



Sierra Leone National AGOA Response Strategy 2019 to 2025



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Abbreviations and Acronyms

AGOA	-	African Growth and Opportunity Act
BSL	-	Bank of Sierra Leone
CAC	-	Corporate Affairs Commission
DTIS	-	Diagnostic Trade Integration Study
EU	-	European Union
FAO	-	Food and Agriculture Organisation
FDI	-	Foreign Direct Investment
GDP	-	Gross Domestic Product
GSP	-	Generalised Scheme of Preferences
IGC	-	International Growth Centre
IUU	-	Illegal, Unreported and Unregulated
MAFFS	-	Ministry of Agriculture Forestry and Food Security
MFMR	-	Ministry of Fisheries and Marine Resources
MoFED	-	Ministry of Finance and Economic Development
MTI	-	Ministry of Trades and Industry
NRA	-	National Revenue Authority
NSC	-	National Steering Committee
NTR	-	Normal Tariff Regime
OARG	-	Office of the Administrator and Registrar General
PMB	-	Produce Monitoring Board
SLBF	-	Sierra Leone Business Forum
SLeCARD	-	Sierra Leone Chamber of Agriculture and Agri-Business Development
SLCCIA	-	Sierra Leone Chamber of Commerce Industry and Agriculture
SLIEPA	-	Sierra Leone Investment and Export Promotion Agency
SLPMC	-	Sierra Leone Produce Marketing Company
SLSB	-	Sierra Leone Standards Bureau
SME	-	Small and Medium Enterprises
SSA	-	sub-Saharan Africa
UNECA	-	United Nations Economic Commission for Africa
USA	-	United States of America
WBI	-	World Bank Institute

Foreword

Sierra Leone is a small open economy that has enjoyed relative political and economic stability since the end of the civil war in 2001. However, though with huge potential, the country's export base is very narrow and largely consists of minerals (diamond and iron ore in recent times) and a few agricultural commodities (cocoa and coffee). The country is endowed with vast arable land suitable for the cultivation of variety of crops that could be useful to diversify the economy.

The country has not benefitted from the African Growth and Opportunity Act (AGOA) since its promulgation in 2000. Trade between Sierra Leone and the United States is still very low and the country is yet to attract significant foreign direct investment from the United States. It is against this background that this strategy was prepared and it intends to build on on-going reforms and interventions with a view to promoting trade with the US under AGOA. The strategy identified the focus/priority products mainly agriculture and agri-business, fishery and textile. A detailed analysis on issues/challenges related to policy and regulatory framework, supply side/production and marketing was done with short medium and long term recommendations proffered.

I wish to reiterate the Government's determination to unblock the administrative bottlenecks identified and remove other constraints impeding trade. We will create the enabling environment including the appropriate institutional framework and infrastructure to facilitate trade and private sector development.

On behalf of the Government of the Republic of Sierra Leone, I hereby extend our profound thanks and appreciation to the United Nations Economic Commission for Africa (UNECA) for providing the funds for the preparation of this strategy, the International Growth Centre (Sierra Leone Country Office) for the technical support and the private sector for the frank discussion during the consultative meetings.

Peter Bayuku Konteh
Minister of Trade and Industry

Executive Summary

The Sierra Leone National African Growth and Opportunity Act (AGOA) Response Strategy aims to guide government interventions and programmes to ensure that the country is able to make use of the opportunities from the AGOA preferential treatment. AGOA allows duty and quota free access to the US market for over 6,400 products. Although Sierra Leone has comparative advantage in the production of some of these goods, even with the promulgation of the Act since 2000 Sierra Leone's trade with the US continues to be very low relative to Sierra Leone's trade with China and some EU countries. It is therefore, appropriate to develop a strategy that will guide government interventions with a view to promoting exports generally and to the US in particular. The primary objectives of this strategy are: to develop the productivity of the focus/priority products with a view to increasing exports to the US under AGOA; advise government on support, interventions and reforms required in order to take advantage of AGOA; and facilitate a substantial increase in US investment in Sierra Leone as well as encourage and promote strong engagement between US small and medium scale enterprises (SMEs) and the Sierra Leone private sector.

The focus/priority products were selected during the consultative meeting using primarily the following criteria:

- a) Products should, or have the potential to, be produced in large quantities,
- b) The quality of the product should meet US minimum standards,
- c) Producers/manufacturers/traders should either be exporters or committed to enter the export market,
- d) Producers/manufacturers/traders should have the demonstrated capacity or willingness to meet deadlines, regularly and reliably.

The following products - Agriculture and agro processing (Cashew, Cocoa, Processed cassava – “Gari”, Ginger, and Palm oil); Fish and fishery products: smoked/dried fish; Natural honey and textile were selected during the consultative meetings. Most of the focus products lend themselves to smallholder production and can therefore be directly poverty reducing. It is hoped that with the implementation of the recommendations in this document, together with other reforms government may implement, more investment could be attracted and the priorities may shift in the medium to include the manufacturing sector which may benefit more from AGOA.

It is also important to note that products not listed/identified as focus/priority can also be exported to the US as long as they are among the 6,400 product lines that are covered under the AGOA preferential treatment and the recommendations proposed in this strategy when implemented will cover all products.

The strategy preparation process was very consultative and the analyses were structured along three broad lines of enquiry as follows:

1. Policy and regulatory framework within which production, distribution and marketing occurs;
2. Supply side issues that both constrain and offer opportunities for efficiency gains in production in the form of technology and lower cost of operations; and
3. Marketing of final product including packaging, branding and sales.

Trade Policy and Regulatory Framework

Even though Sierra Leone continues to identify trade promotion as a critical component of the country's development agenda, studies have revealed that there is considerable scope for improving the business environment by rationalising laws, regulations, procedures and even institutions governing trade. The country continues to be among the least performing countries in trade-related global rankings. Several efforts are being made in relation to

improving the business environment including the promulgation of trade promotion laws, regulations and the establishment of trade facilitation institutions. Despite these efforts, the following were identified as common policy and regulatory challenges:

1. Unclear, unstable and sometimes even contradictory laws and processes that end up raising the transactions costs of doing business,
2. Lack of clear information on export processes and procedures (including compliance with rules, levies and concessions).
3. Inefficiencies in the export processes resulting from avoidable bureaucratic processes - such as requirements for annual export licenses and a letter of authorisation for every export package,
4. Multitude of agencies involved in the export process including quality and standard certification leading to complex and lengthy processes,
5. Inadequate capacity of the Sierra Leone Standards Bureau to carry out relevant tests necessary for quality control. This is largely due to inadequate testing kits (including reagents), skilled staff and equipment,
6. Lack of comprehensive production and export data that is credible. This makes planning for both the public and private sectors difficult. For the latter, it decreases attraction of potential investments.

Supply-side Production Constraints

As listed above, most of the focus products are agricultural produce reflecting the country's huge potential for increased production in the agriculture sector. Nevertheless, there continues to be production challenges that have constrained exports generally and to the US market in particular. In spite of the government's many efforts, the business environment remains difficult and investors – both foreign and local – have been slow to enter. Below are some of the common challenges that emerged from the discussions with the stakeholders:

1. Inadequate road infrastructure which poses special problem for the agricultural products. Poor roads increase transport costs and make some towns and villages inaccessible during the rainy season.
2. Limited access to electricity as well as unreliability results in impediments for agribusinesses and forces investors to invest in expensive generators.
3. The absence of storage facilities results in high post-harvest losses.
4. Inadequate access to local finance due to high interest rates among others.
5. Difficulties in accessing land particularly in the provinces to establish large industrial farms due to complicated land tenure systems.

Despite the above challenges, Sierra Leone's agro-climatic conditions are broadly conducive to agriculture, with relatively reliable and plentiful rainfall and an absence of extremes in weather. Land is still abundant and evenly distributed. Most of the country is close to the coast and along the coast are rich fishery resources. In the short- and medium-term, some action is possible while work proceeds on infrastructure development, access to finance, and strengthening public services. It is important to note that most of the supply-side constraints go well beyond the scope of an AGOA export strategy, and call for strategies and/or programs that are driven by a wide variety of considerations.

Market Access

Trade between Sierra Leone and the US is relative low as most of the country's exports go to China and some EU countries. The common marketing challenges include:

1. Inadequate advertising of the country's potential and investment opportunities;
2. Lack of a well-developed and internationally accredited laboratory for standards and quality tests;
3. Inadequate capacity and mechanisms to link farmers to international buyers; and

4. Local producers (farmers) lack sufficient knowledge of market conditions including prices.

Notwithstanding the above challenges, capacity to access the US market can be enhanced through the following:

5. US partners supporting larger scale Sierra Leonean traders: Partnerships can be developed through trade supporting institutions, and Sierra Leone Trade attachés can promote joint arrangements with local firms while in their respective embassies.
6. Promoting local demand in the US through effective marketing.
7. Labelling and packaging products for export. It is important to note that labelling and packaging can also be used as a means to advertise the product. It is therefore important that the labelling and packaging be of high quality and legible to attract consumers.
8. Enhancing capacity to deal with procedures to establish preferential access in the US, as well as import procedures in the US more generally.

Foreign Direct Investment

Foreign Direct Investment (FDI) may help to overcome many of the production and market access related challenges identified by providing access to cheaper finance; access to key production inputs, including equipment and technology, and market knowledge. Sierra Leone is yet to significantly benefit from the recent trade globalisation and flows of FDI. Apart from the mining sector, very little FDI has been attracted and the FDI that Sierra Leone did attract as mainly from Europe and China.

Key recommendations to attract increased FDI include:

1. Streamline the legal and regulatory framework for businesses;
2. Reduce overhead costs of doing business by improving access to reliable and stable electricity;
3. Provide stable fiscal and regulatory rules;
4. Eliminate unnecessary bureaucratic procedures that add little or no value to the product;
5. Rationalise institutions and institutional arrangements governing the sector.

Institutional Arrangements

The Ministry of Trade and Industry will be the custodian of the strategy. There will be a National Steering Committee, chaired by Chief Director, Ministry of Trade and Industry with membership from relevant trade related ministries, departments and agencies (MDAs) including the private sector. Technical working groups will be constituted together with a secretariat based at the Sierra Leone Investment and Export Promotion Agency (SLIEPA).

1. Introduction and Vision

The Government of Sierra Leone/ Ministry of Trade and Industry, with support from the United Nations Economic Commission for Africa (UNECA), commissioned the preparation of a strategy for accessing and benefiting from the United States African Growth and Opportunity Act (AGOA). The International Growth Centre (IGC), Sierra Leone office, provided technical services to the Task Force set up for this purpose by the Ministry of Trade and Industry and the Sierra Leone Investment and Export Promotion Agency (SLIEPA). AGOA is a US development effort which was promulgated into law in May, 2000. It is the centrepiece of the United States (US) – sub-Saharan Africa (SSA) trade relations and provides eligible countries in sub-Saharan Africa with more liberal access to the US market. Country eligibility under AGOA is based on a set of criteria that evaluates a country's progress toward establishing a market-based economy, the rule of law and political pluralism, as well as its efforts to protect intellectual property rights, combat corruption, reduce poverty, increase the availability of health care and educational opportunities, protect human and workers' rights and eliminate certain child labour practices¹.

At the time of the promulgation of AGOA, the following were expected among others:

1. Exports from SSA to the US would increase substantially;
2. US investment in SSA would increase and there would be a strong engagement by US Small and Medium Enterprises (SMEs) in SSA;
3. Benefits would extend to countries throughout SSA;
4. Development of SSA light manufactures (e.g. textile and apparel, leather products); and
5. Development of the productive capacity of African exporting firms, allowing them to sustain a growth trajectory as trade preferences erode.

This strategy will guide government interventions and programmes designed to ensure that the country is able to make use of the opportunities from the AGOA preferential treatment. It has been developed following extensive consultations with stakeholders and in particular the private sector in Sierra Leone. Several focus group discussions and bilateral meetings were held with specific interest groups such as manufacturers, traders, producers and businesses already engaged in small-scale exports to the US markets. The approach adopted was to analyse the opportunities along the value chain for actual and potential products to be exported to the US market.

The analyses were organised along three lines of enquiry. First, the policy and regulatory framework within which production, distribution and marketing occurs; second the supply-side issues that both constrain and offer opportunities for efficiency gains in production in the form of technology and lower cost operations; and thirdly, the marketing of the final product including packaging, branding and sales. The strategy identifies short, medium and long-term reforms and programmes for improving the competitiveness of export products and enhancing the capacity for sustained supplies. It also specifies responsibilities for the various initiatives required. Overall, it is expected that the reforms and programmes proposed will not only serve to help penetrate the US market but also create the foundations for exporting to other markets.

