



PARLIAMENT OF THE REPUBLIC OF SIERRA LEONE

PARLIAMENTARY DEBATES

(HANSARD)

OFFICIAL HANSARD REPORT

FIRST SESSION-FIRST MEETING

THURSDAY, 31st JANUARY, 2013

SESSION – 2012/2013



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First Meeting of the First Session of the Fourth Parliament
Of the Second Republic of Sierra Leone.

Proceedings of the Sitting of the House
Held on Thursday, 31st January, 2013.

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THE MINISTER OF FINANCE AND ECONOMIC DEVELOPMENT

BE IT RESOLVED:

THAT THIS HONOURABLE HOUSE RATIFY THE FOLLOWING AGREEMENTS WHICH WERE LAID ON THE TABLE OF THE HOUSE TODAY THURSDAY, 31ST JANUARY, 2013:

- (a) GRANT AGREEMENT BETWEEN THE REPUBLIC OF SIERRA LEONE AND THE AFRICAN CAPACITY BUILDING FOUNDATION (ACBF) REGARDING SUPPORT TO

CAPACITY BUILDING INITIATIVES FOR THE PARLIAMENT OF SIERRA LEONE SIGNED IN FREETOWN ON 27TH SEPTEMBER, 2012 AND IN HARARE, 2ND OCTOBER, 2012; AND

(b) LOAN AGREEMENT BETWEEN THE GOVERNMENT OF SIERRA LEONE AND ABU DHABI FUND FOR DEVELOPMENT TO FINANCE TOKEH-LUMLEY PROJECT, DATED 10TH DECEMBER, 2012.



THE CHAMBER OF PARLIAMENT OF THE REPUBLIC OF SIERRA LEONE

OFFICIAL HANSARD REPORT OF THE PROCEEDINGS OF THE HOUSE

FIRST SESSION-FIRST MEETING OF THE FOURTH PARLIAMENT OF THE SECOND REPUBLIC

Thursday, 31st January, 2013.

The House met at 10:00 a.m. in Parliament Building, Tower Hill, Freetown.

I. PRAYERS

[The Clerk of Parliament, Hon. Ibrahim Sulaiman Sesay, Read the Prayers].

[The Speaker, Hon. Justice Abel Nathaniel Bankole Stronge, in the Chair].

The House was called to Order.

II. CORRECTION OF VOTES AND PROCEEDINGS FOR TUESDAY, 29TH JANUARY, 2013.

COMMUNICATION FROM THE CHAIR

THE SPEAKER: Honourable Members, we go through the record of Votes and proceedings for Tuesday, 29th January, 2013. Page 1? Page 2? Page 3? Page 4? Page 5?

HON. ABIE KALOKOH: Mr Speaker, page 5, number 5. It reads: "it was seconded by Honourable Isata Kabia." It was not seconded by Isata Kabia. It was seconded by Abie Kalokoh.

THE SPEAKER: Are you Isata Kabia?

HON. ABIE KALOKO: No Mr Speaker. I am Abie Kalokoh.

THE SPEAKER: Mr Clerk, please make the necessary correction. Any more correction or observation on page 5? Page 6? Page 7? Page 8? Page 9? Page 10? Page 11? Page 12?

HON. MUSTAPHA BRAIMA: Mr Speaker, page 12, number 10. The correct spelling of my surname is B-r-a-i-m-a.

THE SPEAKER: Mr Clerk, make the necessary correction. Page 13? Page 14?

HON. MUSTAPHA BRAIMA: Mr Speaker, the same mistake was done on number 14, under Committee on Transparency. The correct spelling should be B-r-a-i-m-a.

THE SPEAKER: Mr Clerk, make the necessary correction. Page 15?

HON. SAIDU BABAH: Mr Speaker, page 15, number 7: Committee on Lands, Country Planning and the Environment. My name is Saidu Babah. The surname is spelt *B-a-b-a-h*.

THE SPEAKER: Mr Clerk, please make the necessary correction. Page 16?

HON. MUSTAPHA BRAIMA: Mr Speaker, the same mistake was done under Committee on Information and Communications, on page 16, number 14.

THE SPEAKER: Mr Clerk, make the necessary correction. Page 17? Page 18? Page 19? Page 20? Page 21? Can somebody move that the record of Votes and Proceedings for Tuesday, 29th January, 2013 be adopted as amended?

HON. PATRICIA BROWNE: Mr Speaker, I so move.

THE SPEAKER: Any seconder?

HON. SULAIMAN MULUKU SISAY: Mr Speaker, I so second.

THE SPEAKER: Any counter motion?

(Question Proposed, Put and Agreed to)

III. PAPERS LAID

THE MINISTER OF FINANCE AND ECONOMIC DEVELOPMENT

(a) GRANT AGREEMENT BETWEEN THE REPUBLIC OF SIERRA LEONE AND THE AFRICAN CAPACITY BUILDING FOUNDATION (ACBF) REGARDING SUPPORT TO CAPACITY BUILDING INITIATIVES FOR THE PARLIAMENT OF SIERRA LEONE SIGNED IN FREETOWN ON 27TH SEPTEMBER, 2012 AND IN HARARE, 2ND OCTOBER, 2012

(b) LOAN AGREEMENT BETWEEN THE GOVERNMENT OF SIERRA LEONE AND ABU DHABI FUND FOR DEVELOPMENT TO FINANCE TOKEH-LUMLEY PROJECT, DATED 10TH DECEMBER, 2012

MR MOMODU KARGBO (Minister of State, Ministry of Finance and Economic Development): Mr Speaker, Honourable Members, I am here this morning to lay two Agreements before you as procedurally required for ratification:

(a) GRANT AGREEMENT BETWEEN THE REPUBLIC OF SIERRA LEONE AND THE AFRICAN CAPACITY BUILDING FOUNDATION (ACBF), REGARDING SUPPORT TO CAPACITY BUILDING INITIATIVES FOR THE PARLIAMENT OF SIERRA LEONE, SIGNED IN FREETOWN, ON THE 27TH SEPTEMBER, 2012 AND IN HARARE, ON THE 2ND OCTOBER, 2012.

