



# **HIGH-LEVEL SUMMARY TECHNICAL ASSISTANCE REPORT**

## **SIERRA LEONE**

Report on Employment and Remuneration  
Matrices Mission (May 13–24, 2024)

**May 2024**

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**High-Level Summary Technical Assistance Report**  
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The *High-Level Summary Technical Assistance Report* series provides high-level summaries of the assistance provided to IMF capacity development recipients, describing the high-level objectives, findings, and recommendations.

**ABSTRACT:** This capacity development (CD) project financed by the [Data for Decisions \(D4D\) Fund](#),<sup>1</sup> Fund, was developed in response to a request from the National Accounts and Economic Statistics Division (NAESD) of Statistics Sierra Leone (Stats SL) to provide technical assistance (TA) on measuring the non-observed economy (NOE) and informal sector in order to ensure exhaustive estimates of GDP as part of Stats SL's national accounts rebasing project (results are soon to be published).

JEL Classification Numbers: J01, J16, J30, E001

Keywords: Employment and remuneration matrices (ERM); Gender; Gross Domestic Product (GDP); Informal sector; National accounts (NA); Non-observed economy (NOE); Permanent/continuous household survey; Statistical sources.

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<sup>1</sup> <https://www.imf.org/en/Capacity-Development/D4D>.

## Background

This capacity development (CD) project financed by the [Data for Decisions \(D4D\) Fund](#),<sup>2</sup> Fund, was developed in response to a request from the National Accounts and Economic Statistics Division (NAESD) of Statistics Sierra Leone (Stats SL) to provide technical assistance (TA) on measuring the non-observed economy (NOE) and informal sector in order to ensure exhaustive estimates of GDP as part of Stats SL's national accounts rebasing project (results are soon to be published). Currently, the base year of the national accounts is 2006 and Stats SL started working on rebasing the national accounts to 2018 and implementing the key recommendations of the *System of National Accounts 2008 (2008 SNA)* in 2019. The CD project's main objective was to assist the authorities in the design, compilation and analysis of an employment and remuneration matrix (ERM) for Sierra Leone given that it provides the main basis to estimate the output and value added of the non-observed economy and the informal sector, which was not included before, and it also constitutes a global framework for compiling the new base year.

To complete this project, five missions took place from February 2021 to May 2024. The first one-week remote mission took place in February 2021 to start laying the groundwork for compiling, with the use of a socio-demographical statistical source such as the *Sierra Leone Integrated Household Survey of 2018 (SLIHS 2018)*, a preliminary employment matrix. In August 2021, a second one-week remote mission assessed the data of the preliminary matrix of full-time equivalent jobs for 2018. And in October 2022, the third one-week remote mission continued with the training phase of the staff for the compilation of the remuneration matrix for 2018 by economic activity, category of employment and gender and for the NOE and observed economy (OE). Based on the comparison of jobs from different statistical sources by chapter of the *International Standard Industrial Classification of All Economic Activities (ISIC) Revision 4*, a matrix of jobs template was elaborated based on the arbitration and reconciliation of those statistical sources from the labor supply and labor demand sides. In April 2023, the fourth mission took place in person. During that mission, a robust preliminary ERM for 2018 was compiled by economic activity, category of employment, and gender. Based on the preliminary ERM, the contribution to GDP of the NOE by economic activity and gender was estimated and used as input into the compilation of the Supply and Use Tables (SUTs) and the estimation of the Gross Domestic Product (GDP) for the base year 2018. The final and fifth mission conducted in May 2024, also in person, assisted in compiling the final version of the 2018 ERM incorporating pending data that was missing from some private companies and from some units of the public sector, and updated the estimation of remuneration by gender; this only caused reallocations in the public and private sector vectors of employees and by gender, and in the remuneration matrix in relation to the robust but preliminary ERM obtained in April 2023.

## Summary of Findings

The results of the final 2018 ERM by section/division of the *ISIC4* and by gender showed that the NOE makes up 78.8 percent of GDP (34.0 percent female and 44.8 percent male); of which the informal sector (NOE and Observed Economy (OE)) constitutes 64.7 percent of GDP (32.4 percent female and 32.3

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<sup>2</sup> <https://www.imf.org/en/Capacity-Development/D4D>.

percent male). These calculations are based on the new (soon to be published) 2018 GDP base year. Testimonials from senior officials of this successful milestone were also registered expressing positive comments on the impact of this IMF D4D project in Sierra Leone’s national accounts:

Mr. Sahr Davowa, Head of National Accounts: *“The D4D projects have impacted our institution so much, especially the National Accounts Section. In our rebasing which started in 2019 and has been finished in 2024, we used a new approach which is the SUT to estimate the base year 2018. For those estimates for 2018 we also used the remuneration matrix that was done in 2022/23 and that was compiled by gender; for the first time in Sierra Leone, the informal sector, the observed and the non-observed economy were measured by gender; a very sensitive indicator in the country.”*

Mr. Mwaluma Gebge, Director of the National Accounts and Economic Statistics Division: *“(…) I believe the intervention actually came at a time we needed it most. We were just trying to develop the first supply and use table and one of the ingredients that fed that table was the use of the employment and remuneration matrix.”*

Mr. Lansana Kanneh Deputy General Statistician: *“(…) We also are trying our best to ensure that this support (from the IMF) is treated properly: we learn from it, we benefit from it, and then we take it for what we need. Thank you very much.”*

Also, methodological guidelines on the ERM annual series were discussed with relevant staff members of Stats SL in the fifth mission, and it was agreed that the production of these data should continue given the importance in the economy, but data gaps exist for the period 2019–2024. For that reason, new statistical sources were assessed to continue the ERM compilation, and special efforts were made to contact, coordinate, and meet the authorities of four key public institutions: Bank of Sierra Leone (BSL), National Revenue Authority (NRA), National Social Security and Insurance Trust (NASSIT), and Ministry of Finance (MoF). The meetings were fruitful, and Stats SL committed to interacting and working together with each institution in explaining how the information is needed by economic activity (*ISIC4*) and by gender for the compilation of future ERM and National Accounts quality purposes. Finally, the mission suggested to the authorities that Stats SL consider designing and collecting a permanent/continuous household survey on an annual basis in pursuit of strengthening the country’s basic statistics, their quality and the continuous improvement of national accounts estimates in the future.

## Summary of Recommendations

**TABLE 1.** Priority Recommendations

Target Date	Priority Recommendation	Responsible Institution
July/2024	Train the statistical producers of data (MoF, BSL, NASSIT, NRA) on how data is needed for national accounts purposes.	Stats SL
December/2024	Design a permanent/continuous household survey on an annual basis.	Stats SL