## **CHINA'S EMERGING INFLUENCE IN SIERRA LEONE:**

**Voices & Views of Local Fishing and Road Construction Communities** 



CRITICAL PERSPECTIVES OF GOVERNANCE VOL XIV

## **ABSTRACT**

This paper assesses China's sweeping engagement in the economic life of a West African state with the view to unravel the effects Chinese foreign policy on local institutions, and by extension, the standard of living of Sierra Leoneans.

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## I. EXCUTIVE SUMMARY

This paper assesses China's sweeping engagement in the economic life of a West African state with the view to unravel the effects of Chinese foreign policy on local institutions, and by extension, the standard of living of Sierra Leoneans. Using case studies in two sectors, fishing/marine resources and road infrastructure, the paper examines whether Sierra Leone is reaping benefits from its long history of China's exploitation of natural resources; or whether the 'Sierra-Sino' relations is reinforcing institutional behaviors in the local bureaucracy, including the weak legal system, or abusing the rights of a poorly paid domestic work force. We argue that China's presence in Sierra Leone is rooted in its desire to secure vital resources and raw materials to feed its enormous domestic population. Despite China's insistence that it promotes win-win trade relations with bilateral partners, local communities complain that at the losing end and poverty levels are rising. Step by step, this paper reveals evidence of how overpriced road infrastructure contracts to going Chinese companies are contributing to the country's growing debt burden; and how China's dominance in the fishing sector undermines local revenue generation and exacerbates economic hardship in local fishing communities. We conclude Sierra Leone needs a national conversation on ways of reconstructing a mutually beneficial and accountable relationship with Chinese businesses.

The paper relies on an extensive literature review conducted in November 2020 on China's business ventures and approaches in Sierra Leone. We also collected primary data on non-Chinese companies including local enterprises/contractors and Western multinational companies to understand the varying effects of their operations in Sierra Leone. The research also conducted a representative survey of 1,000 respondents in ten communities where fishing and road infrastructure occurs to understand the differential effects of Chinese business practices compared to others and used the field data to triangulate the data with the views of key informants.

## **Key Findings**

- 1. Since independence in 1961, no foreign country has ever infiltrated Sierra Leone to the degree that China has done in the post-war era (2002 to present). This is true not only in terms of the breath of investment activities, but also in terms of the extent to which Chinese nationals and corporations have penetrated deep into the fabric of the country. Sierra Leone's largest construction companies namely; Beijing Urban Construction Group (BUGC), Gouji, and China Seventh Railway Group (CSRG) are Chinese owned. In the fishing sector, about 50% of the 139 registered vessels are Chinese owned and operated.
- 2. Communities reported positive effects of Chinese road construction work. About 7 in every 10 residents (68.7%) in communities in Regent and Grafton area where China is constructing a new double-carriage four lane road linking Freetown and Western Rural Districts reported that livelihood including business activities tied to transportation has improved as a result of the construction work.
- 3. Over 55% of all 10 communities surveyed reported that Chinese presence has increased. Residents in remote fishing communities such as Shenge (79.2%) and Tombo (66.7%) recorded the greatest Chinese presence over the last 10 years.
- 4. Survey results shows that livelihoods for 38% of Sierra Leone's fishing communities had worsened as local fish stocks dwindle. About 60% of local harbor masters who coordinate fishing activities and 67% of community leaders (village headmen) reported that their livelihoods have been negatively impacted by China's largescale fishing. Many local businesses are also being displaced by Chinese businesses, as 54% of the local fishermen from the communities surveyed noted that their fishing equipment is regularly destroyed by the more industrious fishing methods that the Chinese employ.
- 5. The research found that unsolicited and overpriced infrastructure contracts, largely awarded to Chinese companies, are contributing to Sierra Leone's unsustainable debt burden.

6. To be fair to China, local elites also conduct public policy largely in secrete. Conscious efforts should be made on both sides to make policy process inclusive.

#### Recommendations

- I. Given the huge volume of trade and the influence China is having on almost all vital economic sectors of Sierra Leone; also given the lack of public knowledge about their mode of engagement with state institutions, convening an open national conversation on its relations with China and external actors in general with a view to increase national benefits from our trade relations.
- 2. To address the effects of China on Sierra Leone's democracy building efforts, civil society, media and human rights activists should exert enough pressure on Government, Chinese corporations and private Chinese entrepreneurs to expose all transactions with the Government of Sierra Leone to public scrutiny.
- 3. Government must recognize that coastal communities in particular, need extra support to gain from the country's fisheries. Government must therefore enforce the rules on appropriate fishing, including use of the right nets and gears, and exclusion zones as part of the agenda to promote the interests of coastal communities.
- 4. To escape the debt trap, Sierra Leone should take steps to stop all unsolicited infrastructural development assistance from foreign bodies and ensure that all infrastructure contracts are subjected to open and competitive bidding. Sierra Leone should also ensure that only infrastructure projects that align with the national development plan are executed.

## 2. BACKGROUND AND PURPOSE OF THE PAPER

Sierra Leone remains among the world's poorest countries, ranking 182nd out of 187 countries in the Human Development Index in 2019. Decades of economic decline and 11 years of armed conflict had dramatic consequences on the economy. Poverty remains widespread with about 57% of the population living on less than US\$ 2 a day and unemployment and illiteracy levels remain high, particularly among youth. However, Sierra Leone has made considerable progress since the end of the civil war in 2002, consolidating peace, democracy and improving development indicators amid rising rates of economic growth. The country has held five period elections with two transfers of power from one party to another, although democratic institutions remain fragile.

Concerns abound over the opaque nature of elite-to-elite business dealings,<sup>1</sup> widespread views that China is engaging in neo-colonial activities across the African continent,<sup>2</sup> the creation of debt traps for economically struggling African countries,<sup>3</sup> fears over China's ability to capture or take over entire sectors of a state,<sup>4</sup> as well as China's known lack of concern for human rights.<sup>5</sup> In light of the concerns over China's approach to development due to a lack of transparency, IGR has begun to establish a baseline on China's influence and presence in Sierra Leone across two sectors that contain heavy Chinese bilateral

<sup>&</sup>lt;sup>1</sup> French, Howard W. 2015. *China's Second Continent: How a Million Migrants Are Building a New Empire in Africa*. Vintage: New York.

<sup>&</sup>lt;sup>2</sup> Brookes, Peter. March 26, 2007. "Into Africa: China's Grab for Influence and Oil." The Heritage Foundation, https://www.heritage.org/africa/report/africa-chinas-grab-influence-and-oil.

<sup>&</sup>lt;sup>3</sup> Schultz, Kai. Dec. 12, 2017. "Sri Lanka, Struggling With Debt, Hands a Major Port to China." *The New York Times*, https://www.nytimes.com/2017/12/12/world/asia/sri-lanka-china-port.html.