1.1 Evolution of Trade in Sierra Leone

Sierra Leone has enjoyed political and economic stability that has resulted in impressive macroeconomic gains since the end of the civil war in 2001. Though seriously affected by the Ebola outbreak, the country recorded significant improvement in economic growth and stability with marked reduction in its external current account and fiscal deficits. There was an increase in real GDP growth in two (2) consecutive years (15.2% in 2012 and 20.1% in

¹See Summary of AGOA I on the International Trade Administration's website, www.agoa.gov, at <http://www.agoa.gov/agoalegislation> 21 March 2012

2013), single digit inflation, declining interest rates and relatively stable exchange rates. The stability occurred at the time of high commodity prices and the exploitation of the country's mineral resources including iron ore, bauxite, diamonds and gold that made significant contributions to both export earnings and overall economic performance.

The export base of Sierra Leone is still considered to be narrow and consists of minerals, mainly diamonds and more recently iron ore. The trade balance deteriorated from US\$-4747 million in 2010 to US\$-1,107 million in 2015. Exports of iron ore increased from US\$ 15 million in 2011 to US\$1,065 million in 2013, and then declined to US\$743 million in 2014. When the iron ore prices crashed in the international market, iron ore exports from Sierra Leone slumped to US\$77 million in 2015. Diamond exports increased slightly from US\$113 million in 2010 to US\$154 million in 2015 whilst exports of rutile/titanium increased from US\$41 million in 2010 to US\$92 million in 2015. A similar trend of increase in exports is observed for bauxite.

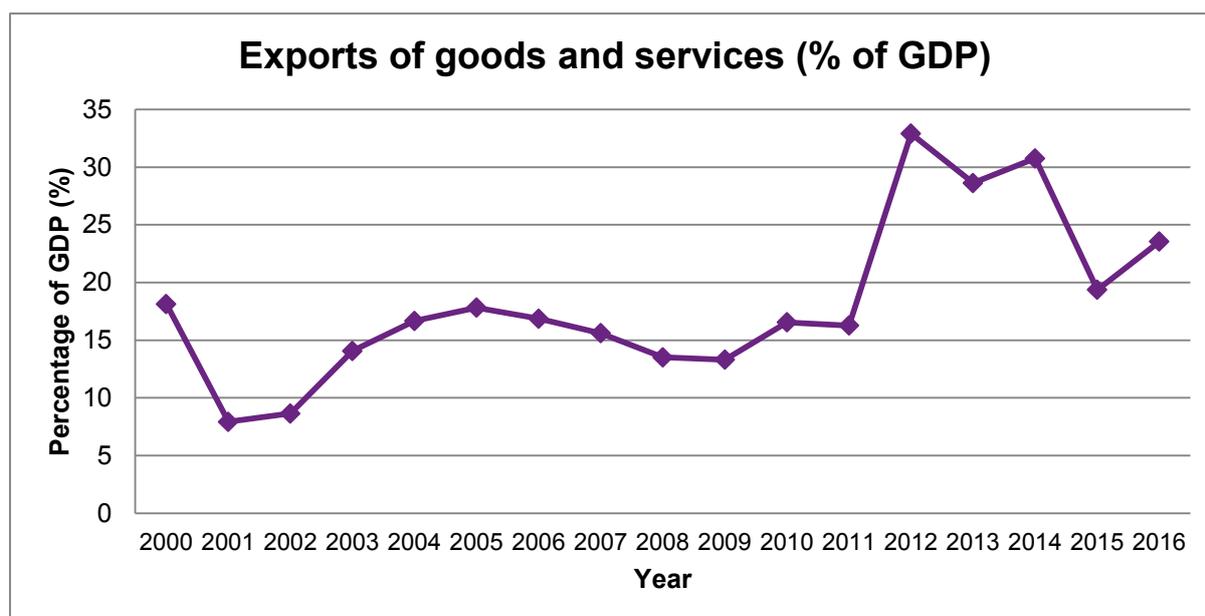
Table 1: Exports of selected products, 2010 – 2015 (US\$ million)

	2010	2011	2012	2013	2014	2015
Current account balance	-317	-1,353	-945	-886	-651	-743
Trade Balance on Goods and Services	-474	-1,385	-1,048	-732	-1,098	-1,107
Goods balance	-325	-1,118	-698	-24	-76	-766
Goods Exports	222	266	734	1,404	1,112	385
of which:						
Diamonds	113	129	162	186	208	154
Rutile/titanium	41	39	176	130	96	92
Iron ore	-	15	357	1,065	743	77
Bauxite	31	39	17	14	39	43
Cocoa	37	44	23	9	26	19

Source: Bank of Sierra Leone, 2016

The country has vast arable land which could be utilized for the cultivation of a variety of crops including cashew, cassava, cocoa, coffee, ginger, rice, oil palm, vegetables and sugar cane. Agriculture is the second most significant contributor to export earnings behind mining. The main agricultural export commodities are cocoa and coffee. Cocoa bean exports have been fluctuating in the 2010 to 2015 period. Exports increased from US\$37million in 2010 to US\$44 million in 2011, then slumped to US\$23 million in the following year. As of 2015, exports of cocoa beans stood at US\$19 million. Total goods exports however increased from US\$222 million in 2010 to US\$385 million in 2015, with the mining sector making significant contribution to this.

Figure 1: Sierra Leone exports as a percentage of GDP, 2000-2016



Source: World Bank, World Development Indicators, 2017

As seen in Figure 1, total exports of goods and services as a percentage of national output has been volatile and reflects movement in the price of minerals which are the key determinants of export earnings. There was a significant increase between 2011 and 2012, the period that marked the resumption of large scale exports of iron ore.

1.2 Trade with the United States

It is not easy to get an accurate picture of the actual level and composition of exports from Sierra Leone to the United States (US). Export data from the National Revenue Authority (Customs Department) in Sierra Leone raise numerous questions so the analysis here is based on import data from the United States. However, this must also be interpreted carefully. For example, the data for 2015 shows imports of medical equipment from Sierra Leone. This does not represent an export but more likely the return of equipment following the end of the Ebola crisis. Similarly, a temporary surge in imports of wood statues in the same year probably reflects purchases by expatriates returning to the US. There are also significant imports of clothing, but these are spread over 40 different categories, each with very small amounts. Therefore, this probably reflects individuals bringing in personal effects or gifts. There is also the possibility that some imports are mistakenly or deliberately assigned to Sierra Leone when in fact they originate elsewhere.

Table 2: US Imports from Sierra Leone, 2015-16 ('000s US\$)

	2015	2016	2017	Normal Tariff Regime	AGOA tariff rate
Agricultural products	966	1,190	1,326		
- Smoked, dried fish	563	324	625	0	0
- Frozen fish	58	-	-	6%	0
- Honey	-	564	99	1.9 cents/kg	0
- Palm oil	183	199	306	0	0
- Vegetables, tubers	61	10	14	various	0
- Cocoa beans			50	0	0
Forest products	864	267	4		
- tropical wood	756	137	4	0	0
Minerals	32,100	22,330	38,754		
- titanium	27,777	19,698	7,739	0	0
- diamonds	1,650	1,690	30,708	0	0
- gold	1,770	39	307	0	0
Other	6,010*	6,469*	7,987		
Total	39,940	30,256	48,071		

*This consists of roughly one-third machinery, one-third electrical, and one-third transport and chemical products, clothing and miscellaneous. However, this does not imply that Sierra Leone has significant capacity for manufactured exports. While it is difficult to determine exactly what these imports constitute, it is more likely that they represent goods entering the US with institutions such as the United Nations, the US State Department, and non-governmental organizations, as well as individuals.

Source: UN Comtrade Database, United States Harmonized Tariff Schedule 2017, US AGOA list of eligible products.

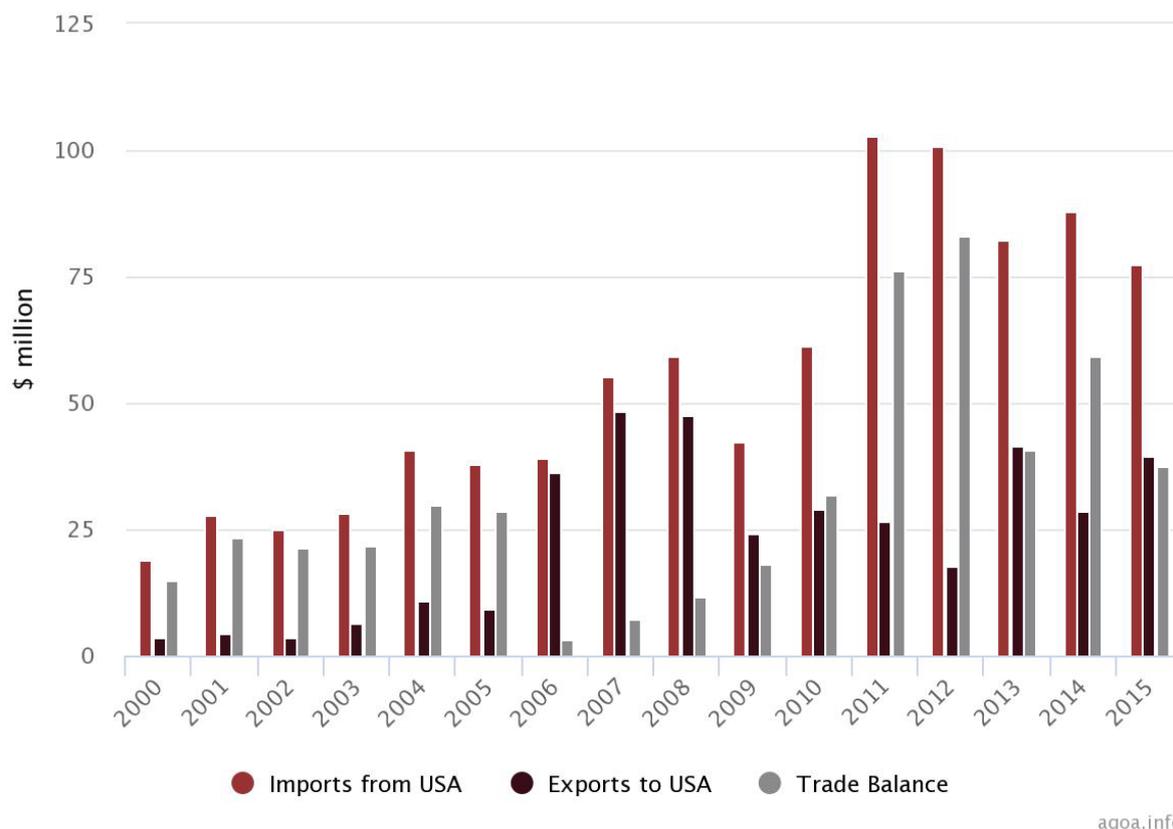
Sierra Leone's exports to the United States are significant, reaching US\$48 million in 2017, after falling to just over US\$30 million in 2016. As summarized in Table 2, these totals largely reflect exports of minerals, and in particular, titanium and diamonds. The other categories singled out in the table include those selected for priority attention in this strategy, and for which trade flows currently exist – fish products, honey, palm oil, processed cassava/gari and, in 2017, cocoa. While no trade shows up under the category normally assigned to cassava, there are significant imports at least in 2015 for another category which includes vegetables and tubers. Tropical timber is also highlighted given the significant value of exports in 2015, though this has almost disappeared by 2017. There appear to be significant imports in other categories which are not natural resource-based in the order of US\$6 million. It is noted that there have not been any exports of cashew or ginger to the United States for the years in question.

Table 2 also summarizes the import tariffs for the key products currently traded. Palm oil enjoys tariff-free access under the normal trade regime in the US, as does tropical timber. Many types of dried or smoked fish also faces a zero tariff. However, it is unclear how imports from Sierra Leone are classified, and this will depend on the type of fish being used. Honey faces a small tariff and frozen fish, a somewhat larger one. Both would be eligible for duty exemption under AGOA. Cashew and ginger, not shown in Table 2, do not face a tariff under the normal trade regime (NTR), although they would if some level of processing was involved.

The US website dedicated to AGOA indicates that imports valued at US\$523,000 – exclusively agricultural – benefited from AGOA preferential access in 2016. This may be honey imports, though it was not possible to verify.

The figure below shows bilateral trade between Sierra Leone and the US from 2000 to 2015.

Figure 2: Bilateral goods trade United States – Sierra Leone, 2000 – 2015



Despite the duty and quota free access to the US market for over 6,400 products, Sierra Leone’s trade with the US is still very low and China and EU countries continue to be Sierra Leone’s major trading partners. As shown in Figure 2, Sierra Leone continues to import more than it exports to the US. On average, the country’s exports to the US over the last 10 years are about US\$25-30 million. This could be partly attributed to weak trade support network and institutions facilitating access to the US market.

