

IOA | 2019 | ACBR

AFRICA COUNTRY BENCHMARK REPORT



Sierra Leone Profile



From a bustling central business district, crowned by high-rise office buildings, to rock cliffs overlooking the ocean, the capital Freetown is constantly filled with activity. With political stability has returned the normal rhythms of life.

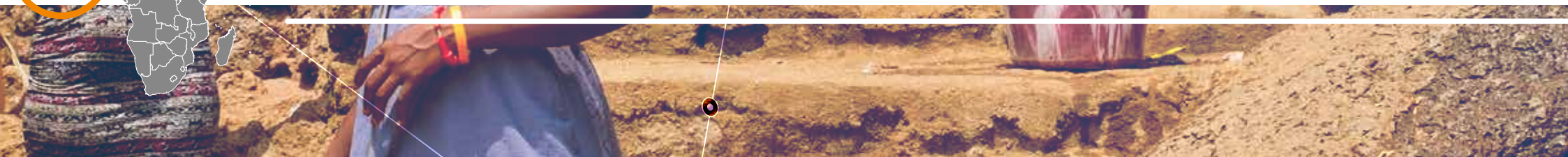




Image courtesy of Jorge Roman



SIERRA LEONE

#33

SIERRA LEONE

OVERVIEW ANALYSIS

Sierra Leone is on the rebound economically and politically after the trauma of a civil war that killed 50,000 people and rendered one-third of the population homeless before concluding in 2002. National reconciliation and physical rebuilding following the civil war was interrupted by an Ebola outbreak in 2014. These set-backs are now in the past, and improvements are gradually making progress to alleviate the widespread poverty of Sierra Leoneans. Food insecurity is faced by many, while healthcare and education require urgent improvement. The successful national elections of 2018 and the subsequent peaceful transfer of power facilitated the nation's positive developmental trajectory. Sierra Leone's ranking is unchanged from the last survey, remaining in 33rd place.

KEY OPPORTUNITIES

- Iron ore mining leads a minerals industry that leads the economy
- Better governance is improving the business environment
- Electricity supplies are improving

KEY CONCERNS

- The Ebola outbreak exposed health system inadequacies
- Food security awaits improvements in agriculture
- Widespread poverty characterises the population

COUNTRY HIGHLIGHTS

PREDOMINANT RELIGION	PREDOMINANT LANGUAGE	POPULATION WITHOUT ELECTRICITY	LITERACY RATE	PRIMARY ELECTRICITY SOURCE
 Islam	 English	 79.67% (#44) ▲ ⁴	 48.1% (#43) ▼ ¹	 Hydroelectric
IMPORT/EXPORT	EXTERNAL DEBT	ACTIVE CONFLICT	LAND SIZE	INTERNET PENETRATION
 Machinery/Ore	 US\$ 1.707 billion (#38) ▲ ¹	 No	 71,740 km ² (#40)	 11.8% (#38) ▲ ¹³

60.7%



AGRICULTURE

6.5%



INDUSTRY

32.8%



SERVICES

41.8%



0-14

18.6%



15-24

32.2%



22-54

7.5%



55+



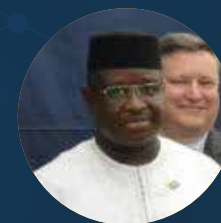
Term:
04/04/2018 - present
5 years (2 term limit)



Political Party:
Sierra Leone People's Party



Recent Electoral Information:
04/04/2018
1 319 406 Votes
51.8%
Voter turnout: 81.1%



