

SIERRA LEONE GOVERNMENT MINISTRY OF WORKS AND PUBLIC ASSETS NEW ENGLAND VILLE - FREETOWN

The Clerk of Parliament House of Parliament Tower Hill Freetown

14th February, 2024

Dear Hon. Members

REVIEW OF TOLL GATE CHARGES WITH EFFECT FROM 1ST MARCH, 2024 – NOTIFICATION TO HON. MEMBERS OF PARLIAMENT FOR APPROVAL

Following a request by China Railway Seventh Group (CRSG) and consistent with Clause 10.4 of the Contract Agreement (See Document 1) signed between the Government of Sierra Leone and CRSG in December, 2015, the Ministry of Works and Public Assets convened a Special Technical Meeting to Review the Toll Gate Charges. The Committee comprised of The Motor Drivers Union, over 20 Government MDAs, Civil Society Organisations, etc. After widespread consultations and negotiations, the Committee proposed a new set of Charges which have since being approved by Cabinet (see Document 2 and Document 3 respectively).

Please bring to the attention of the Honourable Members of The House of Parliament for consideration and approval.

Thank you very much for your attention

Sincerely yours

J.C. Jones (Permanent Secretary) Attachments – a) Doc. 1 – Contract Document referencing Clause 10.4 b) Doc. 2 - Cabinet Approved Rates for the Toll Gate c) Doc. 3 - Cabinet Conclusion on the Review of Toll Gate Charges

Cc - The Minister of Works and Public Assets

-Doc.1-







Sierra Leone Roads Authority

Republic of Sierra Leone

China Railway Seventh Group (SL) Co. Ltd.

CONCESSION CONTRACT

FOR

THE FINANCE, DESIGN CONSTRUCTION, OPERATION AND MAINTENANCE OF THE WELLINGTON – MASIAKA ROAD

BETWEEN

THE GOVERNMENT OF SIERRA LEONE (Represented by the Ministry of Works, Housing and Infrastructure)

AND

CHINA RAILWAY SEVENTH GROUP (CRSG)

DATE: DECEMBER 2015

| | TOLL TARIFF FOR BOT | | | | | | | | |
|------------------------|---------------------|------|------------------|-------------------------------------|------------------|------------------------|-----------------|-------------|---------------------------|
| Caregory | Sedan | Taxi | Minibus/ jeep | Medium bus up to18 passengers | Coach | Light-Truck/ Pickup | Medium truck | Heavy truck | Tractor & Trailer Unit |
| US Dollar/time s | 0.5 | 0.7 | 1.2 | 2.3 | [.] 4.6 | 4.6 | 11.5 | 92 | 115 |
| SL Leone | 2000 | 3000 | 5000 | 10000 | 20000 | 20000 | 50000 | 400000 | 500000 |

Note: The values in the table represent the United States Dollar value at a selling rate announced by the Bank of Sierra Leone 28 (Twenty-eight) days prior to the commencement of tolling.

10.4 Revisions to the Highway Tolls

The Toll Tariff shall be adjusted subject to a review on the base traffic data by both parties whenever the exchange rate varies by10%. The Concessionaire shall ensure that the Toll Tariffs are published at such time so as to enable the adjusted tolls to be charged with effect from the requisite date under this Concession Agreement. At any rate, Not later than 2days after mutual agreement.

10.5 Toll Collection Expenses

All toll collection expenses shall be borne by the Concessionee.

10.6 Currency of Tolls

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Tolls shall be collected in Local Currency.

10.7 Certain Vehicles Exempt from Tolls

The Concessionee shall exempt from the obligation to pay tolls any such vehicles or other vehicles exempted by law as the Concessionaire's may advise the Concessionee in writing from time to time, provided that any change to vehicles exempted by law as it or they exist at the date of signature of this Concession Agreement shall, if such change has material adverse revenue consequences for the Concessionee, be deemed to be Material Adverse Government Action for the purposes of Clause 17.

Refusal to Pay

10.8

The Concessionee or the relevant O&M Contractor shall refuse passage to vehicles which are not exempted from tolls under clause 10.7. The Concessionee or lts representative, respectively, shall undertake, at its Operational cost, expense and responsibility all necessary civil or criminal legal measures required in order to enforce the payment of the requisite tolls; and exercise at its sole cost, expense and responsibility its other authorities in connection with any refusal by any Person to pay tolls.

