onset of project implementation. You have been asked to participate as your point of view is important. I realize you are busy, and I appreciate your time talking to me. If there are any questions or discussions that you do not wish to answer or participate in, you do not have to do so; however please try to answer and be as involved as possible. This discussion will not take more than 45 mins of your time.

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| I | Interview Date: |  |
| II | Organisation: |  |
| III | Interviewee’s Designation |  |
| IV | District |  |
| V | Contact Number |  |

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| --- | --- |
| Indicator | Question Guide |
| **Ind. 1.5** | 1. Explain the financial services that your institution offers to businesses using both movable and immovable assets in 2021    1. How do you describe the uptake of these services by female owned entrepreneurs?    2. What challenges do you face in providing loans and credit to businesses especially women entrepreneurs? Explain how this project can address these key challenges you cited. 2. Describe your experience in the provision and the repayment of loans by businesses? 3. How has this experience shaped your relationship with businesses in terms of providing loans/credits to businesses, especially women? 4. Can you please provide us data on the number of loans secured using movables in the collateral registry with appropriate disaggregation i.e Value of the loan, business sector/ type of business; Use of loan; date of registration in the collateral registry (2021) 5. Can you please provide us data on loans secured outside movables in the collateral registry in 2021? |
| **Ind. 1.6** | 1. Explain how you are going to leverage on the gains anticipated because of SLEDP implementation to increase access to credits/ finance for businesses especially women?    1. Describe the changes that you anticipate within your institutions as a result of SLEDP implementation. What will change and how is that going to improve service provision in your institution?       1. Is there anything you wish the project should consider strengthening your support services to businesses, as the project moves towards the implementation phase? |
| **Ind. 1.5**  **Ind. 1.5.1** | 1. Explain your experience in managing the collateral registry (pre-Covid, Covid and recovery period). 2. What type of support has the Bank of Sierra Leone provided to businesses using the collateral registry in terms of access to credit 3. Describe in general terms, the opportunities that are available to businesses using the collateral registry in terms of accessing credits from banks/ MFIs? 4. How will the use of movable items as security improve the chances of women led businesses to have access to credit/finance? 5. In your opinion, how can this project reduce the gender disparity between men and women led businesses to acquire access to loans/credits from the banks? |
| **Ind. 1.6.** | 1. Explain any business regulation or policy that you think has negatively impacted on the gender disparity providing access to finance that might be considered for review under this project? 2. Is there anything you would want the project to consider strengthening your institution’s support to women’s entrepreneurs, other than what you already know about the project. |
| **Looking forward** | 1. In general, what changes do you foresee as a result of the implementation of SLEDP? What positive initiatives have taken place in your institution already, in anticipation of project implementation? 2. Explain the measures you recommend for project sustainability and ensure gains from the project will be leveraged beyond project implementation period. 3. Is there anything that we have not discussed that you think is important for this study? |

## Key Informant Interview Guide (Service Providers)

The government of Sierra Leone is implementing a World Bank supported project titled “Sierra Leone Economic Diversification Project (SLEDP)”. The project’s stated Development Objective (PDO) is to increase investment and growth of small and medium enterprises in non-mining productive sectors. The project will strengthen the business enabling environment, facilitate strategic public investments to improve competitiveness and investments, supporting SMEs and entrepreneurs and building capacity of public institutions and private sector operators. This discussion designed to collect data for the project baseline assessment to gauge the status at the onset of project implementation. You have been asked to participate as your point of view is important. I realize you are busy, and I appreciate your time talking to me. If there are any questions or discussions that you do not wish to answer or participate in, you do not have to do so; however please try to answer and be as involved as possible. This discussion will not take more than 45 mins of your time.

