The weekly business newspaper

FINANCIAL STANDARD

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S'leone yawns at Foreign Goods

Import Bills Slump 4% @ £47m.

Washington DC. President Mada Bio at Seirra Leone's Economic delegation Meeting with the IMF

By John Marrah
Senior Business Correspondent

Appetite for imported goods and services has taken a dip in the economy. Import bill consequently has slowed by 4.1 percent to £47 million in the one-year period to end of first quarter in 2024.

Emerging trading figures revealed that Sierra Leone's total import bill to the United Kingdom peaked £47 million; a decrease of £2 million in current prices in the year ended March 2024. In its trading portfolio with the United Kingdom during review period, total UK exports to Sierra Leone amounted to £47 million a decrease of £2 million in current prices, compared to the figures recorded earlier in the four quarters to the end of Q1 2023.

Trade figures available to FS revealed a slip of 14.3 percent or £2 million in current prices in British exports to Sierra Leone in the period under review. Of all UK exports to Sierra Leone 74.5 per cent worth £35 million were goods and 25.5 percent

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IMF Dangles $253m Credit Lifeline

By Ibrahim Mansaray
Europe Regional Editor
Finland

The International Monetary Fund (IMF) has given fresh commitments towards the recalibration of the Sierra Leone economy. The global fund is committing $253 million in financial assistance to a 38-month Extended Credit Facility (ECF) that would ensure enhancement of economic framework and strategic reforms.

President Mada Bio met with IMF's Managing Director Kristalina Georgieva over the weekend in Washington DC. The important outcome of the meeting was the IMF's considering a requested access of the financial assistance package. It equally reaffirmed commitment to supporting economic stabilization in Sierra Leone. FS sources at the meeting explained that the 38 months ECF arrangement would aid restoring stability through continued macroeconomic adjustment that would address debt vulnerabilities.

It would also target reduction of inflation, rebuilding external reserves, bolstering inclusive growth and poverty reduction through structural reforms and targeted social spending. This will also revitalise the reform agenda that would strengthen governance and institutions – all advancing the poverty reduction and growth aspiration outlined in the country's Medium Term National Development Plan (MTNDP) 2024-30.

The program would also focus on fiscal and debt sustainability, monetary policy operations, drivers of inflation, external sector stability, trade facilitation, macroeconomic implications of gender inequality, climate-related risks, and the adequacy of social policies. (See details on Page 3)

Funding constraints crushing Tourism in Salone

By Dolly Jones

Inadequate funding among others has been identified as serious constraints to the development of tourism in Sierra Leone.

This is closely followed by inadequate infrastructures required to support tourism activities in the country. Recent study carried out on the industry by Bisolu Betts - a research company also pointed fingers at lack of national carrier (airline), lack of a cohesive tourism. policy, weak training institutions for training tourism experts and weak human capital as barriers to growth of tourism.

About 30 percent of those that participated in the study are of the belief that funding is a major handicap in developing the Salone tourism sector. The respondents are of the belief that adequate funding would go a very long

Continued **page 2**

The Minister of Tourism and Cultural Affairs, Ms Nabeela Tunis (centre), and the founder of Tacugama Sanctuary Bala Amarasekaran (left) and the Permanent Secretary of the ministry Mr Edward Kwame Yankson (right) at a recen

Highlights of Proposed IMF Extended Credit Facility

President Mada Bio met with IMF's Managing Director Kristalina Georgieva over the weekend in Washington DC. The important outcome of the meeting was the IMF's considering a requested access of the financial assistance package. This meeting outlines key financial indicators for sustainable growth, the proposed economic policies, and the anticipated implications for Sierra Leone's economy.

- **Economic Policies and Reforms:**

- Fiscal Responsibility: a commitment to reducing the budget deficit through revenue enhancement measures and expenditure restraint.
- Monetary Stability: maintaining inflation within single digits, and focus on strengthening its monetary policy framework.
- Structural Reforms: the need for structural reforms, particularly in the sectors of public financial management, anti-corruption measures, and strengthening the investment climate.
- Social Protection: recognized the importance of social safeguards to support the most vulnerable locations as reforms are implemented.

- **Financial Assistance:**

- The IMF expressed willingness to support Sierra Leone with a financial assistance, upon requested approximately$253 million, this comes with condition for successful implementation of agreed policies and reforms.

- This funding will be disbursed in tranches, tied to specific reform milestones, to ensure accountability and effective use of resources.