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SIERRA LEONE GOVERNMENT MINISTRY OF WORKS AND PUBLIC ASSETS NEW ENGLAND VILLE - FREETOWN

OLD AND APPROVED TOLL GATE CHARGES BY CABINET FROM MARCH 1, 2024

| NO | CATEGORY | EXISTING (LE) SINCE 2017 | NEW RATES (LE) FROM 1 MARCH, 2024 |
|----|----------|-----------------------------|--------------------------------------|
| 1 | GROUP 1 | 1 | 3 |
| 2 | GROUP 2 | 2 | 5 |
| 3 | GROUP 3 | 4 | 10 |
| 4 | GROUP 4 | 18 | 40 |
| 5 | GROUP 5 | 183 | 700 |
| 6 | GROUP 6 | 100 | 250 |

KEY:

GROUP 1= Kekehs (3 wheelers)

GROUP 2 = Sedan and Taxis

GROUP 3 = SUVs, Pick Ups, Jeeps, Mini Buses, Medium Buses (up to 18 seats)

- GROUP 4 = Coaches (above 18 seats) , Light Trucks, Medium Trucks (less than 10 tyres) , Excavators, Loaders, Fuel Bowzers (2 Axles)
- GROUP 5 = Heavy Trucks (10 Tyres and above), Trailers, Fuel Bowzers with Tank Trailers, Semi Trailers, Flat Beds

GROUP 6 = Fuel Bowzers (3 to 4 Axles but not Trailers)

These new Charges will come into effect on March 1, 2024 at 6AM Prompt



GOVERNMENT OF SIERRA LEONE

MINUTE PAPER

MINISTER OF WORKS AND PUBLIC ASSETS

 Below is Extract from Minutes of the 6th Meeting 2023 (2nd half), held on Wednesday 20th December, 2023

Memo No: CP (2023 - 2nd half) 61

ADJUSTMENT OF THE TOLL GATE CHARGES/TARIFFS OF THE WELLINGTON-MASIAKA HIGHWAY PROJECT

SUMMARY OF PROPOSAL

The Minister of Works and Public Assets presented a proposal for Cabinet to:

- i. approve the New Toll Gate Charges/Tariffs agreed by the Technical Committee which comprised of various MDAs and CRSG to be implemented starting 1st March, 2024;
- ii. authorize the Minister of Works and Public Assets to work with the Attorney General and Minister of Justice to set up a team to review other aspects relating to the Contract with CRSG;
- iii. authorize the Ministry of Works and Public Assets, to collaborate with other stakeholders including the Ministry of Information and Civic Education, Civil Society Organizations, etc. to embark on a robust nationwide sensitisation campaign on the new Toll Gate charges.

The Wellington-Masiaka Highway was invested in and constructed by China Railway Seventh Group (CRSG), a Company that has proven to be a vital development partner in the country. It is a 62KM dual carriage road with 4 lanes and 3 Toll Gates located at Hastings, Songo and Masiaka. Construction commenced in April 2016, and it cost US \$154M, for a concession period of 27 years. This is the first operational highway in the country's history. It also marked the first time a company engaged in large scale infrastructural development through a Public Private Partnership (PPP) model. The successful completion of this

Highway has significantly contributed to the economic and social development of the country, and these include:

- Enhancing the country's image with direct benefits to the transportation, industry, commerce, mining and employment sectors
- ii) Safe driving highway with two separate lanes on the sides
- iii) Improved traffic efficiency and comfort reflected in the greater time saving in travel up country
- iv) Reduced vehicle wear and tear
- v) Saved lives and properties reflected in the drastic reduction in accidents and head on collisions
- vi) Employment opportunities created for many youth including graduates which has offered stable income for some families and expanded their skills
- vii) Easy access to medical facilities in Freetown for those coming from the regions and pleasurable recreational journey along the Peninsula
- viii) Freetown is gradually being decongested as more people are now buying lands, opening up businesses and resettling in those areas as far as Masiaka and beyond.
- ix) Corporate Social Responsibility for the Communities along the corridor enhanced and a reduction in the Toll Charges during the COVID period.

Infrastructural development is the foundation of national livelihood, economic development and commerce in Sierra Leone, and is a primary driver for improving lives and benefitting the people. Unfortunately, the WMP has faced some difficulties and challenges since its inception and addressing them requires strong support from the Government. Meetings held with the relevant stakeholders from Government including the Ministries of Finance, Chief Ministers, and the CRSG company, concluded that the most viable option for addressing the challenges, including the economic losses, and improving the optimal use of this important roadway, is to increase the Toll charges.

CABINET DECISION

CABINET:

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approved the proposal presented by the Minister of Works and Public Assets: