



*OAU DRIVE, TOWER HILL, FREETOWN*

# **PARLIAMENTARY DEBATES**

**[HANSARD]**

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**OFFICIAL HANSARD REPORT**

**FIRST SESSION –FIRST MEETING**

**MONDAY, 31<sup>ST</sup> JULY, 2023**

*SESSION – 2023/2024*



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**VOLUME: I**

**NUMBER: 5**

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First Meeting of the First Session of the Sixth Parliament  
of the Second Republic of Sierra Leone.

Proceedings of the Sitting of the House  
Held Monday, 31<sup>st</sup> July, 2023.

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LEONE 2023

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**THE MINISTER OF FINANCE**



*THE CHAMBER OF PARLIAMENT OF THE REPUBLIC OF SIERRA LEONE*

## **Official Hansard Report of the Proceedings of the House**

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### **FIRST SESSION – FIRST MEETING OF THE SIXTH PARLIAMENT OF THE SECOND REPUBLIC**

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**Monday, 31<sup>st</sup> July, 2023.**

#### **I. PRAYERS**

*[The Table Clerk, Mrs Bintu Weston, Read the Prayers]*

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

*[The Speaker, Hon. Dr Abass Chernor Bundu in the Chair]*

The House was called to Order

*Suspension of S. O. 5[2]*

*COMMUNICATION FROM THE CHAIR*

**HON MATHEW S NYUMA:** Colleagues Honourable Speaker, we met on Thursday and we were supposed to sit on Monday when the Deputy Speaker was presiding but unfortunately because we were overwhelmed at that particular sitting I want to say thank you Mr Deputy Speaker for your courage on that day. Mr Speaker, may I rely on Section 94 of the Constitution to take this resolution S.O5[1]. Mr Speaker, can I proceed?

**THE SPEAKER:** To regulate ourselves.

**HON. MATHEW S NYUMA:** Yes sir.

**THE SPEAKER:** Very well.

**HON MATHEW S NYUMA:** Mr Speaker, with your leave, I move that S.O[5] be adopted for the sitting of today which is Monday for the proceedings to start. I so move Mr Speaker.

**THE SPEAKER:** Before I ask for a seconder, maybe for the enlightenment of the new Members you might want to elaborate a little on S.O 5 so they understand it better.

**HON MATHEW S NYUMA:** Yes Mr Speaker, S.O 5[1] with your leave let me read: it has to do with our sittings. S.O 5[1] "subject to the provision of sub-section [1], of Section 84 of the Constitution the House may sit on Tuesdays, Wednesdays, Thursdays and Fridays.

Provided that a sitting on Saturday or Sunday or Monday or a public holiday may be secured by resolution of Parliament moved by a Member at the commencement of public business at a sitting of Parliament.”

So that is the reason I have decided to move a resolution but because we did not do it on that day Mr Speaker, I ask for your leave with provision 94 of the Constitution which stipulates how we regulate our proceedings. So that is the reason why I said you should permit me to use 94 and I have read the provisions why I have decided to move the motion. Thank you, Mr Speaker.

**THE SPEAKER:** Again let me just add for the edification of the new Members particularly. What this tells you is that you may be called upon at any time and as you can see we can even sit on a Sunday and a Saturday if the exigency of a duty so requires. So for your edification, bear that in mind please, although the regular days for sittings are Tuesdays and Thursdays we can sit right through the week. So just bear that in mind as you make your domestic and public commitments. Thank you any seconder to the motion.

**HON DICKSON M ROGERS:** Mr Speaker, I so second.

**THE SPEAKER:** I see some flowers here, I hope they bring good tidings. It is not my birthday.

*[Question Proposed, Put and Agreed To]*

*[Motion moved by the Leader of Government Business has been adopted]*

**THE SPEAKER:** That formalizes the sitting that we are going to have today on Monday. It should have been done before now as the Leader of Government Business has explained I am sure you now explain why this has to be done. So with that, we are poised now to start the day’s proceedings but considering the Order Paper which has

only one item, I am constrained whether we should proceed in the absence of the Minister of Finance.

**HON. MATHEW S. NYUMA:** Mr Speaker, we did not start with the prayer because...

**THE SPEAKER:** I know. I think the Minister of Finance understandably has passed through the State House for the needful to be done before coming to the House to do the needful here. In those circumstances, I would like to stand the House down until he comes because without him we cannot proceed in any substantive way.

**HON. MATHEW S. NYUMA:** Mr Speaker we just did the resolution so we can have this sitting here legitimately which you accepted. But if you want to stand the House down we should start the business of the day, we have not started.

**THE SPEAKER:** Fine, then let's start with prayers if that is what you are asking.

**HON MATHEW S NYUMA:** Yes sir.

**THE SPEAKER:** Let us do it then and then stand the House down. I am advised that the record of votes and proceedings is not ready because of certain technical hitches affecting the production department. So we may have to postpone consideration of that item until tomorrow. So we can proceed to the next item.

## **II ANNOUNCEMENT BY MR SPEAKER:**

**THE SPEAKER:** Honourable Members as of now I do not have anything substantive to announce. I don't know whether I would have one in the course of the morning or by the time we rise for the day. But again in the absence of the Minister of Finance, I will now stand the House down, let us say for half an hour to give him sufficient time. Leader of Government Business do you have any communication from him?

**HON. MATHEW S. NYUMA:** No Mr Speaker but for now I think the Minister has gone for an oath. So I don't know if you may stand the House down for a few minutes so that we may get in touch with him.

**THE SPEAKER:** I want to be definitive about that. Let us say 30 minutes.

**HON. MATHEW S. NYUMA:** Alright, okay.

**THE SPEAKER:** So I would stand the House down for 30 minutes in that case.

*[The House stood down at 10:30 a.m]*

*[The House resumed at 11:00a.m]*

### **III BILL**

#### **THE SUPPLEMENTARY APPROPRIATION ACT 2023, BEING AS ACT TO REVISE AND MAKE SUPPLEMENTARY PROVISIONS FOR THE SERVICES OF SIERRA LEONE 2023**

#### **INTRODUCTION AND FIRST READING**

#### **THE MINISTER OF FINANCE**

**MR FANTAMADI BANGURA** *[Minister of Finance]*

MR. SPEAKER, HONOURABLE MEMBERS

I move that the Bill entitled "The Supplementary Appropriation Act 2023", being an Act to revise and make supplementary provisions for the services of Sierra Leone for 2023, be read the first time".

**THE SPEAKER:** Mr Minister you may take your seat.



*[Question Proposed, Put and Agreed To]*

*The Supplementary Appropriation Act 2023 being an act to revise and make supplementary provisions for the services of Sierra Leone has been read for the first time]*

## **SECOND READING**

**MR FANTAMADI BANGURA:** Mr Speaker, Honourable Members I move that the Bill entitled "The Supplementary Appropriation Act 2023", be read the second time".

### **I. Introduction**

Mr Speaker, Honourable Members, you would recall that my predecessor presented the original 2023 Government Budget and Statement of Economic and Financial Policies to the House of Parliament on November 11, 2022. Following intensive debate, this Noble House approved the Budget on December 20, 2022, which paved the way for the commencement of the implementation of the Budget in January 2023.

2. Mr Speaker, Honourable Members, after six months of implementing the Budget, we saw the need to revise the 2023 fiscal framework for the following reasons:

3. First, the macroeconomic assumptions on which the original revenue and expenditure projections were based no longer hold. The original 2023 budget was based on the macroeconomic framework agreed with the IMF during the fifth review of our performance under the on-going programme with the IMF Extended Credit Facility in November 2022. The macroeconomic framework was revised during the combined sixth and seventh reviews in May 2023. This revised macro-framework formed the basis of the revenue and expenditure projections in this Supplementary Budget.

4. Second, some activities implemented by Ministries, Departments and Agencies (MDAs) were not sufficiently budgeted for due mainly to the limited fiscal space. At the same time, new expenditure pressures have emerged, driven in some cases by policy pronouncements as well as the continued global rise in prices of goods and services, and the depreciation of the Leone. There is therefore the need to enhance budget allocations to some MDAs to realistic but affordable levels for the delivery of services.

5. Third, to align the Budget to the new priorities of the Government articulated in the Government Manifesto-the BIG FIVE, which includes boosting food security (FEED SALONE), consolidating the gains in human capital development, supporting youth employment initiatives, improving infrastructure, and revamping the public service with the overall objective of boosting resilience and promoting sustainable economic growth.

6. Fourth, to accommodate the needs of the new architecture of Government following the establishment of new MDAs to improve governance in general and the efficiency of public administration in particular; and

7. Fifth, to begin the process of consolidating public finances to stabilise the economy.

8. In this context, the Supplementary Budget aims to reduce the budget deficit from 9.6 percent of GDP in 2022 to 5.4 percent of GDP in 2023. This, in turn, will reduce the borrowing requirement of the Government, especially from the banking system, thereby complementing the efforts of the Bank of Sierra Leone (BSL) in containing inflation, slowing down the depreciation of the Leone and reducing the pace of debt accumulation.

9. Mr Speaker, Honourable Members, in view of the foregoing and consistent with section 42, sub-section (1) of the Public Financial Management Act, 2016, I hereby present the Supplementary Budget proposals for the financial year 2023 to this Noble

House for consideration and approval.

10. Mr Speaker, Honourable Members, please permit me to first provide an update on domestic macroeconomic and budgetary performance for the first half of 2023 before presenting the details of this Supplementary Budget.

## **II. Macroeconomic and Budgetary Performance During the First Half of 2023**

### **(a) Macroeconomic Performance**

11. Mr Speaker, Honourable Members, the Sierra Leone economy continues to grapple with the spill overs of the Ukraine crisis and associated global economic uncertainty, culminating in weak domestic economic activity, rising inflation, exchange rate depreciation, and higher debt levels. The implications of these developments on domestic revenue collection and expenditure management cannot be underestimated.

12. After growing by 3.6 percent in 2022, and despite the expected increase in agricultural output, the economy is projected to grow moderately by 2.7 percent in 2023. The uncertainty in the global economy, higher food and fuel prices, exchange rate depreciation, weak purchasing power and tight fiscal stance will weigh on growth in 2023.

13. Mr Speaker, Honourable Members, inflation continued to rise during the first half of 2023 reached 44.8 percent in June 2023 from 37.1 percent in December 2022 driven largely by the pass-through effect of higher global food and energy prices, and the continuous weakening of the Leone.

14. Mr Speaker, Honourable Members, the total value of exports for the period January to April 2023 amounted to US\$419.4 million. Mineral exports amounted to \$368.8 million, of which, iron ore (\$262.4 million); diamonds (\$36.2 million), rutile (\$37.8 million) and bauxite (\$8.5 million). Total import bill amounted to US\$590 million during

the same period, of which, fuel accounted for US\$206 million; food, US\$136.3 million; and machinery and transport equipment, US\$101.5 million.

15. Gross international reserves of the BSL declined to US\$523.80 million as of the end of June 2023, from US\$610.42 million as of the end of December 2022, due to an increase in payments for debt service and goods and services.

16. Mr Speaker, Honourable Members, after depreciating by nearly 20 percent from January to May 2023, the Leone temporarily gained strength in June 2023 on account of foreign exchange inflows from the election-related activities and the disbursement of a balance of payment support of US\$21 million by the IMF in June 2023. The depreciation of the Leone reflects the excess demand for foreign exchange relative to the supply. The inadequate supply of foreign exchange could be attributed to low receipts of exports, low official development assistance and a drop in foreign direct investment (FDI) during the period. The higher demand for foreign exchange could be attributed to the high cost of imports driven by higher international food and fuel prices as well as the strengthening of the US dollar as the United States tightens its monetary policy stance to combat inflation.

## **(b) Budgetary Performance Domestic Revenue**

17. Mr Speaker, Honourable Members, domestic revenue collected during the first half of 2023 amounted to NLe4.7 billion, exceeding the original target by NLe367 million. All revenue streams, except income tax and fisheries royalties, exceeded their respective targets relative to the original budget. The improved performance was due to the following factors: (i)Recovery of tax and non-tax arrears due in 2022 largely from licence fees owed by State-owned hotels leased to the private sector; tax and customs arrears identified through data analytics and field audit of 2021; (ii)Collection of full-year payment of annual licence fees consistent with anniversary dates for telecommunications, hotels, and mining companies instead of the usual instalment payment plans; (iii)Utilising data analytics to identify non-compliant taxpayers;

(iv) Tracking of compliance of payment of GST through the Electronic Cash Register (ECR) using ECR Dashboard as well as enforcement of penalties on defaulters; and  
(v) Regular engagement with taxpayers and tax consultants;

18. However, the revenue collected during the first half of 2023 fell short of the revised target agreed with the IMF during the combined 6th and 7th reviews in May 2023. The shortfall of NLe138 million was accounted for by the less-than-expected collections of income taxes, GST and import duties. This was due to technical challenges in configuring the 2023 Finance Bill tax policy measures in the automated platforms of the National Revenue Authority (NRA). Grants

19. Mr Speaker, Honourable Members, total grants received during the first half of 2023 amounted to NLe492.5 million compared to the expected amount of NLe1.19 billion, due to the slow disbursement of project grants by development partners. There was no disbursement of budget support during the first half of the year.

### **Expenditure and Net Lending**

20. Mr Speaker, Honourable Members, total expenditure and net lending for the first half of 2023 amounted to NLe8.8 billion (13.2 percent of GDP) compared to the budgeted amount of NLe9.7 billion (14.6 percent of GDP). Of this total, recurrent expenditure amounted to NLe6.7 billion. This was within the allocated amount as the overruns on goods and services were more-than offset by the less -than budgeted spending on subsidy transfers and interest payments. Wages and salaries amounted to NLe2.7 billion, broadly consistent with the ceiling. Spending on goods and services amounted to NLe1.2 billion exceeding the budget ceiling by NLe211.5 million due to higher-than-budgeted spending on the security sector and elections. In contrast, subsidies and transfers estimated at NLe1.4 billion were within budget. Total interest payments amounted to NLe1.3 billion and were within the budgeted amount.