<sup>&</sup>lt;sup>4</sup> Institute for Governance Reform. "State Capture: The Challenge Ahead for Sierra Leone's Next President." Critical Perspectives of Governance Vol X February 2018.

<sup>&</sup>lt;sup>5</sup> Webster, Timothy. "China's Human Rights Footprint in Africa," *Columbia Journal of Transnational Law*, Vol. 51, No. 3, pp: 626-663.

influence as well as commercial activity. As previously stated above, the average Sierra Leonean has an opinion about China's presence in the country, but knows very little about China's strategic engagement and interests as it relates to broader political and economic interests and how it feeds China's internal development. What the average Sierra Leonean can point to is public infrastructure projects like road construction and the presence of Chinese fishing boats in offshore fishing. It is for the visible presence and Chinese bilateral engagement and commercial activity in the marine and fisheries sector as well as public infrastructure sector that IGR has chosen to focus this study on these two sectors. Additionally, there is very little concrete data available outside of what local CSOs and media have been able to scantily collect and publish in local outlets. IGR seeks to fill this important data gap by conducting a comparative study that utilizes a purposeful survey based on local knowledge, attitudes and practice (KAP) of Chinese influence across these two important sectors in Sierra Leone. The survey will in short allow IGR to create a KAP baseline to assess attitudes and perceptions around these specific sectors where there is a visible and significant presence of Chinese companies.

## 3. METHODOLOGY

The aim of this research is to raise public awareness on the conclusions of the report and discuss uptake of the research recommendations. This baseline will seek to answer some of the more following broader questions:

- a) What kind of (financial and political) deals are being struck?
- b) How is China's presence enhancing or undermining national development?
- c) Does China's presence create or limit opportunities for average Sierra Leoneans, or just opportunities for those at the top?
- d) Do Chinese firms operating in Sierra Leone uphold basic human rights?

The reason for assessing these sectors is because these are the most visible sectors with a significant presence of Chinese companies operating in the country.

This baseline study was based on a purposeful sample of respondents that consists of a series of approximately 30 questions to a range of actors across the two sectors. We chose the two sectors of infrastructure and fisheries by wanting to provide case studies of how both ends of the Sierra Leone economy (fisheries for revenue generation and road infrastructure for expenditure) interact with external interests. We also wanted to understand how one formally regulated sector, and one sector that is both formally and informally regulated are managed. Infrastructure has a well-defined process and regulations in place that guide the tendering, bidding and procurement processes, whereas fisheries has formal rules and regulations in place, but also has less resources devoted to effective implementation and management.

We administered a qualitative questionnaire to elites within various ministries, departments and agencies (MDA), local companies as well as local communities that have had direct interactions and knowledge of Chinese company operations and official Chinese diplomats. The qualitative questionnaire targeted 30 elites across the two sectors, and were able to conduct interviews with 14 individuals in infrastructure, and 15 key informants within the fishing sector. Across each sector we initially targeted ten local companies in construction and ten in fishing, but were only able to speak with nine companies. Furthermore, we targeted ten communities across the two sectors. In infrastructure, data collection occurred in communities with significant construction activities around the Freetown-Masiaka highway, Hill Side Bye-Pass Road, the Peninsular Quarry, Hill Cot, and the Regent-Grafton Road. These are communities in Western Urban, Western Rural and Port Loko districts. For fishing communities, IGR conducted surveys in Tokeh, Tombo, Shenge, Goderich, and Lungi-Conakry Dee. These are all well-

established fishing communities in Western Urban, Western Rural, Moyamba and Port Loko districts. One hundred individuals were targeted within each community for a total 1,019 individuals and we spoke with prominent individuals like village headmen, youth leaders, women's leaders, harbor masters, as well as local fishermen/women and local construction workers. The three sets of respondents' views were triangulated and married together to establish the baseline on official Chinese engagements and Chinese companies working across Sierra Leone.

This baseline touched on some of the more following broader questions: a) What kind of (financial and political) deals are being struck?; b) Does China's presence create or limit opportunities for average Sierra Leoneans, or just opportunities for those at the top?; c) How is China's presence enhancing or undermining national development and local livelihoods?; and d) Do Chinese firms operating in Sierra Leone uphold basic human rights?.

## **District Map of Sierra Leone**



We briefly describe some of the recent activities by the Chinese government and companies operating in Sierra Leone.

## 3.1. Industrial Fishing

At present there are an estimated 56 officially-registered Chinese fishing trawlers and boats off the Sierra Leone coastline, which comprises almost half of all foreign vessels operating in large-scale industrial fishing. Widespread concerns around illegal and overfishing of Sierra Leone's water by unlicensed and un-registered Chinese companies have resulted in high-profile investigations by local and international media. In addition to these concerns, a Chinese corporation has claimed that their activities in Sierra Leone directly or indirectly create roughly 30,000

local jobs,<sup>7</sup> and the Chinese government has committed to constructing a new fishing harbor and aquaculture project to develop current fish stocks that will only lead to more employment opportunities.<sup>8</sup>

<sup>&</sup>lt;sup>6</sup> Fessy, Thomas. "The unequal battle over West Africa's rich fish stocks." *BBC News*, https://www.bbc.com/news/world-africa-25660385.

<sup>&</sup>lt;sup>7</sup> "Chinese Fishing Company Apologises to Sierra Leone Government." *Awoko*. November 5, 2018, https://awoko.org/2018/11/05/sierra-leone-news-chinese-fishing-company-apologises-to-salone-govt/.

<sup>&</sup>lt;sup>8</sup> "China to construct new fishing harbor in Sierra Leone." January 9, 2019. *The Calabash Newspaper*, https://thecalabashnewspaper.com/china-to-construct-new-fishing-harbor-in-sierra-leone/

### 3.2. Infrastructure

China and Chinese companies like the China Railway Seventh Group (CRSG) and Beijing Urban Construction Group (BUCG) are the most public faces of a Chinese corporate presence that engages in large-scale infrastructure construction and rehabilitation projects in Sierra Leone. The construction of roads across the country, refurbishment of dilapidated government and public buildings like the Fourah Bay College (FBC) campus, the multi-use national stadium to Youyi building (ministerial complex), the laying of fiber-optic cable across the country and capacitating national telecom companies like Sierratel are significant visible markers in recent years. Other activities like the construction of the Wellington-Masiaka highway, as well as the previously committed to construction of the Mamamah Airport and the New Koya City development (recently canceled by President Bio in 2018)<sup>9</sup> points to future Chinese strategic interests and engagement in Sierra Leone.

