

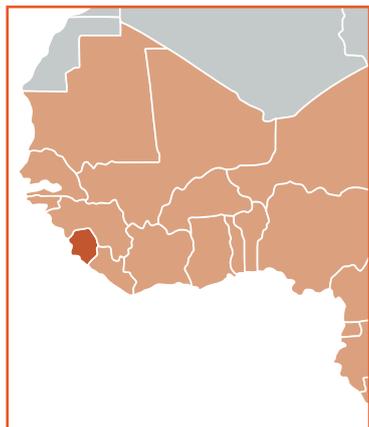


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# Investing in rural people in **Sierra Leone**

Rural poverty in Sierra Leone is widespread and deep. About 26 per cent of the people are food-insecure and cannot afford a basic diet, while 75 per cent live below the poverty line. Poverty is directly linked to the problems faced in agricultural production and commercialization. Food insecurity is more pronounced in households headed by women than in those headed by men. Widespread regional disparity exists in the incidence of poverty, with rural areas – where two thirds of the population live – being the hardest hit. Geographically, poverty is most severe in the eastern part of the country. The main poverty indicators are food insufficiency, poor housing, poor health, high infant and maternal mortality, high illiteracy rate, limited access to clean water and very low incomes.

Before the outbreak of Ebola in May 2014, Sierra Leone had been slowly moving towards middle-income status. The country had emerged from civil war and, with the assistance of international donors, was rebuilding its economy and had embarked on a process of democratization and stabilization. Today, however, problems of high youth unemployment, poor infrastructure, corruption and weak national cohesion persist, alongside the daunting challenge of enhancing transparency in the country's natural resources management and its fiscal and trade policies.



The country's poor rural people – particularly woman-headed households and landless young people – are disadvantaged in almost all aspects of human development, including health, nutrition, education and food security. As a result, productivity is generally low, a situation exacerbated by limited access to land, technologies, markets and financial services.

## Eradicating rural poverty in Sierra Leone

Agriculture is considered the priority sector for poverty reduction in Sierra Leone today. Therefore, the constraints faced by farmers – such as access to land, credit and inputs – need to be addressed. The absence of modern processing equipment limits opportunities for adding value and inadequate rural infrastructure (roads) hinders farmers' access to markets. Only an estimated 5 per cent of farmers currently have access to financial services.

To address these challenges, the Government of Sierra Leone is striving to develop agriculture and the rural sector, guided by multiple strategic directives under the leadership of the Ministry of Agriculture, Forestry and Food Security. These have resulted in the National Sustainable Agriculture Development Plan 2010-2030 and the Smallholder Commercialization Programme. Within this overarching framework, the provision of financial services specifically tailored to the rural sector is a critical component.

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## IFAD's strategy in Sierra Leone

Since initiating its first project in the country in 1980, IFAD has provided a total of US\$116.2 million in financing through eight loans and three grants for programmes and projects with a total cost of US\$251.9 million. The investment has benefited 513,500 households.

Operations were suspended during the civil war and resumed after it ended in 2002. At that time, IFAD and the African Development Bank established a joint programme coordination unit to facilitate the management and increase the cost-effectiveness of operations in agriculture and the rural sector.

IFAD is currently the largest and most active donor in the country's agricultural sector. Its strategy focuses on three main areas:

- Support to agriculture – improving smallholder farmers' access to irrigation, technical skills and markets
- Support to rural finance – providing poor rural people with access to reliable and sustainable financial services (savings, credit, transfers, remittances)
- Support to local development – increasing poor rural people's participation in the management of local decentralized institutions.

IFAD supported the government in its fight against the Ebola outbreak and during the aftermath. More than 8,700 people were infected and 3,955 died. Within the Rehabilitation and Community-based Poverty Reduction Project, all IFAD-supported units were equipped with preventive kits. Under the Rural Finance and Community Improvement Project, rural finance institutions provided communities with continued access to savings, remittances, and other vital products and services, including education on Ebola prevention. IFAD also provided a US\$3 million grant for WFP operations in the rural areas of the countries affected by Ebola (Sierra Leone, Liberia and Guinea). Now that the worst of the epidemic appears to be over, IFAD will continue contributing to the country's recovery, particularly to establish food security, which is a major constituent of health.

