



PARLIAMENT OF SIERRA LEONE

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PRESS RELEASE



PARLIAMENT PASSES SUPPLEMENTARY BUDGET INTO LAW

Consistent with Section 112 (3) of the 1991 Constitution and Section 42 (1)(a) of the PFM Act 2016, the Parliament of Sierra Leone on Tuesday, 29/07/2025, extensively debated and passed into law the Bill entitled, 'The Supplementary Appropriation Act 2025, on the theme, 'Fiscal Consolidation and Budget Credibility to sustain Macroeconomic Stability.'

The Supplementary Appropriation Act 2025 is being an Act to authorise expenditure from the Consolidated Revenue Fund for the services of Sierra Leone for 2025.

The Appropriation Act 2025 was twenty-seven billion seven hundred and sixteen million three hundred and fifty seven thousand four hundred Leones.

Whereas it has become necessary to revise the expenditure downwards from the Consolidated fund with a budget slash of the Sum of eight hundred and seventy one million eight hundred and thirty seven thousand two hundred Leones.

In addition, the Supplementary Budget approved by Parliament for the period, July to December 2025, is fourteen billion four hundred and sixty million seven hundred and sixty thousand four hundred Leone.

Presenting the Budget, the Minister of Finance Sheku Ahmed Fantamadi Bangura said that following six months of implementing the budget, developments in the domestic and global economies have warranted a revision of the original budget approved by Parliament.

The Minister while highlighting the reasons for the Supplementary Budget, told Parliament that there have been significant improvements in the macroeconomic fundamentals relative to the macroeconomic framework, noting that inflation is now much lower than originally projected and exchange rate has turned out to be stronger than originally envisaged. He added that treasury bill rates had fallen faster to sustainable levels. The Minister reaffirmed that the assumptions that underpinned the original revenue and expenditure projections are no longer tenable.

The Minister went on to state that despite these encouraging developments, the heightened global economic uncertainty characterised by ad-hoc tariff hikes, ongoing and new conflicts, declining aid flows, tighter financing conditions and debt vulnerabilities pose a significant threat to sustaining the achievements the Government has made so far in stabilizing the economy; and they need to ensure budget credibility and minimize the accumulation of debt also demand that expenditures are adjusted to reflect the shortfall in domestic revenues recorded during the first consolidation with the overall objective of preserving macroeconomic stability in the second half of the year.

The Minister categorically stated that the Supplementary Budget seeks to reduce the budget deficit to 3.8 percent of GDP from 3.9 percent of GDP in the original budget, adding that this, in turn would reduce the borrowing requirement of Government especially from the banking system, thereby complementing the efforts of the Bank of Sierra Leone (BSL) in containing inflation, reducing Treasury Bill rates, ensuring the stability of the Leone and addressing debt vulnerabilities.

The Minister further explained the macroeconomic and budgetary performance during the first Six months of 2025.

"Inflation declined steadily from 54.5 % in October 2023 to 13.8% in December 2024," adding that inflation continued to decline in 2025, reaching a single digit of 7.1% in June 2025.

The Minister also alluded to the gains on performances, including the value of exports on minerals, agriculture exports, food and petroleum imports, trade deficit narrowed, gross foreign reserves, stability of the foreign exchange amongst others.

The Minister reassured that the Supplementary Budget would maintain the posture of fiscal consolidation in the second half of the year in order to preserve these macroeconomic gains, enhance budget credibility, and address debt vulnerabilities.

He reaffirmed that the supplementary budget is expected to consolidate macroeconomic stability, which would boost investor and donor confidence, while creating the fiscal space for spending on priority sectors intended to sustain economic growth and improved service delivery.

Contributing to the debate, the Chairman Finance Committee Hon. Francis Amara Kaisamba thanked the Minister of Finance for presenting the supplementary budget and commended the President for

the economic viability. The MP predicated his debate on the decline of inflation, lowering prices of goods. He added that the Supplementary Budget is stated in the Constitution and the PFM Act.

He underscored the performances of revenue generation by NRA and enforcement of law to mobilise revenue. He emphasised that sensitisation would improve tax collection. "There is no way the Ministry can adjust the budget or figure without coming to Parliament," he maintained.

He appealed to the Minister of Finance to pay money allocated to various MDAs on time, adding some activities that are time bound.