Given the duty-free access available for many basic commodities in which Sierra Leone has a comparative advantage, it is appropriate to develop a strategy for the US market generally and not limit it to products which can use AGOA preferences. Furthermore, once some of these products are ready for further processing in Sierra Leone, they may be in a position to use AGOA. For example, raw ginger does not need AGOA because the import duty is already 0%, but if the exporter were to move into crushed or ground ginger, he or she could use AGOA to avoid the small import duty (1 cent/kg).

1.3 Vision for National AGOA Response Strategy

The vision of this strategy is to widen and deepen Sierra Leone’s trade relations with the United States of America. In particular, to increase the competitiveness and volumes of Sierra Leone’s exports to the US as well as promote the flow of foreign direct investment (FDI) from US to Sierra Leone.

1.4 Objectives

In order to achieve the aforementioned vision, the objectives of this strategy are:

1. To develop the productivity of the focus products with a view to increasing exports to the US under AGOA

2. To advise government on support, interventions and reforms required (as identified by domestic private sector investors) in order to take advantage of AGOA
3. Facilitate a substantial increase in US investment in Sierra Leone as well as encourage and promote strong engagement between US small and medium scale enterprises (SMEs) and the Sierra Leone private sector.

1.5 Identification of focus products

The focus products were selected using primarily the following criteria:

- e) Products should, or have the potential to, be produced in large quantities.
- f) The quality of the product should meet US minimum standards
- g) Producers/manufacturers/traders should either be exporters or committed to enter the export market
- h) Producers/manufacturers/traders should have the demonstrated capacity and willingness to meet deadlines, regularly and reliably.

The following products were selected:

1. Agriculture and agro processing:
 - a. Cashew;
 - b. Cocoa;
 - c. Processed cassava – “Gari”;
 - d. Ginger; and
 - e. Palm oil.
2. Fish and fishery products: smoked/dried fish
3. Natural honey
4. Textile

Three of the focus products (cashew, ginger and palm oil) selected are among those recommended for transformation into export crops by the Diagnostic Trade Integration Study (DTIS), 2013 as part of the diversification of the Sierra Leone economy.

It is important to note that products not listed/identified can also be exported to the US as long as they are among the 6,400 product lines that are covered under the AGOA preferential treatment. The steps and procedures (as listed in the appendix) remains the same and the recommendations proposed in this strategy when implemented will cover all products.

Products mentioned above are the current priorities identified during the consultative meetings. It is hoped that with the implementation of the recommendations in this strategy together with other reforms government may implement, more investment could come into the country and the priorities may shift in the medium to include the manufacturing sector which may benefit more from AGOA.

1.6 Description and potential of the focus/priority products



Cashew: This is a thriving rain-fed crop that can be grown in most parts of Sierra Leone. The first ever export of 70 metric tonnes was done in 2017 to Vietnam. There is a well-established market for cashew particularly in the form of shelled kernels in the US as over 90% of all US imports of cashew is in the form of shelled kernels, either fresh or dried. Cashew kernels are ranked among the most expensive nuts traded in the United States of America (USA).



Cocoa: Cocoa is naturally grown in rain forest zones. It is the main export crop of Sierra Leone and accounts for over 80% of agricultural exports. As at 2015, 6,833 metric tonnes were exported. While current exports are mainly to European countries, there is a huge market for raw cocoa beans and finished confectionary products in the US. The market is forecast to grow by another 20% by 2019.



Processed Cassava (Gari): Cassava is grown all over Sierra Leone. A new variety was developed and introduced in 2009/2010 by the Sierra Leone Agricultural Research Institute. A significant percentage of cassava is processed into “Gari” as it is one of the most widely consumed foods in neighbouring countries. Gari processing methods are currently highly labour intensive and largely done by women. There is a large market in the sub-region as well as a demand among the African population in the diaspora (US & Europe). There is emerging evidence suggesting that it is Sierra Leone’s main agricultural export to neighbouring countries (Guinea & Liberia) while small quantities go to the diaspora.



Ginger: Ginger is a tropical perennial herb that is largely used as a spice and preserve. It is one of the most popular hot spices in the World and can be sold both in fresh and dried form. The US is one of the largest importers of ginger. In Sierra Leone, it is mainly grown in the south and northern regions, and the country used to be the major exporter of ginger to the UK. Production fell significantly due to a change in taste/preferences from the local (Sierra Leone) variety to the South East Asian varieties. Some Asian varieties of ginger were tested in Sierra Leone but the results were mixed. The local varieties of ginger have a characteristic pungency and the market for this variety of ginger is on the increase again. Hot, spicy ginger has been particularly well received by buyers at the African Trade Resource Center in Miami.



Oil palm: Yellow oil from the tenera variety of tree is the main form of exports. There are two major companies currently processing the product and exports are largely to Europe. Additionally, there is evidence suggesting cross border trade (both formal and informal) with neighbouring countries (Guinea and Liberia) as well some quantities being exported to the US and UK. The latter trade tends to be in a special red variety from the dura tree which is appreciated in the sub-region and by the diaspora. It is an attractive niche market which faces less competition from Asian competitors.



Fish and Fishery Product: With a coastline of over 500km and continental shelf area of about 26,000km, Sierra Leone is endowed with significant quantities of fish stocks in her waters. It is estimated that the country has about 200 species and production is as follows:

- Artisanal 167,757 metric tonnes; and
- Industrial 20,000 metric tonnes.

There is also scope for fish farming and better exploitation of fresh water fisheries. At present, fish is being exported largely to China and Korea. However export to the EU is not possible because Sierra Leone cannot guarantee that the fish has been caught legally. The inability to satisfy phytosanitary standards required by the EU poses another problem. For the purposes of AGOA, smoked fish was selected as the focus product. Small quantities of smoked fish are currently being exported to the US.

Table 3 – Some derivative products from focus products eligible under AGOA

Product	AGOA Eligible Derivative Product
Cashew	Cashew apples, mameyes colorados, sapodillas, soursops and sweetsops, frozen, in water or containing added sweetening
	Cashew apples, mameyes colorados, sapodillas, soursops and sweetsops, otherwise prepared or preserved
Cocoa	Cocoa paste, wholly or partly defatted
	Cocoa powder, not containing added sugar or other sweetening matter
	Cocoa powder, 0/65% but less than 90% by dry wt of sugar
	Cocoa powder, sweetened, 0/90% by dry wt of sugar
Ginger	crushed or ground
	Ginger root, preserved by sugar (drained, glaze or crystallized)
	Sweet ginger, otherwise prepared or preserved
Honey	Natural honey D
	Sugar syrups, artificial honey, caramel
Oil palm	Industrial monocarboxylic fatty acids or acid oils from refining derived from coconut, palm-kernel, or palm oil

Source: AGOA List of Eligible products

Honey: Honey is mainly produced in Koinadugu district, but the tropical nature of the country's flora indicates a huge potential for production in other areas. While harvesting is done by men, processing is largely done by women. In 2009, honey was identified as one of the products that has potential to increase farmers' incomes (FAO Stat, 2009). Accordingly, various interventions to promote bee keeping practices and marketing (including the construction of a business centre) were planned and rolled out. Production was reported at 610 tonnes in 2014 and it is currently being exported in bulk (targeting the industrial market) to the US. It is not clear whether the US buyer is using the provisions of AGOA.



Textile: Prior to the war in the 90s, the textile industry was relatively strong with neighbouring countries (Guinea and Liberia) getting local fabrics from Sierra Leone. However, as with many other economic activities, this gain was reversed as a result of the war. At present, even though there is huge potential, the sector is largely informal, weak and its contribution to the country's GDP is minimal. At present, Collingi, Batik, Tie Dye Gara, Country cloth among others can be produced locally using largely traditional (rudimentary) techniques and tools. It is a fact that the textile industry is highly competitive and with AGOA, a number East and Southern African Countries (Ethiopia, Kenya, Tanzania, Mauritius among others) have been able to increase production and export to the US as a result of increased foreign direct investment into the sector. Nevertheless, anecdotal evidence suggested that there is potential demand for Sierra Leone products particularly the country cloth which is produced using locally grown cotton. It can also be used to produce blanket, rugs and wall hangings. Current production levels are very low and are mainly found in the local market.

2. Trade Policy and Regulatory Framework

Given Sierra Leone's small size, trade promotion is a critical component of the national development agenda and complements measures for private sector growth and development. Recent studies have revealed that there is considerable scope for improving the business environment by rationalising laws, regulations, procedures and even institutions governing trade. A number of policies therefore have to be developed and/or reviewed to create a more positive and enabling business environment. Additionally, the national development agenda, national export strategy and sector specific strategies have identified and proposed interventions geared towards enhancing prospects for trade and related investment flows.

Some progress has been made as a number of investments, largely in the mining sector, were recorded between 2010 and 2013. Additionally, the country was able to attract investment into the agricultural sector within the same period.

In the last World Bank Doing Business Index, Sierra Leone was ranked 160 out of 190 countries in the ease of doing business. Among the subcategories in the report, the country was ranked 81st globally in protecting investors; 83rd in ease of starting a business; 159th in ease of getting credit; 178th in ease of getting electricity; and 165th in ease of registering a property (Doing Business Report, 2018). In addition to the Ease of Doing Business indicators, even more constraining are the factors responsible for high costs of production in the country. These render products less competitive than would otherwise be the case. Some of these factors are found in the regulatory framework.

The 2017 World Economic Forum Competitiveness report lists Sierra Leone in the bottom ten out of 137 countries. Access to finance, corruption, foreign currency regulations, inadequate supply of infrastructure and inflation are rated as the five most problematic factors for doing business. These indicators suggest that additional work needs to be done on the enabling environment with a view to improving the country's ranking, which in turn will encourage and promote trade, and private sector development.

2.1 Common Policy and Regulatory Challenges

During the consultations held in the preparation of this strategy, the common policy and regulatory challenges reported are listed in the table below. The effects of these include delays, contradictory and confusing procedures, frequent changes in rules and a general complaint of bureaucratic bottlenecks.

Table 4: Common policy and regulatory challenges and related recommendations

No	Challenges	Recommendations		
		Short term	Medium term	Long term
1.	Lack of clear information on export processes (including compliance with rules, levies and concessions). There is a dearth of information relating to export procedures and processes.	Produce detailed information on steps, procedures and processes for exports. Information should be transparent, simple and accessible on-line. This should also include all required levies.	Streamline export procedures and processes by, for example creating a one-stop shop	Automate export procedures and processes.
2.	Inefficiencies in the export processes - such as requirements for annual export licenses and letter of authorisation for every export package.	Eliminate letter of authorization as a requirement for export by liberalizing exports except for banned or restricted goods. Exporters can send notification of export details for the records of the ministry		
3.	Multitude of agencies involved in the export process: (for standards: Produce Monitoring Board (PMB) & Sierra Leone Standards Bureau (SLSB): MTI export license and letter of authorisation; Sierra Leone Chamber of Commerce Industry and Agriculture (SLCCIA), certificate of origin; for Fish products, certificate from Ministry of Fisheries and Marine Resources (MFMR), etc, leading to a lengthy processes	Undertake a functional review aimed at streamlining number of institutions with the objective of improving efficiency in the sector	Streamline export procedures and processes by creating a one stop shop. Harmonize institutions that are responsible for trade and private sector development.	Automate export procedures and processes. Decentralise institution.
5.	Multiple institutions involved in quality and standards certification (PMB & SLSB for agricultural produce) and multiple charges (PMB 2.5% fob; SLSB depend on type of test, etc)	Ensure 2.5% payment covers all costs for standard and quality tests and funds are appropriately distributed among or between institutions	Improve coordination among standards enforcing Ministries departments and Agencies (MDAs).	Review SLSB and PMB Acts to ensure that functions are clear, specific and complementary.
6.	Inadequate capacity of the SLSB to carry out all required tests largely due to inadequate testing kits (including reagents), skilled staff and equipment.	Assess requirements for SLSB to meet obligations and recommend measures for providing required testing kits, equipment and skills for staff	Capacitate SLSB by providing required equipment and skills for staff	Allow SLSB to operate as a private agency with adequate capacity to generate resources to perform its functions
7.	SLSB laboratory not internationally accredited, and this undermines international acceptability of test results	Determine measures and options for securing rapid accreditation of SLBS laboratories	Launch programme for accreditation through multiple options such as twinning/ sub-regional agreements etc	Allow SLSB to operate as a private agency with adequate capacity to generate resources to perform its functions

8.	SLSB testing facilities concentrated in Freetown. Farmers/exporters based in the provinces are obliged to take samples to Freetown, further increasing operating costs.	SLSB to improve on mobile testing facilities particularly for basic tests related to agricultural produce	SLSB should set up testing facilities in the provincial head quarter towns and cities.	
9.	Lack of comprehensive production and export data that is credible. This makes planning for both the public and private sectors difficult. For the latter it decreases attraction of potential investments.	MTI & MAFFS should commission a study geared towards setting up robust systems for generating and providing credible data	Take a modular approach to revisiting the entire data machinery system	

2.2 Policy and Regulatory Issues Related to Fisheries

The policy issues pertaining to dried and smoked fish are broadly the same as those for the fishing sector in general. The policy framework has recently improved with the adoption of a new fisheries policy and an associated strategy document in 2016. The following policy related issues were identified:

1. **Control of Fishing Effort:** There is illegal fishing by foreign trawlers that then trans-ship or export directly to Asia. This is the most pressing problem because of the high risk of over-fishing in the coastal waters. It involves government action to prevent over-fishing, and the application of measures for a sustainable fishing industry. This requires policies and actions to regulate and control illegal, unreported and unregulated (IUU) fishing, and supervision of legal fishing. The number of licensed fishermen and their aggregate fishing capacity must be consistent with the allowable annual catch. This applies to both the industrial fleet and the smaller artisanal boats. But controlling the fishing fleet is a challenge everywhere and nowhere more so than in a country with the limited financial resources like Sierra Leone. The estimated loss from IUU is about US\$30 million per year.

