

MR. SPEAKER, HONOURABLE MEMBERS

It is again with honour, on behalf of His Excellency, President Ernest Bai Koroma that I rise to move that the Bill entitled "The Appropriation Act 2018" being an Act to authorize expenditure from the Consolidated Revenue Fund for the services of Sierra Leone for 2018 be read the first time.

### **I. Introduction**

2. Mr. Speaker, Honourable Members, in the last decade this economy was on a positive trajectory, recording impressive growth performance with a stable macroeconomic environment.

3. However, external shocks (fall in commodity prices) and natural disasters (Ebola Viral Disease, mudslides and floods) have at the same time undermined the economy's ability to sustain its impressive growth. Consequently, over the last year, Government has been faced with a number of financial challenges and difficult policy decisions, compounded by the need to re-establish economic stability, while setting the stage for growth and economic transformation.

4. These challenges notwithstanding, I am pleased to report that through our expenditure rationalization measures, we have achieved considerable progress in restructuring our public finances thereby bringing our expenditure profile into better alignment with revenue. Lessons from the combined effects of the external shocks and natural disasters have underscored the need to strengthen the resilience of our economy.

5. Accordingly, the implementation of prudent economic policies combined with the resilience of our people and with support from our development partners enabled us to overcome these crises and returned the economy to positive growth rate. Consequently, the economy recovered in 2016 and is now stabilizing as the exchange rate has been relatively stable since the beginning of 2017 while inflationary pressures began to ease in the second half of this year.

6. However, significant medium term challenges remain amidst persistent economic fragilities. We still need to continue to improve road infrastructure, energy and water supply. There is also the urgent need to provide housing for the poor, continue to improve health and sanitation facilities and ensuring food security. However, addressing these challenges requires improvement in our revenue generation. Despite significant efforts to raise domestic revenue in recent years, the key structural issue of low fiscal revenues remains.

7. Thus, the 2018 budget is underpinned by the International Monetary Fund (IMF) Extended Credit Facility (ECF) arrangement, which was approved in June this year. The main objective of this new ECF programme is to enhance revenue mobilization and expenditure control and management to achieve fiscal sustainability and robust medium term growth. Aggressive revenue mobilization will ensure the financing of critical expenditures, and gradually strengthen our self-reliance.

8. Mr. Speaker, Honourable Members, against this background, the driving force behind this budget is our enduring passion and desire to bring sustained prosperity to all Sierra Leonean citizens as defined in our Agenda for Prosperity. In elaborating the 2018 budget, we have relied on the policies and programmes articulated in the Agenda for Prosperity and the Economic Transformation Programme laid out in the 2017 budget. Furthermore, my pre-budget hearings involving consultations with MDAs allowed us to establish the underlying principles underpinning this budget, which focuses on strengthening resilience for economic transformation and inclusive growth.

9. In this context, the 2018 budget addresses the following:

- (i) implementation of sound macroeconomic policies;
- (ii) intensifying domestic revenue mobilization;
- (iii) Continue to diversify the economy through investments in agriculture, fisheries and tourism;

- (iv) scaling up investment in infrastructure (roads, electricity and water supply);
- (v) Building human development;
- (vi) Expanding social protection systems; and
- (vii) protecting the environment and strengthening disaster management;

## **Layout of Budget Statement**

10. Mr. Speaker, Honourable Members, my statement to this Honourable House this morning is divided into five parts. Part One, is the review of global and domestic economic developments and outlook. Part Two, is the presentation of the details on "**Strengthening Resilience and Promoting Inclusive Growth**", which is the theme of this budget. Part Three, present the details of the 2018 budget. Part Four, is an analysis of imminent challenges and risks. In Part Five, I give my closing remarks.

### **PART ONE**

#### **Global Economic Developments and domestic economic performance and Outlook**

11. Mr. Speaker, Honourable Members, let me now provide an update on global, regional and domestic economic developments and outlook and their implications for our economy.

##### **I. Global Economic Development and Outlook**

12. Mr. Speaker, Honourable Members, the IMF has projected global economic growth to increase from 3.2 percent in 2016 to 3.6 percent in 2017 and further to 3.7 percent in 2018. With the exception of the UK and the US, the outlook for advanced economies, especially the Euro-area and Japan, has improved due to strong domestic demand. Growth in emerging market and developing economies is also expected to rise from 4.3 percent in 2016 to 4.6 percent in 2017 and 4.9 percent in 2018. In particular, China's growth is expected to remain high, averaging 6.3 percent over the medium term.

13. To some extent, the rise in global price of oil is already having an impact in the economic policy management of Sierra Leone. Oil being a sensitive commodity is important for revenue generation and also a key driver of inflation.

14. Mr. Speaker, Honourable Members, at the regional level, in particular, Sub-Saharan Africa, the growth rate is forecasted to improve from 1.4 percent in 2016 to 2.6 percent in 2017.

## **II. Macroeconomic and Budgetary Performance in 2017**

### **Macroeconomic performance**

15. Mr. Speaker, Honourable Members, on the domestic front, our economy showed encouraging signs during the first half of 2017. Following the recovery in 2016, economic activities continued to expand during the year. Accordingly, the economy is projected to grow at 5.6 percent in 2017. Excluding iron ore, the economy will grow by 3.5 percent. Inflation moderated to 17.8 percent in September 2017 as the exchange rate continued to stabilize and the availability of domestic food supply improved.

16. Total exports amounted to US\$436.7 million during the first half of 2017, a 49.7 percent increase over the same period in 2016. Exports growth benefitted from increase in non-traditional exports specifically from the fisheries sector, thus, indicating gradual diversification of our export base. Total imports amounted to US\$ 737.4 million, about 31 percent higher than imports for the same period in 2016, mainly due to higher importation of food and fuel.

17. As a result, the trade deficit increased to US\$ 300 million from US\$ 271 million for the first half of 2017.

18. Commercial bank credit to the private sector increased by 8.0 percent during the first half of the year, mainly to the construction, commerce and service sectors.

19. The stock of external public debt stood at US\$1.47 billion as at June 2017, compared to US\$1.35 billion at end December 2016. The stock of domestic debt stood at 3.87 trillion Leone as at end June 2017 compared to 3.62 trillion Leone as at end December 2016.

### **Budgetary Performance.**

20. Mr. Speaker, Honourable Members, budgetary performance during the first half of 2017 has been encouraging. Total domestic revenues collected during the first half of 2017 amounted to 1.7 trillion Leone and is projected to reach 3.5 trillion Leone or (12.1 percent of GDP) by end 2017.