President
Julius Maada Bio

CONTRIBUTIONS TO GDP BY SECTOR

POPULATION AGE BREAKDOWN

NATIONAL GOVERNANCE

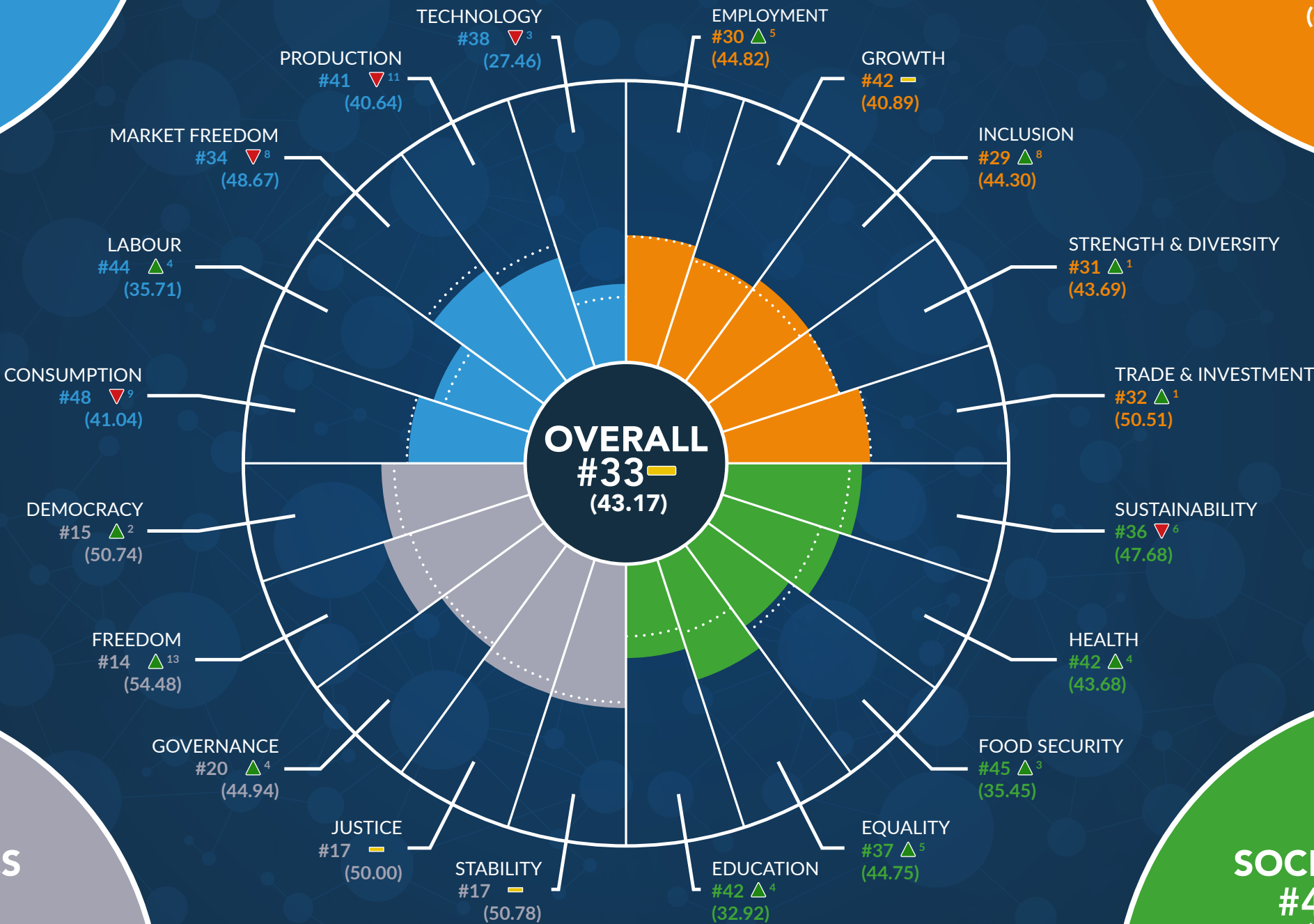
BUSINESS

#45
(38.70)

SIERRA LEONE PERFORMANCE OVERVIEW

ECONOMICS

#35
(43.07)



POLITICS

#16
(50.19)

SOCIETY

#44
(40.71)