21. Mr Speaker, Honourable Members, total capital expenditure and net lending amounted to NLe2.1 billion, about NLe799 million less than the allocated amount mainly due to lower disbursements of project loans and grants by development partners during the first half of the year. Domestic capital spending amounted to NLe1.3 billion, exceeding the allocated amount by NLe105.6 million.

### **III. Government's Interventions to Mitigate the Impact of the Multiple Shocks**

22. Mr Speaker, Honourable Members, the multiple and repeated shocks and associated disruptions in supply chains, rise in the global prices of food and fuel and sharp depreciation in the currencies of low-income countries including Sierra Leone have translated into a cost of living crisis. In addition, rising debt levels and related debt service payments have squeezed the fiscal space of many developing countries, thereby limiting their capacity to provide basic services to their populations. The situation is worsened by the emergence of geo-economic and political fragmentation and the resurgence of protectionist policies including export bans on essential commodities including rice.

23. In the circumstances, it is imperative for countries to implement measures to mitigate the impact of the multiple crises on their people. In Sierra Leone, despite the limited fiscal space amid competing priorities, the Government is implementing the following interventions to cushion the impact of the crises on the people. (a) Electricity and Fuel Subsidies

24. Mr Speaker, Honourable Members, even in the midst of challenging economic conditions, the Government continues to expend enormous resources on the energy sector to ensure reliable and affordable electricity supply. The current electricity tariff, though considered to be high, does not reflect the actual cost of generating and transmitting electricity to households. Consumers are currently paying 11 US cents per kilowatt hour compared to the uplift price of 21.5 US cents. This is made possible by

the substantial subsidies provided by the Government to the Electricity Distribution and Supply Agency (EDSA) and the Electricity Generation and Transmission Company (EGTC). Total subsidies disbursed to EDSA for the first half of 2023 amounted to NLe274.6 million (US\$13 million), including NLe263.2 million paid to Karpowership and NLe11.4 million to Transco/ CLSG. In addition, an amount of NLe29 million was also disbursed to the EGTC for the supply of fuel for the running Government-owned generators in Freetown and the provinces.

25. Mr Speaker, Honourable Members, the global price of fuel and freight charges, though declining, remained high relative to the pre-Ukraine crisis. The situation is compounded by the continuous weakening of the Leone. This implies that the current subsidized price of fuel at NLe21.5 per litre is far less than the full pass-through pump price estimated at NLe26 per litre. To keep fuel pump price at NLe21.5 per litre, the Government has forgone NLe708.9 million (US\$32.8 million) in the form of indirect subsidies during the first half of 2023. In addition, direct subsidies to be paid to Oil Marketing Companies amounted to NLe75 million (US\$3.3 million) during the same period. (b) Provision of Agricultural Inputs to Farmers

26. Mr Speaker, Honourable Members, although there is a policy shift for private participation in the provision of agricultural inputs to farmers, the Government continues to provide farm inputs (rice seeds, fertilisers, agrochemicals etc) and mechanization services free of charge to farmers through the e-voucher scheme to boost agricultural productivity, enhance food security and create employment. The government has already spent NLe18.5 million during the first half of 2023. (c) Scaling up Social Safety Nets

27. Mr Speaker, Honourable Members, with support from development partners, the Government continues to scale up Social Safety Nets to mitigate the impact of the multiple shocks on households. In addition to the Free Quality School Education Programme, including school feeding and the Free Health Care Initiative, the

Government is also providing other social safety nets including cash transfers to the poor and vulnerable segments of the population.

28. Under the Emergency Cash Transfer programme funded by the World Bank, European Union and Government of Sierra Leone from 2020 to 2022, cash transfers were provided to over 46,000 beneficiaries. The government also provided support to about 10,000 persons living with disabilities during the period.

29. Mr Speaker, Honourable Members, I am pleased to inform this Noble House that the Productive Social Safety Net and Youth Employment Project funded by the World Bank has also commenced operations. Under this project, Twenty-one million dollars (US\$ 21 million) will be made available to cover Cash Transfers and Economic Inclusion Support to 15,000 extreme-poor households. Six million dollars (US\$6 million) will be provided to promote Productive Labour Intensive Public Works and Life Skills Support for 13,000 youths in rural and urban communities. The Project will further deliver grants and training on life skills in entrepreneurship and information technology at the estimated cost of US\$6 million to 8,000 youths in urban areas, including women and persons with disabilities as part of the Employment and Entrepreneurship Support for Youth.

30. Mr Speaker, Honourable Members, the World Bank has also provided US\$50 million under its Crisis Response Window to support short to medium-term interventions to cushion the impact of the food crises on our people. This is being implemented as part of the Regional Food Systems Resilience Project to support various interventions to ensure food security. An amount of US\$25 million is currently being utilized to support the on-going school feeding programme, Cash transfers, Cash for Work, food production and livestock development.

31. The school feeding programme is allocated US\$3.5 million and is being implemented by the School Feeding Secretariat in the Ministry of Basic and Secondary



Education in collaboration with the World Food Programme (WFP). The programme also includes home-grown food production and benefits over 120,000 school children.

32. An amount of US\$2.2 million is provided to NaCSA for the implementation of unconditional cash transfers targeting 12,000 vulnerable farming individuals.

33. The sum of US\$4.6 million is provided to the Food and Agricultural Organisation (FAO) for the implementation of the Cash for Work for youth employment in agriculture focusing on the development of Inland Valley Swamps (IVS) and livestock development.

34. Under the support for food production, US\$5.4 million is provided for the supply of agricultural inputs including seeds, fertilizer, and agro-chemicals to farmers, while US\$2.2 million will cover assistance towards land preparation through the e-voucher scheme. (d) Support to Micro, Small and Medium-sized Enterprises (MSMEs)

35. Mr Speaker, Honourable Members, following the establishment of the MUNAFA Fund (a revolving micro-credit scheme) and the provision of resources for on-lending to MSMEs, I am pleased to report that the Fund has reached 10,889 beneficiaries, 72 percent, of which, are women. The government remains committed to providing additional resources to expand the programme and reinforce its role in employment, wealth creation and poverty alleviation.

36. In addition, through the Sierra Leone Economic Diversification Project, capacity building and financial support are being provided to SMEs and the SME Ecosystem including Accelerators and Incubators. The project has provided business training and matching grants amounting to US\$1.2 million to 60 businesses, including 32 SMEs and 28 Start-ups engaged in Light manufacturing, Circular Economy, Digital/Innovation Services and Tourism, of which 48 percent are women.

#### **IV Revisions to the Original 2023 Budget**

37. Mr Speaker, Honourable Members, please permit me to present the revised revenue and expenditure projections for the financial year 2023. Revised Revenue

#### Projections

38. Mr Speaker, Honourable Members, the current trend in domestic revenue collection, though improving is insufficient to fully finance the on-going and emerging expenditure pressures. During the first six months of the year, some revenue streams did not perform as expected due to sluggish domestic economic activities, low purchasing power and weak tax compliance.

39. To ensure the sustainable financing of Government expenditure, there is a need to intensify the collection of domestic revenue through a comprehensive reform of the tax system including the use of technology to tackle widespread tax evasion and tax avoidance.

40. In this context, total domestic revenue is projected to increase by NLe1.22 billion to NLe10.56 billion (14.1 percent of GDP) for the financial year 2023. Accordingly, Corporate Taxes are revised upwards by NLe276 million and Personal Income Taxes by NLe129 million. Collections of Goods and Services Tax is revised upwards by NLe313.8 million. Customs and excise duties are revised upwards by NLe157.8 million. Mining and fisheries royalties and licenses are revised upwards by NLe122 million and NLe55.8 million, respectively. Parastatal revenues including Cargo Tracking are revised upwards by NLe161.9 million. Revenue collected by TSA agencies is also revised upwards by NLe158.9 million. Royalties on timber exports will remain nil while Road User Charges remain as originally projected. The Revenue measures for achieving the projected increase in revenue are provided in subsequent paragraphs.

#### **Revised External Grants and Special Drawing Rights (SDR) Resources**

41. Mr Speaker, Honourable Members, total grants will remain as budgeted in the original budget. As usual, the House of Parliament will be informed of any additional budget support and project grants received from development partners during the second half of this financial year as we continue to engage development partners for additional grant financing.

42. Mr Speaker, Honourable Members, the IMF has also approved the use of additional NLe1.0 billion of SDR resources to augment the original allocation of NLe866 million to support budgetary operations in 2023.

### **Revenue Mobilisation Measures for the Second Half of 2023**

43. Mr Speaker, Honourable Members, to achieve the projected increase in domestic revenues, the Government is implementing the Finance Act, 2023 which was approved by this Noble House in April this year. The tax policy measures contained in the Finance Act, 2023 are part of the Medium-term Revenue Strategy (MTRS), which has also been approved by the Cabinet in April 2023. The measures include the introduction of a Minimum Alternate Tax (MAT) to tackle the widespread evasion and avoidance of corporate income tax. The measures also seek to broaden the base of the Goods and Services Tax (GST) by rationalising the numerous GST exemptions. The measures also include the conversion of ad valorem excise taxes into specific taxes and harmonize rates for locally produced and imported excisable goods in order to internalize the social cost of consuming these goods while ensuring predictable revenues at the same time. In addition, the Act also introduced a Vehicle Circulation tax at NLe200 and a Tourism Levy of 2 percent. These tax policy measures will yield additional tax revenues in 2023 and 2024 estimated at 1.8 percent of GDP. The Finance Act, 2023 also includes tax administration measures including the introduction of excise tax stamps on the importation and domestic manufacturing of excisable goods.

44. Mr Speaker, Honourable Members, the excise stamps will assist in tracking excisable goods along the supply chain, providing accurate statistics on the production and importation for tax purposes and deterring counterfeiting and smuggling of these goods. The NRA will also commence the implementation of a fuel marking scheme to mark and monitor imported fuel products to reduce fraud and smuggling while ensuring the correct payment of all taxes.

45. In addition, as part of its reforms, the NRA will pursue the integration of Electronic Cash Registers with the systems of at least nineteen (19) large companies, and strengthen tax compliance of large taxpayers in the extractive, telecommunications and financial sectors. These administrative measures are expected to yield additional tax revenues of 0.4 percent of GDP.

46. Mr Speaker, Honourable Members, the Government will vigorously pursue the use of technology to improve the efficiency of domestic revenue collection. To this end, the Government will embark on digitising all NRA revenue collections. This will involve (i) linking all NRA digital platforms including the ASYCUDA World, Integrated Tax Administration System (ITAS), Electronic Cash Register (ECR) and the non-tax revenue Mobile APP to ensure that these systems interface with each other; (ii) Linking all these platforms to the National Switch. Furthermore, all revenue-generating MDAs should deploy digital tools for the collection of licenses, fees, charges and fines by the end of 2023. The Ministry of Finance in collaboration with NRA and relevant MDAs will develop a road map for digitising revenue collection and submit the same to Cabinet for approval.

47. Mr Speaker, Honourable Members, please allow me to use this opportunity to rectify an error made on the Finance Act 2023 relating to the excise tax rate on cigarettes and tobacco-related products. The corrected excise tax rates on cigarettes, which have now been converted from ad-valorem to specific, as specified in the Medium-term Revenue Strategy are as follows: (i) NLe1.5 on a packet of twenty cigarettes in 2023 to progressively increase to NLe3.0 by 2027 (ii)NLe0.50 per kilogram

of tobacco leaves commencing in 2023 to progressively increase to NLe1.0 by 2027 (iii) NLe5.0 per packet of cigar in 2023 to progressively increase to NLe10.0 by 2027.

48. Mr Speaker, Honourable Members, please permit me to reiterate to this House and the general public the amount of revenue forgone by the Government in trying to keep fuel pump prices unchanged in the midst of high global fuel prices and sharp depreciation of the exchange rate, as part of efforts to mitigate the impact of the crises on the population. Total revenue forgone in the form of direct and indirect subsidies amounted to NLe783 million (US\$35 million) during the first half of the year. While this is a laudable effort on the part of the Government, it is also factual that these subsidies disproportionately benefit middle and high-income households. Furthermore, other key priority areas that benefit the poor such as health and education services are being deprived of much-needed fiscal support, which adversely affects the delivery of essential services to the poor and vulnerable groups in our society. In this regard, in addition to promoting income inequality in our society by continuing to make the rich, richer while the poor remain poor, this policy of subsidizing fuel consumption is becoming fiscally unsustainable.

49. Therefore to ensure a fixed, predictable, and stable excise duty on petroleum products to finance Government priority programmes such as the Free Quality Education Programme, FEED Salone, Free Health Care Initiative, and Social Safety Nets for the poor on a sustainable basis and without excessive borrowing, Government will gradually restore the full pass-through petroleum pricing formula starting on August 1, 2023.

50. The government is also in the process of establishing a safe harbour regulation for iron ore exports to related parties. This is expected to gradually replace the current tax and royalty system that is based on self-weighing, self-assessing, self-assaying and self-reporting. The government is also seeking technical assistance from the IMF to strengthen capacity on valuation techniques for minerals and pricing methodologies. In

addition, the Government is in the process of renegotiating a mining contract which is expected to yield about 0.2 percent of GDP in revenue.

### **Supporting Private Sector Development**

51. M. Speaker, Honourable Members, Government recognizes the important role of the private sector in promoting sustainable growth and job creation. The government will therefore sustain efforts aimed at providing a conducive environment for the private sector to thrive. In this regard, the Government is working with development partners to design and implement reforms to stabilize the economy, improve the business regulatory environment, enhance access to finance and provide basic infrastructure to improve the ease of doing business. Government will continue to engage the private sector through structured public-private dialogue on these reforms including the proposed tax policy measures in the Medium-Term Revenue Strategy and the 2023 Finance Act.