21. In the light of the continuing global uncertainties, total grants for the first half of 2017 amounted to 79.6 billion Leone, compared to a projected amount of 285.8 billion Leone due mainly to the dwindling of donor inflows. This short fall has proven to be challenging and a cause for constantly recalibrating our expenditure in the face of growing demands.

22. Total expenditure and net borrowing for the first half of 2017 amounted to 2.95 trillion Leone compared to the budget of 3.17 trillion Leone.

23. Wages and salaries amounted to Le 932 billion and Interest payments, 300.4 billion Leone. Non-salary, non-interest recurrent expenditures amounted to 863.1 billion Leone.

24. Capital expenditure amounted to Le 851 billion for the first half of the year and is projected to reach 2.13 trillion Leone by end 2017. Of this, domestic capital expenditure amounted to 565.0 billion Leone.

### **Budget Deficit and Financing for First Half of 2017**

25. The overall deficit including grants amounted to 1.20 trillion Leone for the first half of 2017 and is projected to reach Le 1.70 trillion by end of the year. Excluding grants, the overall deficit amounted to 1.28 trillion Leone and is estimated at 2.20 trillion Leone by the end of 2017.

26. Domestic financing of the budget deficit was estimated at 796.3 billion Leone. Of this, bank financing was 779.3 billion Leone and non-bank financing, 17 billion Leone.

## **PART TWO**

### **STRENGTHENING RESILIENCE FOR INCLUSIVE GROWTH**

#### **A. Medium Term Macroeconomic Objectives and Policies**

27. Mr. Speaker, Honourable Members, our medium term macroeconomic objectives are to maintain macroeconomic stability by focusing on ensuring fiscal and debt sustainability, reducing inflation, strengthening our international reserves and attaining sustainable inclusive growth.

28. To achieve these objectives, Government will pursue a mix of fiscal, monetary, exchange rate and financial policies.

29. Mr. Speaker, Honourable Members, the economy is projected to grow by 5 percent in 2018. Economic growth will increase to 6.2 percent in 2019 and 7.0 percent in 2020. Excluding iron ore, the economy will grow by 3.5 percent in 2018. Non-iron ore growth will increase to 5.9 percent in 2019 and 6.6 percent in 2020. Inflationary pressures are projected to moderate over the medium term. Inflation is expected to decline to 11.0 percent by end 2018 and return to single digit by the end of 2019, as the exchange rate stabilizes and food production increases. The current account deficit is projected to moderate to 18.1 percent of GDP in 2018 from 21 percent of GDP in 2017, underpinned by the projected 20 percent increase in exports. In spite of the projected decrease in the trade deficit, the current account deficit will increase to 18.6 percent of GDP in 2019 and 19.0 percent of GDP in 2020 due to the decline in official external grants. Gross foreign reserves are projected to increase from US\$448 million (2.3 months of imports) in 2018 to US\$695 million (3.0 months) of imports in 2020.

I will now summarize the policies to achieve these macroeconomic objectives:

**(i) Fiscal policy**

30. A key objective of fiscal policy in 2018 and the medium-term is to enhance domestic revenue mobilization, so as to provide resources for effective delivery of public services. Currently, domestic revenue as a percent of GDP is 12.1 percent, which is below the Sub Saharan Africa average of 17 percent of GDP. Research by the Fiscal Affairs Department of the International Monetary Fund concluded that a country needs to ensure that its revenue is at least 20 percent of its GDP in order to effectively fund its programmes. As a result, policies will focus on increasing domestic revenue from 12.1 percent of GDP in 2017 to 15.2 percent by 2020.

31. To this end, Government has prepared a comprehensive Domestic Revenue Mobilisation Strategy, which focuses on: (i) strengthening revenue mobilisation; (ii) legislative and public financial management reforms to consolidate Government revenues collected by all Ministries, Departments and Agencies of Government into the Consolidate Revenue Fund (CRF) consistent with the Fiscal Management and Control Act, 2017; and (iii) policy reforms to broaden the tax base.

32. In tandem, Government will rationalize public expenditures and maintain them at an average of 22 percent of GDP over the medium-term to improve public service delivery. Key measures in this regard include furthering public financial management reforms through the implementation of a medium-term payroll strategy; automation of the budget execution process; strengthening contract management; and improving the transparency and competitiveness of public procurement.

## **(ii) Monetary, Exchange Rate and Financial Sector Policies**

33. Mr. Speaker, Honourable Members, the main focus of monetary policy in the medium term will be to achieve low inflation, stable exchange rate, and support credit growth to promote private investments. To achieve these objectives, the Bank of Sierra Leone (BSL) will continue to use market-based instruments to steer the inter-bank rate.

34. The exchange rate will continue to be market determined while interventions by the Bank of Sierra Leone in the foreign exchange market will be limited to containing temporary excessive volatility of the Leone. In addition, the Bank of Sierra Leone (BSL) will also aim at building foreign exchange reserves to serve as a buffer in support of a credible management of the exchange rate. Government will enforce the provisions of the Exchange Control Act that requires exporters of commercial merchandise to repatriate export proceeds within 90 days from the date of export.

## **(iii) Public Debt Management**

35. Mr. Speaker, Honourable Members, Government's external debt policy over the medium term is to utilise a mix of highly concessional loans and grants from our development partners to ensure debt sustainability and avoid the risk of high debt distress. With regards to domestic debt, Government will continue to deepen the domestic debt market by lengthening the maturity of debt instruments.

## **B. Economic Diversification**

36. Mr. Speaker, Honourable Members, we recognize the risk of overdependence on a few sectors, especially mining. Therefore, diversification of our economy and job creation remain the key strategy. To actualize this, we are adopting measures to nurture our local industries, increase local production and foster resilience to external shocks to enable the emergence of a competitive private sector.

37. To this end, Government is renewing its commitment to diversify the economy through investments in agriculture, fisheries, tourism and promoting the "Made in Sierra Leone Brand" as described below:

### **(i) Agriculture**

38. Mr. Speaker, Honourable Members, Agriculture has been targeted as one of sectors for special focus within the diversification strategy because of its inherent potential, the realization, of which, will inter-alia:

- \* contribute to food security and export;
- \* displace food imports thereby saving foreign exchange;
- \* enhance farmers agricultural income;
- \* create job opportunities; and
- \* generate industrial spill offs through agro-processing.

39. The sector, from early indications, will record favourable performance, most notably for sorghum, which benefited from the Local Content Policy and the 2016 Finance Act.

40. Mr. Speaker, Honourable Members, to reduce our dependence on imported rice, emphasis will continue to be placed on increasing domestic rice production to attain self-sufficiency as well as reduce the high import bill. Trade statistics indicate that, up to US\$108 million has been utilized for the importation of rice for the first six months of 2017.

41. Mr. Speaker, Hon Members, I will like to draw your attention to the important figure of US\$108 million mentioned above as being the amount utilized by merchants to import rice for the first half of the year. This magnitude of foreign exchange resources utilized to import rice that can be produced locally is among the main factors that makes it difficult to stabilize the Leone.

42. Therefore, the primary and urgent objective in Agriculture is to achieve self sufficiency in rice production - the staple food of the country in the shortest possible time. To this end, in addition to ongoing efforts such as Smallholder Commercialization and Agribusiness Development project (SCADEP) funded by the World Bank, new initiatives are on the offer. MoFED has approached the Indian Exim Bank for a loan of US\$ 30 million to undertake rice production in Tormabum. The Bill and Melinda Gates Foundation through the Islamic Development Bank (IDB) will fund the Agricultural Intensification and Diversification project, which will largely be devoted to rice production. In addition, Government will request the World Bank to allocate US\$ 50 million from our IDA-18 allocation to support rice production in the country.

43. Mr. Speaker, Honourable Members, Government is developing a comprehensive programme with the support of the African Development Bank that will transform our agricultural input system through establishing a Leasing Facility for farm machinery and equipment. The project will also facilitate a market based input supply system and established an Agricultural Financing Bank. This will increase access to agricultural finance as well as de-risk financing for agricultural activities.

In addition, the programme will also facilitate the development of commercial aquaculture schemes through the setting up of system and support services for the construction of fish ponds nationwide.

44. To attract private sector investment in rice, the Ministry of Finance and Economic Development and the Ministry of Agriculture, Forestry and Food Security are collaborating with Standard Chartered Bank to encourage OLAM Agribusiness company to invest in rice production and marketing in Sierra Leone.

**(ii) Fisheries**

45. In the fisheries sector, efforts will continue to reduce Illegal, Unreported and Unregulated (IUU) fishing through various surveillance initiatives including the installation of Vessel Monitoring Systems (VMS) in all licensed vessels and the deployment of Monitoring Officials on board the vessels. Government is also developing a new Fisheries Bill, that includes, among others, a specified licence fees for industrial fishing vessels that will be submitted to this noble House for enactment. Government is also exploring the option of collaborating with the private sector to construct and manage a fish harbour.

**(iii) Tourism**

46. The recent increase in tourist arrivals, mushrooming of new hotels and hospitality facilities all over the country, is a positive indication of the potential of the tourism sector to expand. This is another clear evidence of the realisation of our diversification objective. To consolidate these gains, Government will support the preservation, protection and marketing of the rich cultural history and heritage of Sierra Leone and strengthen the institutional capacity of Arts and Culture. Government will also support the restoration of proclaimed cultural heritage infrastructure. The Government will encourage activities promoting domestic tourism including popularizing field visits by schools to tourist sites such as the Tacugama Chimpanzee Sanctuary and the Tiwai Birds Sanctuary in Bo and Bunce Island. These efforts will be supported through existing arrangements aimed at enhancing the creative industry, support to tourism product development, tourism infrastructure and tourism marketing. These will enhance the sector's contribution to employment and wealth creation.

**(iv) Promoting Made in Sierra Leone**

47. Mr. Speaker, Honourable members, I launched the Made in Sierra Leone concept last year when I was presenting the 2017 budget. While we continue to encourage MDAs to procure products made in Sierra Leone, we are also working with the Ministry of Trade and Industry, the Sierra Leone Chamber of Commerce, Industry and Agriculture and other trade promoting agencies to anchor this initiative

within the African Growth and Opportunity Act (AGOA) project. The primary objective is to address issues of specification and quality to meet international standards. This will provide incentives to Sierra Leoneans to produce, package and export products that meet international standards.

48. An initiative in this direction is the purchase of local rice for the uniformed forces with the Sierra Producing Marketing Company as a conduit. This is an example of the kind of initiative we encourage MDAs to embark on. Such initiatives all over the country are bound to promote the development of Small and Medium Enterprises (SMEs). Furthermore, Government will increase access to finance to producers of local products through the strengthening of the Credit Reference Bureau and Collateral Registry.

### **C. Scaling Up Infrastructural Development**

49. Mr. Speaker, Honourable Members, a critical element in building resilience and promoting inclusive and sustainable growth is to improve the state of infrastructure in the country, including enhancing road and port infrastructure, expanding access to electricity supply, information and communications technology and water supply.

During the last decade, Government has made significant investments in these sectors. For the medium term, Government will continue in this direction.

#### **(i) Roads**

50. Mr. Speaker, Honourable Members, we are beginning to see significant improvements in the road network across the country. This is contributing to the ease of movement of goods, services and people, as well as lowering cost of transportation. Hardly any district exists today in the country without a major road fully constructed or under construction. Every district has also benefitted from several kilometers of paved streets. In this regard, Government will continue to fund all on-going road projects to completion. Key among these are the Makeni-Kamakwe road, Hillside Bye-Pass road, Hill Cut road, and the Lumley-Tokeh road. Amongst new roads that will start during the 2018 fiscal year is the Kambia- Kamakue road.

## Electricity

51. Mr. Speaker, Honourable members, gone are the days when Freetown was referred to as the darkest city in West Africa and when “Kabbah Tiger” generators ruled the day. All of us seated here, be you SLPP, APC or non-partisan can attest to the major turnaround in the provision of electricity supply beyond Freetown to the other major regional capital cities. It is particularly important to note that reliable and affordable supply of electricity is critical to sustaining economic activities as well as improving standard of living. Government, therefore, remains committed to increase electricity supply to meet the demand of industry, businesses and households. To achieve this, the Government will continue its policy on energy mix of thermal, solar, hydro and other renewable energy supply. Improving the transmission and distribution network remains a priority. Additional electricity projects are in the pipeline to increase the total installed capacity. Key among them are:

- \* 57 megawatt CEC project, awaiting ratification by this Noble House.
- \* Phase two of the Bumbuna hydroelectric project, that will provide 140 megawatts. This project was recently discussed with MIGA of the World Bank Group in Washington DC by my good self,
- \* 30 megawatts HFO plant is expected as a grant from the People's Republic of China,
- \* 30 megawatts of HFO plant to be funded by the Government of Sierra Leone and is currently out for tender.
- \* 50 megawatts solar power jointly funded by the Government of Kuwait and the Government of Sierra Leone to be installed in the Gbanti Kamaran chiefdom.
- \* The Cote D'Ivoire, Liberia, Sierra Leone and Guinea (CLSG) project that will be transmitting electricity among the four countries of the Mano River Union under the West African Power Pool Arrangements.