Several projects are underway to tackle this problem, including the West Africa Regional Fisheries Program. Illegal trawlers have been kept out of the inner six-mile zone, with the help of a fast fisheries patrol boat. Management of the sector is receiving greater attention, and more responsibility is shifting to the local level, with surveillance being decentralized to four marine-protected areas and 31 community management associations. These associations have now been given the authority to limit the number of licenses issued within their areas, and to monitor fishing activity. Though there are still problems, the regional program also facilitates monitoring by promoting cooperation between countries.

2. **Landing of the fish catch:** Much of the legal industrial catch is trans-shipped on the high seas to the final destination without coming to port while 30 percent is required to be landed and sold locally. This is partly explained by the limited capacity of the existing port infrastructure and local processing capacity. However, every fishing nation aspires to value addition through local processing. It is true that no specialized fishing port exists in Sierra Leone as at the time of preparing this strategy (in 2017/2018), but some fishing companies still manage to land their catch and conduct on-shore operations for export.

Increasing exports of dried and smoked fish will eventually require greater supply of the raw material. Otherwise, exports will come at the expense of local consumption. A robust policy – supported by investments – will be needed to raise gradually the share of the catch which is landed. At the same time, plans for on-shore processing and marketing should be designed and implemented as early as possible.

3. **Compliance with standards:** This is an important aspect of fishery exports due to the highly perishable nature of the product. Exports to the EU countries have not materialised because of failure to meet their stringent standards. An important step is the enactment of Food Safety Act in late 2017 with the primary objective to regulate food safety activities within Sierra Leone.

In general, the new Fisheries Policy addresses all the key issues, but its implementation risks being hampered by limited resources. The associated strategy makes a good attempt to narrow the focus, establish priorities, and identify next steps. One of the key recommendations relating to institutional responsibility is the creation of a National Fisheries Forum that will bring together the public and private sector together with other stakeholders. This will be critical for defining and monitoring the implementation of the new policy and strategy.

3. Supply-side Production Constraints

3.1 Common Supply-side Production Challenges Facing the Focus Products

As mentioned in previous sections, most of the focus products are agricultural produce. With an estimated 5.4 million hectares of arable land, varied ecosystems, fertile soil, and sufficient rainfall, the potential for agriculture in Sierra Leone is considerable. However, production challenges have so far constrained production and export to the US market. In spite of the government's many efforts, the business environment remains difficult and investors – both foreign and local – have been slow to enter. The road infrastructure is still inadequate, posing a special problem for the agricultural products. Poor roads increase transport costs and make some towns and villages inaccessible during the rainy season. Limited access to electricity impedes agribusiness, while unreliable power forces investors to invest in expensive generators. The absence of storage facilities results in high post-harvest losses. Finance presents additional constraints. Local finance is expensive. There are few private companies currently supporting out-grower schemes, pre-financing inputs and technical assistance in exchange for guaranteed supplies at harvest time. Farmers are reluctant to cut down their old trees and replace them with more high-yielding varieties in the absence of temporary financial support until the new trees bear fruit. Products which can attract foreign direct investment can alleviate the finance constraint through access to private capital or cheaper foreign credit. Limited public resources can be used more effectively if they are focused on priority sectors where the private sector cannot take the lead, and where they leverage additional private investment.

Where private investors are not ready to support smallholders directly, government research and extension services must step in. New and improved seed varieties are needed to raise yields, training is required to promote good farming practices, and fertilizer must be provided to improve soil quality. Yet, the resources available to government for these actions are scarce.

Access to land is a problem for investors who wish to establish large industrial farms. Foreign palm oil companies prefer large land holdings that facilitate expeditious processing of palm fruits once they are harvested, and reach a minimum efficient scale. Questions relating to land tenure arrangements are complicated and involve the process of relocating and compensating small farmers when necessary. Fortunately, the focus crops are produced by smallholders, including the oil palm used for producing the local type of palm oil. In such cases, access to land is less of an issue. The exception in part is ginger and other spices, where foreign companies may have to take the lead, but these require relatively little land.

Notwithstanding the apparently daunting nature of these challenges, Sierra Leone's agro-climatic conditions are broadly conducive to agriculture, with relatively reliable and plentiful rainfall and an absence of extremes in weather. Land is still plentiful and evenly distributed. Most of the country is close to the coast and along the coast are rich fishery resources. In the short- and medium-terms, some action is possible while work proceeds on infrastructure development, access to finance, and strengthening public services.

Most of the supply-side constraints go well beyond the scope of an AGOA export strategy, and call for strategies and/or programs that are driven by a wide variety of considerations. For example, the prioritization of roads for construction or rehabilitation will be based on many economic, social, and political factors. However, in the short run, it may be appropriate to highlight the values of export-oriented infrastructure. For example, roads which favour the most promising export regions can generate more tax revenues, directly or indirectly, that in turn can contribute to the expansion of the road network more generally.

In the short-term also, some temporary or compensatory measures may be feasible to address these constraints. Not surprisingly, current export products are usually those which can cope within this context. Bulk commodities such as cocoa and cashew are more resilient

than fresh horticultural products, which cannot afford to spend too long on bad roads and require cold storage facilities.

3.2 Supply side constraints by product

The following is a summary of some of the key supply-side constraints facing the focus products:

Cocoa: This is a relatively uncomplicated product but with low productivity. A key constraint is the age of the trees, and hence the need for their replacement, with accompanying financial support until the new trees bear fruit. Farming practices such as weeding, and post-harvest handling must also be improved.² Assistance has typically been provided by the public sector including donor-financed projects, and good work is under way. However, the possibility of private sector support should also be encouraged. Local buyers are providing some assistance already, and international companies should be encouraged (as it is done in Ghana and Côte d'Ivoire) in order to ensure adequate supplies of quality beans which meet new ethical standards. Poor roads are also a problem, notably in the eastern region which is the heart of the cocoa producing area. As cocoa remains the largest agricultural export and the one with the most potential, it would be appropriate to give cocoa-growing regions priority in the road development strategy.

Cashew: The conditions here are similar to those of cocoa, but without the problem of the age of the trees. On the other hand, there is very little support from the private sector, as the buyers are often not based in Sierra Leone, but only come in during the harvest season. Côte d'Ivoire has demonstrated that cashew production can expand dramatically in difficult circumstances with little or no public involvement.³ Cultivation of cashew trees can be made more attractive if there is also a market for the many by-products that can be made from the cashew apple. Processing can eventually add value, though this has proven challenging in other West African countries with a longer history of cashew production.

Palm oil: The local palm oil which is currently exported to the US is largely sourced from smallholders, although there are also some large estates which could be tapped. As such, it does not require the development of new plantations, thus avoiding the challenges posed by access to land for new industrial palm oil plantations. On the other hand, many of the existing oil palm trees have reached the end of their useful life and need to be replaced. The large companies have no interest in supporting smallholders in the production of the local red palm oil which is preferred by the West African diaspora, since their modern technology produces a different product. However, the local buyers responsible for exporting to the US should be in a position to provide some technical advice and perhaps financial support to farmers.

Some public sector support for farming practices is already provided for this product and will continue to be necessary to improve productivity. However, to date, local palm oil has not been viewed as an export, even though it is well-known that some quantities are exported to the US and EU markets and there is active informal, cross-border trade to neighbouring countries. Sometimes an attempt is made to ban exports when domestic supplies are scarce. It will be important to maintain production above local requirements in order to safeguard export capacity. Processing also needs new investment as the oil mills have all closed down and this activity uses small-scale technologies which may not be sufficient to meet US standards consistently.

Cassava products: Products such as gari are very similar to local palm oil. Cassava is based on smallholder production, currently requires minimum levels of processing, receives public support as a domestic food crop, yet serves as an informal, cross-border traded good.

² Progress has been made in reducing the level of mold in cocoa through better drying.

³ Production expanded rapidly during the 2000-2010 period when the northern, cashew growing region was controlled by rebels, thereby increasing the costs and risks for buyers. (PL CLARIFY – self contradictory as stated)

This trade has become quite significant, estimated at 1000 mt per month. Thus, expanded exports to the US will have to compete with both rising domestic consumption and a vibrant regional trade with lower transaction costs, raising the possibility of supply limitations. As discussed in the Diagnostic Trade Integration Study:

Introduction of improved, high yielding varieties and intensification of farmers' field schools is an important measure that could increase output and net-income returns at the farm-gate. Introduction of small-scale, efficient cassava processing technologies, facilitation of large scale production and processing including diversification to animal feed, improve road networks and reduction in transportation costs will help to significantly improve the potentials of a fast-growing export commodity.⁴ Inefficient trucking services and the absence of well-defined standards for gari were other impediments identified.

Honey: Once again, small-scale producers are the source of supply. In this case, one of the current exporters is an American investor based in the US whose company provides some guidance to local farmers. There do not appear to be any pressing supply-side constraints that require public sector intervention. Nevertheless, raising the scale will need better coordination and quality control measures.

Ginger and other spices: Similar to honey, this product will depend on foreign investment for the time being. The land requirements are small and should not pose a problem. While ginger used to be widely grown, it has been largely abandoned for several reasons. Therefore, there is the need to encourage foreign buyers and local exporters through perhaps special incentives to invest in the sector and reactivate production. Investors could be attracted through various marketing activities including road shows.

Dried fish: The binding constraint in this activity seems to be the availability of raw material. Small-scale dried fish exporters are competing with local demand and large-scale exporters of frozen fish, typically owned by foreign companies. Some fish can be bought from the artisanal fishing sector, but the volumes are often too small to be attractive. Several of the dried fish exporters buy much of their fish from one of the large companies, serving simply as an alternative market when the company cannot place all of its catch directly. Thus, the policy issues raised previously come into play. More of the fish caught and trans-shipped at sea will need to be landed in order to increase the available supply. It is unclear if there is also potential for increasing the overall size of the catch, given the pressure on the resource, but certain species may be underexploited.

Textile: The major constraints facing this industry includes the following: inadequate raw materials, inadequate access to power, lack of trained, qualified and experienced designers, use of rudimentary and obsolete technology, inadequate coordination largely due to neglect from central government among others.

⁴ Trading Toward Prosperity: Sierra Leone Diagnostic Trade Integration Update, p. 133.