## 4. CHINA IN SIERRA LEONE

China's engagement with Sierra Leone began shortly after Sierra Leone's independence during the height of Chairman Mao's cultural revolution. Former-President Siaka Stevens looked East at the height of the Cold War and was able to tap into China's emerging interest in sharing its experience and ideas on national development with African states. As a result of Cold War politics, the Stevens' administration supported the 1971 UN General Assembly Resolution 2758, which recognized the PRC as the only legitimate representative of China. In return, Sierra Leone quickly began to receive investments as well as sign cultural and trade agreements that would only strengthen China-Sierra Leone relations. In per capita terms, Sierra Leone became the largest recipient of Chinese aid in Africa in the 70s and 80s.<sup>10</sup>

Early Chinese investments came in the form of state-owned enterprises (SOE). The earliest SOE in Sierra Leone was the Magbass Sugar Complex constructed in Tonkolili district between 1977 and 1982. The Magbass SOE was a 1,280 hectare complex that was built and managed by Chinese until 1996, when the civil war forced them out. Magbass eventually returned to operation in 2005 with the capacity to hire as many as 1,500 workers, and has only recently begun to promote Sierra Leoneans into the upper ranks of management. 12

China did not provide direct aid to Sierra Leone during the civil war in the 1990s, but it did however reestablish trade relations ten years after the war's conclusion with a Chinese state that had an increased interest in renewing relations. The Chinese state that emerged from the Cold War met a vastly different government and war-wracked population that held different views on politics and national priorities.

#### 4.1. Chinese Construction activities in Sierra Leone

Since independence, the Chinese have been the biggest player in the construction sector in Sierra Leone; dominating in particular, government-sponsored infrastructural projects. Excepting the early years following independence in 1961, when the Israelis built the house of Parliament, the state owned five-star

<sup>9</sup> "Mamamah airport: Sierra Leone cancels China-funded project." BBC News, October 10, 2018, https://www.bbc.com/news/world-africa-45809810.
<sup>10</sup> Ibid.

<sup>&</sup>lt;sup>11</sup> Brautigam, Deborah. *The Dragon's Gift: The Real Story Of China In Africa*. "Journal of the Washington Institute of China Studies," Vol 5, No 2 (2010).

<sup>&</sup>lt;sup>12</sup> Babatunde, Musibau Adetunji. "Sino-Africa Investment Relations: The Good, The Bad and The Ugly." Asia Pacific and Globalization Review, Vol. 3, No. 1, 2013.

Cape Sierra Hotel, and the new campus of the country's only university at the time, most of the visible public infrastructure that the public can easily recall have been built by the Chinese. These include the National Stadium, Youyi Building<sup>13</sup> which houses most of the government ministries, the Ministry of Foreign Affairs, and the ongoing 47-mile long four-lane road that links the capital Freetown with the rest of the country.

Sierra Leone has only a handful of foreign construction companies in the country. These are the Italian subsidiary of Salini Construction, the Senegalese-owned Company Sahelien d'Enterprise (CSE), and GUICORP from Cote d'Ivoire. At the time of this research there was no European or American construction company active in the country. One South Korean construction company completed a road construction contract in 2018; and another completed the construction of a 14-storey Freetown City Council building. In the 1970s, a German company called Wammanabu built the highway linking the capital city Freetown to the rest of the country; and another German company Philip Holzman built a rural highway.

There are three large Chinese construction companies in the country namely; Beijing Urban Construction Group (BUCG), Gouji, and China Seventh Railway Group (CSRG). There are at least half a dozen smaller, sole proprietor or joint partnership Chinese construction businesses in the country today.

## 4.2. Chinese Dominance in the Construction Sector

There are two types of opportunities for construction businesses in Sierra Leone namely; government-owned projects; and private-owned projects. Government-owned projects mostly consist of dams, roads, office buildings, and stadiums. Private-owned projects would mostly include residential housing, and office buildings. government-owned dams, roads, office buildings, and stadiums. Construction projects are dominated by foreign owned-companies; while private construction projects are dominated by local construction businesses.

Until 2002, following the end of the civil conflict in Sierra Leone, the Chinese were only involved in government-owned construction projects. Until 2002, there was no Chinese construction company domiciled in country; and therefore, no opportunity availed private citizens or private entities to hire them. The period following 2002, has seen a significant shift in Chinese construction activities in the country leading to four critical trends.

First, Chinese construction companies have taken up residence in Sierra Leone; beginning with Beijing Urban Construction Group (BUCG), Gouji, and China Seventh Railway Group (CSRG) in 2011. Since then, smaller sole-proprietorship or partnership construction businesses have taken residence in Sierra Leone. Second, since 2002, Chinese companies are now winning construction contracts from private persons and private entities with a focus on building mostly dwelling houses and entertainment facilities. Thirdly, Chinese companies are now winning construction contracts from other Chinese-owned businesses in the country; building mostly housing estates and entertainment facilities. Lastly, the Chinese have now expanded their construction business relationship with GoSL to include Build Operate and Transfer (BOT). The first and only known example of a joint Chinese and GoSL BOT project is the ongoing 38.5-mile long four-lane road that links the capital Freetown with the rest of the country. The road is estimated to cost \$161M US, and is being financed as a 25-year loan. The Chinese have however, installed three toll-gates from the onset of construction work, to start collecting their money right at the start of the construction process.

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<sup>&</sup>lt;sup>13</sup> Youyi Building means Friendship House in Mandarin

## 4.2.1. Accounting for the Chinese Dominance in the Construction Sector in Sierra Leone

Chinese companies possess an outsized and privileged position in the infrastructure sector. China has also adopted a number of anti-competitive approaches to woo infrastructure contracts. There are several political and economic factors that continue to perpetuate this privilege that are explored in more detail below.

Some of the iconic infrastructure projects by the Chinese in Sierra Leone have been financed under grants from the government of China. These include the National Stadium, the Dodo Electric dam, the Youyi building, and the new Ministry of Foreign Affairs offices. With grant financing, government officials say GoSL can hardly consider refusing Chinese infrastructure development assistance. Some of the Chinese government grant-financed infrastructure development projects have come as requests from the GoSL. Infrastructure development projects financed under grants from other international sources have been very rare in Sierra Leone over the past three decades.

## 4.2.2. The lure of concessional lending to the country; without pre-conditions

Concessional lending from bilateral and multilateral institutions are a major source of finance for infrastructural development projects in Sierra Leone. Concessional lending by the Chinese government to Sierra Leone has one major lure that other bilateral and multilateral sources lack, which is the lack of preconditions. Essentially, according to government officials, the Chinese government would give a loan to the GoSL without querying the viability or need for the project. A recent case that illustrates the difference in approaches between the Chinese and other bilateral and multilateral partners was the proposed new international airport for the country. The government under former-President Ernest Koroma (2007-2018) had negotiated a loan to the tune of \$318M US for the construction of a new international airport. The World Bank opposed the idea on the grounds that it would unnecessarily burden the country with more debts. The project was about to start when elections in 2018 brought in a new government under a new political party. Among the first moves by the new government was the cancellation of the new international airport project.