52. Mr. Speaker, Honourable members, this is progress indeed, for which the Government must be lauded.

## Information and Communication Technology (ICT)

It is encouraging to note that we are increasing our usage of ICT, thanks in part to the installation of the fibre optic cable. The utilization of technology for internet and mobile money services has increased.

## **Water Supply and Sanitation**

53. Mr. Speaker, Honourable members, Government will invest in the water sector to increase access to safe, clean, and portable water across the country. To this end, in 2018, Government will significantly increase investment along the water supply chain, starting with dams, bulk water supply schemes and wastewater infrastructure.

54. With respect to sanitation, Government continues to promote community-led approaches to sanitation, which has involved youth participation in Keep the City Clean sanitation programme. Government will also support environmental health, waste management, and health education programmes to improve sanitation countrywide

### **D. Building Human Development**

#### **(i) Education**

55. Government will continue to support all on going programmes and projects in the education sector to increase access to and improve quality of education. Thus, Government will continue to provide fee subsidy for primary schools, tuition fee subsidy for students in tertiary institutions, teaching and learning materials and pay examination fees for public examinations. The aim is to improve retention and pass rates, especially for girls.

The 2018 budget will pay particular emphasis to early childhood education, skills training and integrity issues in the education sector.

#### **(i) Early Childhood Education**

56. Government will place emphasis on Early Childhood Education country wide to ensure that children start primary education at the right school going age. The focus will be on strengthening the foundations of learning by ensuring school readiness and transition from pre-primary to primary and build basic learning skills. Government will expand the school feeding programme, targetting additional 500,000 pupils.

#### **(ii) Skills Training**

57. Mr. Speaker, Honourable Members, Government will embark on middle level manpower training to improve the employability of our youth. During 2018, twelve Technical and Vocational Institutes constructed through the support of our development partners will be made functional. Through support for a competitive skills development fund, the World Bank is also preparing a skills development project.

The beneficiaries of the project will include employees and employers of businesses in productive sectors, industry associations, students and staff of public and private training institutes, universities, polytechnics and relevant Government agencies engaged in skills development. The European Union is also funding a capacity building and systems strengthening project in the Ministry of Education, Science and Technology.

## **(ii) Integrity issue**

58. Government is very much concerned about the growing integrity issues in the education sector. Key among them are high school extra charges and the exploitation of girls in schools. To address these challenges, Government has set up a task force to look into these issues. The report of the task force will inform Government's actions on how to restore credibility in the sector.

## **Health**

### **(i) Tackling Infant and Child Mortality**

59. Mr. Speaker, Honourable Members, Government will continue to support the Free Health Care Initiative, Teenage Pregnancy project, and nationwide Child Immunization programmes to reduce the high infant, under-five and maternal mortality rates.

### **(ii) Reproductive Health and Family Planning**

60. Mr. Speaker, Honourable Members, according to the 2015 census data, the population in Sierra Leone increased by more than 40 percent between 2004 and 2015. This implies that if the population growth stays the same by the next census in 2026, the Sierra Leone population will be minimum 10 million. Providing basic services to meet the requirement of the expanded population will no doubt be a daunting task. With the explosive population growth, issues of population should be an integral aspect of our development planning and policies in order to address the impact on the economy.

61. Mr. Speaker, to ensure effective management of the projected increase in our population, especially where 80 percent of the population is below age 35 years, Government will prioritise Family Planning. This is key if we are to achieve the targets on the Sustainable Development Goals (SDGs). Thus, in 2018 and beyond, Government will pay more attention to sexual and reproductive health in line with the SDGs. We need to make sure that the available resources are spent wisely on education of girls as well as providing unhindered access to quality family planning information especially to adolescent girls.

62. Mr Speaker, Honourable members, planning how the family grows defines how children are raised, how their education is paid for and how much access family members get to good health care facilities. This requires the empowerment of our woman and adolescent girls to choose whether and when to have children. This in turn empowers them to make free and informed decisions in all aspects of their lives. They can stay in school longer, earn a degree or establish a business which will ultimately lead to making their families, communities and countries prosper. This can only be achieved through effective and efficient family planning programs. Delivering contraceptives is not enough, a more wholistic approach involving men to appreciate and play their part in support of women's reproductive role and family planning is necessary.

### **(iii) Tackling Diseases**

63. Mr. Speaker, Honourable Members, increasingly, diabetes, cancer, high blood pressure, HIV/AIDS, Hepatitis and related health conditions are being diagnosed at an alarming rate and requiring outside medical intervention. In many of these cases, most of the people cannot afford to seek medical treatment abroad and therefore, Government has been intervening by covering the cost of treatment overseas. This signals that, in addition to the expensive primary health care programmes, consideration should be given to improve diagnostic and treatment facilities for these medical conditions.

## **E. Protecting the Environment and Disaster Management**

64. Mr. Speaker, Honourable Members, to protect the environment and mitigate the impact of natural disasters, significant investment and continued efforts are needed to strengthen institutions and activities aimed at enhancing resilience to climate change and disasters. Most important, is a shift towards an integrated and pro-active approach to disaster risk management. As the recent landslide demonstrated, housing represents a major share of reconstruction needs. The tragedy in Freetown is an opportunity to revisit the underlying decision-making structures that impede urban planning and management, and develop a spatial strategy to address the environmental challenges of the Western Area.

In this regard, Government has placed low cost affordable housing at the centre of its public social policy. In 2018, the Ministry of Lands, Country Planning and the Environment will develop a National Resettlement Policy. The Ministry will also prepare two Bills (i) a Town and Country Planning Bill and (ii) Freetown Improvement Bill for submission to this Honourable House for enactment.

To complement Government's effort, the World Bank is developing a number of interventions (i) the Freetown Urban Development and Disaster Risk Management project, (ii) the Freetown Urban Transport project, and (iii) the Multi-Sectoral Emergency Recovery project. All of these will focus on key reconstruction and disaster prevention activities.