### **Revised Expenditure Projections**

52. Mr Speaker, Honourable Members, total expenditure and net lending is revised upwards by NLe3.5 billion to NLe18.6 billion (24.8 percent of GDP) for FY 2023. This reflects the increase in recurrent expenditures by NLe2.6 billion to NLe13.5 billion and capital expenditures by NLe861.6 million to NLe5.1 billion. The increase in recurrent expenditure covers additional budgetary allocation to Wages and Salaries of NLe434.2 million; Goods and Services of NLe642.8 million; Subsidies and Transfers of NLe844.7 million and Interest payments of NLe 678.8 million.

53. The additional allocation to wages and salaries will cater for the impact of the depreciation of the exchange rate on foreign-denominated salaries and allowances, especially for foreign missions and the wage costs of the newly established sub-vented agencies. The increase in Goods and Services covers mostly increased allocations to the security sector and start-up costs for the newly established MDAs including the

Presidential Initiative on Climate Change, Renewable Energy and Food Security. The increase in allocation to Subsidies and Transfers covers mainly Government subsidy to EDSA for the payment of obligations owed to the Independent Power Providers (IPPs)-Karpower and CLSG. The additional allocation for interest payments reflects the impact of the depreciation of the Leone on foreign interest payments and the need to provide resources in place of the withdrawal of some external creditors from the Debt Service Suspension Initiative (DSSI).

54. Mr Speaker, Honourable Members, Capital expenditure and Net lending is increased by NLe861.6 million to NLe5.1 billion. The increase reflects mainly the additional allocation to the domestic capital budget to cover the increased cost of implementing on-going projects in the road, energy, and water supply sectors.

### **Expenditure Management Measures in the Second Half of 2023**

**55.** Mr Speaker, Honourable Members, as observed in the earlier part of this statement, this Supplementary Budget aims to reduce the budget deficit from 9.6 percent of GDP in 2022 to 5.4 percent of GDP in 2023. This will reduce the reliance on bank financing of the deficit and associated macro-economic challenges. To this end, the Government will continue with efforts to improve the sustainability of the Government payroll, improve budget execution, and strengthen cash management during the second half of 2023.

### **Improving the Sustainability of the Wage Bill**

56. Mr Speaker, Honourable Members, building on the on-going reforms initiated in 2018, which have improved the transparency and reliability of the Government wage bill, Government will undertake the following reforms during the second half of 2023 to improve the sustainability of the wage bill going forward: (i) Develop a Medium-term Wage Bill Management Strategy by October 2023, that introduces additional reforms to strengthen payroll management; (ii) Operationalise the Wages and Compensation

Commission by October 2023 following the enactment of Wages and Compensation Commission Act in April 2023; (iii) Conduct a biometric verification exercise for teachers and health workers; and (iv) Institute workforce planning for all payroll categories to improve the controls relating to new recruitments and salary adjustments.

### **Improving Budget Execution**

57. Mr Speaker, Honourable Members, efforts to improve budget execution will continue to improve the efficiency of expenditures and minimize the accumulation of arrears. The Accountant-General will make it mandatory for MDAs to process all expenditures through the Integrated Financial Management Information System (IFMIS). The Accountant-General will also fully implement the Electronic Funds Transfer system (EFT) to cover all expenditure categories including wages and salaries.

58. The Ministry of Finance in collaboration with the Accountant-General's Department, Bank of Sierra Leone and the National Revenue Authority will continue to strengthen Cash and debt management to avoid the build-up of arrears. The issuance of quarterly budget allocations will now be informed by the cash flow forecasts produced, discussed and approved by the Expanded Cash and Debt Management Committee. To further improve the management of Government cash balances, the Bank of Sierra Leone will re-designate the accounts of all sub-vented agencies from departmental to treasury accounts. This will provide a comprehensive framework for the computation of the Ways and Means position of Government by the BSL and reduce the amount of interest paid on the balance.

59. Mr Speaker, Honourable Members, MDAs will be required to use Digital Systems to process budget requests and to capture the progress in the implementation of their Annual Work Plans. The Ministry of Finance will ensure that MDAs utilise their budget allocation in consonance with their Annual Work Plans.



60. Mr Speaker, Honourable Members, following the adoption of Standard Operating Procedures for the follow-up of audit recommendations, the Government is adopting a digital tracking tool to track the implementation of audit recommendations.

61. The Ministry of Finance will update the Arrears Clearance Strategy and include recent and verified arrears in the revised strategy. This will allow the Ministry of Finance to fully budget for the clearance of arrears starting with the FY2024 budget. Managing Fiscal Risks Emanating From State-Owned Enterprises

62. Mr Speaker, Honourable Members, the weak financial performance of State-Owned Enterprises (SOE) poses significant risks to the management of the Budget. To address this challenge, and build on the SoE policy, the Government is preparing a new SoE Bill to enhance the oversight and governance of SoEs.

63. Mr Speaker, Honourable Members, in particular, the weak financial performance of EDSA, poses a major fiscal risk. With support from the World Bank, the Government is working to contain this risk to improve the financial and operational sustainability of EDSA. In this context, the Government is working with the World Bank to reduce the technical and commercial losses incurred by EDSA as well as develop a tariff formula that reflects the local currency cost of imported fuel to facilitate the regular adjustment of electricity tariffs. Revised Budget Deficit and Financing

64. Mr Speaker, Honourable Members, the overall budget deficit, including grants, is projected to widen to NLe4.0 billion (5.4 percent of GDP) in the revised budget from NLe1.96 billion (2.9 percent of GDP) in the original budget but lower than the deficit of 9.6 percent of GDP recorded in 2022. This reflects the posture of fiscal discipline being introduced in the management of public finances, which is urgently needed to restore macroeconomic stability and debt sustainability.

65. The deficit will be financed mainly by borrowing from the domestic banking and non-banking sectors projected at NLe3.1 billion, an increase of NLe1.4 billion compared to the original budget.

## **V. Conclusion**

66. Mr Speaker, Honourable Members, Sierra Leone like other African countries has been hit hard by the lingering COVID-19 pandemic, the Ukraine crisis and the effects of climate change. These developments have manifested in supply disruptions, high global and domestic inflation, and rising food insecurity. More importantly, the situation has also challenged budget management as revenues have dropped while expenditure pressures have increased sharply.

67. This Supplementary Budget is a continuation of efforts to respond to the impact of external shocks through the allocation of resources to key priority areas, strengthening public financial management and improving domestic revenue mobilization to build a more resilient and inclusive economy.

68. Mr Speaker, Honourable Members, let me use this opportunity to express my sincere thanks and appreciation to His Excellency, Rtd. Brigadier Dr Julius Maada Bio for not only bestowing his trust in me again to lead efforts in managing the economy but also for his excellent vision in directing the economic, social and political affairs of our beloved country.

69. I would also like to thank the Deputy Minister of Finance II for his unwavering support during my first tenure as Minister of Finance and I look forward to effective collaboration with the incoming Deputy Minister of Finance I.

70. I would like to appreciate the support of the former Financial Secretary over the years and in particular, the newly appointed Financial Secretary for his usual professional leadership in the planning and execution of the Government Budget.

71. My appreciation also goes to the Chief Economist, the Director of Budget and all other Directors and staff of the Ministry of Finance for their unflinching support in providing relevant technical and professional analysis and advice on key economic and fiscal management issues.

72. I would like to appreciate the former Commissioner General, Deputy Commissioner General and Staff of the National Revenue Authority and look forward to sustaining collaboration with the new Commissioner General and team in efforts at revenue mobilisation.

73. I would also like to thank the Accountant-General and his staff for their timely accounting and reporting of Government financial transactions, which informs the execution of the budget daily.

74. The Governor, Acting Governor, Deputy Governor, Management and staff of the Bank of Sierra Leone have also been excellent partners in the coordination of fiscal and monetary policies that have helped to keep the economy going in the midst of these multiple crises.

75. I would also like to commend the former Minister, the Development Secretary and the staff of the Ministry of Planning and Economic Development for their partnership in the preparation of the Budget. I look forward to reinforcing this collaboration with the incoming Minister.

76. Mr Speaker, Honourable Members, I would like to express my profound gratitude and register my greatest respect to the Noble House of Parliament including the Speaker, Clerk and his staff for their usual meticulous and nonpartisan review and approval of public financial management matters brought to this Noble House. I do not doubt that this Supplementary Budget will be accorded similar treatment.

77. Mr Speaker, Honourable Members, on behalf of His Excellency the President and the people of Sierra Leone, allow me to express our sincere appreciation to our

development partners for their continued support of the transformation of this economy.

78. The Government Printer and staff, as usual, rose to the occasion and printed the Supplementary Budget Statement and Annexes on time.

79. Mr Speaker, Honourable Members, in the midst of the difficult global economic situation and spill overs to our economy, this Supplementary Budget seeks to enhance the delivery of essential services to our people, while ensuring prudent macro-fiscal management to contain the continuous rise in the price of goods and services and stabilise the exchange rate. I therefore commend this Supplementary Budget to the House. *[Applause]*

Mr Speaker, Honourable Members, I move that the Bill entitled: The Supplementary Appropriation Act, 2023 be read the second time.

*[Question Proposed]*

**THE SPEAKER:** Before I open this matter to debate, I wish to draw the attention of Honourable Members to an important S.O. for guidance and with the indulgence of the entire House I would like to read the provisions of S.O 69 paragraph 3. Honourable Members let us proceed. The debate on the Supplementary Budget is guided by S.O[69] and I want to draw your particular attention to paragraph 3 of that Standing Order.

**HON MATHEW S NYUMA:** Mr Speaker.

**THE SPEAKER:** Yes Leader.

**HON MATHEW S NYUMA:** Mr Speaker, I did say we rely on 94 of the Constitution to have a sitting on Monday to accommodate us do the needful which you accepted. We are humans, thinking about what transpired on Thursday and Friday it was difficult for all of us even the Minister to have a Supplementary Budget. In fact, it was the Clerk

who advised us to do the Supplementary Budget on Monday. So many things were not in place administratively. So I cannot sit, I know you asked somebody to consult me but also blatantly we are on record to just look at the Standing Orders and ignore it. That is the reason we have **94, we have 82** we have other provisions to regulate our own business. Thinking about the work load at this particular point in time even the Minister did not come on time because he went to State House for the oath. So I did crave your indulgence with your leadership and skills as presiding officer of the House to permit us under the Standing Order 69[4] which we should have done before the Minister read the budget speech. I want us to permit the Minister to do so for the records to rely on 94 for us to do so. Mr Minister you can sit, he has not permitted us. If you don't mind you can read the provisions and you can make your ruling. We are just doing it for the records and the tidiness of the proceedings even though we should have done it earlier.

**THE SPEAKER:** I agree with you we putting the cart before the horse. Be that as it may, we will try and rectify the procedure over to you Mr Minister.

**HON MATHEW S NYUMA:** Mr Speaker you have already done the second reading so now directly by Section 69 you should have carried the debate. So I don't know which one because I recommended Sections 94 and 82, you have not been definite in your ruling. So you direct us to which one you are using. Are you saying we suspend the Standing Orders on that particular provision or we use Section 94 of the Constitution?

**THE SPEAKER:** Look at 69[1].

**HON. MATHEW S. NYUMA:** I have read it, we are waiting for your ruling before we continue.

**THE SPEAKER:** What are you requesting, that the budget be laid on the Table of the House?

**HON. MATHEW S. NYUMA:** Yes, using 69[4] the estimates sir, it is not the budget, the Supplementary Appropriation Act, the estimate given to us

**THE SPEAKER:** If you look at the bottom half of 69, the last two lines in particular, what does it tell you?

**HON MATHEW S NYUMA:** Mr Speaker, 69 is very clear on Supplementary Budget. I have asked for the estimate in bound volume, it is not the supplementary Appropriation

**THE SPEAKER:** It says the supplementary estimate showing the sum of money required shall be laid before Parliament.

**HON. MATHEW S. NYUMA:** Yes, if you go to 94; estimates of revenue expenditure of Sierra Leone for the period over one year that is Section 94. That is why I said we should suspend the provision because we don't have it now, it is that voluminous book, not so Mr Minister.

**THE SPEAKER:** But don't we have the supplementary estimate?

**HON. MATHEW S. NYUMA:** No, we don't have. That is why I started prefacing all the difficulties we are going through so I ask that we regulate ourselves and to suspend provision 69[4]. I was waiting for your directives, that is why I started with 94 but suspended that provision I cannot say Mr Speaker, let us suspend the provision because you have the sole responsibility to say no but let us do a, b, and c. so I made my presentation for you to either permit us to suspend 69[4]. I don't know which one you want us to use Mr Speaker.

**THE SPEAKER:** If we suspend 69[1], then you will have no estimate.

**HON. MATHEW S. NYUMA:** Mr Speaker, permit me to use two minutes to do a consultation with the professionals.

**THE SPEAKER:** By all means.

**HON. MATHEW S. NYUMA:** Mr Speaker, thank you for your time. With consultation and permission from your very self, with also the professionals, the estimate is at the back of the supplementary budget he had read. As usual, you know they cannot distribute the supplementary budget because it is few. It is only for the Minister, a few Members and yourself. So what we have here is if you go back to the budget profile just after the speech,

**THE SPEAKER:** I see it in two places.

**HON. MATHEW S. NYUMA:** Yes.

**THE SPEAKER:** It forms part of the schedule for the Bill

**HON MATHEW S NYUMA:** Yes

**THE SPEAKER:** And it is also part of the budget.

**HON MATHEW S NYUMA:** Yes. So because of the provision we have in the Standing Orders, it is attached to the budget profile. I will now ask for your leave for the Minister to lay the Supplementary Budget on the Table before we can start the debates.