## 4.2.3. Different Rules for Chinese Companies

All executives interviewed from other foreign and local construction companies say that the Chinese play by rules that other foreign and local construction companies cannot accommodate; intimating improper procurement methods. For instance, the Chinese are known to win road and other infrastructure projects without going through any official procurement process. "Government would simply give a Chinese company the contract". Government officials explained the circumstances in which such contracts are awarded to a Chinese company without tender processes. Chinese companies would win contracts from government without public tender process for infrastructure works financed by the Chinese whether as grant or loans.

In most instances Chinese companies offer financial incentives that appear to be little more than shady loans. For instance, a Chinese entity would offer to pre-finance infrastructure work and give government time to pay later. Such sole sourced contracts are overpriced. In these circumstances, government would have no choice to consider a public procurement process. The Chinese have shown tendencies to exploit the country's perennial dire financial situation to win construction contracts or infrastructure business. In 2020, for instance, a Chinese company recently received a contract to rebuild a bridge that had collapsed in Freetown in September, in circumstances that had to do with expediency that Government did not have the resources to immediately address. The inner-city bridge had to be rebuilt immediately, and

<sup>&</sup>lt;sup>14</sup> "Sierra Leone Gov't "Not Going against World Bank/IMF advice " over new airport. *Politico*, 21 June 2016; Cham, Kemo, 8 March 2018. "Sierra Leone launches \$318 million Chinese-funded airport". Nairobi: Africa Review.

Government could not afford to go through a long public procurement process; where the funds were not even ready. The Chinese company offered to rebuild the bridge immediately, and be paid later. The company got the contract in less than 72 hours without any form of procurement process. In 2000, two years before the end of the civil war, a Chinese company asked for the lease of the dilapidated former 5-Star state-owned Bintumani hotel. The Government granted the company a 25-year lease.

## 4.3. Citizens' views on the Effects of China in Road Infrastructure

This section presents survey results of citizens' perceptions on the effects of China in communities where road construction work was/is undertaken over the last ten years. We visited five communities; three of the survey areas (Regent, Freetown-Masiaka and Hill Side) are host communities for Chinese construction sites. Two others communities are serviced by a local contractor (Hill Cot) and one Senegalese-owned construction company at Peninsular Quarry.

There is a general feeling by 55.4% of respondents that China's presence increased in infrastructure communities over the last 10 years. Construction workers (75%) of local companies reported the highest increase in Chinese presence in communities with infrastructure projects.

Table 1 Chinese Presence in Infrastructure Communities

		Over the	Over the past 10 years, Chinese presence in Sierra Leone has:			Total
		Increased	Decreased	Stayed the same	Don't know	
	Construction company worker	75.00%	16.70%		8.30%	100.0%
	Service providersfood, raw material suppliers,	73.30%	13.30%	6.70%	6.70%	100.0%
	Councilor	66.70%	16.70%	16.70%		100.0%
Respondent category	Community Headman/Town Chief, or his/her Deputy of community hosting a quarry	60.00%	20.00%	20.00%		100.0%
category	Women's leaders	57.70%	11.50%	26.90%	3.80%	100.0%
	Youth leaders	53.80%	19.20%	26.90%		100.0%
	Ordinary citizens in the community with an ongoing infrastructure work	53.30%	14.50%	20.50%	11.80%	100.0%
Total		55.4%	14.7%	19.7%	10.2%	100.0%

Chinese companies are in competition with local and international companies. Respondents were asked whether the companies provide material support to local construction companies or local laborers. Responses were random. Close to half of respondents (45.5%) in the Chinese Regent and Grafton community said yes; while the rest were below 20% (see table 2 below). A good majority of respondents in Grafton also reported that their livelihood has changed as a result of construction activities.

Table 2 Support to Local Construction Companies

		Do constru	Total			
		Yes	construction companies or local laborers?  Yes No Don't know Prefer not to			
					say	
	Regent-Grafton Road	45.5%	47.5%	7.1%		100.0%
	Freetown-Masiaka Highway	12.7%	55.9%	31.4%		100.0%
Name of community	Peninsular Quarry	15.8%	49.5%	34.7%		100.0%
Community	Hill Cot	6.0%	32.0%	62.0%		100.0%
	Hill Side Bye-Pass Rd	15.0%	45.0%	39.0%	1.0%	100.0%
Total		18.9%	46.0%	34.9%	0.2%	100.0%

Table 3 Has Livelihood Changed in Construction Communities

Has the livelihood of the community changed since construction companies began working in and around your community?						Total
		Yes	No	Don't know	Refuse to say	
	Regent-Grafton Road	74.7%	23.2%	2.0%		100.0%
	Freetown-Masiaka Highway	13.7%	78.4%	7.8%		100.0%
Name of community	Peninsular Quarry	39.6%	42.6%	17.8%		100.0%
Community	Hill Cot	7.0%	34.0%	59.0%		100.0%
	Hill Side Bye-Pass Rd	18.0%	71.0%	10.0%	1.0%	100.0%
Total		30.5%	50.0%	19.3%	0.2%	100.0%

Respondents were asked to rate the change that has taken place in the community's livelihood as a result of construction companies working in or around the community. About a third of respondents stated that their livelihoods have improved. Again, nearly 7 in every 10 respondents in Regent-Grafton said that livelihood has improved. See figure 4.

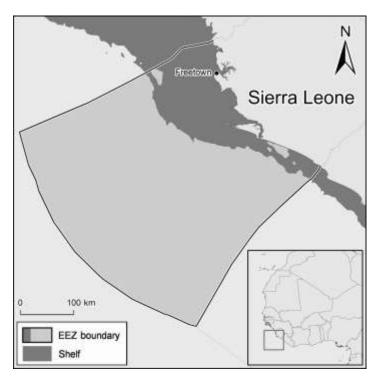
Table 4 Has Livelihood Changed as a Result of Construction?

		How would a result of	Total				
	Improved Worsened Stayed the Don't Refused to						
				same	know	say	
	Regent-Grafton Road	68.7%	4.0%	26.3%	1.0%		100.0%
	Freetown-Masiaka Highway	15.7%		80.4%	3.9%		100.0%
Name of community	Peninsular Quarry	58.4%	11.9%	28.7%	1.0%		100.0%
,	Hill Cot	7.0%		26.0%	67.0%		100.0%
Total	Hill Side Bye-Pass Rd	20.0% 33.9%	32.0% 9.6%	41.0% 40.6%	6.0% 15.7%	1.0% 0.2%	100.0% 100.0%

We noted in key informant interviews that Chinese infrastructural activities tend to have high support among ordinary people firstly, because they are dying for services such as roads, water and electricity services, which successive governments have been slow to provide. Secondly, the cost of Chinese infrastructure activities to the country is unknown, and therefore, not a part of citizens' considerations when responding to China's activities in Sierra Leone. Third, unlike western-funded infrastructural activities, the roads are quickly constructed.