SIERRA LEONE BUSINESS ANALYSIS

#45

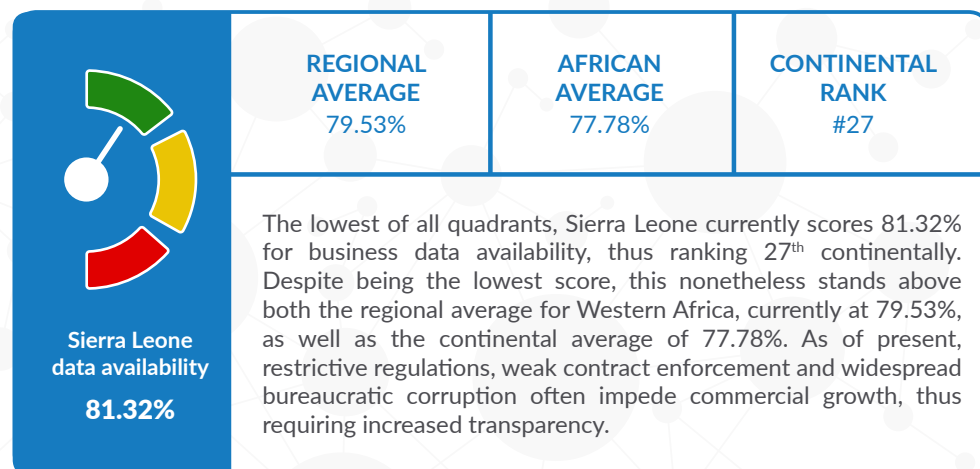
BUSINESS OVERVIEW

The extremely poor country must develop their workforce with skills training. Donor aid and foreign direct investment have both displayed optimism for Sierra Leone's economic potential. Investment has slowly returned in the decade following civil war. Bauxite and diamonds are extensively mined, as well as iron ore, making minerals the country's top export earner. Gold and titanium reserves also exist within the country. During the Ebola outbreak, mines were largely shut down, and all foreign workers were evacuated. Foreign workers were also removed from their jobs in other sectors, and, at the height of the emergency in 2014, all commercial activity was completely shut down for the observation of a three-day quarantine period. Normal activity resumed once

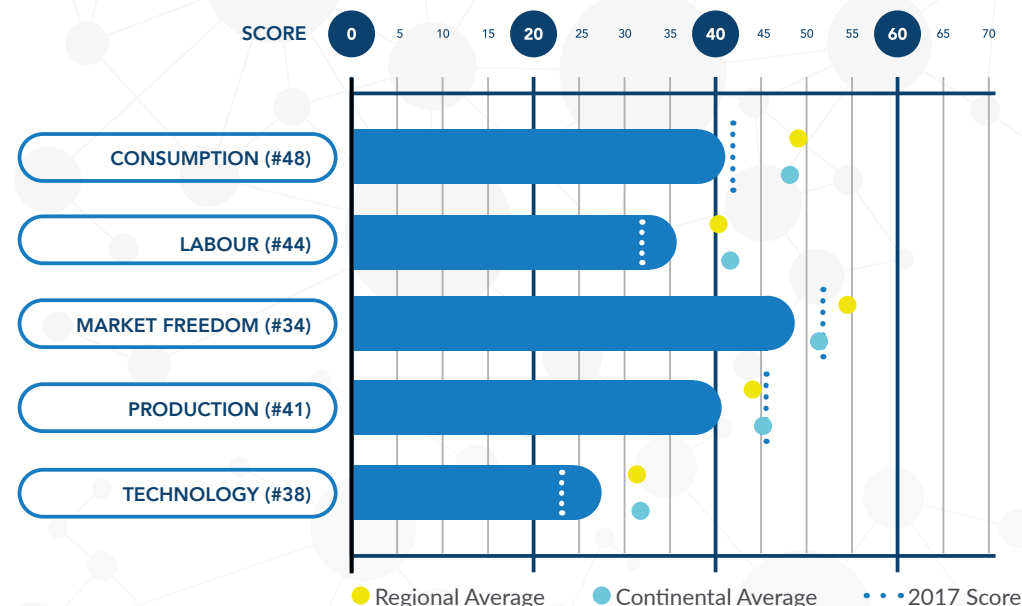
Sierra Leone was declared Ebola free in November 2015. The severe shock to the business environment has required time for recuperation.

The profitability of both agriculture and mining will depend on world commodity prices. There is some small-scale manufacturing such as shoes and textiles. Subsistence agriculture engages two-thirds of Sierra Leoneans, and about the same percentage (61%) forms the agricultural sector's contribution to GDP. Commercial crops include cashews, cocoa, coffee, palm oil products and rice. The country has extensive offshore fisheries. Sierra Leone suffers its only drop in an ACBR quadrant ranking in Business. The country descended to a low 45th place in the aftermath of the Ebola crisis.