65. Mr. Speaker, Honourable Members, to improve our disaster preparedness and response systems, early warning mechanisms will be adopted to ensure readiness and appropriate actions prior to the occurrence of a disaster. Some of these measures include: (i) sensitising the population, especially for people living in disaster prone areas; (ii) integrating risk management into Government policy decision-making; and (iii) establishing and capacitating the appropriate institutions that will respond in a timely manner to natural disasters.

## **F. Expanding Social Protection Systems**

66. Mr. Speaker, Honourable Members, given the frequency of internal and external shocks, there is now greater need to expand our social protection programmes. In this regard, Government will enhance support to existing social safety net programmes for vulnerable people to reduce poverty.

67. Government with support from its Development partners will also through the National Commission for Social Action (NaCSA) provide income support in the form of cash transfers to 38,083 vulnerable households, an additional 17,000 from the current 21,083.

## **G. Strengthening Economic Governance**

68. Mr. Speaker, Honourable Members, following the completion of the Regulations of the Public Financial Management Act 2016, Government has commenced implementation of various provisions of this Act to strengthen the budgetary process, including expenditure control and reporting, automating the budget execution process, as well as cash asset and liability management and identification of macro-fiscal risks.

### **(i) Treasury Single Account (TSA)**

69. Our most important priority in this regard is to commence the implementation of the Treasury Single Account (TSA) system. The implementation of the TSA will allow us to aggregate receipts from all government sources to compute the overall cash overdraft position of the Government each day. The TSA will give us better oversight of public finances, improve cash management and reduce reliance on bank financing. The recently enacted Fiscal Management and Control Act, 2017 mandates all MDAs to place their revenues in the TSA.

## **(ii) Improving the Integrity of the Government Payroll**

70. Mr. Speaker, Honourable Members, my Ministry continues to implement a number of payroll reforms, in collaboration with key stakeholders resulting in tighter controls and transparency in the Government payroll. The overall objective is to achieve an affordable and a sustainable wage bill. Going forward, Government has developed a medium-term payroll strategy to comprehensively address issues such as payroll integrity; wage bill budgeting and monitoring; pensions costs, and dual employment. Efforts are being made towards establishing a Salaries and Wages Commission, which will address among others, the disparity in pay and remuneration across the public service.

## **(iii) Public Procurement**

71. Mr. Speaker, Honourable Members, public procurement is an integral aspect of effective public financial management. With the support of our development partners, we have initiated the transition to an E-Procurement system, which will enhance the efficiency and transparency of the public procurement processes and instill confidence and trust in the management and implementation of Government contracts. Following the enactment of the revised Public Procurement Act 2016, the accompanying Regulations are being finalized for submission to this Honourable House. Furthermore, the Standard Bidding Documents and the Procurement Manual will be updated following Parliamentary approval of the Regulations.

72. The Expenditure and Contract Management Committee (ECMC) in the Ministry of Finance and Economic Development has been strengthened by the inclusion of the National Public Procurement Authority (NPPA) and the Law Officers Department as members. The Committee now has a clear mandate with well-defined procedures and processes to conduct adequate reviews of the procurement process.

## **PART THREE**

### **The 2018 BUDGET**

#### **Objectives of the 2018 Budget**

73. Mr. Speaker, Honourable Members, consistent with the medium-term objectives of the recently approved ECF programme by the Executive Board of the IMF, the 2018 Budget and the medium term will seek to make growth more inclusive and sustainable. This will be achieved through sound fiscal framework with room for expanded infrastructure, social spending and structural reforms to encourage private

sector participation. The projected growth rate of 5 percent will be supported by increasing public investment on roads, energy, agriculture, education, health as well as spending on social safety net programmes.

### **Budgetary Resources for 2018**

74. Mr. Speaker, Honourable Members, domestic revenue mobilization would result in the fiscal space necessary to sustain and expand public investment in infrastructure and social programmes, while preserving macroeconomic stability and debt sustainability.

Mr. Speaker, Honourable Members, the 2018 Budget will seek to raise revenue without:

- (i) Introducing any new tax; and
- (ii) Without raising tax rates in any category

Emphasis will be placed on strengthening tax administration including enforcing tax compliance, closing loopholes and reducing duty and tax exemptions.

75. In this regard, domestic revenue is projected at 4.56 trillion Leone or 13.3 percent of GDP for 2018 compared to 3.52 trillion Leone or 12.1 percent of GDP for 2017. Total grants expected from our development partners will amount to 658.3 billion Leone or 1.9 percent of GDP. Of this, budget support will amount to 264 billion Leone. Project grants will amount to 386 billion Leone.

### **Domestic Revenue Mobilisation Measures for 2018**

76. Mr. Speaker, Honourable Members, the main policy objectives of the Revenue Mobilization Strategy (RMS) are highlighted in the Fiscal Strategy Statement that is being laid today for the information of Honourable Members. The RMS focuses on:

- (i) **Strengthening revenue administration.** The aim is to expand the registration of tax payers, enforcement of payment of taxes by professionals; enforcement of payment of withholding taxes on rental properties; strengthen the capacity of the National Revenue Authority to undertake specialized auditing of large firms in telecommunications; mining, banking and commerce; automation of Tax Administration Processes; and improving Goods and Services Tax (GST) administration and compliance.
- (ii) **Public Financial Management Reforms.** This involves (a) the establishment and operationalization of the Treasury Single Account (TSA); and (b) the implementation of the Fiscal Management and Control Act, 2017 to consolidate off-budget revenues into the Consolidated Revenue Fund;

- (iii) **Policy Reforms.** In addition to strengthening tax administration, Government will introduce policy reforms to broaden the tax base by tackling the issue of generous and ad-hoc tax and duty exemptions. These reforms will include: elimination of GST exemptions and reduction in duty waivers, adoption of the ECOWAS Common External Tariff (CET); and an adjustment of the prepayment of income tax upon importation.

77. Mr. Speaker, Honourable Members, Government will also support Local Councils to improve revenue collection. In particular, Government will: (i) provide technical and advisory support to local councils to develop their respective revenue mobilization strategies; (ii) support Councils to fully realize their property tax revenue potentials; (iii) allocate grants to Local Councils based on their revenue mobilization efforts; and (vi) harmonize the property cadastre and business licenses systems with improved internet connectivity that will enhance control and ease supervision.

### **2018 Expenditure Priorities and Allocations:**

Mr. Speaker, Honorable Members, in support of the objective to increase public investment and expanding our social safety net programmes, the 2018 Appropriation Bill projects expenditures at 7.28 trillion Leone, of which, 6.33 trillion Leone is for domestically funded programmes. Recurrent expenditures are projected at 4.83 trillion Leone. Capital spending is projected at 2.46 trillion Leone. Of this, domestic capital expenditure is projected at 1.05 trillion Leone. Foreign financed capital expenditure is projected at 1.41 trillion Leone.