(b) LOAN AGREEMENT BETWEEN THE GOVERNMENT OF SIERRA LEONE AND ABU DHABI FUND FOR DEVELOPMENT TO FINANCE TOKEH-LUMLEY PROJECT, DATED 10TH DECEMBER, 2012.

IV. GOVERNMENT MOTION

The Minister of Finance and Economic Development

MR MOMODU KARGBO: Mr Speaker, Honourable Members, I move that be it resolved that this House ratify the following Agreements:

(a) GRANT AGREEMENT BETWEEN THE REPUBLIC OF SIERRA LEONE AND THE AFRICAN CAPACITY BUILDING FOUNDATION (ACBF), REGARDING SUPPORT TO CAPACITY BUILDING INITIATIVES FOR THE PARLIAMENT OF SIERRA LEONE, SIGNED IN FREETOWN ON THE 27TH SEPTEMBER, 2012 AND IN HARARE, 2ND OCTOBER, 2012

(b) LOAN AGREEMENT BETWEEN THE GOVERNMENT OF SIERRA LEONE AND ABU DHABI FUND FOR DEVELOPMENT TO FINANCE TOKEH-LUMLEY PROJECT, DATED 10TH DECEMBER, 2012

Mr Speaker, as a matter of procedure, can I present the two papers together?

THE SPEAKER: You are at liberty to do so.

MR MINISTER: Thank you Sir.

MR MOMODU KARGBO: Mr Speaker, Honourable Members, this is the era of democracy. Mr Speaker, one of the key components of democracy is having an independent Arm of Government. This can only be possible if Parliament is capacitated to work effectively (*Applause across the Floor*).

In pursuit of that objective Mr Speaker, and in continued contact with the Authorities of Parliament, a Project Proposal was presented to the African Capacity Building Fund for consideration. It is a Pan-African Institution, devoted to training and improving the capacities of Africans. Coming from that background, the Project was presented to them, of which an amount of \$ 2, 105,000 was approved to fund activities of this Parliament. The purpose is to strengthen institutional capacity of Parliament, and to enable Parliament provides an environment for effective initiative work. The overall objective of this Grant is to strengthen the institutional capacity of Parliament in three key areas:

- (i) to build the skills of Parliamentarians and Parliamentary Staff, so as to enable them perform their duties effectively;
- (ii) to strengthen Parliamentary Committees to effectively carry out their oversight functions of monitoring, overseeing reforms and pursuing policy implementations; and to
- (iii) institutionalise Gender Integration in Parliamentary activities. These are three key components of the Grant. Therefore, we are going to strengthen the Committees of Parliament and Members of Parliament will receive training on various areas. We have accepted the fact that women can no longer be left behind. It has to be in our conscience. Whatever we do, we have to bring them in the fore front. This is one aspect of that activity.

Mr Speaker, Honourable Members, Institutional Support Component will focus on the Administration of Parliament. If the Administration is strong, democracy would be strong as well. The visit of the U S President to Ghana is a clear indication that Ghana's democracy is worth emulating. In fact, Obama said: "we don't need strong men, we need strong institutions." I think this is the pursuit of that goal. For Parliament to be effective, it has to be exposed to a lot of documents, paper work, research and analysis. That is what makes Parliament effective. Therefore, part of the money will go towards strengthening the research capacity of this Parliament, including documentation. Documentation is very important in that there is always the need to reference documents. We need to know what is happening on the other side of this Parliament.

Mr Speaker, Honourable Members, we will support training and knowledge upgrading. This is because there is section that deals with communication and outreach. Nowadays Mr Speaker, the norm is that, one Arm of Government cannot accomplish something alone. One Arm has to look for help from the other Arms to get something done. Consequently, civil societies, journalists and pressure groups that are involved in parliamentary work will be beneficiaries of this programme.

Finally Mr Speaker, Honourable Members, there is a component for Project Management in Parliament. That unit is the Parliamentary Assistant Coordination Office (PACO). This Project will be implemented through the Parliamentary Assistant Coordination Office (PACO). In fact, a few considerations in the Document is that, since this is an on-going Project in Parliament, it would be prudent for this to be part of Parliament rather than just an attachment to Parliament.

Mr Speaker, Honourable Members, a key aspect of this Project that I should bring to the attention of this Parliament is that, the founders, PACO Office, the Administration and the Parliamentarians will sit together and work out a measurement framework. How effectively is this Project going to be implemented? What are we going to be looking for? What are the standards that should be established for us to satisfy that we are

moving in the right direction? Equally important is that monitoring indicators will also be jointly established. That sets the pace for the implementation of this Project.