## 4.4. China in Sierra Leone Waters

"Sierra Leone has a valuable marine ecosystem, which, if well managed, has the potential to generate not only increased Government revenues and foreign exchange earnings but also create job opportunities for our youth and women" youth and women"



Industrial fishing of Sierra Leone is conducted within six to 200 nautical miles (nm) in the continental shelf and the exclusive economic zone (EEZ). The country has one of the richest fisheries on the West African Coast and attracts a lot of foreign interest in its fishery zone, and contributes to an estimated 10% of Sierra Leone's GDP.16 Official data shows that 1980s witnessed an explosion international industrial fishing vessels. It has been reported that throughout the 1980s, roughly 75% of all foreign fishing vessels operating in Sierra Leone were Chinese vessels.

Figure 1 Exclusive Economic Zone and Shelf Boundary for Sierra Leone

Despite its rich marine resources, illegal fishing and the underreporting remains a challenge. It is estimated that Sierra Leone

loses approximately \$100M USD per year if properly managed, but is currently estimated to lose up to \$29M USD per year due to illegal fishing practices<sup>17</sup> despite a series of reforms in the past few years.<sup>18</sup>

<sup>&</sup>lt;sup>15</sup> Government Budget and Statement of Economic and Financial Policies for the Financial Year 2021.

<sup>&</sup>lt;sup>16</sup> Sei, Sheku, and Baio, Andrew. ""Fisheries management in data deficient industrial fisheries of Sierra Leone: Input controls and ecological risk assessment."

<sup>&</sup>lt;sup>17</sup> "Sierra Leone Pledges to Tackle Tax Evasion in the Marine Sector." Sierra Media Express, https://sierraexpressmedia.com/?p=88379.

<sup>&</sup>lt;sup>18</sup> The MFMR has taken a number of broader reforms that has resulted in increased revenue by focusing on the licensing of foreign vessels and artisanal fishermen, fines for un-registered vessels, as well as requiring that 40% of all catch must be landed.

One study was able to reconstruct illegal fishing from 1950-2015 throughout the EEZ (see figure II below), which noted that illegal foreign catches have been on the increase since the end of the war.<sup>19</sup>

Chinese activities in industrial fishing have focused on large scale off-shore industrial fishing using largely mid-water and deep-water trawlers as well as shrimping vessels. These type of fishing vessels are more difficult in monitoring and verifying their catchments and have contributed to Sierra Leone's overfishing in recent years. Since the re-engagement of Chinese fishing in Sierra Leone, more than half of all foreign fishing vessels fly the Chinese flag. For example, in 2017, 54 of the 100 registered companies were identified as Chinese vessels, and by 2021, 46 of the 110 registered vessels were Chinese.

According to the Ministry of Fisheries and Marine Resources (MFMR), there are presently six registered companies that primarily utilize Chinese trawlers (see table II below). As a result of exploitative fishing practices in past years, in 2010 Sierra Leone became the first country in the world to end its "flags of convenience" practice. The flags of convenience is a practice that countries employ, which allows foreign ships to come in and purchase a national flag to allowed ship to become recognized as national ships and avoid taxes and international fishing standards under international maritime law. It was recognized that foreign vessels were overly-exploiting Sierra Leone waters due to its weak maritime laws, and the GoSL effectively banned them from registering as nationals. However, since 2010 foreign vessels have continued to operate in Sierra Leone waters, but they have been able to do so by partnering with local fishing companies. Data collection revealed that at least two local companies, some long-established, partner with Chinese fishing vessels and Chinese companies. One local Sierra Leone company revealed that the Chinese operate with an 80/20% partnership.

Table 5 Local Fishing Companies and Vessel Type

Company	Vessel Type	No. of Vessels
Africa Yuhai Fishing Company	Demersal	3
	Mid Water/Pelagic Trawler	5
Okekey Fishing Company	Shrimper	8
	Carrier Vessel	I
	Supply Vessel	1
Tombo Fishing Company	Demersal	7
Sabco Fishing Company Ltd.	Demersal	8
Sierra Fishing Company	Carrier Vessel	!
	Demersal	12

The local companies provide the administrative knowledge and cover to register as legal fishing companies, but the majority of the vessels and equipment are Chinese owned and operated. Another two fishing companies spoke of partnership agreements with 100% Chinese vessels in their officially registered fleets, but would not go into detail about the partnership arrangement other than to say that they regularly partner with Chinese vessels and entities. Another local Sierra Leone company admitted that they are actively looking to partner with Chinese, because access to fishing trawlers and equipment is expensive,

<sup>&</sup>lt;sup>19</sup> Katherine Seto, Dyhia Belhabib, Josephus Mamie, Duncan Copeland, Jan Michael Vakily, Heiko Seilert, Andrew Baio, Sarah Harper, Dirk Zeller, Kyrstn Zylich, Daniel Pauly, "War, fish, and foreign fleets: The marine fisheries catches of Sierra Leone 1950–2015," *Marine Policy*, Volume 83, 2017, Pages 153-163, ISSN 0308-597X, https://doi.org/10.1016/j.marpol.2017.05.036.

 $<sup>^{20}</sup>$  A recent validation meeting organized on 12 February 2021 confirmed that the MFMR does not interfere in partnership arrangements.

and they do not have the necessary capital to acquire them on their own. This is a trend between Chinese vessels and local companies that appears to have been regularly practiced for the past several years.

According to the IUU Index, Sierra Leone ranks as the world's sixth worst performer as it relates to IUU. Sierra Leone, on a scale of I to 5 (I being the highest, and 5 the lowest), is rated 3.01 and is the worst performer on the African continent, and globally trails much wealthier countries like China, Taiwan, Russia, Vietnam and Cambodia.<sup>21</sup> Sierra Leone's coastline remains very vulnerable (3.5) to regular IUU is rated a dismal 4.4, In other words, IUU is a regular activity that continues to occur and felt by local fishing communities.

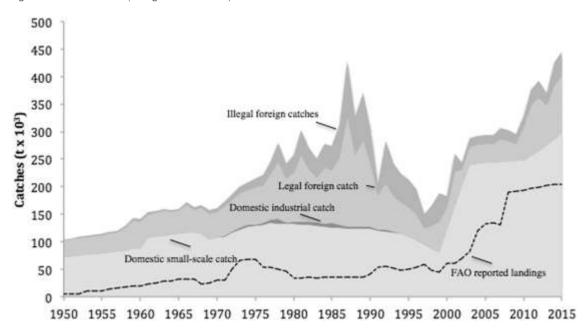


Figure 2 Total Fish Catch (Foreign and Domestic) in Sierra Leone 1950-2015.