**THE SPEAKER:** The Minister may proceed.

**MR FANTAMADI BANGURA:** Mr Speaker, Honourable Members, with your leave, I beg to lay on the Table of this Honourable House the Bill entitled: "The Supplementary Appropriation Act, 2023 and the FY 2023 Supplementary Recurrent Estimates."  
*[Applause]*

**THE SPEAKER:** Just for the records, I think for the sake of chronology and full compliance of the S.O., in further what you have just done Mr Minister should precede the reading of your budget statement.

Having done that Honourable Members, again I draw your attention to 69[3], I am going to guide the House as to what that SO says because we don't want to begin the debates by drawing the House's attention to all manner of things. You have to be specific and you are guided by the provisions of 69[3] and for the edification of all of us I will read it out:

*The debates on the Second Reading of the Supplementary Appropriation Bill shall be strictly confined to the matters for which additional expenditure has been provided, and when the question thereon has been agreed to, the Bill shall not be committed, unless the House on Motion so commits for discussion that Schedule, if any, to the Bill, which incorporates expenditure for which Supplementary (contingencies) Warrants have not been issued, and the Question "That the Bill be now read a third time" shall be put forthwith without amendment or debate."*

So, first of all, you are enjoined to restrict your contributions to this debate to the matters for which additional expenditures have been sought by the minister. So it is not a wide-ranging debate, it is restricted to the matters for which an allocation is being sorted. With that, the Floor is open, Chairman, Finance Committee.

**HON. FRANCIS A. KAISAMBA:** Thank you very much, Mr Speaker.

Mr Speaker, Honourable Members, I want to take this singular opportunity to thank the minister and his team for the presentation of the supplementary budget this morning.

Mr Speaker, Honourable Members, the Minister has complied with provisions in the 1991 Constitution sub-Section 3 of Section 112, 69 of the Standing Orders and provisions in the Public Financial Act, to present to this House the supplementary budget for our consideration. It is a supplementary budget which suggests that the original 2023 budget was submitted to this House and passed in December 2022. But like he mentioned he enumerated the reasons for the supplementary budget and that the micro-economic framework within which that budget was presented is no longer



tenable and does not hold therefore, the need for a supplementary budget which is an addendum to the original 2023 budget which has been implemented for 6 months so far.

Mr Speaker, Honourable Members, the total figures the supplementary budget is talking about is somewhere around **BLn3,685,495,700** because there are new priorities of the government, there are new government architecture put in place, new MDAs have been created, some have been divided and a gamut of other issues were put to this House by the Minister. And therefore, it is apt and proper for a supplementary budget so that this House, the only House with the authority to pass budgets in Sierra Leone to look at those and consider approving them. For example of this amount I have mentioned, there is a new creation of government, there is now the Presidential Initiative of Climate Change, Renewable Energy and Food Security. That is one of the merging issues in the world today. Climate Change is a very serious matter by which Sierra Leone is affected. Some are natural and some are manmade it was not there before and no monies were appropriated in the 2023 original budget for that office. And because it has been created and it is very necessary government deemed it fitting to now allocate this amount, **Mln 7,000,000 NLe** to that office so that the office for the next six months will begin to put in place proper architecture and to look at e.g., climate change issues. How to look at renewable energy and food security, we should also remember that one of the flagship projects of this government, HE President Bio is to feed the people and therefore, food cultivation, rice cultivation, and other food is very necessary for this government. With **Mln7,000,000 NLe** I believe is fine and I am sure the office created will be able to put proper architecture in place so that in the next 6 months, we advocate probably giving the importance of that office that when the original budget comes to this House we would know what to do.

Also, before now we had the Ministry of Information and Communication but it has been divided, now there is a Ministry of Communication, Technology and Innovation and there is a Ministry of Information and Civic Education. So definitely once that

divide has been made there must be funds for those ministries to run those offices properly. So an amount of **Mln4,000** has been allocated to the Ministry of Communication and Technology in this supplementary budget that will enable the new Ministry so created to be able to do their job properly and effectively so that they meet the needs of the public and HE the President. Similarly, there has been a **Bln 45,200** allocated to the Ministry of Health.

**HON. DICKSON M. ROGERS:** Mr Speaker, sorry I want to stand on S.O 5[2]. The time is past 12 o'clock. I therefore move that we suspend S.O5[2] so that the business of the House will continue. Thank you.

*[Suspension of S.O 5[2]]*

**THE SPEAKER:** You may continue former Chairman of the Finance Committee.

**HON. FRANCIS A. KAISAMBA:** Thank you very much, Mr Speaker. And so definitely monies were appropriated for the Ministry of Health in the 2023 budget but as we all know that is a very huge ministry. The expectations of Sierra Leoneans are so much and we know the challenges in the Ministry across the whole country. So additional funding of **Mln45,200 has been allocated.** We need the Ministry of Health to create more health infrastructure and architecture across the whole country to employ more nurses, give more pin codes out and equip our regional and peripheral units across the whole country. All of these need huge capital so the funding allocated I am sure was insufficient so in the wisdom of the minister he decided to allocate this sum of money.

Mr Speaker, Honourable Members, the Ministry of Energy, the entire energy architecture we see across the whole country is doing so well, whether they are doing transformers here today or they are doing over lines across and they are continuing to provide electricity to towns and villages across the country. But we are not there yet, we need more work to be done and so in the supplementary budget the sum of

**Mln775,783,400** has been allocated to the Ministry of Energy we all know that providing energy is a capital-intensive job so such a huge chunk of the monies have been allocated to energy. And we are pretty sure and very confident that the Minister and his team will continue to do just what Sierra Leoneans are expecting from them to make electricity reliable, and sustainable and to continue to provide electricity across all the townships, the villages and everywhere electricity is required. Equally so, in the manifesto of H.E. the President, he said, he will be providing 500,000 jobs for the next five years, that is to say, a hundred thousand jobs per year, that is a very serious matter. We now see the Ministry of Labour and Employment being created before now it was just the Ministry of Labour and Social Security. So they need additional funding to be able to live up to the manifesto promise of H.E. the President. Additional funding of **Mln 2,500,000** has been provided in the supplementary budget to be able to provide or to address the challenges or the issues thereto concerning employment and to look at all the variables that are making employment very difficult in this country and to address them.

Mr Speaker, Honourable Members, the Ministry of Technical and Higher Education of course the entire education ministry both basic and higher education has been the flagship programmes of H.E. the President and 23% of GDP has been allocated to that for the past five years. That doesn't necessarily mean that because food security is now a flagship project the education aspect would be ignored. So the Ministry of Higher and Technical Education is being allocated **12,000** in this additional funding in the supplementary budget to be able to continue to provide services to the people of Sierra Leone, to students, to the universities, to the colleges, to youth training centres and so forth and so on.

Mr Speaker, Honourable Members, these are some of the examples which the Ministry of Finance have seen necessary to which adequate funding has been provided in the 2023 budget or to which there has been no funding because those ministries were not there before and they are factored in the supplementary budget.

Mr Speaker, Honourable Members, the supplementary budget as presented, is a very simple and straight forward budget. I have not seen any ambiguities or difficulty in it. It is straightforward and the people are expecting Members of Parliament to debate as provided for in 69[3] but on the point and to be very concise and confine themselves to the debate as provided.

Mr Speaker, Honourable Members, I wish to bring to the knowledge of Members of Parliament, our Standing Orders, we will not be going to Committee Stage because this is not the actual annual budget, this is the supplementary budget and that is an addendum to the original budget that was presented to Parliament. This is brought as the Minister has enumerated the reason and as I have presented. So after the debate the question would be put for the third reading and the passing of the budget but this is a very simple budget I would encourage Members of Parliament to debate, and look at the issues but eventually for us to think about Sierra Leone and pass this budget into law and allow the Ministry of Finance and the government to go and implement what is contained in the document. Thank you so much for listening.

**THE SPEAKER:** Honourable Members, allow me before I give anyone the Floor. There are certain basics that we all need to know and understand and this goes especially for the new Members. You are now Members of Parliament and you may not have known the importance of your office as a Member of Parliament until you are in this House. Let me be very simple with the way I would present it. There are three arms of government; Parliament is one arm of government and you have enormous powers, no matter what you may hear people say you have the power of the purse. The Executive arm has no money except what you give them which is the fundamental principle. If you don't give them money they have nothing. The money that you give them is what they have to spend in carrying out the functions of government for the people of Sierra Leone and you are about to exercise one of the key powers that you have; the power to legislate, the power to oversee the government activities and the power to give them money in addition to the power of representation that you have of

your people or your district. So don't minimise that power that you carry with you, if you don't give they do not have, and they cannot spend unless you approve. Even when they go outside of this country and get loans and gifts they have to come and report to you, it is indicated here in this Constitution and I would urge all of you to spend time to read this Constitution to understand it. Now before you came, we have adopted a new Act called Parliament Act of 2023, it is now law. What that Act seeks to do is to implement a provision of the Constitution that is important to this Parliament and that provision is contained in Section 74[4]. Even before approving the annual budget, Parliament has the power to approve its budget first, we have never done it under this Constitution but now with the Parliament Act for the first time, we are going to be doing it next year. *[Applause]* It is not for the Executive to give us money, it is for Parliament to allocate to itself the money it needs to run Parliament. That is the law and it is contained in 74[4]. Even when a Minister goes out to negotiate a loan, or to beg for money, he must come and report to this Parliament and that is contained in Section 118[7]. Let me read it out to you.

*Parliament shall be notified by the appropriate Minister or authority of all gifts, donations, grants and pledges made to the State of Sierra Leone.*

I am glad that some Ministers are seated here to my left and right and I am drawing this to their attention because some of them go and negotiate loans and gifts and they never come to this Parliament to report and that is wrong. When you go out to do oversight duties these are some of the questions you must address to the Ministers, how much money have you received on behalf of the state of Sierra Leone as a loan or a gift? If they tell you the amount ask the supplementary question; have you reported it to Parliament? That money is not given to them but it is given to the state and the power to control that money and how it is used is vested in this House of Parliament. There is a separation of powers, we have our own, the executive has its own of course the Judiciary you know, their power is to interpret the law. So these are some of the basic things you need to understand. So you carry tremendous powers in your hands

you Members of Parliament. For this time we are not going to allow the Minister to have his way but at the same time I am giving him a warning now, come next year, he must first come and negotiate a separate budget for this Parliament before even coming here with his national budget. The national budget was passed long before you were elected Members of Parliament because the Financial Year runs from January 1 to December 31. So we passed the 2023 budget towards the end of last year, I think it was November if I am not mistaken. Now the Minister is before us to seek a supplementary budget for two things; either to cover the gaps for which allocation was made in 2023 but found to be insufficient or no allocation was made at all for a particular head of expenditure, this is why he is here and this is why it is called supplementary budget. The main budget is already in existence, it was passed last year and it is in operation. So these are some of the fundamental things that you as Members of Parliament need to know because the power belongs to you, representing the people of this country.

Mr King who is the reservoir of knowledge to this Parliament has drawn my attention to the additional powers that you have. But I would leave those for another day let us focus for the time being on this supplementary budget. So Mr Minister we are going to be very kind to you to overlook the Parliament Act and allow you to have the supplementary you are seeking but also warn that this Parliament from now on has made huge progress in implementing the provisions of 74[4]. Never again, will this Parliament be treated as if it is an indigent, we do not go round begging. You should come round to us begging not the other way round. We have the money and we provide you the resources to run the state and the government that is the power you hold as Members of Parliament. If you did not know that before now then know that today. The Floor is open, after you the lady.

**HON. JOSEPH WILLIAMS-LAMIN:** Thank you very much. Honourable Speaker, colleague Honourable Members of Parliament, today history is repeating itself. In July 2018, there was a Supplementary Budget in this House and we added our voices to it

and we endorsed it and it helped the state because we met a very battered economy, it was nothing to write home about. I want to confess to this House that when I came in I was worried, my colleague called me initially bailout. I thought we were here to help this nation come out of poverty because the situation was so appalling that even when we went to the canteen the manner in which we took our lunch was very appalling but today it is 2023.

Honourable Speaker, with your leave, I just want to reflect a little bit on 2018 when we did the Supplementary Budget in July 2018.

**THE SPEAKER:** I will allow you provided you take cognisance of 69[3]

**HON. JOSEPH WILLIAMS-LAMIN:** 69[3] sir. I want to assure you I will take note of that.

**THE SPEAKER:** History is important but that history you have got to narrate should relate to what is before the House now.

**HON. JOSEPH WILLIAMS-LAMIN:** In deed, I will do my comparative analysis to make sure we are on the right track Sir.

**THE SPEAKER:** Okay.

**HON. JOSEPH WILLIAMS-LAMIN:** 2018 the Supplementary Budget was **Tln 3,523,961,219.500**. In another term the exchange rate at that time was **Le7,500** will be like **Mln \$465.8** and when we come to today's Supplementary Budget we have here our humble and learned Minister of Finance it is just **Mln \$189** which is **Bln Le3,685,594.700** and in Dollar terms it is **Min \$189**. When we do the comparative analysis is that when you take the two figures, you take the first 2018 and 2023 you have a drop-down of **Mln \$280.9** meaning that we have dropped our supplementary by 59.8% meaning that we are in the right direction and we have men and women who are well informed and who are talented to make sure that we cannot keep on coming

with a budget of higher figure. In the last budget speech, somebody told to me leave figures because we are the ones who studied figures. It is true but also you should know about these figures.