Mr Speaker, Honourable Members, this is the core of this Grant for which I am here this morning. I therefore ask that this Honourable House, given the importance of this Project to build the capacity of Parliament to perform its legislative functions ratify the Grant Agreement as already specified.

THE SPEAKER: Mr Minister, we have not got to the stage of ratifying this Agreement yet. You are just laying the Papers on the Table.

MR MOMODU KARGBO: Mr Speaker, I have just laid the Papers and the second motion was to ratify the Agreements Sir.

THE SPEAKER: Mr Clerk, did you announce item III?

THE CLERK: Yes Mr Speaker.

THE SPEAKER: You did?

THE CLERK: Yes Mr Speaker.

THE SPEAKER: I am sorry for that misunderstanding.

HON. S. B. B. DUMBUYA (Majority Leader of the House): Normally Mr Speaker, it is not the Minister to tell that. We should tell you and not the Minister.

THE SPEAKER: To tell me what?

HON. S. B. B. DUMBUYA: To tell you that we have past that stage. I was telling you that we have past that stage.

THE SPEAKER: Mr Leader, with respect to you, I have consulted my Clerk and what he has told me I rely on it. And that is what I am acting upon. Mr Minister, please continue.

MR MOMODU KARGBO: Mr Speaker, Honourable Members, the second motion is the Loan Agreement between the Government of Sierra Leone and the Abu Dhabi Fund for Development, to finance Lumley-Tokeh Road Project, dated 10th December, 2012. Mr Speaker, most Members of Parliament who live at the West Side of Freetown, using the Lumley-Goderich Roads and those that ply the peninsular route will testify to the fact that work is on-going in the Peninsular Road, commonly called the Lumley-Tokeh Road. It is a Project that had got a long history, dated back to 2005. It was around that period when it was conceptualised to do the second section of the road. Members of Parliament can recall that the route from Waterloo to Tokeh has been done. The section from Tokeh to Lumley had remained in a very bad condition. The Government provided 9 million United States Dollars for the completion of that road. An amount of 7 million United States Dollars was provided by OPEC. And what was conceptualise then as a project was to do a single carriage-way. That is one in, one out.

Mr Speaker, Honourable Members, as always with this project, he who owns the piper, calls the tune. The funding was from the Arab World and therefore the contractor had to be an Arab person. We followed those conditions given to us, and in the end, problems arose due to the fact that the contractor that was given the main contract sub-contracted another company. The same also occurred with the supervising engineer. It was from the start of the Project that problems started coming up. The principal players were the problem. And what happened later was the fact that the project flopped up. Work was not going as was expected. By the time that was realised, an amount of 4,500,000 United States Dollars out of the 16 million had already been disbursed. Government decided to terminate the entire contract and drove all of them away and took control of the contract and re-tendered the contract, having asserted its authority with the funding agencies that were willing to provide the money provided certain conditions to be met. The Government re-tendered the contract to the CSE Company. The CSE Company won the contract for an amount of 27.7 million United States Dollars. In the cause of the implementation process, new thinking came into the project and it was decided to make it a dual carriage way from Lumley to Hamilton, and

single carriage-way from Hamilton to Tokeh; but at the same time preparing the side ways to eventually become a dual carriage way. That was the plan, and it is still the plan we are going to implement.

Therefore, Mr Speaker, Honourable Members, the additional work of constructing Lumley-Hamilton into a dual carriage-way increased the cost of the Project from 27 million United States Dollars to 38 million United States Dollars. Government took the decision for the Project to continue. Consequently, the Government had been paying for the Project from its own resources until recently when both funding agencies: the Kuwait Fund and DFID agreed to start the implementation of the Project. But Mr Speaker, there is a short fall. And because we know that there is short fall, we have been sourcing funds from other agencies within the Arab World. One thing I would like to tell Members of Parliament is that once we have made the decision the Lumley-Hamilton Road had to be a dual carriage-way meant that we needed a Wallace Johnson Bridge, popularly known as the Juba Bridge from a two-lane bridge to a four lane bridge. Mr Speaker that is what has increased the cost of this Project. Therefore, we continue to source funds. The Project is being implemented and the Abu-Dhabi Fund (having been impressed by what we are doing) have now agreed to provide us with 5.5 million United States Dollars to continue the implementation of the Project.

Mr Speaker, Honourable Members, let me summarise what I have been saying. The aim of this Project is to construct a 21 kilometres half patched road, with 7 widths in metres, with side shoulders of 1.5 metres wide. This is similar to what you are seeing along the Wilkinson Road. We have to construct access roads or cross roads. There are few roads into the villages, like the road leading to the Milton Margai College of Education. We want to do some of those access roads along the sides. We are going to capture them as part of the Project. We will also construct what we normally call '*Turntables*.' We have already featured the Lumley Police Station as part of the '*Turntables*' or *Roundabouts* this Project is going to support. Serious work would have to take place at the Lumley Police Station Roundabout. And Mr Speaker, what we do not loose sight of is serious engineering work to oversee all of these.

Mr Speaker, Honourable Members the loan period is 20 years, with a Grace Period of 5 years. The total amount of the loan is 5.5m United States Dollars. It is going to amortize into thirty annual installments to be paid on the 15th June, and 15th December, every year. It has an interest rate of 1.5% and additional 0.5% per annum to cover administrative and other expenses. The total percentage is 2%. This is the traditional loan which we call 2%. Of this, 1.5% as the annual rate and 0.5% for administrative costs. This is our standard loan which we contract. It meets all our obligations to the International Community as a result of our partnership with the IMF, the World Bank and DFID. This is what we call judicious borrowing. This is because we don't want to involve with the hawk loans. This is why we pursue these lines of borrowing.

In conclusion Mr Speaker, Honourable Members, I would like to crave the indulgence of this Honourable House for the benefit of what I have explained to ratify the following:

1. Grant Agreement between the Republic of Sierra Leone and the African Capacity Building Foundation (ACBF) regarding support to capacity building initiatives for the Parliament of Sierra Leone, signed in Freetown on the 27th September, 2012, and in Harare, 2nd October, 2012; and
2. Loan Agreement between the Government of Sierra Leone and Abu Dhabi fund for development to finance Tokeh-Lumley Project, dated 10th December, 2012.

I Thank You Sir.

(Question Proposed)

HON. IBRAHIM BUNDU (Deputy Majority Leader of the House): Mr Speaker, Honourable Members, we have two very important documents before us this morning. The first one is a Loan and the other is a Grant. Mr Speaker, without prejudice to the importance of the Abu Dhabi Loan to the Government of Sierra Leone, I want to talk on the Grant this morning. I am doing so because hundreds of loans or Grants that this

Parliament has ratified, this is the first Grant that is directly going to benefit this Parliament. I am very grateful for that Mr Speaker. The Minister did mention about a project being written. Honourable Members, let me entreat you with this Project proposal. Some of you might think it came from the Executive Arm. This is one of the projects that was directly sourced by Parliamentarians through the Parliamentary Service Commission. It is sad to remind Members of Parliament that one of those who chaired that Project Proposal is today not only in Parliament but now a dead man. May his soul rest in perfect peace. And that person was the former Deputy Speaker, Honourable Victor Chukuma Johnson. He was deputising the former Minority Leader, Honourable Momoh Pujeh, who is also not only in this Parliament but has also gone to the true world.

Mr Speaker, Honourable Members, today, I can only see few of us who participated in the negotiation of that Grant on behalf of the Sierra Leone Parliament and the Government of Sierra Leone that are current Members of Parliament. The Majority Leader of the House, Honourable S. B. B. Dumbuya, Honourable Eric Koedoyoma, Honourable Hassan Sheriff and myself were the few that took part in the negotiations. We worked assiduously towards the realisation of this Grant. The meeting started on Tuesday, 1st August, 2001. It was one of the long meetings where Members of Parliament sat to negotiate with the visiting team from Harare, to really give the picture of Parliament being an appendage of the Executive.

Mr Speaker, Honourable Members, there are three Arms of a state. For those of us who have gone through the rigors and deprivation of resources to work as Parliamentarians will understand why some of us were able to actually sit for hours to negotiate this Grant. I am happy that the Grant is here today. I am particularly happy that it is here so that Parliament would take its rightful position. Today, Mr Momodu Kargbo has been appointed Minister of State in the Ministry of Finance and Economic Development. He has both administrative and technical staff to support his work. He has research assistants to do his work. He also has mobility privileges. Some even enjoy fleet of vehicles. The most important Arm of Government, the Sierra Leone House of Parliament

is under-staffed. Members of Parliament rely on Ministries, Departments and Agencies that we go to oversee to pay for our trips. What is more shameful than that? You are paid by those you go to monitor or investigate. How do you reconcile that situation? It is indeed a shameful scenario.

Mr Speaker, Honourable Members, today is an important day that I am particularly happy for. Parliament is now going to take its rightful place. Mr Speaker, with Parliament fully funded, and staff fully equipped, I believe the job of the Anti Corruption might only be a technical one (*Applause*). The Power vested in Parliamentarians and Parliament to hold the Government accountable, if these funds are used judiciously (and Parliament and the Administration that is going to oversee these funds monitor and supervise them well), I believe the rest of the other two Arms of State will be cautious in whatever they do.

Mr Speaker, Honourable Members, I can see enthusiasm in the faces of the new Members of Parliament. They want to do their job. We have gone through very serious challenges. The lack of enough funds by the Administration of Parliament renders Members of Parliament useless and funny. In most cases Mr Speaker, Members of Parliament who can afford to go to the Cafeteria after Sittings could do so; others go home immediately after Sittings. No office to count on in this Parliament. The Library is not fully equipped at all. Mr Speaker, with this Grant, I believe most of these areas mentioned would be addressed. We are going to have serious discussions on how this Grant is going to be used. We want to assure the staff of the Parliamentary Service Commission that the Commission is going to continue to do its work through the Chairmanship of Mr Speaker, who has delegated the responsibility of chairing that negotiation to the later Deputy Speaker of this House.

Mr Speaker, Honourable Members, with these few words, I want to encourage all Members of Parliament that this is your Grant, this is your money and this is will accord us the respect we need as Members of Parliament. Thank you very much.

HON. RADO YOKIE: Thank you Mr Speaker. Before I intervene, I want to crave the indulgence of the Business Committee that we need ample time when very important matters are to be discussed. I have done extensive research on the Lumley-Tokeh Road, which is completely contrary in many of those interventions or statements made by the Minister.

Mr Speaker, Honourable Members, I want to go to the specifics. There are lots of technical areas as far as this Agreement is concerned. Like what the Minister has said, there are Agreements before now. I give the background to the Lumley-Tokeh Road Project and how it was conceived. Mr Speaker, we need road, especially when it comes to traffic congestions. It is very important for economic purpose. I seriously believe that this country is moving towards the Agenda for Prosperity. That is good and wonderful. Mr Speaker, my only concern here as an economist is the burden of debt repayment. We should not be rushing to sign Contracts and Agreements. We should be concerned with the method of payment. This generation might not be the one to pay these debts. Mr Speaker, when the debt burden over-hang, it becomes so enormous and difficult for people to actually service the loan. Mr Minister, if you go through the Agreement, Article (1) will tell you about the loan and its conditionality. As you have already mentioned, the standard to negotiate loan is 1%. But this one is 1.5% and a 0.5%. Unfortunately, that is the technical area I want Members of Parliament to understand. We are going to pay a zero point five percent (0.5%) as interest. Let me give you an example, if you go to the Bank and ask for the sum of Le10, 000 as loan, it is called the principal amount. If without utilising that amount, you are now asking me to pay interest on money withdrawn. What am I saying here Mr Speaker? I am saying that if we go to the bank and request the sum of Le 8,000 out of the Le10, 000, a balance of Le2, 000 without being utilised is still in my account; I will still pay an interest for the amount left. Many a time, Mr Speaker, I have said we have always negotiated loans from positions of weakness. I will go to the details Mr Speaker. If we want to actually go and pay for these loans, that is a good thing; but I believe the 2% is too much. We

were to negotiate like what the Minister said. Mr Speaker, I have made a lot of research and I was going to quote some specific figures.

Mr Speaker, Honourable Members, the Minister told us when he was making a presentation of the background of this Project that Phase 1 is completed. Phase 1 covers from Waterloo-Tokeh. We are now talking about Phase 2. The total cost for that Project before the emergence of CSE, we have 9 million dollars from the Kuwait and OPEC Fund. What was the counterpart funding? Was it the Sierra Leone Government funding which the Mr Minister did not tell us? This is because there was a counterpart funding, which was the Government of Sierra Leone's own contribution to that Project. You said that the two-lane road is not enough since the population of the Tokeh-Lumley Road is increasing. Therefore, there is an increase in traffic and vehicles. We have to expand the road by making four-lane road. But the saddest thing is that that four-lane road did not come into reality. We are only going to make provision for the two-lane road. This means that we are going to make provision for further expansion of those roads; and we are going to pay interest on those loans.

Mr Speaker, Honourable Members, page 4 of this Agreement talks about the loan and its Conditionality. We have spoken about the 2% interest rate. Mr Speaker, page 6 of this Agreement talks about the five years grace-period and 20 years payment. Page 4 of the Agreement reads: "Interest and other charges shall be payable semi-annually on the 15th of June, and 15th December, each year. Therefore, if you add the other five years, the total will be 2.5% every six months. I think that is too colossal for Sierra Leone as a thriving State. Mr Speaker, 2.5% of \$ 5.5 million is too much. We now go to page 5, under currency conversion. We have said that because we are going cap-in-hand to negotiate these loans does not mean that we are weak. Sometimes we should negotiate from positions of strength. These are not graphics Mr Speaker. We are going to repay these loans. Mr Speaker, page 4 of the Agreement is saying that the payment of this loan has to be done in their own currency. They determine the currency to which we make the payment.

Mr Speaker, Honourable Members, I am talking like an economist, and not a politician. As politicians, we talk to win more votes. I am not talking like a Politician. I am talking like an Economist. I am looking at the technical aspect of this Agreement. What will benefit Rado Yokie is what will benefit Sierra Leone. As a politician, we go for loans we say: "de Pa dey wok." That is wonderful. Again, we should not forget that we have to repay these loans.

Mr Speaker, Honourable Members, my concern is the method of loan payment. We are saying semi-annually, that is, every six months. Mr Speaker, if my research documents were here, I would have quoted the specific figures. If you calculate 2.5% of 5m dollars for every six months is a big money. The most unfortunate part of this is that the loan Agreement had already been signed. We are not going to change anything since this is not a Bill. If this Agreement was a Bill, I would have negotiated for 0.5% or 1% just to reduce the burden for the generation yet unborn. That is my own concern Mr Speaker. This is because if those debts over-hang, it becomes very difficult for the Government of the day to service those loans. That is why we have those problems with the Paris Club, the World Bank etc. We have to go again cap-in-hand. In the future, when we are negotiating these loans, let us do that on position of strength. We should be telling them that we are indeed in need of the loan, but we don't think it is feasible for us to sign for four-lane road. Making provision for future expansion is acceptable, rather than signing for an amount that would be a burden to our children yet unborn. I don't see any relevance in that.

Mr Speaker, Honourable Members, having looked at the weakness of this Agreement, let me say here that the Agreement has good clauses. We can find them in Articles 3 and 4. I am happy that the PR Unit is created in the Ministry of Finance to avoid corruption. But my concern also is that, I don't want it to be like the other Agreements, especially those with the DFID type of loan, wherein they tell you to receive 2m dollars on the pretext that they would have to bring in expatriates and pay them huge amount of money. Mr Speaker, those so called expatriates are well paid than our brothers and sisters. I want to see Sierra Leoneans managing the PR Unit of the Ministry of Finance,

so that those monies will be circulated again. That is what we call 'circular flow of money'. You cannot give us \$ 5.5m and expect all of that money goes to the pockets of foreigners. I would not like to see that type of thing under the PR Unit. That is why I said, it is a good Agreement on this particular side. But I want Sierra Leoneans managing that particular Unit, so that those monies supposedly that would have been paid to foreigners will now be paid to Sierra Leoneans. However, it is a good Agreement. It is very important, especially for those of us who are living in that other part of the country. This is because it would ease traffic congestion in the city. For those of us going to the Provinces, we will not be using the Siaka Stevens Street again, even though the Abacha Ladies are now out of the streets. I thank you very much.