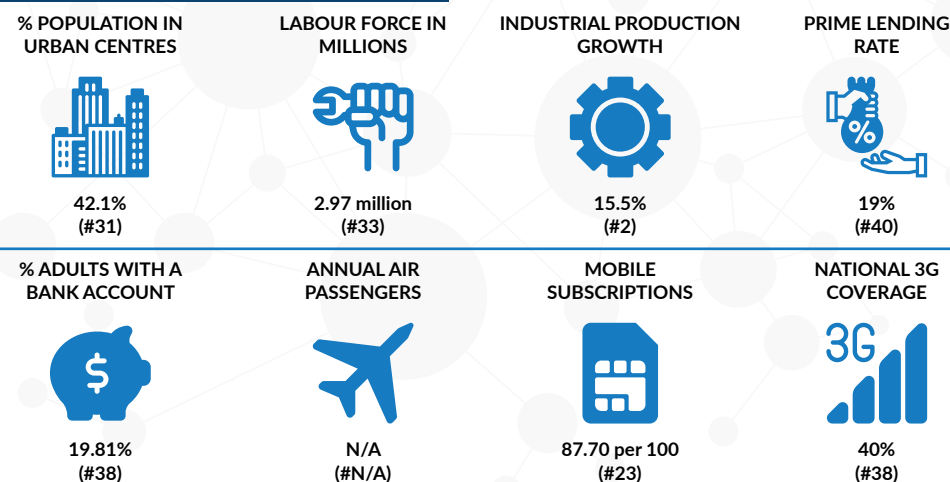
BUSINESS DATA COMMENTARY



BUSINESS SCORES & RANKINGS



BUSINESS STATISTICS



SIERRA LEONE ECONOMIC ANALYSIS

#35

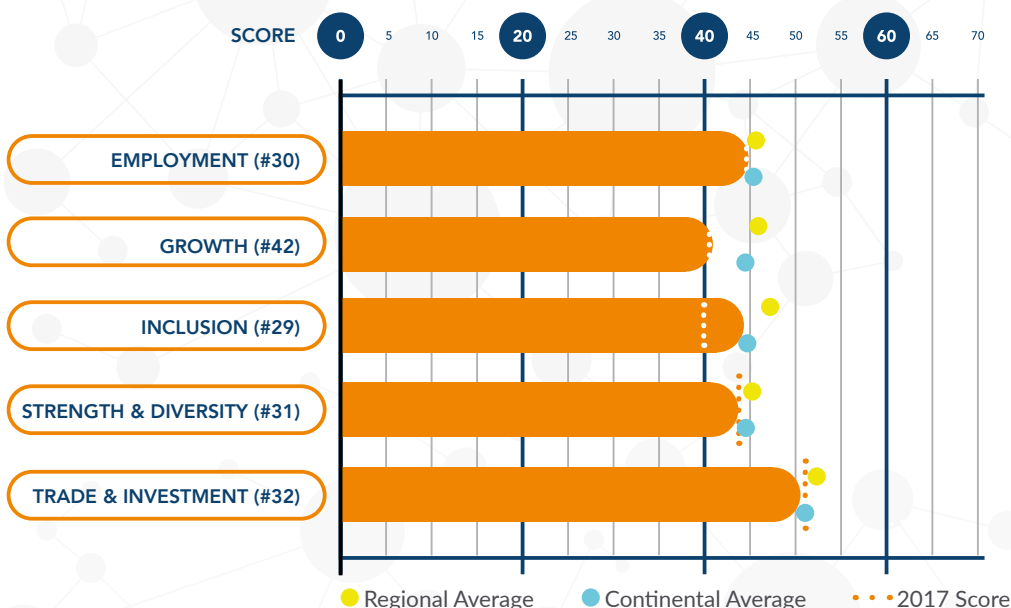
ECONOMIC OVERVIEW

The poverty of Sierra Leoneans - 70% of whom live below the poverty line, is severe. Côte d'Ivoire is the main purchaser of Sierra Leone's exports, followed by Belgium, China and the US. Iron ore comprises the bulk of exports. The Kimberley Process has reduced diamond smuggling. Government has a development fund for mining communities that channels a portion of diamond export taxes to the residents from areas where the diamonds are produced, giving communities a financial incentive not to smuggle. Exports worth US\$ 808 million in 2017 were a significant improvement over the US\$ 660 million earned in 2016. With imports recorded at US\$ 1.01 billion, a trade imbalance exists. Sierra Leone's GDP growth rate for 2018 was 3.5% after 2017 growth of 4.2%, both