Mr Speaker, Honourable Members of Parliament, when I look at this 2023 Supplementary Budget there are four thematic areas I sighted, one was the energy. By the way, I asked my energy reservoir, the spokesman for the Energy Committee, and I asked him to say that figure they are saying we have electricity from 16% to 35% I am not sure about that figure. I believe that we are far above that because many places in Sierra Leone today can boast of electricity and some of them can even tell you that they have to switch off their refrigerators so that the cooling system would not spoil their food. So I believe that they deserves this figure and when I look at the figure it is **MIn \$39.78** to be added to this budget.

Mr Speaker, colleague Members of Parliament, one of the areas I saw again in this supplementary budget is the debt payment. About 22 years ago I was doing my Masters at the University College in London. One of the key areas I emphasised on is the debt in developing countries. I looked at low-income countries and Sierra Leone was one of the poorest among the poor. One of the key emphases which I even went to the House of Commons of the United Kingdom to lobby about was that what about if you cancel all these highly indebted countries and you come out with a soft loan, a loan that will attract a very minimal interest rate so that the people would have the opportunity to grow. And through your Honourable Member of Parliament Andrew Rowe and many other people who also added their voices to it and during the reign of President Kabba of blessed memory we enjoyed that. Today when I saw this supplementary budget there are public debt charges of about **MIn \$49.8** I find it very uncomfortable to deal with United States Dollars because of the other figures, I respect my currency but the figures are just too bloated, I consider it as another form of slavery no matter how hard we work we are challenged. If you look at the exchange rate in 2018, and the exchange rate today we are just in another form of slavery, it does not



matter we have all the commodities coming from here and manufactured elsewhere but again, when it comes to us the prices are highly bloated. So we have to bear up with that but as a responsible government and as responsible Members of Parliament, we find it very interesting that this ministry will propose to us that we have to approve **Min\$43.8** to service our debt.

One other thematic area I saw in this particular document is salaries and wages. An empty bag cannot stand Mr Speaker, as we are seated here now and again colleagues are watching their phones to see if their alert has come in but the alert is yet to come.

Mr Speaker, Members of Parliament another area that we looked at that is so demanding on us is the roads. We have done extremely well in the past years, government after government and especially in our time for the past five years many roads and bridges have been constructed, and we have connected to make sure that we have that freedom of movement from one place to another and our goods will have access to the markets and therefore, when I saw this in the supplementary budget, the various developmental activities to the tune of **Min\$34.48** I believe that we are on the right track and I believe that we will do the needful and as a representative of Bo district, from the very humble village, Bongor Jima and Wonde I have no doubt that men and women in the Ministry of Finance have done their best and it is left with us that we do the needful to this document

On that note Mr Speaker, Members of Parliament, I urge my colleagues that we debate this document and we speedily approve this document. Thank you Honourable Speakers and colleagues Members.

**THE SPEAKER:** I thank the Honourable Member; in a nutshell for reminding us to always remember to produce what we eat and eat what we produce and that will help us to conserve our foreign exchange to buy foreign food. Grow what we eat and eat what you grow, forget about what people produce and send to you. Madam, you have the Floor....

**HON. REBECCA YEI KAMARA:** Thank you, Mr Speaker. Mr Speaker, Honourable Members, like my colleague said, today is another day and if possible not a difficult day. From what I heard the Minister say, analysing; I was confused because for some of us like some others in this House, to do mathematics is a very, very difficult job if you don't know because anything you are doing that has to do with Finance is very difficult. It has to do with your blood, it has to do with your life; so you know I admire the Minister the way he was analysing what they have done and what they are trying to do which for me is very good because as a responsible Government under our great SLPP, He always appoints responsible people that know what they are doing.

Mr Speaker, Honourable Members, I want to join my former Chairman of Finance to say kudos to the Ministry and even the President for the establishment of the Presidential Initiative for Climate Change, Renewable Energy and Food Security. Mr Speaker, Honourable Members, if anybody tells you that Food Security, Renewable and Energy and Climate Change are not important in this 21<sup>st</sup> Century maybe that person is not alive but I'm telling you the World over today, people are fighting to see how they will put and invest in climate change or even mitigate the issues surrounding the climate change and then if today we are having a separate initiative to deal with Climate Change, Renewable Energy and Food Security, I believe that is a laudable intervention and is good to that the Ministry of Finance has allocated this amount to this particular initiative which for me is very close to my heart.

Mr Speaker, Honourable Members, also looking at thematic areas for the Ministries that have been divided, that is Ministry of Information and Civic Education and also Ministry of Information and Technology; is good but looking at the figures allocated to them, I want the Minister to also look at the challenges these two Ministries will face in terms of divide. If you look, they will have a lot to do to separate these two offices; I know this is just for the rest of the year but looking at it again, He should look at it and see how they can engage these two new Ministers to see whether they can add to this amount. I

don't know their budget internally but I think dividing two Ministries, and having them work separately costs a lot.

Mr Speaker, Honourable Members, I do remember also on the 8<sup>th</sup> of July 2021, you know we established, we finalized the discussion around the Kono University but Mr Speaker, Honourable Members, I know we have gone far in this Kono University issue and we were expecting in Kono by now to have started an introductory course using other buildings so that we start; even when the buildings have not finished. Mr Speaker Honourable Members, I want to tell this House that the Government has tried, they have renovated two buildings, the one is the POWA Secondary School and also the former Reba hotel for the preliminary classes to start. We've started this discussion in 2021. Mr Speaker, Honourable Members, I want to tell you that, there were three things we campaigned on as our message;

Mr Speaker, Honourable Members, on energy, we told our people that our Government has brought energy and like my colleague said, there are now people using their freezers, their food is even going beyond over freezing and also we campaigned on the road leading from Koindu to Guinea Border and we also talked about the Kono University.

Our brothers on the other side said no, our Government is lying; let the people wait. The APC [Mohamed Bangura] went through the radio and said since this Kono University thing started, nobody has seen anything working except the buildings but no classes have started. Well, we went round; we went to Dr Sama Mondeh who was appointed as the coordinator to start preliminary classes but Mr Speaker, Honourable Members, we are still appealing. Now we saw the allocation to the Ministry of Technical and Higher Education under which the Kono University is allocated **Mln** 12,000.00 in new Leones. Mr Speaker, Honourable Members, we the people of Kono; are appealing that this Supplementary Budget; this **Mln** 12,000.00 that has been allocated to the Technical and Higher Education. Now that September is just one month and schools are reopening, we want these classes to start, this is our heartbeat, this is what we will

take and boast to our people that our Government is a Tok & Do Government. The Coordinator that has been appointed has done his best, they have gone to the Minister of Finance, and they have done their best; we are appealing, please we want the subvention to be allocated so that in September classes to start. If it is not allocated this August, they can't start in September. We are appealing, we know our Government is a Tok & Do Government and we want to prove that to our people. One of the big five changers, the Human Capital Development and Education are very strong and one very strong education is the Tertiary and the Kono University. Mr Speaker, Honourable Members I'm telling you Mr Speaker, a lot of youth that sat for the last WASSCE Exam because they don't have the resources to go to Makeni or Bo or Kenema to start University, most of them have embarked on taking Kush and it is destroying them but I believe if these classes start in Kono this September, Mr Speaker I'm telling you, you will see a lot of them going back because out of frustration they are taking these drugs which is not good. I believe in our Government, in our President and also the Minister; the Minister is also from Kono Mr Speaker and even you, you are from Kono; a lot of people here are hailing from Kono. Please the President in His speech all the time in Kono said he wants to put a stop to the historical injustices been out on Kono and if that is so, all of us should work to ensure that the President's promise to Kono is been fulfilled. Mr Minister please; I will not say I'm on my Knees but please sir I want you and your F.S. to please look into how you can do this subvention so that classes will start in September.

On this note, I'm encouraging all Members of Parliament to look at this supplementary budget and speedily approve it; thank you very much *[Applause]*

**HON. MATHEW S. NYUMA:** Mr Speaker Point of Order! Mr Speaker I again want to join to draw the attention of my colleague to S.O 69[3]; so that we keep within the Supplementary Budget framework from what she has presented because otherwise, I see us going in a different direction *[Undertone]* I just want you to keep to S.O 69[3]

reminded us of that so I want all my colleagues to know that please for the sake of time.

**THE SPEAKER:** Let's agree on the time limit... Five is accepted; Clerks take note. So let me exhaust the Members on my right here before I come to you; you have the Floor followed by the energy man, followed by the lady at the back and then I will come to you later, we will spend 15 minutes here and then move on.

**HON. ABDUL S. MARRAY-CONTEH:** Thank you very much, Mr Speaker, I am not going to disappoint you, I'm going to keep mine very, very short. I want to commend the Minister and his team; I have unshakeable faith in all of you based on how we have worked together in this Parliament. Well, you mentioned that one of the main purposes of this project is to align the budget to the big five priority areas. I want to zoom in on vote heads of 201, 206, and 207; IN HIS STRONG defence, Sierra Leone Police, Sierra Leone Correctional Service. We are talking about agriculture productivity, we requesting about **Mln** 106,000 for the Military, **Mln** 148, 000 for the Police and **Mln** 47,000 for the Correctional Services.

Mr Speaker, Honourable Members, now that we are talking about the big five, I want to encourage you and your team and also maybe from Parliament here to see how the Military, the Police and Correctional Services can help boost agricultural activities. We have people that we will be feeding in the Correctional Services maybe for the next 30 or 40 years, how long are we going to do that? And they are there; we keep all of them in there and we have land or hectares of land on Mafanta; what are we doing? So Mr Speaker my colleague earlier on said we have to produce what we eat and we eat what we produce. So I think getting these three institutions to help, would be a laudable venture for you to succeed in governance is an issue of active participation and total involvement of institutions so I think let's look at that.

Mr Speaker, Honourable Members, then the other aspect I will look at is the development activities, the roads. We have so many incomplete roads at the moment;

for us to succeed in most of the things mentioned in the big five, roads are still a priority. So Honourable Members, I think we don't have to waste time on this budget, is very important for the running of our business so I want to crave your indulgence to speedily approve this budget for the business of governance to continue. I thank you very much.

**THE SPEAKER:** I thank the Honourable Member. I gave the Floor to the Member from Bo District.

**HON. CHRISTOPHA K. VANDY:** Thank you very Much Mt Speaker for giving me the authority to have some bite on this very important budget. I want to thank the Minister of Finance and his team for putting this piece together for the approval of this Honourable House. Mr Speaker, Honourable Members, in His statement he mentioned State Owned Enterprises; I want to talk about that a little.

Mr Speaker, even when we were in Secondary School, it is clear that public enterprises are established to provide basic services for the citizens, they are not there to maximize profit but as business-minded person, no matter which business you setup; whether State-owned private business; it is geared toward maximization of profit, practically but in theory you don't do that. Now he mentioned the low performance of the State owned Enterprises putting more burdens on the budget; one such one is EDSA. The only thing I wanted, was maybe the Minister will have elucidated more because we have a lot of State Owned Enterprises, make mention of some then we need to look into them...why are they performing below expectation. As for EDSA, of course it is clear he knows his reasons. We are buying tariff at 21.5 cent Kilowatts per hour and we are selling it at 11 cent kilowatts per hour...Mr Speaker, how are you going to maximize profit? You cannot even break, there is an income loss of 10.5 cents kilowatt per hour; there is an income lost here. So you don't expect to maximize profit in any way; you cannot even break let us not talk about maximizing profit. Secondly; he also mentioned the technical and commercial losses of course Mr Speaker and that is a fight we all should come on board to do whether World Bank come with all the monies in this country to help us fight that

one, it needs the effort of every Sierra Leonean because we are living in communities where people are illegally connected, we know them, we don't let the public to know that these people are illegally connected. So that is not a one-man fight, is going to be a fight for everybody and Mr Speaker the other thing again for us to reduce this burden, we should have our generations; let us not depend on IPPs, as it is happening in our own CLSG. We must talk about CLSG we depend on, Bo and Kenema are in total blackout now because there is a problem with the transmission lines from Liberia to Bo and Kenema they do not have electricity as I speak but if we have our system like the Guma Dodo; it is in full operation, we would not even bother about CLSG, so Government should do everything humanly possible. Let us have our system fixed, it is capital intensive if it is accepted or we can do it gradually.

Mr Speaker, Honourable Members, maybe the other thing again Mr Speaker, we should try to overcome that we are to combat our situation and we do not have an industrialized economy; that is another fact. Most of the consumers are low-income bracket; they are falling within the low-income bracket, it is now EDSA that is negotiating with Mining companies to get them connected; where we get thousands of dollars and the danger here again, the IPPs are paying in foreign currency, we pay them in dollars and we sell in Leones; how are we going to maximize profit? There is no way we are going to do that. But Mr Speaker, the Minister here is a friend of Parliament, he mentioned that they are doing everything humanly possible to come up with a Bill here, that Bill will find a way how they will supervise State-owned enterprises.

Mr Minister of Finance you have to be very careful when you are putting that Bill together otherwise when it comes here it will meet the stiffest resistance. You should not also usurp powers, supervision role is the responsibility of Parliament. When you have problem with the memorandum of understanding (MOU), maybe you can put it in the Bill. Give the responsibility to Parliament to perform its supervision. You cannot be the player and the referee at the same time so that is just a warning you have to take

your time when you are preparing that Bill. Mr Speaker I want to come to agriculture, we want to feed ourselves, we want to feed and it is very important. Mr Speaker when I was a small boy when I was in primary school, I heard one of my grandfather's Pa Bondo he does not eat white rice, he doesn't eat white rice at all. Everybody does not want to work again. When people go to school and stopped at form three, they want to come to urban areas to look for offices with ACs even though they do not have the requirements. So Government should create an encouragement for such people to engage in farming we will hit what we want to hit.

Mr Speaker it will surprise you to know the Government is spending money on agriculture but most of the agricultural input is supplied to farmers after the session has elapsed, let us assume you are doing up-land farming people are supposed to plant in April and May. If you give input to farmers for upland farming in September then that is an exercise in futility. Mr Minister of Finance thank God you are a friend of Parliament that is more the reason why you should to strengthen this Parliament so that we can help you with robust oversight when all these monies are spent judiciously there will be results.