**Wages and Salaries** are projected at 2.07 trillion Leone.

### **Interest Payments**

78. Total interest payments will amount to 952 billion Leone. Domestic interest payments will amount to 854 billion Leone and foreign interest payments, 98 billion Leone.

### **Subsidies and Transfers**

79. Total subsidies and transfers are projected at 606.9 billion Leone. Grants to tertiary educational institutions are projected at 206.3 billion Leone; Transfers to Local Councils, 139 billion Leone; Road Maintenance Fund Administration, 128.9 billion Leone; National Electoral Commission for Elections and Democratization, 131 billion Leone; of which, 8 billion Leone is foreign contribution.

80. Mr. Speaker, Honourable Members, I will now present the non-discretionary expenditures for both recurrent and capital by sector.

### **Pillar 1: Diversified Economic Growth**

Mr. Speaker, Honourable Members, this pillar is allocated an amount of 101.6 billion Leone from the recurrent budget and 21.4 billion Leone from the domestic capital budget to support the diversification process. Donor partners will provide an amount of 175.3 billion Leone.

Government is allocating 53.2 billion Leone from the recurrent budget to support the Ministry of Agriculture, Forestry and Food Security including 34.4 billion Leone for food security; 11.7 billion Leone for the procurement of fertilizers for farmers; 7.1 billion Leone for the procurement of seeds and 6.8 billion Leone for the procurement and distribution of agricultural processing equipment. In addition, development partners will provide 172.5 billion Leone to support various projects.

81. The Ministry of Fisheries and Marine Resources is allocated 4.02 billion Leone from the recurrent spending to support various activities, including the procurement and distribution of appropriate fishing gears for artisanal fisher folk. Government is also allocating 3.7 billion Leone from the domestic capital budget to support the promotion of Inland Fisheries and Aquaculture; and the European Fish Certification Project, among others. The sum of 5 billion Leone from Food Security budget under The Ministry of Agriculture, Forestry and Food Security will also be spent on fisheries, taking the total allocation to 9.02 billion Leone for 2018.

82. Government is allocating 5.5 billion Leone from the recurrent budget and 3.8 billion Leone from the domestic capital to the Ministry of Tourism and Cultural Affairs. In addition, 6.3 billion Leone from the recurrent budget is allocated to the National Tourist Board, including 728 million Leone for the Tourism Marketing Strategy and 3.0 billion Leone from the domestic capital budget for the Lumley Beach Development Project and the Peninsula Beaches Development Project. Government is also providing 2.1 billion Leone to the Monuments and Relics Commissions from the recurrent budget and 1.8 billion Leone from the domestic capital budget.

83. Government is also allocating 23.6 billion Leone for devolved functions under Agriculture and Food Security and 582 million Leone for Fisheries and Marine Resources.

## **Pillar 2: Managing Natural Resources**

84. Mr. Speaker, Honourable Members, Government is allocating 16.6 billion Leone from the recurrent budget and 2.7 billion Leone from the capital budget to this sector. Development partners will contribute 11.5 billion Leone to this sector.

85. The Ministry of Lands, Country Planning and the Environment is allocated 4.1 billion Leone from the recurrent budget for administrative and other activities. In addition, development partners will provide 10.0 billion Leone in support of the National Land Policy Reform Project and Lands Registration Project. Government counterpart contribution to these projects will amount to 750 million Leone. An amount of 738 million Leone will go towards Forestry Division of the Ministry Agriculture, Forestry and Food Security.

86. An amount of Le 2.9 billion is allocated to the Ministry of Mines and Mineral Resources and 3.2 billion Leone to the National Minerals Agency. The National Protected Area Authority is allocated 2.1 billion Leone while Sierra Leone Maritime Administration is allocated 1.8 billion Leone and the Meteorological Agency is allocated 1.3 billion Leone.

## **Pillar 3: Accelerating Human Development**

87. Mr. Speaker, Honourable Members, Government is allocating 618.7 billion Leone from the recurrent budget and 169.0 billion Leone from the domestic capital budget to this pillar. Development partners will also contribute 291.3 billion Leone to this sector.

88. An amount of 369.6 billion Leone accounting for 36.1 percent of total non-salary, non-interest recurrent budget is allocated to the Ministry Education, Science and Technology. Of this, 139.5 billion Leone is allocated to Improving Access to Quality Education, including 73.8 billion Leone for the school feeding programme; 18 billion Leone as Grants-in-Aid to University students; 14 billion Leone as Grants-in-aid to Government Boarding Schools, 11.6 billion Leone as examination fees to WAEC for WASSCE and 6.5 billion Leone for the Girl Child Programme.

89. In addition, an amount of 222.3 billion Leone is allocated to Tertiary Education, Technical and Vocational Training. Of this, 159.0 billion Leone is for Tuition Fees

Subsidies for University students; 47.3 billion Leone as Grants to Tertiary Educational institutions; and 9.4 billion Leone for the Student Loan Scheme. Development partners will contribute 45 billion Leone for the rehabilitation of Fourah Bay College while Government counterpart contribution to this project is 3.5 billion Leone. An amount of 62.2 billion Leone is allocated to devolved education services.

90. Mr. Speaker, Honourable Members, The Ministry of Health and Sanitation is allocated an amount of 107.4 billion Leone, accounting for 10.5 percent from the non-salary, non-interest recurrent budget. Of this, 12.9 billion Leone is allocated to primary health care services, including Malaria, HIV/AIDS, and Tuberculosis prevention and control programmes; 8.5 billion Leone to Reproductive and Child Health Care Services including Immunization and Family Planning programmes; 26.1 billion Leone to Tertiary Health Care Services; and 26.6 Leone for the procurement of Free Health Care Drugs. In addition, 10 billion Leone is allocated from the domestic capital budget to Public Health Sierra Leone. Development partners will contribute 125.3 billion Leone to support various projects in the health sector. Government counterpart contribution to these projects will amount to 38.7 billion Leone. The Pharmacy Board Services is allocated 5.3 billion Leone. Devolved functions in the health sector are allocated 30.4 billion Leone.

91. An amount of 113.8 billion Leone will be provided to support various water supply projects. 9.3 billion Leone as grants to SALWACO; 1.6 billion Leone to the Emergency Recovery Priority Programmes on water.

