

Project Synthesis Report

A REVIEW OF TRENDS, PROJECT SCORING AND LESSONS
APRIL 2005 TO DECEMBER 2008

FINAL REPORT

by

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March 2010

Box 2. Sierra Leone Budget Support 2004 to 2007

Sierra Leone received three tranches of budget support funding during the period:

- £12 million in 2004/5 reviewed in February 2006
- £12.5 million in 2005/6 reviewed in May 2007
- £12.5 million in 2006/7 reviewed in May 2007

During the first year DFID's contribution stood alone but in subsequent years the European Community, World Bank and African Development Bank were significant partners.

The purpose scores in each of the three PCR were 2, likely to be largely achieved. The output score dropped from 2 in the first year to 3 (likely to be partly achieved) in subsequent years. The present review considered these scores justified and noted the following factors that contributed to the quality of the scoring:

- High level political interest in the progress of this activity, especially in the first year when the Secretary of State wrote to the President of Sierra Leone to stress the need for progress.
- Clear need to learn lessons for subsequent years of budget support to Sierra Leone in the context of a 10 year partnership agreement between the UK and GoSL, for which the MoU was signed in 2002
- The innovative use of a performance tranche may have provided a further incentive to track progress
- Provision of OVIs with differentiation of scoring between them and a clear justification for the overall scores
- The use of standard indicators (macro-economic and social) at the purpose level supported by the development of GoSL systems for planning and financial management providing data on progress
- Triangulation of different sources of information. External validation provided by IMF (tracking progress against PRGF) and written evidence from GoSL on progress against other indicators
- The PCRs were undertaken by an external and independent consultant who reviewed documentation. In the second and third years the consultant also interviewed partners and stakeholders.

The present review also notes the following points in the Sierra Leone Budget Support PCR:

- The only outputs specified concern the achievement of the 10 year MoU targets. The final PCR raises questions how to assess the contribution of outputs from DFID partnership activities to achieving the purpose of budget support without a more precise logical framework.
- The contribution that DFID made to macro-economic stability in the first year appears justified in view of the withholding of funds by other donors because of the relatively high risks. The assessment of risk was revised to medium in subsequent years and other donors joined in the programme.
- The performance tranche, while a useful tool, had been less effective than expected. The final PCR indicates its effectiveness needs to be considered in relation to other donors' activities and government capacity.
- One expectation was that budget support might help to avert conflict after the cessation of the civil war. The PCR provides some justification in the first year though it is challenging to be definitive with so many other factors involved.