Deputy Leader 2 of Opposition, Hon. Aaron Aruna Koroma from Tonkolili District commended the Minister for complying with the law. The MP pegged his debate on the variables in light of the reason for the supplementary budget. He gave a contray view on the minister's budget statement with the new name "An Austerity Budget", He pinned out some of the lapses including delay of allocation of budget with special reference to local councils.

Hon. Koroma informed the House that there is a total mismatched between the supplementary budget in tandem with the foreign exchange rate and other factors, including prices. He decried the supplementary relative to budget reduction to agriculture as presented, which he noted would affect many other sectors.

Youth employment, he said, was also affected by the supplementary budget and would also hit job creation and growth. He appealed to the minister to consider essential areas to enhance growth.

He used the opportunity to patriotically advise the minister on the economy, especially with regards to very important state sectors, including health and agriculture. He decried the minister for flashing figures on very important sectors, and that would transform the economy and improve salaries of low wage and salary earners.

Hon. Mustapha Sellu from Moyamba District emphasised the reduction of inflation to single digit. He also spoke about the management and reduction of the exchange rate in the last few years. He elucidated the statement of the Minister of Finance about the supplementary budget. The MP denounced the previous debater with regard to the percentage he advanced for the debate.

He said the Ministry of Finance and Bank of Sierra Leone have managed the economy well in light of price control and foreign exchange rate. He stressed that significant gains had been made and assured the people of the country about the development of the economy.

Rounding up the debate, Opposition Leader Hon. Abdul Kargbo thanked the minister and predicated his debate on the theme as ironical.

He pointed out key areas in fiscal consolidation, adding that the supplementary budget is accompanied by the revenue mobilisation gap. He raised a series of concerns and questions in lieu of fiscal consolidation. He said that some MDAs received far less of their allocations and whilst others received more than what is expected, citing some MDAs. He informed that from 2018 to now, the Leone currency had weakened, making reference to the currency in Guinea.

He stressed that the reduction in the Supplementary Budget is a clear case of Austerity measured by another name.

The Leader of the Opposition decried some MDAs for not complying with withholding tax.

He also expressed concern over promise on robust revenue mobilisation and explained alternative solutions.

The opposition leader furthered that the over reliance on NASSIT and other governments' revenue mobilisation entities would adversely affect pensioners as well as the economy.

He added that this budget is a clear case of the government trying to cut down their expenditure but decided to give another nomenclature.

He denounced government for concessional loans and advised.

The budget he said has not met the fiscal consolidation and is a clear case of the Austerity Budgeting.

"Let us ensure that the Leone currency maintains its past glory in exchange rate," he stated and pleaded to the authorities to ensure that the price of fuel be reduced further in line with the global trend.

The Minority Leader encouraged the government to continue to reduce government spending, especially on travel, to address essential areas.

Concluding the debate, Leader of Government Business, Hon. Mathew Sahr Nyuma thanked all Members of Parliament for their input into the 2025 Supplementary Budget debate. The leader reflected on several gains made by their government, citing the projection geared towards reducing the inflation rate to a single digit. He explained the government progression in addressing inflation and success in the blue economy. The leader spoke well on addressing debts by the Minister of Finance and Government, adding that the debts they are repaying were incurred by the former government.

While comparing economic stability within the sub-region, especially in ECOWAS countries, Hon. Mathew Sahr Nyuma stated that Sierra Leone stands very tall in terms of economic policies.

The leader elucidated the measures considered to address revenue mobilisation. He advised the compatriots to support revenue mobilisation by paying taxes, especially GST, adding that alluding to the good policies of the government

He reassured the House that domesticate revenue mobilisation is in the right direction.

He also spoke about addressing fraud to enhance revenue mobilisation.

The Leader said they as governments had depoliticized petroleum products in Sierra Leone, and transportation fare had gone down. He also said the good policies are driving the price stability. He noted that they are using domesticate policy mobilisation to support Free Quality Education.

The leader concluded by stating that allocations have been paid to local councils with specific reference to Tonkolili District contrary to what was revealed by earlier debater.

In another development, Parliament of Sierra Leone, on Tuesday, 29/07/2025, debated and ratified the

Financing Agreement between European Commission and the Government of Sierra Leone for sustainable food and agricultural value chain Development in Sierra Leone.

Parliamentary and Public Relations Department

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