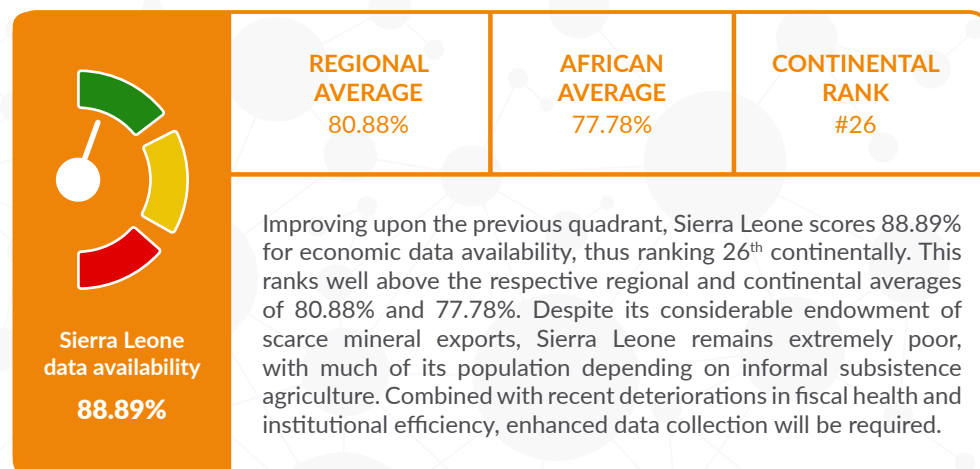
significant rises from the severe negative growth experienced during the Ebola crisis that brought to a halt double-digit growth seen in the early 2010s.

Less than 10% of Sierra Leoneans have electricity. However, the country is able to meet and expand upon their energy needs without importation of electricity. Hydro-generation that harnesses the country's rivers produces half (51%) of the country's electricity. Sierra Leone lacks a strong economy, as reflected in its low position in the ACBR 2019 Economics quadrant. However, growth has returned with nation stability, and this is also reflected in country placement. Sierra Leone rose one position in the quadrant to 35th place.