The anticipated implications this will have on economy:

- **Economic Stabilization:** The financial package and reform agenda are expected to restore macroeconomic stability, boosting investor confidence and promoting economic growth.
- **Enhanced Public Services:** As fiscal discipline improves, there is potential for increased public spending on essential services such as health and education, contributing to long-term socio-economic development.
- **Investment and Infrastructure**: With a more stable economic environment, the aims to attract foreign direct investment, particularly in infrastructure development and natural resources.

- **Risks and Challenges**: While the agreement marks a positive step, challenges remain in ensuring the practical implementation of reforms amidst potential political and social resistance.

Overall, the meeting between President Bio and the IMF marks a crucial milestone for Sierra Leone›s economic recovery strategy. The commitment to economic reforms paired with the 38 months ECF, and the requested $253 million financial assistance is expected to lay the foundation for sustainable growth. Continuous monitoring and a collaborative effort between the Sierra Leonean government and the IMF will be essential to navigate the challenges that lie ahead.

World Business Briefs

- **Economic Outlook for Sub-Saharan Africa brightens**

The regional and economic outgrowth had displayed a paradigm shift in sub_ Africa. This shift will enhance rapid development in sub _ Saharan Africa in which economic situation will multiply to adjust the Economic turmoil in the year 2024_ 2025. For sub- Saharan Africa tepid and pricey recovery, the outlook for sub-Saharan Africa is gradually improving. Growth will rise from 3.4 percent in 2023 to 3.8 percent in 2024, with nearly two thirds of countries anticipating higher growth. Economic recovery is expected to continue beyond this year, with growth projections reaching 4.0 percent in 2025.

- **Hope Rises on FX In Emerging Economies.**

Foreign Exchange Intervention In a 157 emerging markets and developing countries sample, remittances continue to grow fast, outpacing other financial inflows as a share of GDP, particularly in Asia. The development of private sector market risk management tools should support longer-term structural reforms required to increase the absorptive capacity of additional FX inflows.

- **Geopolitical Proximity and the Use of Global Currencies.**

In decades of increasing global economic integration, the world is facing a growing risk of geoeconomic fragmentation, with potentially far-reaching implications for the global economy and the international monetary system. On geopolitical proximity, closer proximity can boost the use of the euro and renminbi, notably among emerging markets and developing economies, although the impact is rather muted in the full sample.

- **IMF sees steady growth for the global economy.**

The International Monetary Fund (IMF) is projecting steady growth for the global economy over the next two years, with growth projections unchanged in the latest update to its World Economic Outlook. The forecast for this year stays at 3.2%, while it's slightly higher next year at 3.3%. With that understanding growth in major economies is becoming more aligned, with the United States showing signs of cooling, while the euro area is set to pick up. Asia's emerging market economies continue to be the main engines of global growth, and prospects for India and China have been revised, accounting for almost half of global growth.

- The European Central Bank keeps rates unchanged.

The European Central Bank (ECB) has kept interest rates unchanged at 3.75%. However, prospects from the bank's September meeting were "wide open", ECB President Christine Lagarde said. While investment activity along with poor industrial output suggested sluggish expansion in the immediate future.

- Malaysia's GDP Growth Beats All Estimates as Recovery Holds

Malaysia has become a prospect in terms of growth with a gross domestic product of 5.8 percent. According to Bloomberg survey, Malaysia's economic growth in the second quarter surpassed all estimates on broad-based gains from manufacturing to consumption, suggesting a recovery seen at the beginning of this

Funding contraints crushing tourism

From page ONE

way in boosting activities in the industry.