On that note Mr Speaker, he made mention of Micro enterprises where 10,889 beneficiaries. Mr Speaker 72% of those beneficiaries are women it is a laudable one. But the committee chairman was not updated on that. So we want the Ministry to operate with Parliament, so wherever you are going Parliament will also be in a position to know that is the reason I am standing here to defend the Ministry of Energy because I know what they are doing. On that note, I want to thank you very much Mr Speaker for giving me this opportunity to participate in this all-important debate sir.

**THE SPEAKER:** Let me just amplify a salient point made by the last speaker. Mr Minister if SOE is a burden on the treasury why not get rid of it to the private sector? Why continue to keep SOEs that are not profitable or not performing? Because you are just compounding your problems, get rid of them, the private sector is a better place to make them profitable. Madam you have the Floor.



**HON. MARIAMA MUNIA ZOMBO:** Thank you very much, Mr Speaker. Mr Speaker, Honourable Members, I am Honourable Mariama Munia Zombo from Pujehun district. Mr Speaker, Honourable Members let me first of all congratulate the Minister Of Finance for elaborating on the supplementary Appropriation Act 2023. Focusing on vote 129 which is allocation to the Ministry of Finance I would like to thank first of all the Government of Sierra Leone. In His Excellency's First Term he prioritizes gender projects through cash transfers to small and medium enterprises etc. in order to ensure Financial independence of women. My colleague Honourable Member said 72% of the 10,889 beneficiaries of Munafa fund are women. Mr Speaker, Honourable Members, the supplementary budget outlined the number of beneficiaries for the next five years in line with the Gender Equality and Women's Empowerment Act 2022 Section [7] and [8] Subsection [2] which states, the ministry should provide procedures and processes for improving access to finance for women and facilitating fiscal arbitration policies for National gender budgeting. We have been encouraging our Constituents to continue to work and to be given the opportunity to have access to financial services and cash transfers. We have seen how important this is in strengthening and empowering women particularly the disabled in our country. So I am happy that the Deputy Minister of Finance [1] is a woman and participated in the Supplementary Appropriation Act. I want the ministry to focus on reducing taxes for women and more the disabled women in businesses. Disability is a priority for His Excellency and part of the game changers for the President. Mr Speaker, Honourable members, for the vote related to various development activities which is school feeding I am also happy that the deputy minister of basic and senior education is here, I am sure she must be around, anyway, this school feeding is also one of our biggest achievements in the last five years. We want to consolidate the gains so ten million is allocated to school feeding. We are hoping that it will reach to all the other chiefdoms that do not have the school feeding programme like my chiefdom, Barri Chiefdom doesn't have school feeding. So our game changer which is Feed Salone is focusing on growing what we eat but realistically we cannot eat everything that we grow, we would have to bring through the WFP to eat. With this allocation, we hope school feeding will reach to every chiefdom, every

child in this country deserves to have school feeding. So we are asking that this reaches more children and more beneficiaries with that I would like to say thank you for helping us understand where we are going for the next five years.

**THE SPEAKER:** Thank the Honourable Member for her contribution. I have exhausted the first set of MPs I will move to the other set and will now limit your intervention to three minutes.

**HON. MUSTAPHA MUSA SELLU:** Mr Speaker Honourable Members I thank the Minister and his team for putting this supplementary budget together. The minister has complied with the provision of the Public Financial Management Regulation 2018 which provides that the supplementary shall be accompanied by notification for its approval and the minister did that very well in that regulation according to regulation 2018

Mr Speaker Honourable Members, I want to quickly look at few vote heads, we are been battling back and forth when we have budget debates here and over the radios, colleagues on the other side always complain that the minister did not elaborate on the figures. We want the minister to throw light on the figure.

Mr Speaker Honourable Members I want to look at votes 133 and votes 135 Ministry of Information and Ministry of Communication which we approved in 2022. Now the Ministry is separated, we want to see whether there was mis-match in the previous budget for a ministry that combined the two that have been separated and wants the ministry to look at what we approve what he had separated to see whether it is miss maggie or he has put more large money line than the other base on what we approve last that is maybe when is making the comment

Mr Speaker Honourable Members look at 206 – 207 the Sierra Leone Police, the Sierra Leone Correctional Centre and National Fire Authority 208 all of these agencies were provided money for in this supplementary but maybe the minister will elaborate on

these allocations because the supervisory must be adequately financed to supervise the implementation of those funds that is the Ministry of Internal Affairs.

Mr Speaker Honourable Members I will now take you to the Ministry of health and sanitation here we have Le 45,200 which represent 1.23% of this total moneys allocated for this 2023 supplementary and the ministry of health if you go to the Abuja declaration Mr Minister knows that because Sierra Leone is a signatory to that declaration. We are talking about 15% of our budget to be allocated to health. We have to respect these international Conventions and treaties

Mr Speaker Honourable Members, the very key figure here is the wage bill, the wage bill is normally based on the GDP it should represent 7% our GDP but when you look at the total figure presented to us it is 11.8%. Our problem is the wage bill and I therefore want the minister to explain how he is going to stabilize the wage Bill. We have people assigned to ministries to look at the pay roll management. It is not a new thing, we have done biometric verification so it is not a new thing. Teacher's verification is not a new thing, head counts is not a new thing so let start to look at innovative ways of how we can look at our pay roll and manage our wage bill so that at the end of day we are able to have an equilibrium because it is the cause of the problem and if you look the figure right now that is presented to 11. 8% is taken for, the wage bill taken the trunk of amount

Mr Speaker Honourable Members I move to votes 610 contingents fund as embedded in the PFM of Act 2016 as amended

Mr Speaker Honourable Members this line is called contingencies because when we have an internal shock like Covid19 this is the line that we go seek to approval based on the minister's justification to the executive to mitigate the shock.

**THE SPEAKER:** On that note

**HON. MUSTAPHA MUSA SULLU:** Mr Speaker Honourable Members it just because of time constrains but I have critical issues to discuss on this budget so that the minister will take note of that. I will stop here and will wait for the 2024 budget thank you very much

**THE SPEAKER:** The Honourable Member in white.

**HON. YUSUF MACKERY:** Thank you Mr Speaker. I want to also extend my thanks and appreciation to the Ministry for putting this piece of papers together. First of all we are talking about the big five in terms of our manifesto; If you look at development activities like school feeding, the Minister made mention of intention of feeding 10,050 school going pupils, to me we also need to expand on that particular issue because if we are able to expand in feeding our children in schools, then we should be a very good position for us to prepare ourselves to feed the rest of mankind in Sierra Leone as proposed in the manifesto. If we look at the development activities like six towns water supply project, Mr Minister, this thing started one or two years ago, so I am also asking you to please pay keen attention to that so that we will also get water supplies in those six districts because there are some institutions that really needs water supply. Institutions like hospitals, prisons and other facilities that are very important to us needs to get continuous water supply.

Mr Speaker, Honourable Members, if we talk about roads, Mr Speaker, I am also asking the Minister to pay keen attention to the township roads particularly in a city like Bo. The President has really tried his level best, we have some roads that have been paved, some have been tarred but we also have roads that are deplorable. I am also asking the Minister to support the City Councils so that those roads could be really be rehabilitated.

Mr Speaker, Honourable Members, I also ask or urge the Minister to pay attention to the electrification of seven Towns or seven Districts; this is also key because this is part of our manifesto which all Sierra Leoneans are looking forward to make sure that those of our seven towns or districts enjoy 24 hours electricity supply like Kono.

Mr Speaker, Honourable Members, I see the budget for Sierra Leone Environmental Protection Agency but there is no budget for the Parent Ministry which is charged with the responsibility to make sure this Agency is on full gear. Please let us think about that and if we look at the Southern Regional Office, the Minister only allocated Le500,000 considering the geographical location about that particular Region, I am also asking the Minister to really pay keen attention amidst everything. I am really impressed but not surprised because considering how we are affected by Climate Change, Ukraine-Russian war, effect from the Corona Virus and also Public Debt Management; to me, this Public Debt Management I consider it to be an economic trap that was set by APC because this is very huge. If you look at the provision here 601; Public Debt Management. We are paying **MIN 852,886,000**, to me is very huge; so this was really a trap for our economy. However kudos to you because you positioned yourself to make sure we continue to pay this loan so that our relation with International Communities and Local investors are deeply cemented.

So on that note Mr Speaker, I would like to also re-echo my congratulation to the Minister to continue in that office, thank you.

**THE SPEAKER:** Thank you, the last speaker on my list, the Honourable Member in blue.

**HON. ABU KEMOKAI:** Thank you very much Mr Speaker. Mr Speaker, Honourable Members, I want to thank the Minister of Finance and his team for putting this document together. I am going to be very, very succinct, let me zoom on Vote 110 and hat of 420; the environment. I am very much passionate about the Environmental Sector; the environmental conversation should be a Global conversation and therefore as a Government, as a country we should be serious about it. We have had a situation wherein the environment is been degraded and we are talking about the big five and one of the component within the big five is to Feed Salone and if we want to Feed Salone, we have to protect the environment, we aware of the increasing of the degradation of the environment which is causing Climate Change. Although we have no power at the moment to add to what is been presented to us; possibly from the

provisions in the Constitution, we can reduce but we cannot add at the moment but we can recommend for future budget especially in December.

Mr Speaker, Honourable Members, I want to draw your attention to the Environment Protection Agency and Climate Change. The President in his wisdom created a special initiative on Climate Change and there is concomitant relationship in those Ministries or those agencies. You cannot talk of the environment leaving out food security for example agriculture; if you want to go into serious agriculture, you have to ensure that our environment is been protected. If you are talking about energy for example; you have to ensure that we protect our environment, our water is been protected; we have the Water Regulatory Agency and we have to protect that. If we are talking about even health; we have situations and there are circumstances wherein we learnt that even birth, birth are major sources of transmitting diseases and during the Ebola we learn that it was a major source and even Covid-19, that we must allocate substantial amount to the environment sector so that all of the actions we have presented, we want to feed our people in the country, we can ensure that we have a well-protected environment so that we can go into agriculture with a very serious approach in ensuring that we achieve our goal.

I therefore want to draw your attention of the environment and the Presidential Initiative and Climate Change, renewable Energy and food Security. The President is very concerned about the Environment. When we came into Government in 2018, we used to have environment under the Ministry of Lands, the President in his wisdom, created environment as a stand-alone Ministry. That tells us that He is very, very serious about the Environment and if the President is serious about the Environment as a Government, all of us has to come together to ensure that we promote the environment and ensure that the environment is been protected so that we can go into agriculture, we can ensure that we have a very good water system to supply our electricity.

Mr Speaker, Honourable Members, I don't want to go into conversations that has been dealt with in this document before me. I just want to draw the attention of the Minister

that the environment, looking at the allocation here especially the Environmental Protection Agency, to me I don't want to say it is small but for subsequent budgeting, let us allocate substantial budget so that we can have our environment been protected.

Once more I want to tell Mr Speaker and Honourable Members for giving me opportunity *[Applause]*.

**THE SPEAKER:** I thank the Honourable Member. I now give the Floor to the Honourable Mohamed Bangura.

**HON. MOHAMED BANGURA:** [no sound] I am clearly concerned Honourable Minister when I go through the Supplementary Budget, I did not see any mention of the Peace Commission. The Peace Commission is a very important Commission but the reason for it not is included in this Supplementary Budget Mr Minister, I want you to take note of that.

I take you to Budget 110; Presidential Initiatives, Climate Change and Renewable Energy. I see you allocated for them **BIN 7,000,000,000**. This amount is very, very small. I know most of these funds are going for a start-up but is very small when you talk about Climate Change issues, it involves huge amount of money and you then you talk about Renewable Energy; these are new areas we as a country we are venturing, so it needs capital investments for you, for us to see evidence of it.

Mr Speaker, Honourable Members, food security is one of the pillars of this Government and for quite sometimes we have been struggling in the area of food security so now that we have a stand out Department dealing with that, we want to see an impact and Government must spend money into this Department. The Ministry of Political and Public Service Affairs, you know there is a new component added to this Department; the Public Sector is very important. They need Researchers to come in and this amount of money **BIN 3,000,000** is a peanut for them; so if we want to see the Department grow, it is one thing to setup new Ministries and it is another thing to spend money into these Ministries and that is one of them. The Ministry of Public Affairs is not like before; you know we have new entity now add to that, so you have to pay attention to that.

Mr Speaker, Honourable Members, the Ministry of Communications, I see in the last budget what we approve for that Ministry and now we have technology aspect of it which is also very important. All over the world now say for example Rwanda, you see the amount of investment this Government has put into technology and the evidence is giving them power; so if we want to be like Rwanda, we have to invest money in technology. So if we want to be like Rwanda, we have to invest money. I see your budget is **15.1BIN** and your revenue deficit is **5.75BIN**. How do you hope to balance between revenue and expenditure? So in a nutshell, this supplementary is a good one but you have to pay attention to these minor, minor things to make it more comprehensive and beneficial for this country. I urged you all to hurriedly support this supplementary budget that we can go on. I thank you [applause].