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| I | Interview Date: |  |
| II | Organisation: |  |
| III | Interviewee’s Designation |  |
| IV | District |  |
| V | Contact Number |  |

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| **Indicator** | **Guiding Question** |
| **Ind. 2.6.1** | 1. What is your opinion as a technical person on the emergence of the different incubation initiatives? Why do you think the number of businesses, entrepreneurs and companies remain low despite the uptake in several incubation initiatives? |
| **Ind 2.6**  **Ind 2.6.1** | 1. Describe how improvement in product innovations and start up skills anticipated under SLEDP of entrepreneurs will contribute to the quality and depth of entrepreneurs’ support systems. 2. Your role includes among others to provide different capacity building to the selected cohorts to make them investible companies by the private sector, kindly explain to us the type of services that you will provide to these businesses so that they can achieve greater height? Why do you think this is the most appropriate approach? How will these interventions build the resilience of these companies to respond to the market challenges? 3. In your opinion, why do think that university graduates have not taken entrepreneurship seriously in the recent years? How can you contribute to the improvement of the quality of entrepreneurship that would attract university graduates? 4. What additional support can this project provide to make young graduates think entrepreneurship as a career option? 5. Kindly explain to us the selection criteria for these businesses. How did you ensure that women were not marginalized in this process? How will your participation in this project benefit the businesses in terms of increase in sales, productivity and reaching to new markets? 6. At the end of the project, how will you link the improvement in entrepreneurship to the intervention of the incubators and accelerators in this project? 7. How will you collaborate with the PCU in terms of safeguards and fiduciary compliance throughout these processes? |
| **Looking forward** | 1. Describe the different types of support that you would provide to the selected cohorts in terms of transforming their business ideas into companies with potential for growth, value addition and job creation? 2. In general, what technical assistance do you require that can support your work with the selected businesses/ 3. Are there any intervention areas related to your institution you might recommend to SLEDP, to maximise your involvement in the project and your overall contribution to the project? 4. Explain the main skills gaps in delivering services to the selected cohorts? What has your institution been doing to build capacity? What do you think will change with human capital proficiency? 5. Is there anything that we have not discussed that you think is important for this study? |

## Key Informant Interview Guide (Office of the Administrator and Registrar General and Corporate Affairs Commission)

The government of Sierra Leone is implementing a World Bank supported project titled “Sierra Leone Economic Diversification Project (SLEDP)”. The project’s stated Development Objective (PDO) is to increase investment and growth of small and medium enterprises in non-mining productive sectors. The project will strengthen the business enabling environment, facilitate strategic public investments to improve competitiveness and investments, supporting SMEs and entrepreneurs and building capacity of public institutions and private sector operators. This discussion designed to collect data for the project baseline assessment to gauge the status at the onset of project implementation. You have been asked to participate as your point of view is important. I realize you are busy, and I appreciate your time talking to me. If there are any questions or discussions that you do not wish to answer or participate in, you do not have to do so; however please try to answer and be as involved as possible. This discussion will not take more than 45 mins of your time.

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| I | Interview Date: |  |
| II | Organisation: |  |
| III | Interviewee’s Designation |  |
| IV | District |  |
| V | Contact Number |  |

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| --- | --- |
| **Indicators** | **Guiding Questions** |
| **Ind. 1.2**  **Ind. 1.2.1** | 1. Please explain to me the processes involved in registering businesses in Sierra Leone. 2. What other service providers support this process? Describe how collaboration is currently taking place in business registration and how the SLEDP project will enhance the collaboration? 3. What are the key challenges that are facing business registration especially women? Describe any reforms implemented within the past 2 years to deal with these challenges. 4. The project will establish single window or One Stop Centre to reduce time and cost in the business registration process. Explain how you will leverage these gains to enhance your support to these businesses. 5. How are the initiatives brought by SLEDP going to expedite business registration/expansion especially to women? 6. Can you please provide us data on existing business using disaggregated (business location, gender of business owner, sector? place of registration) (2021) 7. Can you please provide us data on existing/registered businesses outside the single window in 2020/2021 |
| **Ind. 1.6** | 1. Explain any business regulation or policy that you think has negatively impacted on the growth of business especially women led businesses that might be considered for review under this project? 2. Apart from those that have been identified for review, what other laws/framework do you think should be considered and why? 3. How can business registration processes be streamlined to benefit women led businesses |
| **COVID-19** | 1. How would you describe the business registration process especially for women in the pre Covid pandemic era-the last three years? |
| **Looking forward** | 1. In general, what changes do you foresee in the improvement on business registration process.? 2. Explain the measures you recommend for project sustainability and ensure gains from the project will be leveraged beyond project implementation period. 3. Is there anything that we have not discussed that you think is important for this study? |