HON. DR FODAY L. SUMAH: Thank you Mr Speaker. Mr Speaker, I am a professional Economist. In matters like this, Economists would like to talk in terms of alternatives. I would have appreciated my colleagues on the other side if they have come with various alternatives in terms of interest rate. They should have come up with alternatives or possibilities where the country could go and apply for loan. Secondly, in issues like these, we should also consider the benefit of the project to the country, to the business and also be mindful of the other improvements and possibilities that this road could bring in this country. I think when those things are clear, then, a judgment could be made whether the rates or conditions are cheap or exorbitant. Mr Speaker, I believe that this is a very interesting discussion for us the Economists. I thank you Mr. Speaker.

HON. P. C SHEKU SONSIAMA III: Mr Speaker, Honourable members, my contribution this morning is on the Grant Agreement between the Sierra Leone Government and that of the African Capacity Building Foundation (ACBF). It has just come to my notice as a Paramount Chief that for us that are new Members of Parliament, there is no handing-over notes so you have to learn on the job. I have to use this opportunity to thank the last Members of the Parliamentary Service Commission for initiating this Grant so that some of us can benefit from it immediately, including the Paramount Chiefs. There are twelve Paramount Chiefs in this House.

Mr Speaker, Honourable Members, if you look at the objective of this Grant, I think it will enhance our capacity for the three main functions we serve in this House, namely: legislative, oversight and the representation. I want to believe that more than half of the membership of this House is new; and to me, it is much more appropriate for such Grant to be given to this Honourable House. Honourable Ibrahim Bundu has just told us that this is the first time a Grant of this nature is being brought to this House for it to be ratified for the benefit of Members of Parliament and Staff. In short, I want to appeal to Members of this House to give this Agreement a second a final thought so that we ratify this particular Grant for the benefit of Parliament. I thank you.

HON. DR MATHEW TEAMBO (Majority Whip): Mr Speaker, Honourable Members, it is good to hear and listen to Economists. I believe the world in which we live today one should be credit-worthy. One would be a credit petrified, petrifying on the instance of credit which in the world that is so heavily indebted among the industrial nations. America is one of the industrialised nations that has to pay almost every country on the face of the Earth. The Promissory note by the United States of America was held by Sierra Leoneans, French, Germans, and British for which the United States Government must pay for all of them.

THE SPEAKER: Don't forget the Chinese Honourable Member.

HON. DR MATHEW TEAMBO: Exactly Sir. The Chinese are inclusive Mr Speaker. They must pay for all those instruments. But the fear of credits is not in our minds. This is because we have to secure credits and we must pay accordingly. That is the name of the game Mr Speaker. Credit is now globalised. Mr Speaker, sometimes it is a good idea for us to bring the classroom in this House. If you are going to fail, I believe nobody will listen. The experts will be speaking. We don't want to go into that at all. We want to speak to Members of Parliament at the level that we all understand. I believe this loan we have received is a credible loan. The Honourable Member from Bo was talking about the interest rate. He failed to consider the time value involved. He did not consider the pure rate of interest, the risky rate and the uncertainty rate. If I may ask a question, Mr

Speaker, what is the purpose of doing business? Are you going into a financial transaction to be a loser or trying to have something that will bring returns for your investment? Let us don't look at the negative impact of the loan. Let us look at the benefit which we are going to derive from the loan. I want my colleague Member, who is an Economist to note this point. At this point, I want to personally thank the Minister of Finance for making the effort and the Executive for supporting the loan Agreement. I also want to thank Parliament for taking the bold stand in capacitating ourselves.

Mr Speaker, Honourable Members, I want to ask this Honourable House to support the ratification of this loan that is before us and the Grant.

I thank you very much.

HON. DR BERNADETTE LAHAI (Minority Leader of the House): Mr Speaker, Honourable Members, the two Agreements before us: *'the Grant and Loan Agreements'* are very important. They are important in the sense that when they are fully implemented, they add to the development of the country. But most specifically is that of the ACBF Grant is timely. That is a Grant that will directly benefit this Parliament and will indirectly benefit the country as a whole. The Grant Agreement that will benefit this Parliament has taken a long period. But as the adage goes, "it is never too late." It is here today and our business should be to take advantage of its position. When we look at the first heading that actually outlines the project implementation, particularly the objective for which this money will be used, I feel very happy because the institutions, all over the world, if they are to contribute meaningfully to the development of a country must be capacitated.

Mr Speaker, Honourable Members, each institution of the State has physical structures. Each institution is made up of human capital and has rules and regulations. I, particularly will be happy to see this Parliament move up to the level of other Parliaments. We have visited lots of Parliaments in the course of performing our constitutional functions. The things that we are about to put in place now are things other Parliaments have already implemented. Mr Speaker, other Parliaments are now

serving as resource Parliaments for other Parliaments. Personally, I like this Parliament to be fully equipped in the areas of reports and documentation. I want this Parliament to be a source of documentation that will benefit a wider community. I also want to see the communications and the outreach aspects so capacitated that we start putting out our own journals or bulletins that will report not only on our day-to-day activities but also on our contribution to the development of this country. I want our contributions to be disseminated far and wide. Mr Speaker, I want people to know that not all our activities are captured regularly on either the Print Media or the Electronic Media. Even if they are captured, because of distance and sometimes physical mobility constraint, the information will not reach everybody at the same time. So, these are areas that I would want to see positive outcomes during the four years of the implementation of the Project. I want to thank our colleagues who worked very hard in putting this Project together. I also want to thank all those who have worked very hard but are not here today. They will get their reward in eternity. That is so far I can say on the ACBF Grant Mr Speaker.