# Ongoing operations

## Rural Finance and Community Improvement Programme – Phase II (2013–2022)

This second phase of the programme will scale up current activities to the national level, covering all 13 districts of Sierra Leone and forging linkages with other IFAD and donor-supported projects. It aims to reduce rural poverty and household food insecurity on a sustainable basis, primarily by strengthening and expanding the rural finance system.

The programme will also support gender mainstreaming and the empowerment of women and young people to ensure their participation in its activities, for example by:

- Providing products tailored to the needs of women and young people by the community banks
- Adopting a gender action learning system
- Establishing minimum participation quotas for women and young people in programme activities
- Providing literacy and numeracy training for women’s saving and borrowing groups.

The total project cost is US\$38.1 million, financed mainly through an IFAD grant of US\$11.2 million, an IFAD loan of US\$11.2 million and US\$1 million cofinancing from the International Finance Corporation. The project is expected to directly benefit 285,000 households.

## Smallholder Commercialization Programme (2011-2016)

The nationwide Smallholder Commercialization Programme has a total cost of US\$56.4 million. It is cofinanced by the Global Agriculture and Food Security Program (US\$50.0 million) and supervised by IFAD. The programme will directly benefit 100,000 people in four target groups: smallholder farmers, women, young people, and microentrepreneurs and small business operators.

The programme seeks to empower poor rural people to sustainably increase their food security and improve their livelihoods by:

- Reducing the gap between national rice production and demand (70,000 metric tons)
- Increasing farm incomes and supporting agribusinesses through agricultural business centres.

It will also focus on smallholder agricultural commercialization, small-scale irrigation development and access to rural finance.

The outbreak of **Ebola** in May 2014 severely **undermined the country’s progress** towards middle-income status

**IFAD has provided a total of US\$116.2 million in financing** and is currently the largest and most active donor in Sierra Leone’s agricultural sector



## Rehabilitation and Community-based Poverty Reduction Project (2003–2017)

The districts of Kono and Kailahun in the eastern part of the country on the border with Liberia and Guinea were the hardest hit by civil war, suffering widespread destruction and mass population displacement. When the war ended, it was clear that external assistance was critically needed to allow a return to pre-war levels of livelihood and production. The return of refugees, displaced persons and former combatants to the war-torn zones put additional pressure on resources and economic opportunities, causing tension. It was therefore extremely important to restore basic production capacity in order to satisfy people's food needs.

In partnership with the African Development Bank, the project assists communities within a broader regeneration process. It provides small-scale crop and livestock farmers with basic agricultural packages, including seeds, tools and livestock, and rehabilitates rural infrastructure. At the same time, it is laying the foundations for long-term and sustainable development by supporting community-based institutions and building the capacity of community groups to participate actively in their own development.

The project is improving living conditions of rural communities, particularly vulnerable households, such as those headed by war widows and other women. In total, 20,000 households are expected to benefit directly. The project also supports poor displaced farmers, former combatants, sexually abused young women and single mothers, young people, vulnerable children and disabled people.

The total project cost is US\$50.3 million, including an IFAD loan of US\$25.8 million and an IFAD grant of US\$17.2 million, in addition to US\$2.6 million in cofinancing from the Global Environment Facility.

IFAD invests in rural people, empowering them to reduce poverty, increase food security, improve nutrition and strengthen resilience. Since 1978, we have provided US\$17.7 billion in grants and low-interest loans to projects that have reached about 459 million people. IFAD is an international financial institution and a specialized United Nations agency based in Rome – the UN's food and agriculture hub.

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For further information on rural poverty in Sierra Leone, visit the Rural Poverty Portal <http://www.ruralpovertyportal.org>.



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