## Key Informant Interview Guide for the Project Coordinating Unit

|  |  |
| --- | --- |
| **Priority** | **Guiding Questions** |
| **Progress monitoring** | 1. Describe the M&E system you have in place for tracing your indicator performances regularly? |
| **Coordination** | 1. What has been done so far to introduce the project and get buy-in from institutions supported by the project? Explain whether you faced any challenges and how you intend ensuring that moving forward these challenges are minimised. 2. What are the project coordination mechanisms in place for ensuring effective collaboration, mutual accountability and shared knowledge among the institutions supported by the project? 3. How has the PCU ensured that regular communication and advice from the World Bank be more effective? |
| **Communication and visibility** | 1. Do you have a strategy for ensuring effective communication and project visibility? If not, what are the plans in place towards the development of a communications and visibility strategy for the project? |
| **Risk Assessment** | 1. Explain whether you have a risk mitigation strategy in place, already. If not what are the plans in place to ensure its development? What specific key risks are prioritised by the project? |
| **Environmental and social safeguards** | 1. What measures have so far been taken to consider and deal with environmental and social safeguarding issues within the project targeted communities? How is this to be assessed over time. 2. How is knowledge on environmental and social safeguarding going to be built within the project among the PCU members and among project implementing partners? 3. How are you going to ensure due diligence in the selection of SMEs and business start-ups? 4. What measures are in place to prevent and respond to grievances and complaints including those related to Gender Based Violence. 5. What is the PCU doing to ensure inclusivity in benefits derived under the project? How is this going to be assessed over time? |
| **COVID-19** | 1. Are there any noted gaps in programme design; an any specific issues that were not specifically mentioned in the PAD that you think should be considered in project implementation? 2. How are you going to mainstream COVID-19 into project implementation? |

## Project Community Household Questionnaire

The government of Sierra Leone is implementing a World Bank supported project titled “Sierra Leone Economic Diversification Project (SLEDP)”. The project’s stated Development Objective (PDO) is to increase investment and growth of small and medium enterprises in non-mining productive sectors. The project will strengthen the business enabling environment, facilitate strategic public investments to improve competitiveness and investments, supporting SMEs and entrepreneurs and building capacity of public institutions and private sector operators. This discussion designed to collect data for the project baseline assessment to gauge the status at the onset of project implementation. You have been asked to participate as your point of view is important. I realize you are busy, and I appreciate your time talking to me. If there are any questions or discussions that you do not wish to answer or participate in, you do not have to do so; however we will encourage you to get deeply involved as much as possible. This discussion will not take more than 45 mins of your time.

Section 1: Household Information

District\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name of Village/Community\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name of Respondent (Household Head) \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Contact Number of Household head\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. How many people that live in your household? [2]; [3]; [4]; [5]; [5+]

**Section 2: Socio Economic Background of Household**

1. **Education:**
2. What is your highest level of education?

[1] Primary [2] Junior Secondary [3] Senior Secondary [4] Tech/Voc [5] University 6) None

1. **Occupation:**
2. Please tell us what you do for a living?

|  |  |  |
| --- | --- | --- |
| Occupation | [1]= Yes [2] =No | If Yes, Please Indicate the Specific type of Occupation |
| [1] Small Holder Farmer |  |  |
| [2] Registered business enterprise |  |  |
| [3] unregistered business enterprise |  |  |
| [4] Formal employment |  |  |
| [5] self-employed |  |  |
| [6] unemployed |  |  |
| [7]Other Specify\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |  |  |

c) **Household Income**

1. Do you receive income from tourism related activities? Yes [1] No [2]
2. If Yes, please select your sources of income ***(Choose ALL that all applies)***
3. If No, please select your non-tourism related sources of income ***(Choose ALL that all applies)***

|  |  |  |
| --- | --- | --- |
| Sources of Income | 1. Tourism Related | 1. Non- Tourism Related |
| Petty Trading |  |  |
| Arts & Craft |  |  |
| Fishing |  |  |
| Carpentry |  |  |
| Stone mining |  |  |
| Sand mining |  |  |
| House rent |  |  |
| Bike riding |  |  |
| Commercial driving |  |  |
| Boat riding |  |  |
| Remittance from family members home/abroad |  |  |
| Other (Specify) | \_\_\_\_\_\_\_\_\_\_\_\_\_\_ | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |

Which of these sources above in Q4 you consider your major source of income?