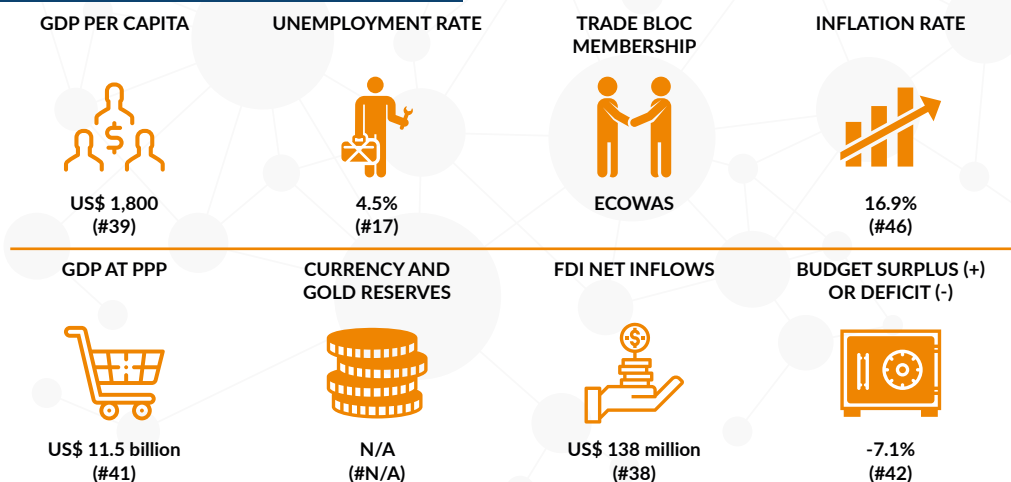
ECONOMIC SCORES & RANKINGS



ECONOMIC DATA COMMENTARY



ECONOMIC STATISTICS



SIERRA LEONE POLITICAL ANALYSIS



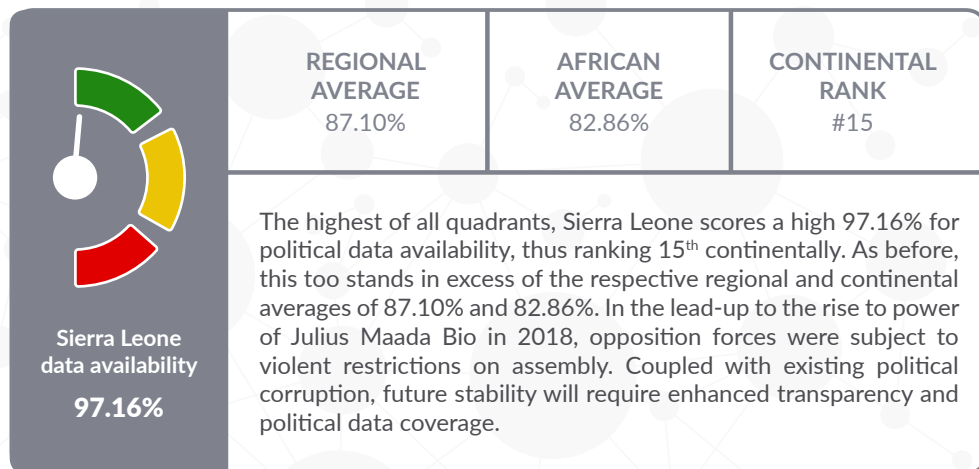
POLITICAL OVERVIEW

For eleven years, from 1991 to 2002, Sierra Leone's brutal civil war was at the forefront of Africa's most damaging conflicts. Regional forces, led by Nigeria, secured the country in 1998 from the latest junta that had taken control of government in Libreville. This action freed the UN to negotiate peace terms with rebel groups. There was a symbolic moment in 2014 when UN peacekeepers departed the country after a 15-year presence. This occurred just as Sierra Leone began exporting their own soldiers to participate in peacekeeping missions elsewhere in Africa.

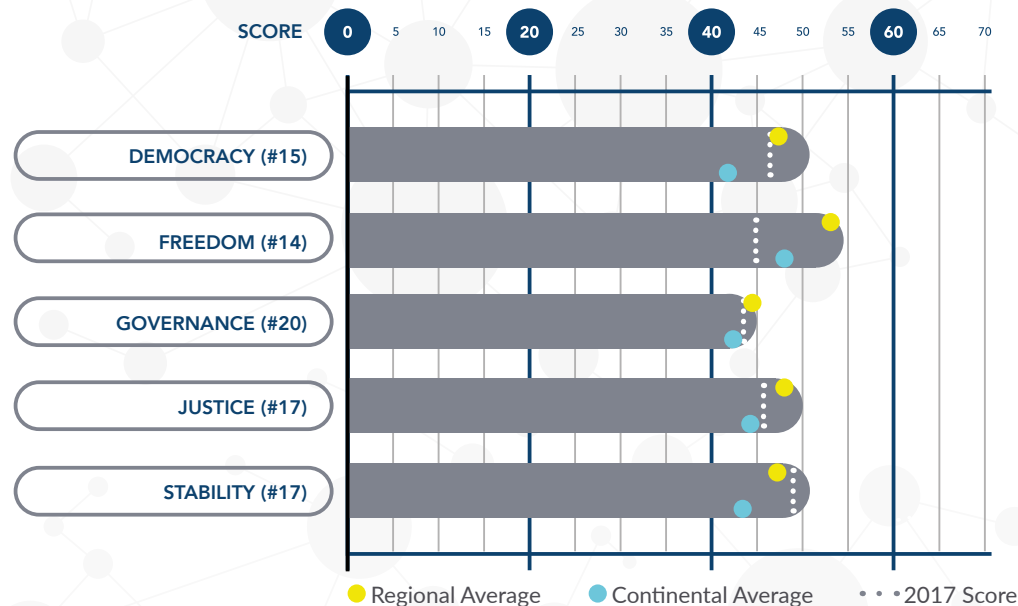
Government is focused on solidifying democratic gains, and key to this was the success of the 2018 general elections.

On 7 March 2018, voting was held to choose the president and the members of parliament and local councils. No presidential candidate received the 55% of the vote required to win in the first round, and a second round of voting was held on 31 March, pitting Samura Kamara of the ruling All People's Congress party against opposition leader, Julius Maada Bio of the Sierra Leone People's Party. Fewer than 15,000 votes separated Kamara from the winner, Bio, who was elected with 51.8% of votes. The successful conclusion of elections is reflected in Sierra Leone's ranking in the ACBR 2019 Politics Quadrant. The country climbed three positions to 16th place. This relatively high position underscores a return to political stability.

