

MR. SPEAKER, HONOURABLE MEMBERS

I rise to move that the Bill entitled "The Appropriation Act 2019" being an Act to authorise expenditure from the Consolidated Revenue Fund for the services of Sierra Leone for 2019, be read the first time.

I. Introduction

Mr. Speaker, Honourable Members, the Sierra Leone People's Party (SLPP) Government led by His Excellency, Retired Brigadier Dr. Julius Maada Bio, inherited a challenging economic situation characterised by weak economic growth and high budget deficits underpinned by excessive expenditures amidst poor revenue performance. Government expenditures including the payment of salaries of civil servants were financed through Ways and Means Advances from the Bank of Sierra Leone while payments for goods and services and infrastructure projects were financed largely by borrowing from commercial banks at high interest rates.

2. The implementation of structural reforms also weakened in recent years, resulting in the deterioration of our ranking under in the World Bank Country Policy and Institutional Assessment (CPIA) from a medium to weak performer with adverse implications for the amount of concessional resources allocated to Sierra Leone.

3. The situation was compounded by the inability of the previous Government to take corrective measures, which led to the derailment of the Extended Credit Facility (ECF) programme with the International Monetary Fund (IMF). Consequently, most development partners withheld budget support to Sierra Leone since 2017 to date. These developments culminated in a sharp increase in domestic debt and related high debt service payments as well as the build-up of huge arrears owed to suppliers and contractors. The exposure of these suppliers and contractors to overdraft and loan facilities from the commercial banks as well as loans to Politically Exposed