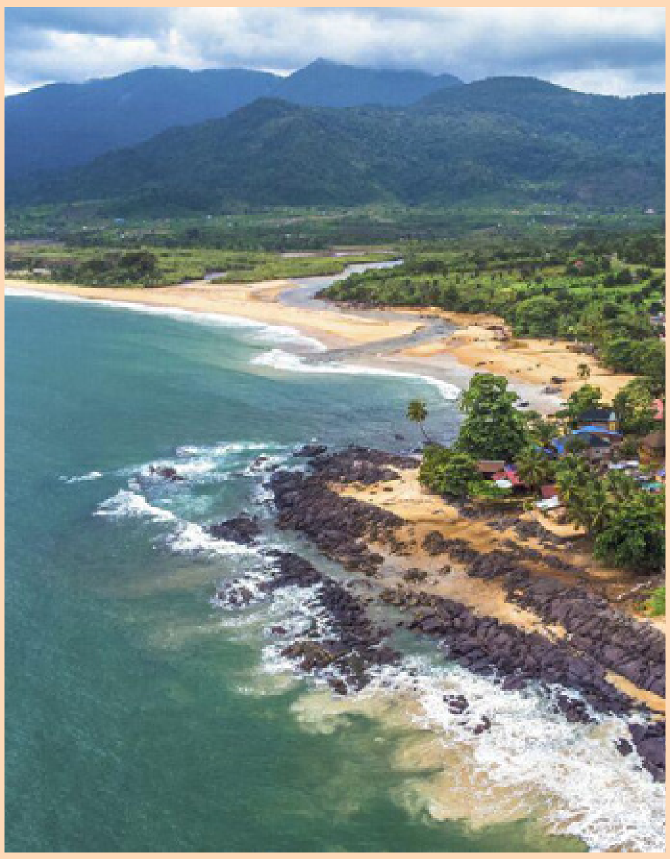
This is closely followed by inadequate infrastructure. 20 percent of the respondents to the study identified lack of infrastructures to support tourism as a bane. ' "This has been the most difficult challenge for tourism in Sierra Leone since not everyone is engaged in tourism or wants to demonstrate concern for tourism",

Coming on this heel of this at 8 percent is the belief that lack of training and inadequate education on the potentials of tourism are also barriers to its development in the economy. The respondents decried the absence of training schools devoted to training tourism practitioners.

"There is lack of educational awareness regarding tourism. Therefore, people are unaware of the benefits". Adding that many people do not see tourism as a viable option.

The study equally decried the absence of a national airline which could have been very helpful in facilitating travels and movements of tourists. It enjoined government to invest seriously in supporting infrastructures like more airports, a national airline, development of parks and beaches to encourage tourism practitioners and also to attract tourists to Sierra Leone.

"These factors coupled with a lack of tourism policy has seriously hindered the growth and stability of tourism in Sierra Leone" Adding that this development has left tourism destabilised and incapable of achieving benefits for the country.



Scant Cheers on Fuel Pump Price Reduction

By Joan Bannister

The past two months have seen the government adjusting the price of fuel downward in the economy. A welcome relief to the populace, so it seems. The latest drop, effective 2nd September, saw fuel now selling at a new price of 28New Leone per litre. The first decrease on June 30 was from NLE 30 to NLE 28.50.

This welcoming development, no doubt, has gladdened the hearts of citizens across the country. The reason is clear: the impact of fuel on businesses and human lives cannot be over emphasized. This reduction in cost of fuel is expected to have significant impact in terms of reduced transportation fares, drop in prices of consumer goods and accelerated growth of businesses. FS investigations revealed that the reduction has been met with cautious optimism as the anticipated benefits are yet to be fully seen by the people and the relief felt by businesses.

Transporters viz: commercial drivers and motorbike riders continue to charge high fares and businesses are still adjusting. The general sentiment is one of the hopes for more substantial reductions which would translate to meaningful improvements in transportation costs and a significant drop in the cost of living.

FS went to town to feel the pulse of the people. Kabba Koroma, a student at the Fourah Bay College (FBC), University of Sierra Leone, is elated but has his reservations on the expected positive response from commercial bus drivers. Kabba who resides in Calabar Town told FS the reduction is a welcome change. 'The reduction in the price of fuel prices is a welcome change, but it has not significantly improved the situation for us. While the cost of fuel is slightly lower, commercial drivers are still charging high fares and we often face difficulties finding transport, especially during peak hours. The reduction, he observed, should ideally lower fares but in practice, 'the impact appears to be minimal now'.

According to him, transport on government run buses cost him about NLe 10.00 on the government bus from Calabar town to Regent Road and another 15 Leones from Regent Road to Fourah Bay College campus but for some other reasons the cost is determined at the whims and caprices of the drivers. 'But if I decide to use the old road after 10 am, I am charged as the conductor wishes, even when the day prices were reduced, one is still being forced to pay 10 Leones from Cottage to Calaba Town in the evenings after classes.' According to Kabba, commercial vehicles do not have fixed prices, they decide how much passengers pay at any given time. Even with the reduction, the fares haven't decreased much. Drivers, he said, are still hiding under the guise of high costs in other things to justify they're still charging at high prices.