In light of the recognized IUU across the maritime sector, the GoSL in November 2020 recently procured six inshore boats to patrol coastal inshore waters and to conduct community surveillance and extension services for coastal fishing communities. In addition, tablets and android phones were procured for data collection, and 23 VHF and UHF radio equipment to enhance surveillance and monitoring activities. <sup>22</sup> Concerns are being raised if the equipment will be properly used. Will the IMC and authorities have a regular supply of fuel to adequately patrol the sizeable IEZ? What about at nighttime when many of the IUU appears to take place? How will authorities address IUU activities in deep sea-waters beyond the sixmile IEZ? These are issues and concerns that do not appear to have concrete answers at present.

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<sup>&</sup>lt;sup>21</sup> IUU Fishing Index, https://iuufishingindex.net/ranking.

<sup>&</sup>lt;sup>22</sup> Thomas, Abdul Rashid. "President Bio unveils plans to effectively manage Sierra Leone's marine resources." *Sierra Leone Telegraph*, https://www.thesierraleonetelegraph.com/president-bio-unveils-plans-to-effectively-manage-sierra-leones-marine-resources/.

## 4.5. Survey Data on the Effects of China in Fishing Industry

The findings were further validated by the five fishing communities that IGR surveyed. All communities reported that Chinese presence increased (55.1%) in the last 10 years (Table 6). In spite of the increase in businesses only 8.4% of respondents said Chinese provide support to local fishermen (Table. 7)

Table 6 Chinese Presence in Fishing Communities in the last 10yrs

		Over the	Over the past 10 years, Chinese presence in Sierra Leone has:				
		Increased	Decreased	Stayed the same	Don't know		
	Tombo	66.7%	6.9%	16.7%	9.8%	100.0%	
Name of	Shenge	79.2%		13.9%	6.9%	100.0%	
fishing	Goderich	43.7%	33.0%	13.6%	9.7%	100.0%	
community	Lungi-Conakry Dee	39.8%	7.8%	16.5%	35.9%	100.0%	
	Tokeh	46.5%	15.8%	19.8%	17.8%	100.0%	
Total		55.1%	12.7%	16.1%	16.1%	100.0%	

It is not surprising to see community leaders such as Wharf/Harbor Master (40%), Councilors (20%) and Community Headmen (16%) giving more favorable responses to the question of China giving support to fishermen. Key informants suggest that some of the support comes in the form of informal rents to different individuals and entities, but not direct support to fishermen. Only 3.6% of fishermen stated that Chinese companies or any Chinese entity(ies) provide any form of support to them.

Table 7 Chinese Support to Fishing Communities

		Do Chinese con provide any f	Total		
		Yes	No	Don't know	
	Wharf /Harbor Master	40.00%	60.00%		100.0%
	Councilor	20.00%	80.00%		100.0%
	Community Headman/Town Chief, or his/her Deputy	16.70%	66.70%	16.70%	100.0%
	Fisherman/fisherwoman	13.50%	84.50%	2.00%	100.0%
	Boat Owner	12.00%	88.00%		100.0%
Respondent	Youth Leader	11.10%	88.90%		100.0%
category	Women's leader	10.00%	80.00%	10.00%	100.0%
,	Fish seller	5.10%	82.80%	12.10%	100.0%
	Ordinary citizen not involved in fishing business	3.60%	77.70%	18.70%	100.0%
	Community-based Organization working in the community on any issue		90.00%	10.00%	100.0%
Total		8.4%	82.0%	9.6%	100.0%

Table 8 Changes in Livelihood in Fishing Communities

		How would you rate the change in the community's livelihood as a result of Chinese companies fishing Sierra Leone waters?					Total
	Improved Worsened Stayed the Stayed the same Refused to say						
	Tombo	27.5%	24.5%	43.1%	4.9%		100.0%
Name of	Shenge	3.0%	26.7%	68.3%	2.0%		100.0%
fishing	Goderich	3.9%	43.7%	42.7%	7.8%	1.9%	100.0%
community	Lungi-Conakry Dee	1.0%	36.9%	52.4%	9.7%		100.0%
Total	Tokeh	1.0% 7.3%	46.5% 35.7%	51.5% 51.6%	1.0% 5.1%	0.4%	100.0% 100.0%

Approximately 38% of the fishing communities surveyed stated that their livelihoods had worsened as they continue to see local fish stocks dwindle, and approximately 40% of local harbor masters and 54% of boat owners state that their livelihoods have been negatively impacted. Some local fishermen and women that deal directly with Chinese companies were more forthright and unequivocally state that their livelihoods and way of life is being threatened. If fishing stocks are depleted to the point that livelihoods are threatened, what are fishing communities to do? What recourse do they have? These are daily concerns voiced by village headmen and particularly local fishermen and women that regularly interact and see the impacts of Chinese fishing practices.

Table 9 Changes in Community Livelihood by Social Strata

			How would you rate the change in the community's livelihood as a result of Chinese companies fishing Sierra Leone waters?					
		Improved	Worsened	Stayed the same	Don't know	Refused to say		
	Community Headman/Town Chief, or his/her Deputy	16.7%	16.7%	33.3%	33.3%		100.0%	
	Wharf /Harbor Master	20.0%	40.0%	40.0%			100.0%	
	Boat Owner	10.0%	54.0%	34.0%	2.0%		100.0%	
	Fisherman/fisherwoman	6.8%	42.6%	49.3%	1.4%		100.0%	
	Fish seller	7.1%	28.3%	57.6%	6.1%	1.0%	100.0%	
Respondent	Youth Leader	22.2%	44.4%	33.3%			100.0%	
category	Ordinary citizen not involved in fishing business in any form	4.8%	28.9%	57.2%	8.4%	0.6%	100.0%	
	Community-based Organization working in the community on any issue	10.0%	30.0%	60.0%			100.0%	
	Councilor		40.0%	60.0%			100.0%	
	Women's leader	10.0%	30.0%	50.0%	10.0%		100.0%	
Total		7.3%	35.7%	51.6%	5.1%	0.4%	100.0%	

The harbor masters and 54% of the local fishermen from the communities surveyed noted that their fishing equipment is also regularly destroyed by the more industrious fishing methods that the Chinese fishermen employ. In addition, local fishermen stated that they have noticed that the more traditional catch of fish in recent years has declined, which has pushed them to go further and further out to sea to catch adequate fish stocks. Fishing communities in Tombo and Tokeh report that fishermen have interaction with Chinese fishing vessels and have grown frustrated with reporting their routine complaints to local authorities as they feel that nothing comes of the reported complaints.

As a result of improper fishing methods, the GoSL in 2019 has implemented an annual one-month fishing ban in an attempt to allow the national fish stocks a chance to rejuvenate, but vessel monitoring data demonstrates that trawling hours have increased by more than 30% between 2016 and 2017. This intensification of trawling and other illegal fishing practices correlate with the negative views of those fishing communities directly involved in the fishing industry and the destructive effects on their livelihoods and way of life. Fifty-four percent (54%) of all boat owners and 43% of fishermen and women surveyed in fishing communities state that their livelihoods are worsening as a result of improper Chinese fishing practices, but a majority of the population within fishing communities appear to be in favor of the one-month fishing ban.