Mr Speaker, Honourable Members, I want to talk about the Loan Agreement for the Tokeh-Lumley Road. As I have already said, this again will add to the development of this country. This is because the country needs to be connected. Connectivity is key to any nation's development. Either terrestrial connectivity or otherwise, it improves on the lives of the citizens. When we have good roads, the country has direct positive benefits in terms of how fast goods, services and persons move within a region or from one region to another. If the roads are good, they will ensure that ideas that are generated in one place are quickly disseminated through the movement of people from one place to another. Therefore, any development in that regard is a welcome development.

Mr Speaker, Honourable Members, there will be an Implementation Unit as far as this Project is concerned. That Unit will be responsible to ensuring that the project is conducted within time, and funds are used appropriately for the purpose for which they are given. The Unit is also going to ensure that we meet our own side of the bargain. Therefore, all we can admonish is that (we as members of Parliament, particularly the

Committee on Transport and Aviation and the Committee on Works) pay special attention to this Project and the road construction. There are lots of undeveloped lands through which this road will pass. Roads bring development in a country. Mr Speaker, there are areas underdeveloped because of the condition of the road. So, the faster this project is implemented, the better it will be for those property owners in that part of the country.

Mr Speaker, Honourable Members, I made a brief calculation on the loan repayment period. We have a five year grace period. We will start paying this loan in 2018, and it will end in 2032. That is 15 years from now. When I added the 15 years within which this loan is to be paid to my age, I asked myself if I will still be alive. I will still be a young lady after 15 years. I will still be useful to this society. But my children and my grandchildren will now be the ones paying the greater part of this loan. We hope that the money will be judiciously used so that at the end of the day the payment will be justified. This is something that we will be leaving behind. It is something that will add to our children's living standards.

Mr Speaker, Honourable Members, the two Agreements before us are well eternalised and they are welcome. All I can say is that we make judicious use of these monies. And those that we put at the helm of implementing this Project should put the country first. I thank you very much (*Applause*).

HON. S. B. B. DUMBUYA (Majority Leader of the House): Mr Speaker, I have always said I like Dr Bernadette Lahai. I like her not because of what she is in terms of her physiology, because she is always very realistic. And that is the stuff of which intellectuals are made. We must be realistic. And that is what she has always been. But on a note of digression Mr Speaker, and with your leave, I want to take the opportunity this morning in welcoming the Minister of State, Mr Momodu Kargbo. I want to inform the new Members of Parliament that though Mr Momodu Kargbo is not the substantive Minister of Finance, but he is the man that we will be seeing most often. That was why we said the other day that he is a friend of this Parliament, although disappointedly on

one occasion he became very unfriendly to Members of Parliament. That was then, not anymore. I want to inform Members of this House, perhaps through Mr Speaker that Mr Momodu Kargbo has accepted to correct what was a mistake with regards to the month of November salary. That is why we are having this emergency session (*Laughter*). Normally, we do inform people. But in your own case, it is unfortunate as you said that you were not told. Perhaps you did not hear. But there was an Announcement to the effect that Parliament should sit today. And it was not only we on this side that decided on that, your Leader and her Deputy and even the Minority Whip were there. All of us agreed that we meet today for the purposes of exigency.

Mr Speaker, Honourable Members, Honourable Rado Yokie said he is an Economist. Let me tell the new Members of Parliament that indeed he is a very good Economist. Myself as a Leader used to benefit so much from some of his economic exposition in the past. But there is slight disappointment in his presentation (*Laughter*). I said so because I have some knowledge of Economics. In Economics, you look for the utility value of anything. What is utility? Let me give you an example. What is more useful to an assassin at the moment he wants to kill somebody is the gun and not the food. This implies that when you want a loan, you are desperate; and all other considerations will become secondary. That is where the problem is. Honourable Foday Rado, if you are a true economist, then, go to the office. But if you want to be a politician (of which I am sure you are one in the world of politics), what rule is expediency? This loan is needed desperately. We want it urgently. And as your leader has said, for any development to take place, you must have good roads.

Mr Speaker, Honourable Members, on the question of the Grant, I have already been acknowledged here as one of those that contributed to it. I did that genuinely. I commend all the Paramount Chiefs. I want to assure you that Paramount Chiefs do have a seat on the Parliamentary Service Commission. They have a representative there. You can be sure of that. We members of the Parliamentary Service Commission are working tooth and nail to make sure that we are capacitated.

Mr Speaker, no more excuses. I want to say here that when the parliamentary committees want to go on their oversight functions, no more excuses that there is no money. Mr Minister, there is now money. Make sure they are given the money to-do their work. Thank you Mr Speaker (*Applause*).

THE SPEAKER: Mr Minister, you may like to respond to some of the issues raised?