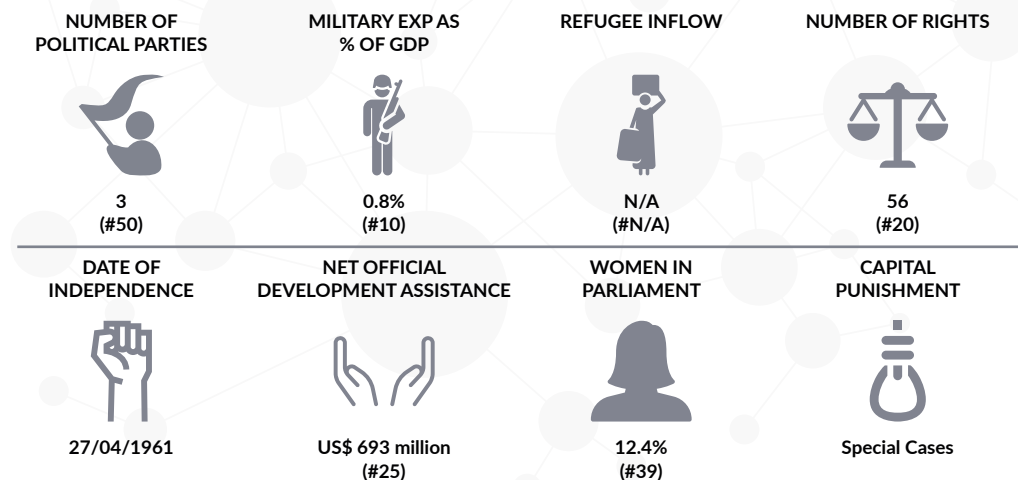
POLITICAL DATA COMMENTARY



POLITICAL SCORES & RANKINGS



POLITICAL STATISTICS



SIERRA LEONE SOCIETAL ANALYSIS



SOCIETAL OVERVIEW

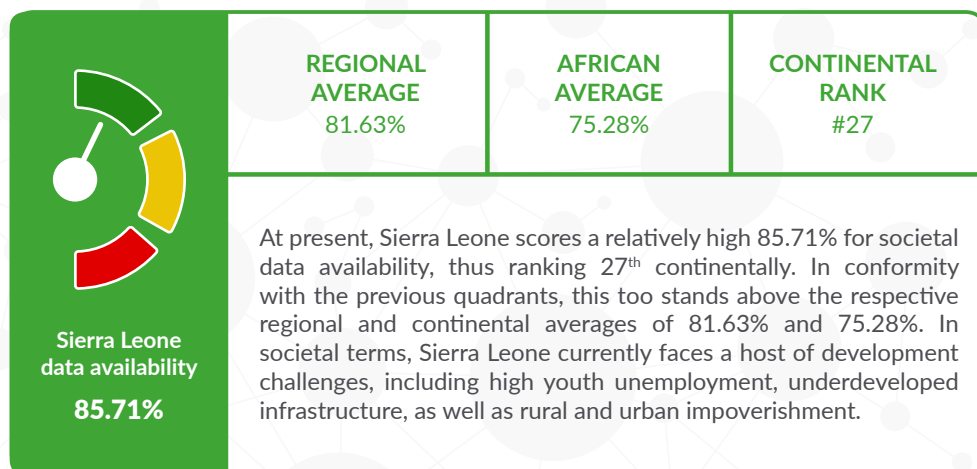
Sierra Leone's people remain mired in poverty in a country with significant natural resources. A hindrance to national development has been a societal preference for large families. This custom now threatens to produce more poor people than even a strongly improving economy can lift out of poverty.