Despite MFMR's willingness to engage Chinese companies and fishing vessels, local communities surveyed in our research paint a very negative picture of Chinese fishing on community livelihoods. Local artisanal fishermen state that their nets and fishing boats have been destroyed by industrial Chinese fishing practices, and local fish stocks are dwindling, forcing fishermen to go out further into new waters to seek adequate supplies of fish. Harbor masters and village headmen that deal directly with Chinese companies are very negative, and believe that Chinese companies are effectively destroying their livelihoods. Sixty percent (60%) of the harbor masters interviewed believe that Chinese fishing practices are hurting their communities.

# 5. IMPLICATIONS OF CHINESE ECONOMIC DOMINANCE FOR SIERRA LEONE

## Sierra Leone's Debt Burden Worsened by Public Infrastructure financing

Sierra Leone is a highly indebted country; with external total public debt and publicly guaranteed external debt is said to stand at 40.8% of GDP in 2018; and estimated to have risen by 42.6% of GDP in 2019.<sup>23</sup> The IMF cites infrastructure needs as a major component of the country's debt burden.<sup>24</sup>

Sierra Leone's risk of external debt distress and overall risk of debt distress has been classified by the IMF as "high". Sierra Leone's huge debts largely compounded by infrastructure financing are having serious ramifications for the wellbeing of the citizens. According to Actionaid, Sierra Leone is one of the countries with the highest levels of debt servicing expenditure; accounting for over 13% of government revenue.<sup>25</sup> Sierra Leone spends around 45% of its annual budget on debt servicing; more than three times the recommended threshold of 12%.<sup>26</sup> As a recent joint report by the Institute for Governance Reform and Oxfam put it, higher spending on debt servicing invariably means lower availability of resources in hands of government to spend on critical poverty reducing public services.<sup>27</sup>

<sup>25</sup> Action Aid. "Who Cares for the Future: Finance Gender Responsive Public Services! Report Summary."

<sup>&</sup>lt;sup>23</sup> Staff Report for the 2019 Article iv Consultation, Second Review Under the Extended Credit Facility Arrangement, Request for a Waiver of Nonobservance of Performance Criterion and Finances Assurance Review-Debt Sustainability Analysis. Prepared by Staff of the International Monetary Fund and the International Development Association. March 24, 2020

<sup>&</sup>lt;sup>24</sup> Ibid.

<sup>26</sup> Ihid

<sup>&</sup>lt;sup>27</sup> Institute for Governance Reform (for Oxfam). January 2021. "The Commitment to Reduce Inequality: Sierra Leone at the Crossroads."

## Community-Level Losses around Chinese activities in the fishing and construction sectors

The general perception of communities surveyed is that they visibly see Chinese presence in and around their communities, but 43% of individuals do not have regular interaction with Chinese or Chinese entities, and a smaller 10% of individuals interact with Chinese on either a daily or weekly basis. Overall, 55.4% state that the presence of Chinese and Chinese entities has increased over the last ten years, and about 19% stated that Chinese have provided support to local businesses. This has commonly come in the form of hiring laborers from local construction companies or skilled laborers within communities. Despite the fact that 49% of respondents stated that they have not seen any impact on their livelihoods, 30% of communities did report a noted positive benefit as a result of road construction. Within those communities they positively spoke of the road and the value-added benefits that the road has brought to their surrounding communities such as employment for locals, which has also translated into new investments and opening up of new small businesses.

Community losses as a result of Chinese construction was only mentioned within the context of loss of land, but it is the responsibility of the Sierra Leone Roads Authority (SLRA) to compensate individuals and communities for any economic losses as a result of land deprivation and destruction of habitat. No individuals or key informants specifically blamed the Chinese companies, as it is widely recognized that good roads are seen as public goods and to the benefit of local communities. A few communities did however mention that some of the Chinese companies working in their communities did not live up to their corporate social responsibilities (CSR) and promises made. For example, one community was expecting a hospital to be constructed in Masiaka, but the Chinese company started initial work on the hospital and then moved on without any explanation to the local community.

As it relates to the environment and habitat it was acknowledged that there is an accepted level of habitat destruction when it comes to infrastructure projects and construction. Within the communities visited the only issues that were raised was the loss of land, but community members stated that they were told by SLRA that they would be compensated. Many of these community's roads were either in a very poor state that needed repair, or were non-existent altogether. There was a general impression that there would be some loss of natural habitat and/or possibly land as a result of construction. These communities and individuals blame SLRA for not compensating them, not the Chinese.

There was however a bit of grumbling at the local level as to the way either employees or day laborer's are often treated. This however was not just a phenomenon with Chinese companies, but also local Sierra Leone companies as well as the Senegalese regional firm, CSC. The complaints were fairly consistent in that they complained of low wages. Day laborers, also known locally as casual workers, are paid a standard daily rate of 25kLE, about \$2.50USD. Chinese companies pay their local staff 700kLE per month, or \$70USD. The Senegalese firm CSC pays local Sierra Leoneans 700 – 800kLE per month, and longtime local workers who have worked at least five or more are paid 900kLE per month, about \$90USD. Senegalese laborers however start off at ImLE per month and can work their way to potentially I.5mLE per month. The local Sierra Leone company Gento Group also pays their workers 700kLE or \$70USD per month, but their workers complain about routine late salary payments. Workers report sometimes not getting paid for three or four months, but then Gento will back-pay them a portion of their salary owed, effectively missing one or two months of salary depending upon circumstances. So the complaints against the Chinese firms are on par with the experiences of other companies operating in Sierra Leone. The lone difference is that there is little room for upward mobility, and all upper management positions are reserved solely for Chinese.

## The Political Implications of Citizens' Compromised Civic Competencies, Attributable to Chinese business behaviors

The Chinese approach to business with the state discounts considerations for anything else but profit and extension of influence. This is why among foreign-owned construction companies in Sierra Leone, only the Chinese win contracts outside public tender processes; and build houses for high political office holders as gifts or in murky circumstances. The willingness of political office holders and public officials to cooperate with the Chinese in unprincipled transactions obviously pays off in monetary and political benefits. As many commentators including Fanthorpe and Gabelle (2013); Kandeh (1999) and Reno (1995) have noted, extracting rents from public resources and public office has always been a primary source of private wealth for the country's political elites in Sierra Leone. Unprincipled economic and business transactions between the Chinese and the state offers a major arena that elite rents are derived from extraction activities around public resources and public office.

It is with this money that politicians are able to bribe their citizens and extend patronage as financial settlements for their inability and unwillingness to deliver public goods. In the case of Chinese-funded construction projects, these are being used to shore-up the legitimacy of a government when faced with failure to deliver public goods. The announcement of a Chinese-funded four-lane highway, shopping Mall, Stadium, or airport, close to general elections often speak to this legitimation effort.