#### **Pillar 4: International Competiveness**

92. Mr. Speaker, Honourable Members, this Pillar is allocated 750 billion Leone from the recurrent budget to promote the competitiveness of our economy. Government is also allocating 589.6 billion Leone from the domestic calital budget to this pillar. Development partners will also provide 864.4 billion Leone.

93. To this end, 136.4 billion Leone will go to increasing electricity generation, enhancing existing thermal plants, rebuilding and enhancing the distribution network. The road sector is allocated 426 billion Leone. Of this, 266.5 billion Leone is for the rehabilitation and reconstruction of several trunks roads nationwide; 97.5 billion Leone for the rehabilitation of streets and roads in the Western Area; 62 billion Leone for the rehabilitation of streets in District Headquarter towns and selected towns. In addition, the Road Maintenance Fund Administration is allocated Le 128.9 billion for road maintenance activities.

94. Development partners have also pledged 380.3 billion Leone to the Energy Sector; 115 billion Leone to water sector; and 460 billion Leone to the roads sector.

### **Pillar 5 : Labour and Employment**

95. Mr. Speaker, Honourable Members, Government has allocated an amount of 22.3 billion Leone from the recurrent budget to this pillar. This includes 4.4 billion Leone to the Ministry of Youth Affairs. From the domestic capital budget, Government is allocating 8.7 billion Leone to support the National Youth Development, Empowerment and Entrepreneurship project; National Youth Service Programme; National Youth Village Project; Youth Farm and Youth in Fisheries Project. The National Youth Commission is allocated 5.1 billion Leone and National Youth Service, 2.7 billion Leone. The Ministry of Labour and Social Security is allocated 8 billion Leone for administrative and other activities. In addition, Government is providing 2.0 billion Leone for devolved functions for Youth and Sport services.

### **Pillar 6: Social Protection**

96. Mr. Speaker, Honourable Members, an amount of 21.8 billion Leone is allocated from the recurrent budget and Le 51.5 billion from the domestic capital budget to the Social Protection Pillar. Development partners have pledged 31.6 billion Leone.

97. Government is allocating almost 13 billion Leone from the recurrent budget to the Ministry of Social Welfare, Gender and Children's Affairs for Social Protection Services. Of this, 11.4 billion Leone to support Social Protection Programmes, including 2.9 billion Leone for the Disability Commission; 1.7 billion Leone for Diet for Approved Schools and Remand Homes.

98. The National Commission for Social Action (NaCSA) is allocated 1.8 billion Leone from the recurrent budget and 51.8 billion Leone from the domestic capital budget for various Social Support Programmes. Development partners will contribute 21.6 billion Leone in support of these programmes. Development partners will also provide 10 billion Leone for the Post-Ebola Recovery Social Investment Project.

### **Pillar 7: Governance and Public Sector Reforms**

99. Mr. Speaker, Honourable Members, Government is allocating 830 billion Leone from the recurrent budget and 359.8 billion Leone from the domestic capital to this pillar.

100. The Ministry of Foreign Affairs and International Cooperation is allocated 38 billion Leone from the recurrent budget. An amount of 15 billion Leone is allocated from the domestic capital budget for the rehabilitation of our foreign missions.

101. Mr. Speaker, Honourable Members, the Ministry of Finance and Economic Development is allocated 67.1 billion Leone from the recurrent budget, including 43.3 billion Leone for the payment of subscriptions to international organisations. An amount of 14.1 billion Leone is also allocated from the domestic development budget to support the activities of the ECOWAS Monetary Cooperation Programme, including West African Monetary Zone (WAMZ) programme and West African Monetary Agency (WAMA); as well as the rehabilitation of the National Development Bank Building.

102. Mr. Speaker, Honourable Members, Parliament is allocated an amount of 15.3 billion Leone; Audit Service Sierra Leone is allocated Le 7.3 billion from the recurrent budget and 2.0 billion Leone from the domestic capital; Public Service Commission, 2.6 billion Leone from the recurrent budget and 800 million Leone from the capital budget for the construction of an office complex; Statistics Sierra Leone, 7.7 billion Leone from the recurrent budget and 4.3 billion Leone from the domestic capital budget for the conduct of various surveys; National Revenue Authority, 90.5 billion Leone from the recurrent budget and 500 million Leone from the domestic capital budget for the Modernization of Revenue Administration Systems; the National Public Procurement Authority, 3.6 billion Leone; and Human Rights Commission, 2.5 billion Leone. The Anti-Corruption Commission is allocated 6.1 billion Leone.

103. Government is allocating 123.9 billion Leone to the National Electoral Commission for the 2018 Elections and other electoral activities. 106.7 billion Leone to the Ministry of Defence including 25.1 billion Leone for rice supply to officers and other ranks; 97.5 billion Leone to the Sierra Police; 58.2 billion Leone to the Sierra Leone Correctional Services; 11.7 billion Leone to the National Fire Authority; 9.4 billion Leone to Office of National Security (ONS).

104. From the domestic capital budget, 95.3 billion Leone is allocated to the Integrated National Civil Registration System Project; 1.6 billion Leone for the Machine Readable Passport and the Establishment of an Integrated Immigration Control System. Government is also providing 2.7 billion Leone for the Rehabilitation of Military Barracks and construction of Housing Units at Gondama and Wilberforce and 2.2 billion Leone for the construction of a Police Academy and police stations around the country.

105. Government is also allocating 5.9 billion Leone as Local Government Development grants, 10.1 billion Leone to the Constituency Development Fund and 10.1 billion Leone to the Infrastructure Development Fund.

### **Pillar 8: Gender and Women's Empowerment**

106. Mr. Speaker, Honourable Members, Government is allocating 2.3 billion Leone to support Gender and Women activities the Ministry of Social Welfare Gender and Children's Affairs in addition to what is allocated to the Ministry under pillars 6 for other services.

## **PART FOUR**

### **Eminent Challenges and Risks**

#### **(i) Fiscal Risks and Mitigating Measures:**

107. Mr. Speaker, Honourable Members, we face challenges associated with internal and external shocks, including the recent mudslides and floods in Freetown. Our vulnerability to these shocks could derail the implementation of this budget if they materialize. These risks are summarized below.

#### **(i) Low Revenue Collection**

108. Mr. Speaker, Honourable Members, revenue mobilization is crucial to maintain macroeconomic and fiscal sustainability in the near term. There is little room for expenditure adjustment, given mounting expenditure pressures to sustain the recovery from Ebola and to meet the cost of funding the 2018 elections. If the revenue measures highlighted in the Domestic Revenue Mobilization Strategy are not implemented, there is a risk that some critical programmes may not be completed given the limited availability of domestic financing as well as the limited scope to cut spending.