The average Sierra Leonean woman begins to bear children while in her teen years and goes on to give birth to nearly five children. This would lift the population even beyond the 2018 growth rate of 2.4%, if not for a high infant mortality rate. At 67 deaths per 1,000 live births, the country's infant mortality rate is the 9th-highest in the world. Maternal deaths are worse, and at 1,360 per 100,000 births, Sierra Leone's maternal

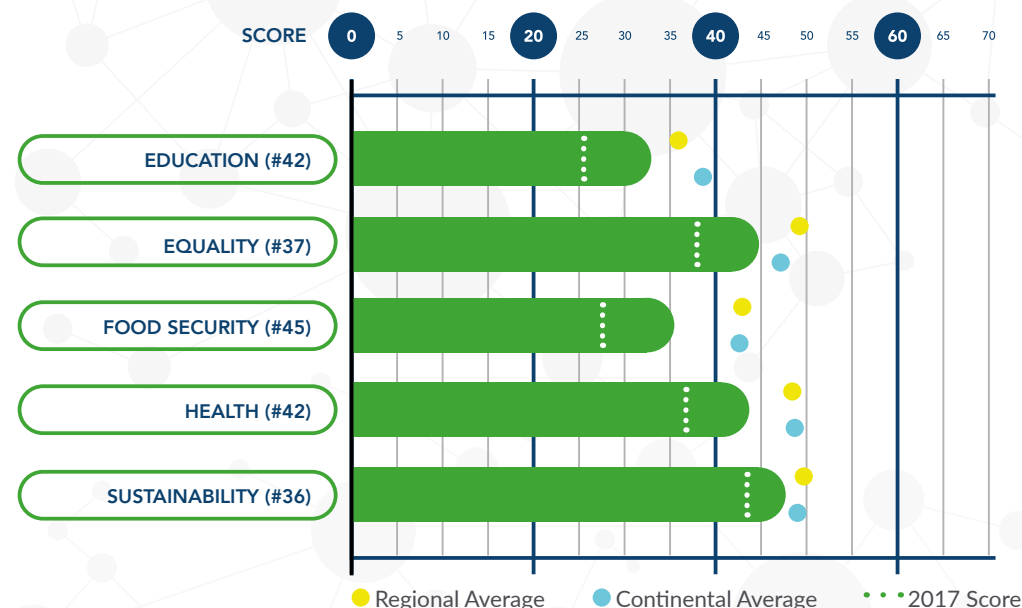
mortality rate is the highest in the world. Life expectancy for a Sierra Leonean is 59 years on average. Poverty is a contributing factor that shortens lifespans and accounts for 18% of children below the age of five being underweight. As such, the degree of urbanisation is increasing, as more people look to the cities for opportunity.

In the Society quadrant, Sierra Leone rose one rank, ascending out of the bottom 10 in this quadrant. From a position of 45th in the previous period of review, Sierra Leone is now in 44th place. The conquering of Ebola and boosting of the national health system are reflected in the slight rise, although the position is amongst the lowest in the quadrant.

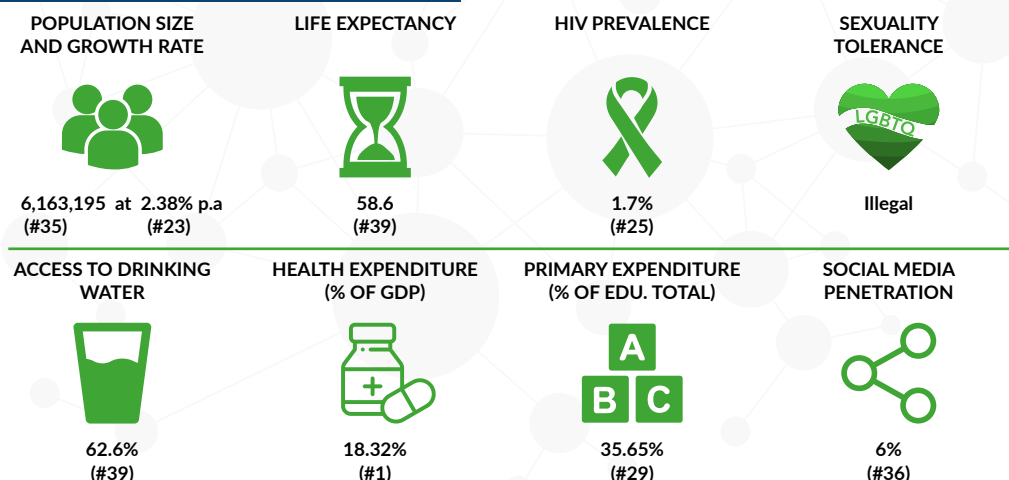
SOCIETAL DATA COMMENTARY



SOCIETAL SCORES & RANKINGS



SOCIETAL STATISTICS



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