Table 5 – Supply side challenges associated with focus product and recommendation

Products	Challenges	Recommendations		
		Short Term	Medium Term	Long Term
Cashew	Lack of support to farmers at the initial stages of planting – before trees begin to bear fruit	Provide livelihood support to farmers to encourage replacement of aged trees	Provide livelihood support to farmers to encourage replacement of aged trees, by encouraging farming of other crops	
	Lack of Improved farming practices (weeding, post-harvest handling, etc.)	Provide capacity building support	Upgrade extension services	Upgrade extension services
	Lack of improved varieties of seedlings	Undertake trials of different varieties to determine ones best suited to local conditions	Provide improved inputs: Improved varieties of seedlings; agro-chemicals; and advanced technology that will promote large scale production	Provide improved inputs: Improved varieties of seedlings; agro-chemicals; and advanced technology that will promote large scale production
	Lack of adequate public and private sector support to farmers on provision of training, and extension services	Provide training and extension services to farmers and also encourage private sector support in the provision of training and extension services	Provide regular training and extension services to farmers and also encourage private sector support in the provision of training and extension services	
	Poor road network from farm gate to market	Rehabilitate road infrastructure in high-potential areas	Rehabilitate, maintain and expand road infrastructure in high-potential areas	Rehabilitate and expand road infrastructure in high-potential areas
Cocoa	Aged trees, thus leading to low level of yield per tree	Provide improved inputs: Improved varieties of seedlings; agro-chemicals; and advanced technology that will promote large scale production	Improve the genetic stock through replacement of old trees with new varieties	Provide improved inputs: Improved varieties of seedlings; agro-chemicals; and advanced technology that will promote large scale production
	Inadequate support to farmers when new trees are being developed – before they begin to bear fruit	Provide livelihood support to farmers to encourage replacement of aged trees	Provide livelihood support by promoting different crops production to farmers to encourage replacement of aged trees	Provide livelihood support by promoting different crops production to farmers to encourage replacement of aged trees

	Lack of adequate public and private sector support to farmers on provision of training, and extension services	Improve farming practices and post-harvest drying through provision of regular public and private training and extension services	Improve farming practices and post-harvest drying through provision of regular public and private training and extension services	Improve farming practices and post-harvest drying through provision of regular public and private training and extension services
	Obsolete farming practices (weeding, post harvest handling, etc) being used	Improve farming practices and post-harvest drying through provision of regular public and private training and extension services	Improve farming practices and post-harvest drying through provision of regular public and private training and extension services	Improve farming practices and post-harvest drying through provision of regular public and private training and extension services
	Poor road network from farm gate to market	Rehabilitate road infrastructure in high-potential areas, and consider revisiting road network	Rehabilitate and expand road infrastructure in high-potential areas	Rehabilitate and expand road infrastructure in high-potential areas
Cassava Products	Lack of improved and high yielding varieties	Introduce the use of improved high-yield varieties	Expand the use of improved and high-yielding varieties	Expand the use of improved and high-yielding varieties
	Lack of appropriate technology for processing	Expand and strengthen farmers' field schools and introduce more efficient technologies	Upgrade extension services to smallholders. Create local market for serving technological needs of the sector.	Upgrade extension services to smallholders
	Poor road network from farm gate to processing factories	Revisit road network and transport policies	Rehabilitate and expand road infrastructure in high-potential areas	
	Absence of well-defined standards and quality	Define and disseminate standards for gari. Also provide training services on the maintenance of standards	Provide regular training services to gari manufacturers on the quality and standards required.	Provide regular training services to gari manufacturers on the quality and standards required.
	Lack of packaging and labelling facilities	Encourage private sector investment into the provision of packaging and labelling facilities	Encourage private sector investment into the provision of packaging and labelling facilities using local materials	
	Inefficient transportation facilities	Encourage investment in the provision of special transport facilities for cassava and gari	Promote local companies specializing in gari transportation	
Ginger	High transportation cost	Study options for lowering costs and make available to private sector	Encourage private sector investment in the provision of transportation facilities	Encourage private sector investment in the provision of transportation facilities

	Lack of storage facility	Encourage private sector investment in the provision of storage facilities	Encourage private sector investment in the provision of storage facilities	Encourage private sector investment in the provision of storage facilities
	Lack of improved varieties	Provide improved inputs: Improved varieties of seedlings; agro-chemicals; and advanced technology that will promote large scale production	Provide improved inputs: Improved varieties of seedlings; agro-chemicals; and advanced technology that will promote large scale production	Provide improved inputs: Improved varieties of seedlings; agro-chemicals; and advanced technology that will promote large scale production
Oil palm	Aged trees, thus leading to low level of yield per tree	Encourage replacement of old trees by providing livelihood support to farmers; Introduce high-yielding oil palm varieties	Set up research at Njala for Palm Oil and twin with institutions in Malaysia Introduce high-yielding oil palm varieties	
	Inadequate support from both public and private sector	Aggressive marketing by SLIEPA to encourage private investment	Provide incentive to encourage private sector investment.	Provide incentive to encourage private sector investment.
	Lack of improved farm practices	Upgrade extension services to smallholders	Upgrade extension services to smallholders	Upgrade extension services to smallholders
Honey	Use of obsolete equipment	Promote marketing and use of modern equipment and appropriate technology	Provide incentive to encourage private sector investment in the provision of modern equipment locally	Provide incentive to encourage private sector investment in the provision of modern equipment locally
	Lack of packaging and labelling facilities	Encourage private sector investment into the provision of packaging and labelling facilities	Encourage private sector investment into the provision of packaging and labelling facilities	
	Standard and quality tests to determine nutritional facts unavailable	Set up standards and quality control measures at SLSB	Support SLSB to obtain international accreditation	Support SLSB to obtain international accreditation
	Inadequate transportation facilities	Promotion of research whose results can be made available to private sector with a view to encouraging investment in the provision of transportation facilities.	Provide incentive to encourage private sector investment in the provision of transportation facilities	

	Lack of appropriate storage facilities	Provide incentive to encourage private sector investment in the provision of storage facilities	Provide incentive to encourage private sector investment in the provision of storage facilities	
	Inadequate capacity (number and quality) of labour engaged in honey production	Aggressive marketing by SLIEPA to encourage private investment	Provide training services to small holders currently engaged in production	Provide training services to small holders currently engaged in production
Smoked Fish	Inadequate raw materials (fresh fish) from artisanal fisher men	Ensure implementation of strategy to increase fish supply by requiring more of the catch to be landed and sold on-shore	Provide incentive to private sector investment in the sector.	Provide incentive to private sector investment in the sector.
	Lack of knowledge of proper fishing techniques	Provide training facilities for artisanal fisher men	Provide training facilities for artisanal fisher men	Provide training facilities for artisanal fisher men
	Lack of appropriate storage facilities	Upgrade existing storage facilities to meet required standard	Provide additional storage facility	Encourage private sector investment in the provision storage facilities.
Textile	Inadequate raw materials	Assess the raw materials needs and prepare a plan to address them	Encourage investment in the provision of raw materials needed	
	Inadequate access to power	In collaboration with the Ministry of Energy, provide electricity to support production	In collaboration with the Ministry of Energy, provide electricity to support production	In collaboration with the Ministry of Energy, provide electricity to support production
	Lack of trained, qualified and experienced designers	Access the training needs of the sector and develop a training plan	Organise short to medium term training on the use of modern techniques	
	Use of rudimentary and obsolete technology	Encourage investment in the sector	Facilitate the establishment of manufacturing industry to embark on largescale production	Facilitate the establishment of manufacturing industry to embark on largescale production
	Inadequate coordination largely due to neglect from central government	Facilitate the creation of a functional national coordinating structure	Organise existing producers into cooperatives	

4. Market Access

This section reviews the existing mechanism to export to the US, highlight common challenges and identify opportunities to access the US market.

4.1 Existing Mechanisms to Export to the United States

Sierra Leone exports to the US are low. However, there is evidence suggesting some food products are being exported through the following mechanisms:

1. A local company or entrepreneur, buying from small scale as well as large scale producers and exporting directly to the US through a partner; and
2. A foreign company, who sets up a local operation. This is currently the case with one of the honey companies. Production is local and exported to the parent company in the US.

4.2 Common market access challenges

A number of market access related challenges are faced by budding exporters that need to be addressed. The common challenges identified are illustrated in the following table:

Table 6: Common market access challenges

No	Challenges	Recommendations
1.	Inadequate advertising of the country's potential and investment opportunities including lack of marketing materials (leaflets, brochures, etc.)	Prepare and share marketing and investment opportunity materials with the trade attaché in the embassies. Government could also organise trade and investment fairs, road shows, etc. Regular update of the website of trade supporting institutions on the investment potentials of the country.
2.	Lack of a well-developed and internationally accredited laboratory to carry out the required standards and quality tests	Strengthen the capacity of the Sierra Leone Standards Bureau to gain international accreditation
3.	Inadequate capacity to link farmers to international buyers	Chambers of Agriculture and Commerce to organize domestic trade fair and support local farmers to participate and showcase their goods.
4.	Inadequate knowledge of market conditions, particularly prices, by farmers	Produce Monitoring Board (PMB) to provide regular and timely information on market conditions as well as training on pricing mechanism to farmers.

4.3 Opportunities to Access the US Market

In addition to the existing mechanisms, capacity to access the US market can be promoted through the following:

1. **US partners supporting larger scale Sierra Leonean traders:** Such local traders may either produce themselves at medium scale or buy from small scale producers in the local market. Partners can be attracted by trade supporting institutions including Sierra Leone Trade attachés in the respective embassies. Relevant marketing materials showcasing the country's potential and opportunities should be prepared and sent to the embassy as well as uploaded in the various websites of the related ministries, departments and agencies.

2. **Promoting local demand in the US through effective marketing:** Marketing Sierra Leonean products in the US – both locally and in the US through marketing brochures, trade fairs both at home and abroad.
3. **Labelling and packaging:** This is dependent on the type of product, and the model(s) for access used. It is important to note that labelling and packaging can also be used as a means to advertise the product. It is therefore important that the labelling and packaging should be of high quality and legible to attract consumers.
4. **Managing procedures:** Capacity to deal with procedures to establish preferential access in the US, as well as import procedures in the US more generally. This is directly dependent on whether the product requires the use of NTR, GSP or AGOA procedures to avoid attracting duties (including satisfying US import standards).

4.4: Product Specific Market Access challenges

The table below provides the market access challenges faced by product:

Table 7: Product specific marketing challenges

No	Product	Challenges	Recommendations
1.	Honey	Lack of an internationally accredited laboratory to perform required standard and quality tests	Strengthen the capacity of the Sierra Leone Standards Bureau to gain international accreditation
2.	Palm oil	Lack of an internationally accredited laboratory to perform required standard and quality tests Lack of packaging and labelling facilities	Strengthen the capacity of the Sierra Leone Standards Bureau to gain international accreditation Encourage investment in packaging and labelling
3.	Gari	Inadequate packaging and labelling facilities	Encourage investment in packaging and labelling
4.	Smoked fish	Lack of packaging and labelling facilities	Encourage investment in packaging and labelling

For raw cocoa beans and cashew in the shell, they are not currently exported to the US, but they are exported to other countries. There is huge demand for raw cocoa beans in the US, but current buyers have chosen to focus on the European market. It is necessary to have a better understanding of why, and if exporting to the US would make economic sense. Globally, cashew in the shell tends to go to India or Vietnam, and Sierra Leone is no exception. The US imports processed cashews (shelled and roasted) so Sierra Leone may eventually be able to tap into this market once volumes rise.

Whilst the focus here is to access to the US market, many of the recommendations discussed, for example in relation to packaging and labelling, may also support increased exports to other markets, such as the West African market. Furthermore, for some products, expanding exports to the West African market may serve as a stepping-stone to eventually reach the US market. It may help to get firms familiarised with the export processes and procedures as well as to build confidence and scale to begin exporting to the US market.

5. Foreign Direct Investment

5.1 Introduction

Foreign Direct Investment (FDI) plays a key role in export development and may help to overcome many of the production and market access related challenges identified in the previous sections:

- FDI helps to overcome local financing constraints by providing access to cheaper finance
- Investors can contribute with production technology expertise
- Through knowledge of global value chains, FDI may provide access to key production inputs, including equipment
- Investors hold knowledge of and have access to foreign markets, which expands export opportunities. Specifically in the case of GSP and AGOA, they are likely to be familiar with the import processes and procedures.

Foreign direct investment (FDI) is typically attracted by the higher returns available through export activities. Sierra Leone is yet to significantly benefit from the recent trade globalisation and inflow of FDI. Apart from the mining sector, very little FDI has been attracted and is mainly from Europe and China.

Table 8: Inflows of Foreign Direct Investment in selected West African Countries, 2011 – 2016 (US\$ million)

Countries	2011	2012	2013	2014	2015	2016
Guinea	956	606	134	77	48	104
Liberia	785	985	1,061	277	627	453
Sierra Leone	950	722	430	404	263	516
Ghana	3,237	3,293	3,226	3,357	3,192	3,485

Source: World Investment Report, 2017

Inflows of foreign investments peaked in 2011 as shown in the table above as major capital investments were made in the mining sector. However, the Ebola outbreak and fall in commodity prices, particularly iron ore in 2014, contributed to a slowdown of FDI inflows as planned investment projects were cancelled and the two biggest iron ore mining companies shut down operations. FDI inflows into non-natural resource sectors have been limited, primarily due to the relatively high costs of doing business.

5.2 Key challenges faced across focus products

As one report on African Competitiveness states⁵: “the importance of creating an enabling environment to attract FDI into high-growth potential sectors, beyond mining, cannot be overstated.” There are several factors that affect the overall enabling environment and constrain investment in Sierra Leone beyond the sectors considered in this document. These factors have been analysed in several reports and recommendations made. Key among these are:

- Streamline the legal and regulatory framework for businesses;
- Reduce overhead costs of doing business by improving access to reliable and stable electricity;
- Provide stable fiscal and regulatory rules;
- Rationalise institutions and institutional arrangements governing the sector.

⁵ The Africa Competitiveness Report 2011, a joint effort of the World Economic Forum, the World Bank, the African Development Bank and the Africa Commission, p. 5.

5.3 Recommended Actions

1. Identify local traders and medium scale producers of palm oil, gari, honey, smoked fish and ginger – these may be potential partners for international investors.
2. Task trade attachés in the US to also focus on identifying investors who can partner with local agencies dealing with palm oil, gari, honey, smoked fish, ginger and textile. Also encourage Sierra Leoneans in the diaspora to partner with local producers.
3. Specifically invest time and effort into speaking with large scale cocoa buyers in the US.
4. SLIEPA to produce investment brochures for all focus products concerned, including information on local production capabilities to date (including potential) and planned government investments.
5. Consider conducting of road shows in the US in order to attract investors in key sectors.
6. Task overseas trade attachés to identify investors in packaging and labelling facilities – specifically required for palm oil, smoked fish.
7. Establish contact with packaging and labelling facilities in neighbouring countries - there may be an appetite to invest in the production of packaging materials to be used in Sierra Leone.

6. Implementation of National AGOA Strategy

6.1 Introduction

The Strategy outlined above calls for a continuum of activities without distinct phases. Nevertheless some actions must be implemented immediately while others require further study which could form the building blocks for longer term action.

It is hoped that as exports increase and the constraints in the form of policy framework, supply-side obstacles and marketing are addressed, new products may become feasible and even more profitable. It is expected that the strategy will not only facilitate access to the US markets through AGOA but may also help improve competitiveness of other products that may well fall outside the scope of AGOA. In addition, the improvement in competitiveness arising out of the strategy should make penetration of other markets feasible.

In the rest of this section, the current institutional arrangements for exports generally and in particular for exports to the US will be analysed in order to identify possibilities for streamlining and reduction of administrative bottlenecks that increase operating costs and sometimes even hinder progress.

6.2 Institutional arrangement

In the past, trade promotion programmes in Sierra Leone have largely been ad hoc, temporary and not situated within a structured institutional framework. This has led to duplication of efforts, convoluted processes and long delays that affect traders and their products.

To address these obstacles, the strategy for promoting trade with the US seeks to establish an institutional support structure that will embrace the interests of all stakeholders and guide the implementation of the strategy. The support structure must have the legal and political authority to ensure decisions are implemented by all public agencies, must include actual operators and others involved in the three levels of the analyses stated above – policy, production, and marketing.

Hence the Ministry of Trade and Industry will be the custodian of the National AGOA Response Strategy, that in turn will consist of the following:

- National AGOA Steering Committee;
- AGOA Technical Working Groups;
- Ad hoc Committees; and
- AGOA Secretariat.

6.1.1 National AGOA Steering Committee

Chaired by the Chief Director on behalf of the Minister, Ministry of Trade and Industry, the membership of the National AGOA Steering will comprise of Directors from other trade related Ministries, Departments and Agencies (Ministry of Agriculture, Forestry and Food Security, Ministry of Fisheries and Marine Resources, Ministry of Finance, Ministry of Tourism and Culture, National Revenue Authority, Sierra Leone Standards Bureau, Produce Monitoring Board, Sierra Leone Investment and Export Promotion Agency, Sierra Leone Business Forum, Sierra Leone Chamber of Commerce, Industry and Agriculture, Sierra Leone Chamber of Agriculture), Small and Medium Enterprise Agency, Office of the Diaspora and Local Content Agency and a current US exporter. The Sierra Leone Investment and Export Promotion Agency will provide secretariat services to this Committee. The responsibility of this committee will include the following:

1. Provide overall guidance and supervision of the strategy
2. Approves budget and work programme for the AGOA secretariat
3. Reconcile contentious issues related to AGOA
4. Ensures strategic policies and political issues on AGOA are brought to the attention of government through the Minister of Trade and Industry.
5. Resolve policy and technical issues

6. Help resolve coordination issues among the different technical working group
7. Meet quarterly
8. Provide copies of its reports to the National Export Promotion Committee

6.1.2 AGOA Secretariat

For the effective implementation of this strategy, a Secretariat will be established at the SLIEPA and report to the National Steering Committee. This unit will be responsible for the implementation of the strategy and decisions of the steering committee. Specifically, it is the responsibility of the unit to:

1. Provide information about AGOA;
2. Serve as marketing wing for AGOA products; and
3. Provide technical assistance to exporters of AGOA products on standards and quality, customs and trade facilitation issues

6.1.3 Technical Working Groups

The following technical working groups will be established to support the implementation of the strategy:

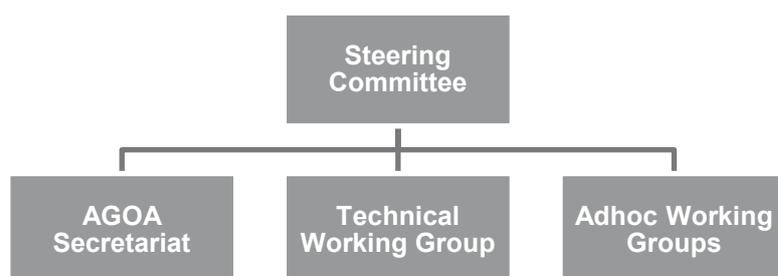
1. Agric and Agro processing;
2. Fish and fishery products;
3. Investment promotion, finance and custom; and
4. Marketing including standards, quality, logistics and transportation.

Membership will be determined by the Steering Committee but in principle will follow product lines and be from within the SC's membership.

Ad hoc Committees: will be constituted as required.

The following graph summarizes the proposed institutional structure.

Figure 3: Proposed institutional structure



In addition to the above, the current number of public institutions dealing with the private sector may have to be revisited. The table below lists the various entities as well as a brief description of their responsibilities. There are areas of overlapping functions and the resulting confusion and duplication affects the efficiency of the sector and its operations cost. A short study can help the government decide on the most effective and efficient way forward.

Table 9 List of trade facilitating institutions and their key functions

No	Institution's Name	Key Function(s)
1.	Ministry of Trade and Industry	<ul style="list-style-type: none"> • Coordinating and spearheading the implementation of the National Trade Policy; • Provide policy guidance and supervision to its agencies/departments for efficient and effective service delivery to the citizens of the Sierra Leone; • Coordinate the development of Trade Support Programmes that reflects the policy objectives of the Government; • Coordinate the formulation of Annual Implementation Plans for the Trade Support Programmes, reflecting appropriate sequencing of implementation of Programmes and ensuring that Trade Policy remains an integral component of national development plans; • Liaise with other Ministries, Departments and Agencies of Government to provide an enabling environment for the Private Sector to thrive.
2.	Sierra Leone Investment and Export Promotion Agency	<ul style="list-style-type: none"> • To promote investment opportunities in Sierra Leone and provide information to potential investors on matters relating to investments; • To facilitate registration of business enterprises and assist investors in obtaining permits, licenses, certificates or clearances needed for the commencement of business (that is, acting as a “one-stop” centre); • To assist potential investors in identifying joint venture partners in Sierra Leone; • To develop relationship between public and private sector for the growth of investment.
3.	Produce Monitoring Board	Established by an Act of Parliament in 2013, with the primary responsibility to monitor the production, processing and marketing of agricultural produce with a view to optimizing farmers export earnings. It is also the Board's responsibility to encourage investment geared towards adding value to produce for local consumption and export as well as support and facilitate research aimed at improving the quality of produce
4.	Sierra Leone Produce Marketing Company (SLPMC)	Created by a Cabinet conclusion, the SLPMC was set up as a private company with the primary responsibility to buy produce from farmers for export. This was a deliberate intervention to ensure that farmers get a fair price for their produce.
5.	Sierra Leone Standards Bureau	<ul style="list-style-type: none"> • To promote standardization in trade, commerce and industry; • To undertake investigations and educational work in standardization; • To establish and assist industries and other sectors of the economy in the implementation of practical application of standards; • To strengthen the metrological framework and provide national traceability of measurements to the international system of units (SI); • To ensure the protection of the health and safety of the society and the environment in the community; • To maintain and disseminate international system of measurement (SI Units); and • To promote the use of standardization mark (Quality mark) and product certification.
6.	Office of the Administrator and Registrar General (OARG)	The primary responsibility of OARG is to ensure an efficient and effective administration of and registration of entities such as business registration, land transactions, industrial property, marriages and administration of the estates of deceased persons as mandated by law.
7.	Corporate Affairs Commission (CAC)	<ul style="list-style-type: none"> • The Commission is mandated to draft regulations for the purpose of giving effect to the provisions of the act and may, in particular, make regulations (Section 494 and 530) – <ul style="list-style-type: none"> • prescribing the forms for returns and other information required under this Part; • requiring returns to be made, within a specified time, if any, by any

		<p>company or enterprise to which this Part applies;</p> <ul style="list-style-type: none"> • To administer the act including the regulation and supervision of the incorporation and registration of companies under or pursuant to the act; • Establish and maintain a company's registry and offices in all the provinces as may be necessary, suitably and adequately equipped to discharge its functions under the Act or any other enactment in respect of which it is charged with the responsibility; • Perform such other functions as may be specified by this Act or any other enactment and undertake such other activities as are necessary or expedient for giving full effect to this Act; • Prescribing the procedure and criteria for approval of mergers, acquisitions, take-overs, amalgamations and business combinations under this Act; • Prescribing any fees payable under this Part; • Prescribing the formula for the calculation of the price at which securities may be bought or sold; or • Prescribing the information to be contained in any prospectus or trust deed filed
8.	Sierra Leone Business Forum (SLBF)	The mandate of the SLBF is to support private sector development by helping create a better investment climate and business environment through providing a mechanism for consistent and productive dialogue between stakeholders
9.	Sierra Leone Chamber of Commerce, Industry and Agriculture (SLCCIA)	The Sierra Leone Chamber of Commerce of Commerce, Industry and Agriculture is the umbrella organization of the Business community. The Link between Government and the Private Sector as Advocate and Lobbyist through Public, Private Dialogue with a view to ensuring that their objectives are achieved. It is a voluntary Association of Business men and women of all Nationalities doing Business in Sierra Leone.
10.	Sierra Leone Chamber of Agriculture and Agri-business (SLCAAB)	<ul style="list-style-type: none"> • To play the role of principal private sector partner of the Government for promoting foreign and domestic private investment in agriculture in Sierra Leone. • To engage in advocacy, research and promotional activities into all problems and opportunities relating to the agricultural sector generally and private agricultural enterprises in particular, in Sierra Leone. • To collaborate with the Government in developing strategies, policies and programmes for promoting, facilitating and supporting private investment in agricultural development and the implementation of these strategies, policies and programmes at the national and international levels.
11.	National Revenue Authority (NRA)	The NRA is charged with the responsibility of assessing and collecting domestic taxes, customs duties and other revenues specified by law, as well as administering and enforcing laws relating to these revenues. It is also support trade facilitation, border management and controls among others.

Source: Website of the various institutions

6.3 Monitoring and Evaluation framework

Every strategy is only as good as its monitoring and evaluation framework. Without measurable targets and a system of regular monitoring, there is a strong probability that responsible institutions will move on to other priorities and success will be left to chance. It is tempting to set ambitious targets for each of the priority products identified. However, such targets must be established in close collaboration with the private sector or else they risk being unrealistic. Given the time and resources available to prepare this strategy, it has not been possible to have such discussions. It is therefore recommended that either the authorities attempt to establish appropriate targets in consultation with the relevant exporters before the strategy is endorsed, or else that this be one of the first actions to be taken thereafter.

Once targets have been set, the Steering Committee will need to have regular meetings with exporters to monitor their progress, understand their problems, and identify how the authorities can help. This will also serve to hold the government accountable, since it will provide the private sector with the opportunity to ask for updates on proposed reforms and provide feedback on the reality on the ground. At the same time, these meetings must not become a burden on the private sector. Meetings every six or twelve months should be sufficient, but again the private sector needs to be consulted and in agreement. At the same time, key officials should be in more regular contact with individual exporters. These meetings should be chaired by an official such as the Chief Director, Ministry of Trade and Industry, who is sufficiently senior to reassure the private sector that their concerns are being taken seriously and that there is a reasonable likelihood that they will be acted upon.

The action plan and export targets should form the basis of discussion at meetings with the private sector. Once a year, these tools should be updated to reflect the evolving picture.