In the circumstances where politicians are able to use ill-gotten wealth to bribe the population, as settlement for their inabilities to deliver public goods; Chinese-funded construction infrastructure projects provide quick largesse to shore-up their legitimacy in the face of their failure on the service delivery front, as it is the relevance and value of citizens' civic competencies for good governance that is significantly diminished. Essentially, Chinese business behaviors can be a major lever of political behaviors and elections outcomes in Sierra Leone.

# 6. ENTRY POINTS FOR MUTUALLY BENEFICIAL RELATIONS WITH CHINA

Moving forward it is clear that greater urgency and emphasis needs to be placed on monitoring and enforcement of GoSL laws and international best practices. China and Chinese entities have a privileged position and play an outsized role across the infrastructure and marine and fisheries sector in Sierra Leone. However, it is also not realistic to call for a targeted reduction of Chinese commercial activities in Sierra Leone; given the enormous scale of their presence and reach in the economy. What should be desired without compromise is the construction of a new playing field that yields Chinese contributions to good economic governance; and the outcomes thereof. A lot of money remains to be made off of Sierra Leone's rich waters and infrastructurally resource-poor society, and China and Chinese entities are exploiting these weaknesses to the fullest extent that the GoSL and state authorities are allowing them to.

As essential first steps in this regard, the fishing and construction industries would be the first places to put the foundational pillars. In the fishing sector activities of the Chinese must be made to contribute to good economic governance, with outcomes that yield: (i) fish stock protection, (ii) increased intake of rents by government, consistent with good rates in the sub-region at worse, and (iii) promotion of community benefits.

Similarly, in the construction industry the activities of the Chinese must be made to contribute to good economic and political governance, with outcomes that yield; (i) deconstruction of the debt trap associated

with politically-inspired infrastructural development in Sierra Leone, (ii) promotion of business transaction behaviors that enhances the accountability of the state to the citizens as it undergirds the future of good governance in the country, and (iii) promote competition and greater fairness around the procurement process that demonstrates transparency and reinforces international best practices so that the public can have confidence in the awarding of contracts.

Furthermore, Sierra Leone remains a poor country in Africa and has a small voice as it relates to ranking African states. It will require countries like Senegal, Ghana, Zambia, Kenya, South Africa and Nigeria to take a leading role in setting African expectations in relation to Chinese responsibilities. Sierra Leone needs to have a national conversation and determine not only what its priorities are, but what it expects from China and its bevy of corporations and small-companies, let alone "private" boat operators in Sierra Leone. Until Sierra Leone sets its own "rules for engagement" and standards, Chinese companies will likely continue to penetrate deeper into Sierra Leone's economy, and will likely lead to further local frustrations and resentments as resources and employment opportunities continue to dwindle. Sierra Leone should reach out to bilateral partners as well as regional institutions like the Mano River Union (MRU) and the African Union (AU) to help determine what should be the considered standard of acceptable Chinese economic and political behavior in African states. Without these alliances it will be difficult for Sierra Leone to challenge Chinese penetration into Sierra Leone's struggling economy.

## Fishing:

## Regulatory Capacity

Sierra Leone must raise its legal and regulatory regime to the highest levels possible; in particular with a purpose to reflect international best practice and obligations. As steps in the direct direction, the study notes government's new foundational efforts at good fisheries sector governance including, adoption of the Revised Fisheries Regulations 2019; work to complete the Fisheries Management Plan to enhance sustainable management of the country's fish stocks, and plans to conduct a Fish Stock Assessment.<sup>28</sup> It is noted, however, that Sierra Leone only began making additional efforts towards accommodating international rules in the past two years when it ratified two UN instruments. The country's obligations in such instruments and any other ones have to be reflected in domestic legal and policy regimes for the sector.

#### Enhance and self-sustained maritime protection capacity

Sierra Leone must seek to acquire the levels of equipment and personnel capacity that guarantee satisfactory levels of maritime security. Plans by government to "invest in technology including radar systems, mid-range surveillance boats and drone technology to monitor and control illegal fishing activities and actively use data to act on infractions" are pointers to the breadth of the things that are missing in the areas of equipment capacity.<sup>29</sup> In addition to securing these capacities in the relevant quantities, it must ensure that their replenishments are always within government's fiscal means; rather than the favors of a foreign government.

## **Raising Community benefits**

<sup>&</sup>lt;sup>28</sup> These are mentioned in the Government Budget and Statement of Economic and Financial Policies for the Financial Year 2021 Theme: "Economic Recovery for Job Creation and Human Capital Development."

<sup>&</sup>lt;sup>29</sup> The Government Budget and Statement of Economic and Financial Policies for the Financial Year 2021 Theme: "Economic Recovery for Job Creation and Human Capital Development."

Government recognizes that coastal communities in particular, need extra support to gain from the country's fisheries. In the 2021 annual government budget a commitment is made to promote artisanal fishing as an attractive path for economic development; in particular as a source of labor-intensive employment. Part of Government's plans in this regard is to continue to provide appropriate fishing gears to artisanal fishermen to ensure sustainable fishing practices.<sup>30</sup> While this is welcome, the desired benefits would not be maximized if local fishermen's nets are constantly at risk of being torn up by industrial fishing vessels. Government must therefore, see enforcement of the rules on appropriate fishing, including use of the right nets and gears, and exclusion zones as part of the agenda to promote the interests of coastal communities.

#### **Construction:**

## Guard against political score infrastructural development debts

China is the preferred recourse for political score infrastructural development projects, which is a major portion of Sierra Leone's indebtedness. While there are constitutional provisions on how a government enters debt relationships, it is clear that these provisions have not been robust enough to guard against political score infrastructural development debts. There needs to be additional layers of protection that ensures that a President's personal prestige infrastructural ambitions do not burden the country with more Chinese debts.

## Stop all unsolicited infrastructural development assistance to the country

As a matter of policy, all infrastructural development assistance extended to Sierra Leone by China that the GoSL did not ask for should be discouraged. It has been part of China's trade promotion strategy in Africa to announce special grants and debt-financed infrastructural development initiatives, including the Belt and Road Initiative. It easily lures governments into putting together a shopping list of what to build next. Going forward, the GoSL must develop a policy framework that primarily seeks to guard against this debt trap.

## Stop the advantage the Chinese have for financing emergency public construction work

As one the poorest countries in the world, financing emergency public construction work, or public construction works outside a National Development Plan, Sierra Leone has often made compromises with public procurement rules; which is often to the advantage of Chinese construction businesses, as illustrated earlier. The loopholes in the rules, and practice must be closed with an emphasis on promoting competition and fairness in a transparent manner, which offers other construction businesses contract opportunities around emergency public construction work, or public construction works outside a National Development Plan.

30 Ibid.			

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