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. Which of these describes your Monthly personal income in the periods below?

|  |  |  |  |
| --- | --- | --- | --- |
| Income | Before Covid-19  [1]-Yes, [2]=No | During Covid-19 in 2020  [1]=Yes; [2]=No | Last Year (2021)  [1]=Yes; [2]=No |
| [1] Le 100,000- 500,000 |  |  |  |
| [2] Le 600,000- 1,000,000 |  |  |  |
| [3] Le 1,100,000-1,500,000 |  |  |  |
| [4] Le 1,600,000-2,000,000 |  |  |  |
| [5] 2,100,000-2,500,000 |  |  |  |
| [6] Le 2,600,000-3,000,000 |  |  |  |
| [7] Le 3,000,000 -5,000,000 |  |  |  |
| [8] Le 5,000,000 and more |  |  |  |
| [8] don’t know |  |  |  |

1. Which of these describes your total household income in the periods below?

|  |  |  |  |
| --- | --- | --- | --- |
| Income | Before Covid-19  [1]-Yes, [2]=No | During Covid-19 in 2020  [1]=Yes; [2]=No | Last Year (2021)  [1]=Yes; [2]=No |
| [1] Le 100,000- 500,000 |  |  |  |
| [2] Le 600,000- 1,000,000 |  |  |  |
| [3] Le 1,100,000-1,500,000 |  |  |  |
| [4] Le 1,600,000-2,000,000 |  |  |  |
| [5] Le 2,100,000-2,500,000 |  |  |  |
| [6] Le 2,600,000-3,000,000 |  |  |  |
| [7] Le 3,000,000-5,000,000 |  |  |  |
| [8] Le 5,000,000 and more |  |  |  |
| [8] don’t know |  |  |  |

**SECTION 3: OWNERSHIP OF PRODUCTIVE AND HOUSEHOLD ASSETS**

|  |  |  |
| --- | --- | --- |
| Types of Assets | 8. Do you or any members of your household own any of these assets?  [1] = Yes  [2]= No | 9. if Yes, what are the use(s) of the asset selected?  *1= household use*  *2 = business use*  *3=household & business use* |
| 1. TRANSPORT ASSETS |  |  |
| 1. LIVESTOCK ASSETS |  |  |
| 1. AGRICULTURAL TOOLS AND IMPLEMENTS |  |  |
| 1. INFORMATION/COMMUNICATION ASSETS |  |  |
| 1. LAND |  |  |
| 1. HOUSE |  |  |
| 1. PLANTATION (economic trees) |  |  |
| 1. OTHER SPECIFY\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |  |  |

**SECTION 4: HOUSEHOLD ECONOMIC SHOCKS**

1. In the last 12 months did your household experience any of the following?

|  |  |
| --- | --- |
| **Shocks** | **[1]= Yes [2]= No** |
| 1. Household Member lost a job |  |
| 1. Bad harvest |  |
| 1. Illness of earning household member |  |
| 1. Illness of non-earning member in the household. |  |
| 1. Death of earning household member |  |
| 1. Death of non-earning household member |  |
| 1. Bad returns from business investment |  |
| 1. Other Specify\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |  |

1. What are the key challenges do you think that are affecting your ability to generate more income for your household?
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
3. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
4. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
5. Do you think tourism contribute to the development of your community? yes [1] No [2]
6. If Yes, state how it contributes to the development of your community?

i\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ii\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. if No, State how it does not contribute to the development of your Community

i\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ii\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## COVID-19 & ETHICAL CONSIDERATIONS

The consultant attaches high importance to ethical considerations in research work and values the ethical principles that guide research and ethical obligations of researchers towards participants in research.

* The consultant will adhere to the contractual terms and conditions with SLEDP and World Bank, its code of conduct and safeguarding policy including clauses in relation to confidentiality, data protection and intellectual property rights.
* The baseline report will be free of bias, and the assessment team will ensure that they are not unduly influenced.
* The baseline will be credible and based on reliable data and observations.
* The consultant will respect participant’s free will and right of choice to participate in the research.
* The consultant will respect people’s rights to provide information in confidence and make participants aware of the scope and limitations of confidentiality.
* Participants shall be selected fairly in relation to the aims of the audit.
* The consultant is politically neutral and will maintain the integrity of SLEDP and World Bank to that effect. Consideration will be made in recruiting enumerators and ensuring a political neutral and credible process.

In compliance to Covid19 prevention and hygiene protocols, the consultancy team will take the following measures:

* Make available hand washing stations during the training of enumerators and Focus Group Discussions. I will ensure that all trainees and facilitators wash their hands before entering the training halls.
* During the training of enumerators, FDGs and KIIs; the consultant will observe the six feet distance between participants.
* Each enumerator, interviewer and note taker will be provided with a face mask and hand sanitizer to protect self and others.
* A list of all respondents and participants will be maintained to support contact tracing; should it be required.
* Telephone or email interviews will be an alternative means of administering KIIs.

1. Derived from FGDs with business women and KIIs with National Tourist Board [↑](#footnote-ref-2)
2. KoboCollect is an online app used to collect quantitative primary data using android phones or tablets and responses are saved online. In this study household questionnaires and business mapping were collected using KoboCollect. [↑](#footnote-ref-3)
3. Derived from FGDs with business women and KIIs with National Tourist Board [↑](#footnote-ref-4)
4. Clare M. and Katiyo L. (2017). Business Environment Reform Diagnostic – Sierra Leone. <https://assets.publishing.service.gov.uk/media/5c7e9768ed915d4063af9900/Sierra-Leone-BE-Diagnostic-Report-May-2017.pdf> [↑](#footnote-ref-5)
5. GoSL (2004). The Sierra Leone Investment Promotion Act, No.10 2004. https://investmentpolicy.unctad.org/investment-laws/laws/68/sierra-leone-investment-law [↑](#footnote-ref-6)
6. Please note that the above costs are paid in two different currencies. The cost for ‘obtain results for soil test’ is paid in USD while the other costs are paid in Sierra Leone Leones. [↑](#footnote-ref-7)
7. General Registration Ordinances (Cap 255). <https://old.sierralii.org/sl_internal/legislation/act/1960/255/Cap.%20255.pdf> [↑](#footnote-ref-8)
8. OARG (2022). <https://www.oarg.gov.sl/about/> [↑](#footnote-ref-9)
9. GoSL (2016). The Sierra Leone Small and Medium Enterprises Development Agency Act No. 11. <https://smedua.gov.sl/wp-content/uploads/2021/04/THE-SIERRA-LEONE-SMALL-AND-MEDIUM-ENTERPRISES.pdf> [↑](#footnote-ref-10)
10. Excerpt from interviews conducted with PCU [↑](#footnote-ref-11)
11. Statistics Sierra Leone. (2018). Sierra Leone Integrated Household Survey Report. <https://www.statistics.sl/images/StatisticsSL/Documents/SLIHS2018/SLIHS_2018_New/sierra_leone_integrated_household_survey2018_report.pdf> [↑](#footnote-ref-12)
12. Statistics Sierra Leone (2016). Sierra Leone 2015 Population and Housing Census: Thematic Report on Education and Literacy. https://www.statistics.sl/images/StatisticsSL/Documents/Census/2015/sl\_2015\_phc\_thematic\_report\_on\_education\_and\_literacy.pdf [↑](#footnote-ref-13)
13. International Trade Administration (2021). Sierra Leone Country Commercial Guide. <https://www.trade.gov/country-commercial-guides/sierra-leone-tourism-infrastructure> [↑](#footnote-ref-14)
14. National Tourist Board of Sierra Leone [↑](#footnote-ref-15)
15. World Bank (2022). Female Entrepreneurship Resource Point. <https://www.worldbank.org/en/topic/gender/publication/female-entrepreneurship-resource-point-introduction-and-module-1-why-gender-matters> [↑](#footnote-ref-16)
16. World Bank (2022). *World Bank (2022) International tourism, numbers.* [*https://data.worldbank.org/indicator/ST.INT.ARVL?locations=S*](https://data.worldbank.org/indicator/ST.INT.ARVL?locations=S) [↑](#footnote-ref-17)
17. SMEDA is mandated through the SMEDA Act (Part III Section 2(b) to, “facilitate, assist and provide market access and business linkage opportunities to SMEs in order to enable them to compete successfully in national and international markets”. [↑](#footnote-ref-18)