7. Risks

7.1 Internal risks

There are several internal government risks which could undermine this strategy. The most important one is that vested interests may block the implementation of reforms. For example, each regulation or procedure affecting exporters provides an opportunity for rent-seeking. It may therefore be difficult to eliminate some of these regulations in order to facilitate trade. Another risk is that some of the key institutions will not have sufficient financial resources to provide the necessary services, such as standards testing or participation in trade fairs. There may also be inadequate human resources to focus on the implementation of this strategy along with all the competing obligations. A fourth risk is that the private sector will not be willing to cooperate for a variety of reasons.

7.2 External risks

Some of the current exports to the United States depend on one key person, rather than a substantial enterprise. If that person decides to leave their export activity, or switch to a different market, there may be little the government can do in the short run. As most of the identified products are agricultural, climatic shocks or disease could impact the available supply. Overfishing is a definite risk which could undermine the sustainability of fish exports.

8. Conclusion

A bird's eye view of the Strategy reveals a landscape of cross-cutting factors that influence production of goods for exports in general. There are not many factors that are specific to the US market, confirming that the country needs to assign importance to private sector development and take a holistic approach rather than deal with isolated issues as they arise. A key issue not mentioned is the importance of eliminating sources of corrupt practices. This is because of the conviction that convoluted processes and procedures create avenues for rent-seeking behaviour. Hence eliminate bureaucratic bottlenecks and improve transparency will significantly reduce corruption. Associating "victims" in the decision-making processes and introducing transparency in transactions will go a long way to eliminate such practices. Finally, adopting, implementing and monitoring this strategy will be an important step in improving competitiveness of the country's products. The more competitive these are, the greater the employment effect by companies expanding to meet foreign demand, and the quicker the progress towards diversifying the economy. All stakeholders are therefore enjoined to press for the implementation of the Strategy.

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Sierra Leone Business Forum website <http://www.slbfsi.org/>

Sierra Leone Produce Monitoring Board website <http://producemonitoringboard.sl/>

Sierra Leone Chamber for Agribusiness Development website <http://slecad.com/>

West Africa Trade Hub website <https://www.watradehub.com/en/>

Appendices

A.1 Action Plan and Matrix

Summary table of all actions identified above, categorized loosely as short, medium and long term, and showing tentative lead institution.

Challenges Identified	Action Required			Responsible institution
	Short term (within 1 year)	Medium term (1 – 3yrs)	Long term (Above 3years)	
Common policy and regulatory related challenges and actions required				
Lack of clear information on export processes (including compliance with rules, levies and concessions). There is a dearth of information relating to export procedures and processes.	Produce detailed information on steps, procedures and processes for exports. Information must be transparent, simple and accessible on-line. This should also include all required levies	Streamline export procedures and processes by, for example creating a one stop shop	Automate export procedures and processes.	SLIEPA & MTI
Inefficiencies in the export processes - such as requirements for annual export licenses and letter of authorisation for every export package.	Eliminate letter of authorization as a requirement for export by liberalizing exports except for banned or restricted goods. Exporters can send notification of export details for the records of the ministry			MTI
Multitude of agencies involved in the export process: (for standards: Sierra Leone Produce Monitoring Board (SLPMB) & Sierra Leone Standards Bureau (SLSB); MTI letter of authorisation; Sierra Leone Chamber of Commerce Industry and Agriculture (SLCCIA), certificate of origin; for Fish products, certificate from Ministry of Fisheries and Marine Resources (MFMR), etc, leading to a lengthy processes	Undertake a functional review aimed at streamlining number of institutions with the objective of improving efficiency in the sector	Streamline export procedures and processes by creating a one stop shop Harmonize institutions that are responsible for trade and private sector development	Decentralise institution.	
Multiple institutions involved in quality and standards certification (SLPMB & SLSB for agricultural produce) and multiple charges (SLPMB 2.5% fob; SLSB depend on type of test, etc)	Ensure 2.5% payment covers all costs for standard and quality tests and funds are appropriately distributed among or between institutions	Improve coordination among standards enforcing Ministries department and Agencies (MDAs).	Review SLSB and SLPMB Acts to ensure that functions are clear, specific and complementary.	

Inadequate capacity of the SLSB to carry out all tests largely due to inadequate funds, skilled staff and equipment.	Assess requirements for SLSB to meet obligations and recommend measures for providing required equipment and skills for staff	Capacitate SLSB by providing required equipment and skills for staff	Allow SLSB to operate as a private agency with adequate capacity to generate resources to perform its functions	
SLSB laboratory not internationally accredited, and this undermines acceptability of test results internationally	Determine measures and options for securing rapid accreditation of SLSB laboratories	Launch programme for accreditation through multiple options such as twinning/ sub-regional agreements etc	Allow SLSB to operate as a private agency with adequate capacity to generate resources to perform its functions	
SLSB testing facilities concentrated in Freetown. Farmers/exporters based in the provinces are obliged to take samples to Freetown, further increasing operating costs.	SLSB to improve on mobile testing facilities particularly for basic tests related to agricultural produce	SLSB should set up testing facilities in the provincial head quarter towns and cities.		
Lack of comprehensive production and export data that is credible. This makes planning for both the public and private sectors difficult. For the latter it decreases attraction of potential investments.	MTI & MAFFS should commission a study geared towards setting up robust systems for generating and providing credible data	Take a modular approach to revisiting entire data machinery system		
Policy and regulatory related challenges facing the fishery products				
Illegal Fishing by foreign trawlers	Active surveillance by the joint maritime committee. It is advisable to decentralize surveillance.	Design and update policies and actions required to regulate and control illegal, unreported and unregulated fishing as well as effective supervision of legal fishing		
Over fishing	Ensure that the aggregate fishing capacity of licensed fishermen and companies is consistent with the allowable annual catch	Ensure that the aggregate fishing capacity of licensed fishermen and companies is consistent with the allowable annual catch		
Inadequate facilities for on-shore processing and marketing	Design a comprehensive plan for on-shore processing and marketing	Encourage investment in on-shore processing and marketing of fishery products		
Lack of compliance with international standards and quality	Facilitate and support the implementation of 2017 Food and Safety Act.			

Common supply side challenges				
Poor road infrastructure particularly from farm gate to the market	In collaboration with the ministry of Works, prioritise the rehabilitation and/or construction of roads in regions with high export potential	In collaboration with the ministry of Works, prioritise the rehabilitation and/or construction of roads in regions with high export potential		
Limited access to electricity	Improve electricity generation and distribution	Improve electricity generation and distribution		
Inadequate storage facilities	Provide incentive to encourage investment in storage facilities	Provide incentive to encourage investment in storage facilities		
Lack of finance	Encourage financial institutions to provide affordable loan facilities to investors including farmers	Encourage financial institutions to provide affordable loan facilities to investors including farmers		
Access to land is a problem for largescale investors particularly due to the land tenure system	Review Land policy with a view to simplifying the process of accessing land for investment purposes.			
Supply-side challenges associated with Focus Products: CASHEWS				
Lack of support to farmers at the initial stages of planting – before trees begin to bear fruit	Provide livelihood support to farmers to encourage replacement of aged trees	Provide livelihood support to farmers to encourage replacement of aged trees, by encouraging farming of other crops		
Lack of Improved farming practices (weeding, post-harvest handling, etc.)	Provide capacity building support	Upgrade extension services	Upgrade extension services	
Lack of improved varieties of seedlings	Undertake trials of different varieties to determine ones best suited to local conditions	Provide improved inputs: Improved varieties of seedlings; agro-chemicals; and advanced technology that will promote large scale production	Provide improved inputs: Improved varieties of seedlings; agro-chemicals; and advanced technology that will promote large scale production	
Lack of adequate public and private sector support to farmers on provision of training, and extension services	Provide training and extension services to farmers and also encourage private sector support in the provision of training and extension services	Provide training and extension services to farmers and also encourage private sector support in the provision of training and extension services		

Poor road network from farm gate to market	Rehabilitate road infrastructure in high-potential areas	Rehabilitate, maintain and expand road infrastructure in high-potential areas	Rehabilitate and expand road infrastructure in high-potential areas	
Supply-side challenges associated with Focus Products: COCOA				
Aged trees, thus leading to low level of yield per tree	Provide improved inputs: Improved varieties of seedlings; agro-chemicals; and advanced technology that will promote large scale production	Improve the genetic stock through replacement of old trees with new varieties	Provide improved inputs: Improved varieties of seedlings; agro-chemicals; and advanced technology that will promote large scale production	
Inadequate support to farmers when new trees are being developed – before they begin to bear fruit	Provide livelihood support to farmers to encourage replacement of aged trees	Provide livelihood support by promoting different crops production to farmers to encourage replacement of aged trees	Provide livelihood support by promoting different crops production to farmers to encourage replacement of aged trees	
Lack of adequate public and private sector support to farmers on provision of training, and extension services	Improve farming practices and post-harvest drying through provision of regular public and private training and extension services	Improve farming practices and post-harvest drying through provision of regular public and private training and extension services	Improve farming practices and post-harvest drying through provision of regular public and private training and extension services	
Obsolete farming practices (weeding, post harvest handling, etc) being used	Improve farming practices and post-harvest drying through provision of regular public and private training and extension services	Improve farming practices and post-harvest drying through provision of regular public and private training and extension services	Improve farming practices and post-harvest drying through provision of regular public and private training and extension services	
Poor road network from farm gate to market	Rehabilitate road infrastructure in high-potential areas, and consider revisiting road network	Rehabilitate and expand road infrastructure in high-potential areas	Rehabilitate and expand road infrastructure in high-potential areas	
Supply-side challenges associated with Focus Products: CASSAVA PRODUCTS				
Lack of improved and high yielding varieties	Introduce the use of improved high-yield varieties	Expand the use of improved and high-yielding varieties	Expand the use of improved and high-yielding varieties	
Lack of appropriate technology for processing	Expand and strengthen farmers' field schools and introduce more efficient	Upgrade extension services to smallholders. Create local market for serving	Upgrade extension services to smallholders	

	technologies	technological needs of the sector.		
Poor road network from farm gate to processing factories	Revisit road network and transport policies	Rehabilitate and expand road infrastructure in high-potential areas		
Absence of well-defined standards and quality	Define and disseminate standards for gari. Also provide training services on the maintenance of standards	Provide regular training services to gari manufacturers on the quality and standards required.	Provide regular training services to gari manufacturers on the quality and standards required.	
Lack of packaging and labelling facilities	Encourage private sector investment into the provision of packaging and labelling facilities	Encourage private sector investment into the provision of packaging and labelling facilities using local materials		
Inefficient transportation facilities	Encourage special transport facilities for cassava and gari	Promote local companies specializing in gari transport		
Supply-side challenges associated with Focus Products: GINGER				
Transportation cost high	Study options for lowering costs and make available to private sector	Encourage private sector investment in the provision of transportation facilities		
Lack of storage facility	Encourage private sector investment in the provision of storage facilities	Encourage private sector investment in the provision of storage facilities	Encourage private sector investment in the provision of storage facilities	
Inadequate support from both public and private sector	Aggressive marketing by SLIEPA to encourage private investment	Provide incentive to encourage private sector investment.	Provide incentive to encourage private sector investment.	
Lack of improved varieties	Provide improved inputs: Improved varieties of seedlings; agro-chemicals; and advanced technology that will promote large scale production	Provide improved inputs: Improved varieties of seedlings; agro-chemicals; and advanced technology that will promote large scale production	Provide improved inputs: Improved varieties of seedlings; agro-chemicals; and advanced technology that will promote large scale production	
Supply-side challenges associated with Focus Products: OIL PALM				
Aged trees, thus leading to low level of yield per tree	Encourage replacement of old trees by providing livelihood support to farmers; Introduce high-yielding oil palm varieties	Set up research at Njala for Palm Oil and twin with institutions in Malaysia Introduce high-yielding oil palm varieties		
Inadequate support from both public and	Aggressive marketing by	Provide incentive to encourage	Provide incentive to	

private sector	SLIEPA to encourage private investment	private sector investment.	encourage private sector investment.	
Lack of improved farm practices	Upgrade extension services to smallholders	Upgrade extension services to smallholders	Upgrade extension services to smallholders	
Supply-side challenges associated with Focus Products: HONEY				
Use of obsolete equipment	Promote marketing and use of modern equipment and appropriate technology	Provide incentive to encourage private sector investment in the provision of modern equipment locally	Provide incentive to encourage private sector investment in the provision of modern equipment locally	
Lack of packaging and labelling facilities	Encourage private sector investment into the provision of packaging and labelling facilities	Encourage private sector investment into the provision of packaging and labelling facilities		
Standard and quality tests to determine nutritional facts unavailable	Set up standards and quality control measures in Standards Bureau	Support SLSB to obtain international accreditation	Support SLSB to obtain international accreditation	
Inadequate transport facilities	Promotion of research whose results can be made available to private sector with a view to encouraging investment in the provision of transportation facilities.	Provide incentive to encourage private sector investment in the provision of transportation facilities		
Lack of appropriate storage facilities	Provide incentive to encourage private sector investment in the provision of storage facilities	Provide incentive to encourage private sector investment in the provision of storage facilities		
Inadequate capacity (number and quality) of labour engaged in honey production	Aggressive marketing by SLIEPA to encourage private investment	Provide training services to small holders currently engaged in production		
Supply-side challenges associated with Focus Products: SMOKED FISH				
Inadequate raw materials (fresh fish) from artisanal fisher men	Ensure implementation of strategy to increase fish supply by requiring more of the catch to be landed and sold on-shore	Provide incentive to private sector investment in the sector.	Provide incentive to private sector investment in the sector.	
Lack of knowledge of proper fishing techniques	Provide training facilities for artisanal fisher men	Provide training facilities for artisanal fisher men	Provide training facilities for artisanal fisher men	
Lack of appropriate storage facilities	Upgrade existing storage	Provide additional storage	Encourage private sector	

	facilities to meet required standard	facility	investment in the provision storage facilities.	
Common marketing challenges facing the selected products				
Inadequate advertising of the country's potential and investment opportunities including lack of marketing materials (leaflets, brochures, etc)	Prepare and share marketing and investment opportunity materials with the trade attaché in the embassies. Government could also organised trade and investment fairs, road shows, etc. Regular update of the website of trade supporting institutions on the investment potentials of the country.			
Lack of a well-developed and internationally accredited laboratory to carry out the required standards and quality tests	Strengthen the capacity of the Sierra Leone Standards Bureau to gain international accreditation			
Inadequate capacity to link farmers to international buyers	Chambers of Agriculture and Commerce to organize domestic trade fair and support local farmers to participate and showcase their goods.			
Inadequate knowledge of market conditions, particularly prices, by farmers	PMB to provide regular and timely information on market conditions as well as training on pricing mechanism to farmers			
Issues related to accessing the opportunities provided by the US Market				
Inadequate information about Sierra Leonean products and available potential	Provision of marketing materials to show case the country's potential and opportunities should be prepared, sent to the embassies and uploaded in the various websites of the trade related institutions			
Inadequate marketing and advertising of Sierra	Prepare marketing brochures,			

Leone products	and organize trade fairs at home and abroad to show case the countries potential and opportunities			
Poor labelling and packaging	Encourage investment in labelling and packaging.			
Product specific marketing challenges: HONEY				
Lack of an internationally accredited laboratory to perform required standard and quality tests	Strengthen the capacity of the Sierra Leone Standards Bureau to gain international accreditation			
Product specific marketing challenges: PALM OIL				
Lack of an internationally accredited laboratory to perform required standard and quality tests	- Strengthen the capacity of the Sierra Leone Standards Bureau to gain international accreditation			
Lack of packaging and labelling facilities	Encourage investment in packaging and labelling			
Product specific marketing challenges: GARI				
Inadequate packaging and labelling facilities	Encourage investment in packaging and labelling			
Product specific marketing challenges: SMOKED FISH				
Lack of packaging and labelling facilities	Encourage investment in packaging and labelling			
Challenges associated with attracting Foreign Direct Investment				
Cumbersome legal and regulatory procedures and processed	Streamline the legal and regulatory framework for businesses.			
High overhead cost to start a business in Sierra Leone	Improve access to reliable and stable electricity			

A.2 Steps to Export Goods to the United States of America (USA) Under the African Growth and Opportunity Act (AGOA)

Background

Signed in May, 2000, and recently extended till, 2025, the African Growth and Opportunity Act (AGOA) is the foundation of the United States of America (USA) commercial relationship in trade and investment in Africa. It offers duty-free treatment to 6,400 products exported by beneficiary sub-Saharan African (including Sierra Leone) countries to the US.

Steps

The steps below highlights the process of exporting goods from Sierra Leone to the US under AGOA (see West Africa Trade and Investment Hub on www.watradehub.com).

A. Shipment:

- i. Identify goods by reviewing the harmonised tariff schedule of the United States (HTSUS) to ensure that goods are eligible.
- ii. take a sample of your product to the Sierra Leone Standards Bureau or any certify Laboratory to ascertain that the standard meet the United States (US) requirements
- iii. Once goods have been produced, determine the harmonised tariff schedule classification of your product to ascertain whether it is eligible to be exported under AGOA. This could be done by checking the harmonised tariff schedule of the United States (HTSUS) code of the product. Products that are classified as D are eligible.
- iv. Package and label (include nutritional facts, manufacturing and expiring dates, another relevant information) the product.
- v. Contact a shipping agency to express your desire to export and request container booking form. Please specify what you intend to export, volume of the goods and quality of the goods as per standards bureau test.
- vi. The shipping agent will verify the information provided and levy the appropriate freight fee. Once the fee is paid, a draft bill of lading will be prepared and shared with you. Please confirm details in the draft bill before it is finalised.

B. Commercial Invoice:

- i. With the support of you shipping agent/custom broker, prepare the commercial invoice. The Invoice should also have detail description of the product(s), quantities and price in US dollars and international commercial terms (INCOTERMS).

C. Certificate of Origin (COO): Certify that the goods are originating from Sierra Leone which is an AGOA-eligible country. This is obtained from the Chamber of Commerce Industry and Agriculture (SLCCIA).

- i. **Non-textile goods:** For these goods, a standard COO is used. Get a copy from the SLCCIA. To confirm the eligibility status of your product, check under the 'Special' column in Column I of the HTSUS for its classification. If it is classified as D, then it is AGOA eligible.
- ii. **Textile and Apparel goods:** Once commercial invoice is stamped with the Visa Stamp by the relevant authorities including the Ministry of Trade and Industry, obtain and complete COO at the customs department.

D. Customs Clearance:

- i. Notify Customs Commissioner your intention to export.
- ii. For containerised goods, pay for release of empty container.
- iii. Once approval is obtained, a customs officers will be assigned for joint inspection of the goods.

- iv. Take goods to the quay and simultaneously complete electronic declaration at customs. At the quay ensure container goes through the Weigh Bridge and scanning facility.
 - v. Make payment of export declaration at any commercial bank connected to the ASSYCUDA system.
 - vi. Submit export declaration and payment receipts to custom for processing.
 - vii. At the quay, submit export declaration and scanning report for processing and generation of release order.
 - viii. Take the customs release order to the terminal operators (SLPA, Bollorie, etc)
- E. **Export Logistics:** Transmit export documents to the US based buyer or his agent you identify. This should include the documents listed above (quality standards test results, Custom's clearance, certificate of original, & Commercial invoice) and the bill of lading and packing list.
- F. **Custom's Declaration:** Once the export documents are received by the US based buyer or broker, the shipment will be cleared and goods declared to the US Custom's authorities at the port of entry.

A.3 List of stakeholders consulted – consultative and bilateral meetings

No	Name	Organisation
1.	Moses Gbondo	SLIBA
2.	Abdul Malik Kamara	Ministry of Tourism and Cultural Affairs
3.	Abass Yayah Kamara	Ministry of Tourism and Cultural Affairs
4.	J.E.D Ade-Williams	Sierra Fishing Company. Ltd.
5.	Julia Fofanah	Julril Ent.
6.	Adrian Campbell	Julril Ent.
7.	Ahmed Nanoh	Sierra Leone Chamber of Agriculture and Agri-Business Development
8.	Laura Williams	Hen Nyandei
9.	Satta Marah	Mags Textiles and General Suppliers
10.	Edward Solomon	Kings Production
11.	Ibrahim S. Monseray	ACFA-SL
12.	Alhaji Alpha Tannue Jalloh	Sierra Leone Importers Association
13.	Alhassan Sowe	Sierra Leone Importers Association
15.	James Dumbuya	Sierra Leone Standards Bureau
16.	Vandie Lansana	SLTU
17.	Benrina Demoh Kanu	Ministry of Fisheries and Marine Resources
19.	Patmela Swarray	ECOBANK
20.	Cthryn Turay	FRANDIA
21.	Mustapha Mark Lissa	SLNSC
24.	William Conteh	IFC-World Bank Group
25.	Joe Amoateng	Lambano Ltd.
26.	Ayodele Wak-Williams	Del-Wak Agencies & AGOA Coordinator SLCCIA
27.	Emmanuel B. Konjoh	SLLLA
28.	Jim Page	NSBT
29.	Mohamed Bangura	Big Market Gara Sellers Asso.
30.	Kpana Conteh	National Revenue Authority
31.	Haja Isatu Kabba	Produce Monitoring Board
32.	Fatu M. Conteh	SLNSC
33.	Andy GEE	Sunbird Bioenergy ADDAX
34.	Nyava Conteh	ARAMEX
35.	Abdul Karim Bangura	Sierra Leone Produce Monitoring Board
37.	Melvina IEnglish	AFFORD
38.	Mariama Lassayo	Del-Wake Agency
39.	Victor Chukuma Johnson	Lion Agric Prum
40.	Mohamed S. Bah	NSBT
41.	Joseph P. Gongah	Creative Craft Centre
43.	Aisie-nana V. Williams	QMES
44.	Franklyn Williams	Sierra Leone Business Forum
45.	Ralia P. Crosby	National Revenue Authority
46.	Kaditatu Kamara	Big Market
47.	Melvin Pratt	Binas Lord Arts and Craft Designs
49.	Ahmid Kabba	Sierra Leone Produce Marketing Company
51.	Lafayette Roberts	Adonai Ventures SL. Ltd.
52.	Jackson Kmara	SLIEPA
54.	Abu Bakarr G. Yansaneh	Africaribe(SL) Ltd.
55.	Sally Sulaiman-Gassama	Sierra Leone Investment and Export Promotion Agency
56.	Henry Kargbo	Africa Chronicle
57.	Abu Bakarr Benga	Begal Agro
58.	Sekou Berete	Ministry of Trade and Industry
59.	Aaaiatu Kamara	Ministry of Trade and Industry
60.	Adel Karim Dandas	RADP

61.	Hashim M. Bakarr	Ministry of Trade and Industry
62.	Amara Nelwa	MEL-O Africa
63.	Newton R. Marlin	DC,MTI
64.	Augustine Y. Sesay	Kamcashew Ent.
65.	Mickail N. Turay	Ministry of Trade and Industry
66.	Shah Alan	Bengal Agro (SL) Ltd
67.	Mohamed S. Turay	U.S Mission in SL
68.	Shiaka Kawa	SLIEPA
69.	Farrel Elliots	SLIEPA
70.	Rachel M. Kanu	MFFIC
72.	Salamatu Mansaray	Big Market
73.	Ajiba Timbo	Fatimbo Enterprise
74.	Momoh Juanah	First Step
75.	James S. Foday	MARIKA Enterprise
76.	Ibrahim Bundu	Natural Habitas SL Ltd.
78.	Jeneba Alhazirn	Ministry of Agriculture Forestry and Food Security
79.	Prof. Edwin Momoh	Njala University
80.	Sukainatu Dcen-Savage	Ministry of Agriculture Forestry and Food Security
81.	M Kaikai	DEKAI
82.	Haja MarieBob-Kandeh	Stay Okay Ent.
83.	Reginald Bell	SLNSC
84.	Charles Mereweather-Thompson	Ministry of Trade and Industry
86.	John A. Cahou	Consultant
87.	Abdul R.M Fofanah	Ministry of Trade and Industry
88.	Morray Nabieu	KADCO (SL) LTD.
89.	Foday Mansaray	Ministry of Finance and Economic Development
90.	Ahmed Koroma	Ministry of Trade and Industry
91.	Ola Ogunfeyitimi	Vitafoa (SL) Ltd
92.	Ram Shankerdas	G. Shankerdas & Sons (SL) Ltd
93.	Sathish Nair	G. Shankerdas & Sons (SL) Ltd
94.	Hamid A. Kamara	Kamcashew Enterprise
95.	Christopher Forster	SLCCIA
96.	James S. Koroma	SLCCIA
97.	Medgar Brown	BALMED Holdings Ltd
98.	Henry Y. Kamara	Sierra Leone Produce Marketing Company
99.		Mongo Agricultural Business Centre, Koinadugu
100.	Honey man	
101.	Henry Kargbo	Ministry of Agriculture, Forestry and Food Security
102.	Usif	Kayeigoma
103.	Abu Bakarr Kebbe	Retired official
104.	Alie Bhaz	Alie Bhaz Trading
105.		Okeke fishing company
106.		Korea Fishing Group
107.		MIK International
109.	Dandy Williams	Congo Cross
110.		CAC Holdings

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