**THE SPEAKER:** I thank the Honourable Member for his contribution to you Leader of Government Business.

**HON. MATHEW S. NYUMA: [LEADER OF GOVERNMENT BUSINESS]** Mr Speaker, Honourable Members, we thank you very much for giving us a space to have this wonderful supplementary budget that has been read out by the Minister of Finance, he has been very honest to tell us where we stand, so colleague we have contributed in various areas of concerns even if allocations are not made to some institutions, we have to understand what my colleague on the other side Honourable Mohamed Bangura with all due respect to you Sir Honourable you questioned the Minister why a MDA is not given some amount like the Peace Commission is not given any allocation at this time. Secondly, you have acted in a capacity as the opposition Leader what is the interest of the state; you look at the fragility of the state such as post-elections so in fact you are envisaging that we should have skewed our peace cohesion. But I don't want to hold the minister because he is just talking on the supplementary budget. So maybe it will be convenient or good for him to tell us whether the allocation made in the budget is lawful for the Peace Commission. Mr Speaker let me quote this word from the very first page what he said "He said on page one there is need to enhance budget allocation to



some MDAs to realistic but affordable levels for the delivery of services. Like I said in my opening statement, we have not even given us the estimate or Appropriation Act. So what we have done today; is try to open the fiscal space for us to see how best we can do. Then he opens the fiscal space he has brought in the two fundamental things: 1, Mr Speaker said we need to look at the physical discipline, it tells us the steps that we are going to take in this business of the expenditure that he is talking about, the other one you are very open is the micro economic and budgeting performance half of 2023 let me quote him again he said the whole paragraph, paragraph 11 "Mr Speaker, Honourable Members, the Sierra Leone Economic continues to grapple with spill overs of the Ukraine crises and associated global economic uncertainty culminating in weak domestic economic activities, rising inflation, exchange rate depreciation and higher debts levels. The implications of these developments on domestic revenue collection and expenditure management cannot be underestimate" having read that statement it is a very straight forward statement listening to the fact that, yes we have some budgetary performance but you have highlighted the areas that we have problems and he has talked about the shock, external factors, internal factors, debts and both internal and external debts I mean you have to service both of them. And if you don't look at what you are doing, and if you open the fiscal space for example you want to do expenditure and what you have given us, you have given the shock that we have and the high level of expenditure but even in terms of the NRA [Revenue collections] is very weak. But he did not stop at that, he also talked about their performances in certain areas which he highlighted under the same rubric which he has said there are weaknesses in the revenue collections based on certain parameters. We are very clear in mind that we have done some projections, but before the projections, he said in paragraph 39 Mr Speaker is talking about intensifying the revenue collection and let me just quote him "Paragraph 39 to ensure the sustainable financing of Government expenditure, there is a need to intensify the collection of Domestic revenue through a comprehensive reform of the tax system including the use of technology to tackle wide spread, tax evasion and tax avoidance".

Mr Speaker as I said he has given the fact that we are doing a projection, coming towards the projection he is fully aware of the fact that after being challenged under the first half of 2023 under the micro-economic by the projection performance, he has given us a clear space that if you don't collect your revenue or if you don't go for the revenue even the projection that you are going to make you cannot hit your target. So he has asked how can we do service delivery purely based on revenue collection, all of what you are saying is allocations, we are talking about the physical money. In the speech, he has highlighted a lot of areas about working with development partners those who are coming on board to give up budget support, given percentages and figures. But he did not shy away from telling us that first half of 2023, we have such funds and I highlighted the point of why we have the shortfalls. Mr Speaker, Honourable Members, you made projections, and those projections are the question now am asking you, are they realistic? That is the question you can answer because, in your first paragraph, you have talked about affordability for service delivery, all that you have said is projection, and projection is based on what you are envisaging. But let me just say what you said in paragraph 39 about bringing all the technology together wisely is important, you highlighted even with gains, you said yes gains in having revenue collections in the different technologies that we have used, he said we have used Asycuda, we used the ECR machine in terms of GST etc etc that is paragraph 17. The last one although we have challenges with the first half of 2023, but we are still doing projections based on that, but why stressed on the point that we have to do linkages for all these technologies to work together for proper tax collections, so that we can have financial prudence or physical discipline in terms of expenditure when you open the fiscal space so you lamented all of that under the micro-economic budgetary performance in the half of 2023.

Mr Speaker, Honourable colleagues I admire him on one point in as much as he spoke about expenditure gate in this supplementary budget, is also bringing mitigating measures on how do we stop tax invasions, highlighted in paragraph 39, but again he came to excise stamps, let me just take you Mr Speaker what he said in paragraph 44.

44 he said Mr Speaker, Honourable colleagues, the excise stamps we assist in tracking excisable goods along the supply chain, providing accurate statistics on the production and importation for tax purposes and deterring counterfeiting and smuggling of these goods, the NRA will also commence the implementation of fuel marking scheme to mark and monitor imported products to reduce fraud and smuggling while ensuring the correct payment of all taxes. So in as much as you have to bring projections or you are also looking for where there are loopholes on how you bring in technology, and how do you bring in innovations to make sure that there are proper tax collections you know you are not just giving us in vain, but you are to bring in the NRA because they are the principal collectors of revenue. So you are bringing NRA at the centre of all what you are saying, yes! You have these technologies they are at NRA; first you have to link them to see how best they are working, you have also talked about the Excise stamps system and you have explained why you are bringing it and you have pointed out the fact that in the Finance Act 2023 you stated date on a certain point that you are doing this type in terms of 22% etc, etc which will be passed in this very House. We cannot challenge that one, but what I am appealing to you Sir in your preamble when you wanted to highlight some of these issues we need to talk about the fiscal discipline you opened up the space and maintain fiscal discipline. If you want to enhance these projections in paragraph 44 it will not be easy for us if we don't control the seepages and monitor proper tax collections otherwise you just put unnecessary burden on NRA.

Mr Speaker, Honourable Members, what you can do in fact or what would be happened, or what we are anticipating "S.O2 O NRA we don bit den target so, so lie it cannot be like that. So you have been very realistic and objective we have been given the pros and the cons of your statement but is visible and how is visible and how are you going to help NRA to make sure that tax collection is enhanced? Mr Speaker, Honourable colleagues, you have been very open-minded the issues of subsidies are a little bit complicated for some of us I don't know the percentage of domestic use of electricity nationwide. I don't know the commercial bracket what the consumption rate is, what is the convenient bracket of consumption? Why are we paying subsidies for those who

are using electricity based on commercial purposes why are we paying subsidies for them. So for me, this one is just giving us a non-sum. I want you to clarify for us. I may not know, or maybe it will come in the 2024 budget as how my colleague said so explain to us, is this sustainable, is this really practicable? Is this good for Sierra Leone, because you mentioned in your budget speech that you are finding ways to support the five pillars for Sierra Leone. I am talking about poverty, how poor people can benefit from this budget allocation or in your bid to salvage the Economy in the midst of inflation. If we don't really think of proper fiscal discipline will one day get to stagnation. Mr Speaker, Honourable Members, there are so many things coming so there is pressure on the budget. So you are trying to mitigate the pressure on the budget. So again we are asking, under the State owned Enterprises, you singled out EDSA. That's good. But what is not clear to us, are those who are using it for commercial purposes which we are paying for and those in the Rural sector and even also in the urban areas? There are areas in the urban sector that have poor communities. They have all those distinctions on the data base that they have EDSA. So going to the Rural sector, you cannot compare those living in Krubola in Koinadugu District with other poor places in the district. So you need to look at the economy squarely to see if you can just subsidise or pay subsidies with justification. That's what I am asking for. So if it cannot be now, you can look at that one later, because this one is just coming in. So in the first budget, I don't remember the paragraph now. But in the first budget, we questioned this one also. So can we just pay subsidies because we want to satisfy them? Let us take difficult stands so that people can understand why we are doing it and let us educate our people. We are increasing this tariff because of this reason. You know it has not been justifiable for EDSA let me tell you this. If there is a negotiation to have a Car Power Ship, electricity is not cheap in the entire part of the world. Now, we are talking about agriculture and feed Salon. It has a huge part to do with electricity. The mechanized farming has to do with electricity. So if we want to justify this, you have to put in place a simple mechanism. What are you going to do to justify people who are going to use the electricity? The negotiation of the Car Power Ship, is it visible Mr. Minister? You have to review that negotiation. You collect the

services in Leones and pay in dollars. Is it right? That is also what we have to think about. How can I collect revenue in Leones and convert that one into dollars when the Leones is fast depreciating against the dollar and other foreign currencies? So you need to look at this. How did the Minister of Energy, negotiate with the Car Power Ship and other IGPs? That is what you have to put in context so that your explanation for paying subsidies can be justified to well-meaning Sierra Leoneans. And the other point, do you need to increase the tariff? Oh yes during Bai Bureh's days, people refused to pay which led to the Hut Tax War. But let me tell you, Mr Minister when you start to tell the true story, by the time you finish your story, people will tend to believe even in the middle of the story whether the story is true or not. So at this initial point, we have just started governance at this second administration. Inform them that you will be increasing the tariff and give them the reason why you are doing that. Show the justification. Those who are in that category will pay more or less. Go back to the Finance Act I don't know whether it is 2021 or 2022. You said in the provinces, you gave tax waivers and you gave justification for that. 25% of tax waivers am I right? If you continue to invest that, there will be no tax waivers. So to understand why to levy taxes on businesses is because paying of subsidies is putting a burden on the budget. So you have to justify that; look I am going to increase the tax in terms of electricity. For those in Makeni, you look at the revenue bracket whether they will pay this particular money. For those in the Western area, they will pay this amount of revenue because of the revenue bracket. In every district, the levels of income are different. You know about that and you need to research on that. So as for me since we are questioning the payment of subsidies, we want you to categorically tell us how are you paying the subsidies. Is it affecting or impacting the poor people in poor communities? But, things are very clear and I do admire you for that. You have been positive about this budget and the policy statement that you have brought up. Inter alia, we have been talking about inflation time and time even the argument you made here in the fifth parliament. Mr Speaker, we have talked about the excessive forms of inflation. We have looked at various measures to fight inflation. What are the physical policies that we are going to put in place so that we can fight this inflation because it is telling on

us? If you take your time by looking at the audit report I am so happy that you mentioned it in paragraph 60 and it is very clear. In the Financial Act 2022, we said if you don't take the recommendations from the auditor general seriously and if you don't take the advice coming from the internal auditor, your budget for the next financial year will tell on you.

Mr Speaker, Honourable Members, we agreed on that as it was in the Finance Act, 2023 and it is still useful; you reemphasized in paragraph 60 and that is clear to all of us that, you should get respect for physical discipline. So we cannot say because of the value for money, you have done **A**, you have done **B** but you have not done B appropriately. And even on genuine terms sometimes the popular processes and other processes aren't right. And you have given recommendations but you have ignored those recommendations. And that means you are killing our economy slowly. That has been in practice in the past. So you are now trying to recommend, that particular process must be followed. All these will help us over issues of abnormalities, talking about inflation, and other issues. So Mr Speaker, Honourable Members, the minister has been open in the financial statements. You have talked about these. Job creation; just as you did for the physical policy statement in 2019. You said you are doing projections. That is the question I want you to ask because you said, there is an increment in terms of revenue, I cannot remember the paragraph where you mentioned such but I am sure you said something on that, that there is 3%. You mentioned something like that, there is a slight increment in revenue on shipping. But what I want to put to you sir, you did projections up to 2026. When you came I think you were not there but your professionals will tell you about the policy statements from 2018 to 2026 which was brought to this House and was laid and that is the law. Mr Speaker, Honourable Members, if all things are equal, there will be a decline in inflation. And you stated figures but now you are telling us about something else. So it is always up to you Mr Minister to refer to that of the fiscal policy statement that was laid in this Parliament. Are we on track to take the downward trend of inflation? Are we on track with all the policy statements you have given to us and laid in this Parliament which is a law? Are

we on track? One of the things that we are on track and I will tell you, is the statement that was made by the Ministry of Finance and statement made by the president. This is it. Mr Speaker, I'm rounding up soon. He is talking about the private sector. He talked about the private sector in his statement, he talked about job creation. So if you did not empower the private sector and you are talking about the SMA, Women's Empowerment. Under the Quick Action Economic Program, under the micro-economic budgeting program 2020, you said you are going to empower the private sector. So we have more imported goods, especially essential commodities. In fact that helped us to stabilize the food crisis in Sierra Leone and up to this moment as I speak, that policy report is a very good policy. That cushioned the availability of essential commodities in the market. So you have empowered SMEs. In fact, you are very consistent in that. The last time you came, you said five thousand of them are women who have benefited from the "Munafa". It is in your policy statement that five thousand so more women continue to benefit from this thing.

So Mr Speaker, Honourable Members, remember we passed a lot of agreements that have to do with companies under the ministry of trade. We ratified them here. And you are talking about creating two thousand or three thousand jobs and they are very clear in this agreement. You gave tax wavers GST. Some areas have to do with income tax and some areas have to do with machines. Now you are saying that by empowering the private sector, you have to create more jobs. It is there, you stated it in this statement. It is only the private sector that can create more jobs. And in line with government policy, you want to create thousands of jobs in a year. So we have to empower the private sector. So in this action, you have to assure us even though you have stated it in the policy made by the President and the Ministry of Finance. How are we going to manage all the words that you have stated? How are we going to continue to look at the projection that you are giving for the private sector to continue to flourish in terms of job creation and the companies that have been ratified, are they in line with the job creation? These are the things we are looking for.

Mr Speaker, Honourable Members, I have highlighted all of the issues so that I Minister can react to some. For some, I have made some clarifications so that people can understand where we are coming from and what we are doing. The place we are coming from has a very difficult circumstance. But we are still on a very difficult pathway. But you have given us some amount of life that if we follow the things that you have in the next five or six months, having approved this supplementary budget, there will be improvement of our economy. These are practical things. You are not going to tell us that our lives shall be better in terms of the economy. It's based on this policy that you have given to us today. These things that you have stated, these projections and you said it can be realistic, you have highlighted them. But what we can do for the people of Sierra Leone is to ensure them that we have proper oversight and support you in your drive. To make sure that proper legislation are given to you for example the Finance Act, 2023. Without much I do, I thank you very much for the audience and I thank you for all that you have said. Thank you.