#### **(ii) Commodity Price Shocks**

109. Mr. Speaker, Honourable Members, commodity price shocks result in adverse terms of trade. Sierra Leone is an oil importer and petroleum products constitute the second highest import value. Thus, a rise in international oil prices will adversely affect our revenue in the form of implicit subsidies (loss in excise duties), while increasing expenditures in the form of explicit subsidies (direct payments from the budget). A fall in the price of iron ore, our major export will result in decrease in GDP, domestic revenues and exchange rate depreciation with adverse budgetary implications.

### **(iii) Macroeconomic Shocks**

#### **(a) Shocks to exchange rate**

110. Mr. Speaker, Honourable Members, as our stock of foreign debt and debt service payments are denominated in foreign currencies, a depreciation of the exchange rate will increase debt service payments in Leone terms for both interest and principal repayments with adverse effect on budget execution.

#### **(b) Rise in Inflation**

111. Any significant rise in inflation will result in higher expenditures in nominal terms. This is likely to increase the budget deficit.

#### **(vi) Contingent Liabilities**

112. Other fiscal risks to the budget include Contingent liabilities, which can arise when guarantees issued by the Government materialize or from failure to adhere to the terms of a Public-Private Partnership transaction.

#### **(v) Natural Disasters**

113. Natural Disasters such as the mudslides and floods or the re-emergence of diseases such as Ebola that could cause untold suffering on affected people and the economy as a whole through destruction of property, loss of lives and displacement of the people. This can derail budget implementation with resources diverted from other critical areas to address the impact of these disasters.

#### **(vi) Subsidies on Imported Rice and Petroleum Products**

114. Mr. Speaker, Honourable Members, one of the main reasons for the vulnerability of our economy to external shocks especially the volatile movement in commodity prices is our heavy reliance on two strategic imports; that is; rice and fuel. Whilst rice is produced locally, fuel at the moment is imported.

115. With regards to rice, Government continues to subsidize urban consumers at the expense of our poor rural farmers who are engaged in rice production. The result has been low rice production and significant loss of foreign reserves on importing rice, with adverse implications for exchange rate stability. Government is reviewing this policy with a view to ensuring that local rice producers are also provided with the right incentive to stimulate domestic production of rice to enable us attain self-sufficiency and eliminate the high import bill for rice.

116. Mr. Speaker, Honourable Members, Government continues to subsidize fuel consumption in the retail market as indicated by the difference between the commercial and retail price of fuel in the domestic market. The result has been significant loss of domestic revenues during the year as international oil prices rose while the domestic pump price remained fixed in the retail market at Le6000 per litre. At the time I presented the 2017 Budget, Platts price per metric ton was US\$465 and the exchange rate was Le 7,389.62. As at the week beginning October 23, 2017 Platts price per metric had risen to US\$549 while the exchange rate depreciated to Le 7661 per US\$. Given Government's concern for the welfare of the people, the price of fuel in the retail market, at which we all buy fuel, has remained unchanged at Le6000 per litre. Government is closely monitoring the situation as the efforts to keep pump prices unchanged in the midst of increases in international oil prices and depreciation in the exchange rate, over which Government has no control, is proving to be challenging.

### **Risk Mitigating Measures**

117. Mr. Speaker, Honourable Members, to mitigate the impact of macroeconomic shocks, Government will continue to implement sound macroeconomic and sectoral policies, including a prudent fiscal policy with strong revenue measures as well as proactive monetary policy to ensure a stable macroeconomic environment.

118. To mitigate the impact of contingent liabilities, my Ministry is developing a full set of guidelines for the issuance of loan guarantees as well as a template for financial reporting by State-Owned Enterprises and Local Councils. Government, with assistance from the IMF, is in the process of establishing a unit within the Ministry of Finance and Economic Development for fiscal oversight of State-Owned Enterprises.

119. To mitigate the impact of natural disasters, a contingency allocation is included in the Government budget to address effects of natural disasters. In addition, early warning mechanisms will also be adopted to ensure readiness and appropriate action before the occurrence of a disaster.

120. To mitigate the effect of any re-emergence of Ebola and other health emergencies, Government is working on strengthening Integrated Disease Surveillance Reporting (IDSR) at national and community levels.

## VII. Conclusion

121. Mr. Speaker, Honouble Members, in concluding this statement, let me thank my colleague Ministers for their invaluable contributions in shaping the policies and measures I have just announced. The Minister of State and the Deputy Minister in MoFED, the Financial Secretary and staff of MoFED also deserve commendation. The Governor, Management and staff of the Bank of Sierra Leone are recognized for their collaboration and cooperation in the coordination of fiscal and monetary policies. The Commissioner-General, Management and staff of the National Revenue Authority also supported this effort.

122. Mr. Speaker, Honourable Members, let me also wholeheartedly thank the Chairpersons of the Finance and Transparency Committees of Parliament. Our Development Partners, who continue to support our priority programmes deserve special appreciation. The District Budget Oversight Committee Members, the Non-State Actors and members of the electronic and print media that participated in our open budget discussions, deserve our gratitude. As usual, the Government Printer and staff rose to the occasion and produced the printed Statement and Estimates on time.

123. Mr Speaker, Honourable Members, as already emphasized, we must increase our domestic revenue mobilization efforts to finance our development agenda. This is especially so in the context of volatile mineral revenues and declining donor support. We therefore need to ensure that the policies we have outlined are effectively implemented. We have the tools; the Revenue Mobilization Strategy; the Fiscal Management and Control Act, the 2018 Finance Act; the TSA and other PFM reforms.

124. In the true spirit of transforming the economy, we have to do **MORE**. We can do **MORE** and we will do **MORE**.

125. I, therefore, commend this budget to the House. I thank you all for listening and may God bless Sierra Leone.

# **BUDGET PROFILE**



GOVERNMENT OF SIERRA LEONE

**GOVERNMENT BUDGET**

**and**

**STATEMENT OF ECONOMIC AND  
FINANCIAL POLICIES**

*For the Financial Year, 2018*

*Theme: "Strengthening Resilience for Inclusive Growth"*

DELIVERED BY

**MOMODU L. KARGBO**

*Minister of Finance and Economic Development*

**in the Chamber of Parliament**

TOWER HILL, FREETOWN

ON

**Friday, 27th October 2017**

**at**

**10:00 a.m.**