He acknowledged the possibilities of high costs of other things especially vehicle maintenance, licensing fees etc. He maintained that the reduction in fuel pump prices is yet to be reflected positively in terms of the drop in operational costs in Freetown. Mr. Micheal Adeyemi, a proprietor of a Cinema House in Freetown was asked by FS reporter what impact the reduction is having on his business operations. 'The recent fuel price drop has slightly reduced our operational costs, particularly the cost of fuel for our electric generators', he said while acknowledging that the savings are very modest. 'They help us in managing our budget more effectively'.

Me: What changes are you considering to further benefit from this reduction?

Michael Adeyemi explained further that his business is considering adjusting the business operational hours and exploring energy-efficient alternatives to make the most of these savings. 'Additionally, we are hoping for further reductions to possibly pass some savings on to our customers'. Alimamy Kanu runs his welding business 'The drop in fuel prices has been a relief, as it has slightly lowered the cost of fueling my equipment and vehicle'. However, he observed that the change hasn't been drastic enough to significantly alter my overall. The drop is spurring him to expand his business. 'With the current reduction, I'm considering investing in more fuel-efficient equipment. I'm also hoping for a more substantial decrease in fuel prices soon, which would allow me to further reduce costs and improve profitability'.

As Sierra Leoneans navigate this transitional period, there is a collective yearning for further price decreases that would offer a more significant financial reprieve and drive extra noticeable benefits throughout the economy.

As we await further adjustments, the present situation underscores the ongoing challenges faced and adjustments by individuals and businesses alike. The journey towards a more affordable and stable fuel market continues, with many eagerly anticipating the next steps in this crucial economic adjustment.

> **With the current reduction, I'm considering investing in more fuel-efficient equipment. I'm also hoping for a more substantial decrease in fuel prices soon, which would allow me to further reduce costs and improve profitability**

Kono benefits from Diamond Fund Projects

By Alimatu Kargbo

The establishment of the Diamond Area Community Development Fund (DACDF) has been hailed as a novelty. The fund is a critical component of the government's agenda to ensure outcomes for mining host communities.

Deputy Minister Napoleon Koroma said he was extremely happy to see that a critical component of President Julius Maada Bio's development agenda was being rolled out transparently to benefit ordinary citizens. He advised community leaders on the judicious use of the resources given to them and said government would be efficiently monitoring the implementation of these development project.

The Deputy Minister and his counterpart at the Ministry of Local Government, Alfred Jamiru were at the launching projects funded with proceeds from mining activities in Kono District.

Egypt, Sierra Leone strengthen ties.

The Egyptian Ambassador to Sierra Leone, Rashia Soliman Mohi Eldin Soliman, has recently paid a courtesy call on the Ambassador of Sierra Leone to Egypt, Ambassador Sadiq Silla at the Sierra Leone Embassy in Cairo, Egypt.

The visit was aimed at fostering strong diplomatic relations between the two countries citing their shared history and mutual interests.

During their meeting, the two envoys discussed various ways to enhance cooperation between Egypt and Sierra Leone, particularly in the areas of trade, culture, education, tourism, agriculture, education, Foreign Service improvements and security between the two countries and facilitate coordination and exchange of professionals for Sierra Leone's Foreign Service Academy.

Ambassador Silla invited Ambassador Soliman to visit Sierra Leone and explore its rich cultural heritage which he graciously accepted and expressed her eagerness to further strengthen the ties between the two countries.

Africell Beautifies New London Roundabout in Bo City

Telecom giant - Africell Sierra Leone, in collaboration with the Bo City Council, has completed the beautification of the new London roundabout in the city of Bo. This initiative marks a major step forward in the city's ongoing efforts to enhance its infrastructure and aesthetics.

The beautification project was officially commissioned during a ceremony attended by key stakeholders, including Africell's Southeast Manager, Khalil Fawaz who reaffirmed the company's commitment to supporting local communities across the country.