**THE SPEAKER:** I thank the leader of government business. Over to you Mr Minister to answer some of the concerns that have been raised as much as possible and then move.

**MR FANTAMADI BANGURA [The Minister Of Finance]:** Mr Speaker, Honourable Members, let me start by appreciating the spirited debate and I do take note of most of the areas of acknowledgement. First and foremost, the appreciation of the posture of the economic management in the next six months, which is; acknowledging that we are in multiple shocking environments that are deemed rarely to be a permanent shock. This situation is manifesting itself in the way the fundamentals are playing out in the country. The inflation exchange rate interstates all of these numbers that do affect the way that will impact our pocket and cost of level. So I appreciate that in the posture of the budget. We are on a fiscal consolidation path so at least we will be able to ensure that we remain resilient. However, I was able to stay afloat even under difficult circumstances because we cannot foresee how soon the current global trend is going to



turn out easily for us. Therefore you have seen in this budget statement, the supplementary budget. We are emphasizing the need for the government to deepen its intervention of mobilizing resources or revenues. But, at the same time to ensure that we meet the needs of the needed expenditure, especially the expenditures that have come out of new policies, establishing new institutions or agencies of government. But also, ensuring that some of the big pronouncements of the state. As we enter into the end of the year, leading to the next year, we will start to prepare the budget this time around for next year. That posture is very clear. So that is the context. And I have heard concerns about a few other important issues that are relevant to the posture. Where we have said that there are concerns for example; I did mention the issues around subsidies in trying to ensure that we give justification to why we are doing that and why we emphasized on the issue of subsidy in a particular sector. I will discuss the reason why we emphasized the subsidies in the energy sector. You do need energy to be able to drive economic activities. And we are used to it now because we have made a phenomenal increase in the energy supply in the country. It is needed to drive growth and you cannot do otherwise even when you are having all of your difficulties. The big problem that we are having with the sector as I have noted, is the financial variability of the architecture, the agency of the State Owned Enterprises. The distribution of the energy itself, is weak and we have to help them with funds to ensure that the boards are aided. But in the meantime, the government has to ensure that, basically for the running of the big cities in the country, the mode of energy base is based on the importation of those fuel. And so the subsidies that we provide are largely not only the uptake of the power purchase agreement that we had but driving largely by something that is beyond the control of the government. Which is the type of fuel that we are using to drive energy in the country. Our country is a hydro country but the hydro investment that we have in the country, only lasts during the rainy season and after that, the mix of energy supply has to go back to fuel that we don't have control over how the fuel is provided. So that is what is driving the subsidy. But in terms of how it is going to be managed I think, the Ministry of Energy has a lot of Bills or agreements that have been passed by this Honourable House which will ensure that we invest in the

renewal of energy. Hence the reason why the president focused on making sure that there is a special initiative on those aspects that are presenting the greatest risk but have the potential to improve and transform our state. So that is one aspect. So the Car Power Ship discussion that you said, is something that we are genuinely considering to have a review. It is for many reasons because it is an emergency power and emergency as it is, you cannot have an emergency for seven eight or nine years. There is need to be a way for a particular service which is another option. So we have been discussing to ensure that we renegotiate the mode of supplied sources, the fuel source that they are using. Waving either the fuel or diesel into something at the initial stages. But we need to maybe even think about discussing some of these issues, the physical problem that we have. So these are all matters that are under discussion. As one, consideration for reversing the tariffs an reversing the tariff to make it easier for the people, it is better to look at the alternative because fuel is far more expensive than petroleum or heavy fuel oil. So those discussions are on their way. And I will take the last issue before to the earlier ones. You did talk about private sector engagement and improving dialogue and how are we going to deepen into that to ensure that they support us in pushing the pressures that we are facing in the system, especially for the provisions of essential commodities within the country. Sincerely, the private sector has a big role to play even when the central banks subvented for the availability of resources to facilitate the procurement of purchasing supply of essential commodities in the country. It was the private sector that benefited from that. Going forward, we have been thinking that we will continue that engagement and one of the discussions that is underwear is sourcing international facilities with most of our partners that we allow some of the key private sectors to be involved. And that is the intent of the policy pronouncement in this document.

Mr Speaker, Honourable Member, you know there are lots of trade restriction on essential commodities even with our neighbouring countries like Guinea etc., A trade restriction on certain essential commodities not to go in and out. The same thing has happened in India for certain categories of essential commodities like rice for example.

What we have seen is to ensure that we provide the facilities through private sector interventions and private sectors to provide resources that will go directly and managed by a private sector in the country. I do take notes of several other issues that have been mentioned here in allocation to new agencies, departments and agencies of ministries that have been established by presidential pronouncements. Some of them were in existence and they were split. So you will imagine that earlier there was provision within the existing budget. All we need is to provide additional for the new ones to set up. In the process of developing the 2024 budget we have a full-blown strategy plan for those new agencies and they will be able to take on board the full budgeting allocation for the efficient and effective delivery of their mandates on the presidential initiative as well. This is basically set up to facilitate convenient coordination of the president's interest. But I think what we have provided for now, will allow the next couple of months to establish properly and they will be able to tell us exactly how they want to engage the ministries. I do take note of the parliamentary concerns. Not a concern, I mean is a pronouncement around the whole of Parliament and parliamentary Act and that is noted. Of course, the Ministry of Finance in our earlier engagements with the leadership, was very much committed in collaborating and consulting, to ensure that within the physical limit or constraints of government, will reach the middle road on how to ensure that parliament is effectively resourced within the budgetary provisions of the State. So I take note of the concerns of the Speaker. Just to note and give assurance that the Ministry of Finance's leadership is in engagement with the leadership of Parliament. That is exactly how we make progress on the implementation

## **Completed Portion**

of the Parliamentary Act. I also take note of a few of the concerns from the Honourable Member; Madam Rebecca from Kono. Kono University matters are very close to the heart of the ministry. We know that the international support from EB is effective which is the biggest I think the largest portion of the support to the entire project is 32 million US dollars, which is effective now and I think that should allow rapid implementation of the investment intervention. However, I'm fully aware that the government is committed to providing allocation that will allow the foundation causes. I have been in key discussions with Professor Mainde and the other stakeholders to ensure that the location they requested for, is provided. I do take note of the September timeline and we will do the needful to ensure that they have the needed resources to get started. I am also aware of your concerns on the road, and the commitment that was made by His Excellency during the campaigns to ensure that some of these roads that we have commenced and I know that, there are commence leading up to Guinea and the like. It is not only there. Many road projects have been opened in the country. Urban roads, roads in district headquarters towns but also trunk roads but also other major roads that I think, even to be able to drive the space of delivery for the current mandates that the president has. He has to start living a legacy immediately. So that is why we started

putting resources aside to ensure that right at the inception at the beginning of the second term, we begin to make progress on those jobs that we were not able to do even by the time we headed to an election. So these are well budgeted for and we are beginning to give resources to some reasonable projects in a very structured and strategic way. So I just want to give assurances to the House on that.

**THE SPEAKER:** And don't forget to go to Gbindi. *[Laughing]*

**THE MINISTER:** Well noted Mr Speaker. I am also going to provide some clarification around refunds on the wage being and I think we must appreciate the debt of the refunds that have been going on in the country. We are very conscious of the size of the wage being in the country. I must give assurances right now as it is, it is sustainable. It is not like something we cannot afford. However, the major problem that we are having with wages is the disparity in the wages. The wages have been sorted and there is too much disparity, there is very limited or I call it rational relativities. Meaning; that people between different hierarchies, and their wages are structured in a way, that you will know that according to your level and delivery that is how you receive salaries and wages. We are in a solid review, of course, the parliament has passed the Wages and Compensation Commission as it is noted in the statement that I read, and this institution will become live and effective in October. We are working with the public sector reform commission unit to ensure that this institution takes effect. We are in communication and discussion with our partners, and the fund as well. They are providing strong technical assistance with the Ministry of Finance to ensure that we have a proper strategy to implement what has been built before the refund of the establishment of the wage. So we also focus on review for teachers and health care workers because they form a very good percentage a visible portion of the labour force of the country but important for the delivery of certain key components of the government flagship program as well. So that is why we are reviewing and ensuring that we have a stable way of knowing the numbers and when those numbers are increasing, you know the reason why you are increasing, you have to rationalize them,

you have to add proper details. So that is why, when you say you are going to be doing an audit on them, ensure that you take biometric on them. It is important because you want to eliminate any form of ghost workers and the like. So that is very important because those are the difficult things that arise all the time. So I just want to appreciate that, and all the other issues around water systems. Electrification of several districts, we are paying critical attention to because these are haunt projects. We have not started them, we only have 40% of them but it is important. When you put those machines in the district, you have to ensure that they are functioning. You have to have effective operations in maintenance architecture around them to make sure that these machines have been put in areas that are faulty and not giving out light, these machines are effectively working to add value and bring value to the people. So we do take note of those concerns and for some of those other agencies that are new agencies for which there is advocacy for us to look at increasing the allocations in the cause of the preparation of the 2024 budget, those considerations will be on the table Honourable Members. Let me just conclude by saying that we are beginning very physical consideration. What we had in 2022. We stepped out of limp on fiscal and we had to do very solid adjustment and the adjustment we are doing has been a balanced one. We have deepened our efforts on revenue mobilization by bringing in smart reforms but also bringing in investment innovation technology in the ways that will mobilize revenue. And some of the loop holds that we have seen, not that we have been aggressive with cooperates in terms of taxes. But why we have seen that we have been losing a lot of resources on cooperate taxes with certain private sector fans that are operating here. They will be reporting loses for ten years taking advantage of the loopholes in our laws. So that is why we introduce smart policy to ensure that, they are audited properly but they pay in minimum and if the audit shows that they are to pay lesser taxes that is what we will allow you to pay over time. So they will be running the minimum alternate tax, cooperate tax system. I think that is smart for us. But it is also important, we are to listen technology and integrating the way NRA will be collecting taxes to get human hands off our tax monies. Basically, that is what we are trying to do. So even with the telecommunications that we are using, more the mobile that we

use to make phone calls. We are using technology to know the turn over so that at least the NRA will be in a proper position to know exactly what is really doing us in terms of taxes. That is just data. We are trying to get the data so that we don't rely on what they tell us. We know that between ourselves and them, they will be easier audit. It is the same for EDSA. When doing excisable goods and leave it only for the business people to tell what is their production numbers or the business person to tell you the exactly what is being imported in turn away without proper technology. You may be falling short of the true value that is due. So the technologies that we are introducing are for the EDSA's tax collection, technology that will tell us through excisable production in the country or through excisable goods that are imported into the country. By unit, we sell the stamps. The stamps will be given us the correct baseline data and from that baseline data, we will know in the predictable way what is due us in terms of EDSA statistics. And we will try and integrate all of this with other systems of NRA and ensure that at least we can have predictable NRA resources. Most of the tax handles that the NRA is dealing with, the revenues fluctuate too much. The revenue for tax collection cannot fluctuate like that. And that is why we are introducing Smart technology. Those innovations are what we are putting in place. But also, on the expeditious side, we are saying that between now and the end of the year, leading to the next two years, we will bring the budget here. We are exercising certain elements of discipline in the way we will manage expenditures. So you will see us trying to manage the waging within limit, trying to exercise serious prudent in the way we manage goods and services taxes. We will make sure that we manage transfers. We are trying to reduce subsidies that have been so costly on us. And we ensure that even in our desk service that we will be doing, we will be coming up with the next budget on proper proposal on how to ensure that debt service especially domestic debt service does not continue to be a burden on us. So Mr Speaker, Honourable Members, I will move *[interruptions]*

**THE SPEAKER:** Second reading.

**THE MINISTER:** Yes. I move that the Bill entitled The he Supplemental appropriation Act, be read the second time.

**THE SPEAKER:** I thank the Minister for his very excellent presentation. Honourable Members, the question before the House is that, the Bill entitled The Supplementary appropriation Act, 2023 be read second time.

*[Question Proposed, Put and Agreed to]*

*[The Supplementary Appropriation Act, 2023, being an Act to reverse and make supplementary provisions for the services of Sierra Leone 2023 has been read the second time]*

### **THIRD READING**

**THE MINISTER:** Mr Speaker, Honourable Members, I now move that the Bill be read the third time and passed into law.

**THE SPEAKER:** Honourable Members, the question is that the Bill entitled The Supplementary appropriation Act, 2023 be read the third time and pass into law.

*[Question Proposed, Put and Agreed to]*

*[The Supplementary Appropriation Act, 2023, being an Act to reverse and make supplementary provisions for the services of Sierra Leone 2023, has been read the third time and passed into law]*

**THE SPEAKER:** I thank the Minister, you are excuse Mr Minister. Any announcement? Go ahead.

### **ANNOUNCEMENT**

Honourable Members are requested to collect copies of the Supplementary Government's Budget and statement of economic and financial policies for the financial year 2023 at the dispatch section after setting. Additionally, Members are kindly



requested to meet with the Clerk of Parliament in his meeting room opposite the Finance department. I repeat, Members are kindly requested to meet with the Clerk of Parliament in his meeting room opposite the Finance department. And finally, pursuant to sub section three of section 84 of the Constitution of Sierra Leone 1991, Members are reminded that Thursday, 3<sup>rd</sup> August, 2023, is slated for State Opening of Parliament. Members are also requested to engage the offices of the Whips for planning for this ceremonial event. Commissioners of the PSC are kindly reminded that there will be a meeting at 3pm in the Speaker's conference room.

**THE SPEAKER:** Very well. Honourable Members with that, the House will stand adjourned to tomorrow, the 1<sup>st</sup> August, 2023 at 10am prompt.

### ***ADJOURNMENT***

*[The House rose at 2:10 p.m. and was adjourned to Tuesday 1<sup>st</sup> August, 2023 at*

*10:00a.m prompt]*