MR MOMODU KARGBO: Mr Speaker, Honourable Members, I do not want to get into the technicalities of these Agreements. I want to draw the line between the Honourable from Bo, Honourable Rado Yokie and Honourable Braima Mustapha and then link it to the Honourable from Tonkolili. Their comments were addressed by the Leader when he talked about the utility value of what a person is running after. That is critical Mr Speaker. But I am not going to get into the technicalities of these Agreements at all. I just want to make a few comments that will assure this House.

Mr Speaker, Honourable Members, the Honourable Rado did raise a very important issue, *the issue of debt burden*. Indeed, that is why Honourable Members are here. That is why a law was passed in this very Honourable House that this Government cannot incur any debt without the approval of this Parliament. This is because at the end of the day, you have to report to your constituents directly. It is for us not to indebt the people, children, grandchildren and our great grand-children that is why you are elected by the people to represent them. That is the purpose of you being here. And Mr Speaker, that is why Executive do come here to approve loans and grants etc. Approving loans and grants is not the case, but the reason behind the grant. It could be a Loan but the Loan could be troublesome. This is why we come here.

Mr Speaker, Honourable Members, permit me say one or two things. In the Ministry of Finance, every year we carry out what is known as Debt Distress Study or Debt Sustainability Study to determine our ability for the debt that we have incurred in the previous year, in addition to those that we had incurred previously. We bundle them together and see what our revenue projection is in the simplest form. Honestly, if we were not here this morning, I would be in the Ministry of Finance presiding over the

opening session of the Debt Sustainability Study, which is about to start. I want to assure this Honourable House that when the Debt Sustainability Study was undertaken last year, we were assessed as being moderately stressed. That was the result that came out last year. This means that we can cope; and we are able to cope.

Mr Speaker, Honourable Members, our ability to generate resources, our ability to merge them fairly and our ability to repay are fairly merged. In some countries, the debt is like 200% of GDP. One of the most popular countries that we all look forward to in this world has a debt of 112% of GDP. Ours in Sierra Leone is not even up to 15% and we are trying hard to hold it down.

Mr Speaker, Honourable Members, I want to assure this Honourable House that when it comes to matter of interest rate, our relationship with the International Monetary Fund (IMF) and the World Bank clearly stipulates that we must go out for concession loans. Mr Speaker, what does that mean? I think some of us here may be familiar with what is known as the Labour Rate in London. That is the London-based Rate. That is the interest rate which every Leone watches out. We sometimes say: *"I will charge 3% above the London-base Rate. I will charge above 5% above the London-base Rate."* We are almost 5% below the London-based rate because even if we take (for the sake of argument) 2.5%, we maintain 2%. But let us assume (for the purpose of argument) that it is 2.5%. Mr Speaker if you match it against the London-based rate, it will get something like 7%. We still have a 5% of the London-based rate. The reason why I have said all of those is to assure this Honourable House that our mandate is to secure rates at concessionary rates. Mr Speaker, if we are not able to pay it in terms of our Debt Sustainability Studies, we will not incur that Loan. Honestly Mr Speaker, this is where sometimes we say our sovereignty is compromised. The IMF and the World Bank will interfere if we are going to incur all those loans. That is the truth of the matter Mr Speaker.

Mr Speaker, Honourable Members, on the issue of Government putting out money in terms of counterpart payment for the Tokeh-Lumley Road, our counterpart funding is

limited to paying compensation for properties that we take along the way. Before I came here, I discovered that we had disbursed Le10 billion Leones for payment of compensations. That is not exhaustive figures. Mr Speaker, the figures are not in dollars but in Leones.

Mr Speaker, Honourable Members, what is Government's own contribution? Government's counterpart contribution is for the payment of properties acquired along the right-of-way during the construction period. In fact, a lot of those roads were surveyed during the Colonial period. If you follow the survey map succinctly, you will find out that lots encroachments have taken place. But what we have really done is to placate people so that we get along and get the road constructed. And this is why the figure I called it is low. That is the figure Honourable Members. These are the facts I want to bring to you notice.

Mr Speaker, Honourable Members, let me also bring one fact. Honourable Rado Yokie also spoke about negotiation from a position of strength. If you recalled, I said in the beginning that when this loan was contracted, it was contracted from the Arab World and they insisted that we must hire Arab contractors for the construction of the road and for the supervision of the work. Honourable Members, since we started using part of Sierra Leone money it is no longer Arab contractors. The Consultant Engineer is a Sierra Leonean. Techsult is the consultant engineer. The contractor is CSE. I call it a Pan West African Company. That shows that we have used our strength. We have put our foot down. We have told those people that if they want to help us, let them do that in an even manner.

Mr Speaker, Honourable Members, I again move that this Honourable House ratify the following Agreements which were laid on the Table of the House on Thursday, 31st January, 2013:

(a) Grant Agreement between the Republic of Sierra Leone and the African Capacity Building Foundation (ACBF) regarding support to capacity building initiatives for the

Parliament of Sierra Leone, signed in Freetown on 27th September, 2012 and in Harare, 2nd October, 2012

(b) Loan Agreement between the Government of Sierra Leone and Abu Dhabi Fund for Development to Finance Tokeh-Lumley Project, dated 10th December, 2012.

(Question Proposed, Put and Agreed to)

Government Motion by the Minister of Finance and Economic Development has been ratified.

ADJOURNMENT

(The House rose at 11.30 a.m., and was adjourned until Monday, 4th February, 2013, at 10.00 a.m.).