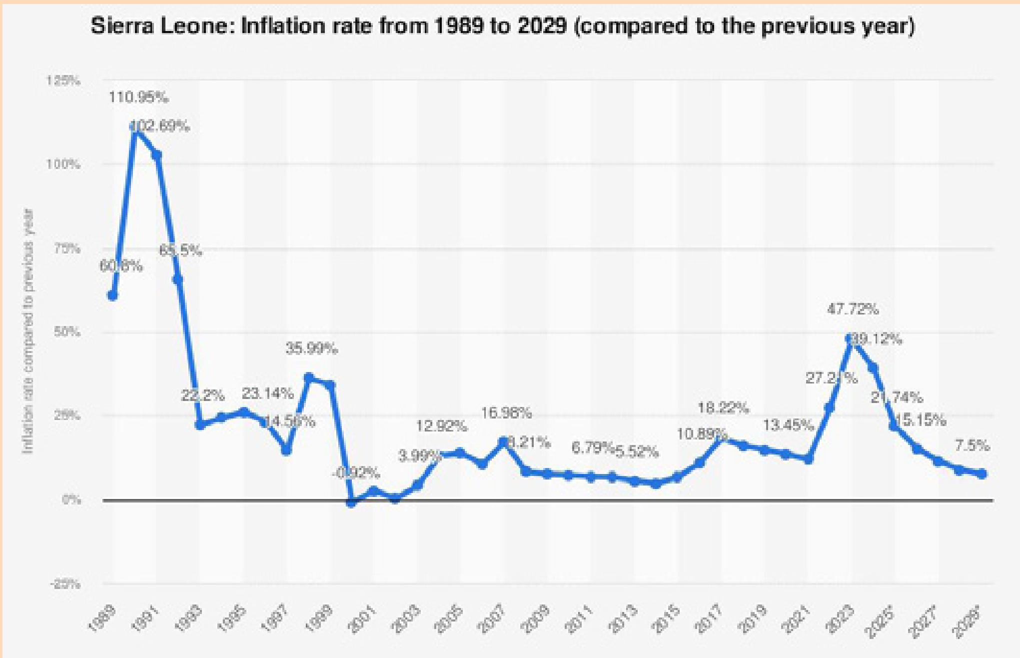
"It is not surprising to see Africell joining hands with communities and local governments to make positive changes," Fawaz remarked. "The Bo City Council is working hard to beautify this city, and Africell is proud to contribute to these efforts. We are committed to making Bo, Sierra Leone's second-largest city, the best city upcountry."

Fawaz acknowledged that much of Africell's focus has traditionally been on Freetown, but he emphasized the company's new commitment to extending its efforts to other parts of the country. He announced Africell's plans to support the beautification of four additional roundabouts in Bo, including those at Bonjon Street, Shellmingo, Mahei Boima/Sewa Roads, and Mobil.

Mr. Powell on behalf of Bo City Council expressed gratitude to Africell, stating, "We look forward to seeing the completion of the other roundabouts as part of our broader development agenda." He reiterated the council's dedication to pursuing developmental projects that will enhance the city's infrastructure and overall appeal.

Economy Records Steep Rise in Inflation

By Kongbap Sumner
Editor



Consumer Price Inflation at 0.93 percent in July returned a 0.50 percentage point rise in the one-month period from June. It peaked 0.43 percent in the previous month. National Consumer Price Inflation (year-on-year) for the month according to figures recently released by the Statistics Sierra Leone (SSL) stood at 29.45 percent during the month of July. A drop of 2.48 percentage points from 31.93 percent recorded in the previous month of June 2024.

SSL reported a reduction in annual national food and non-alcoholic beverages inflation for July 2024 at 24.75 percent, drop by 2.50 percentage points from 27.25 percent in June 2024. It reported that National inflation for non-food at 33.61 percent in July 2024 from 35.99 percent in June 2024; down by 2.38 percentage points.

Upward Movers are Housing, water, electricity, gas and other fuels, with weight 8.90 percent increased from 38.63 percent in June 2024 to 39.99 percent in July 2024; the inflation rate increased by 1.36 percentage points, year-on-year. Furniture, household equipment and household maintenance, with weight 5.60 percent, increased from 28.36 percent in June 2024 to 28.37 percent in July 2024; the inflation rate increased by 0.01 percentage point, year-on-year.

Downward Movers include Food and non-alcoholic beverages, with weight 40.30 percent, declined by 2.50 percentage points from 27.25 percent in June 2024 to 24.75 percent in July 2024, year-on-year. Alcoholic beverages, tobacco and narcotics, with weight 1.00 percent, declined by 0.94 percentage point from 20.22 percent in June 2024 to 19.28 percent in July 2024, year-on-year.

Clothing and footwear, with weight 7.70 percent, declined by 2.47 percentage points from 27.18 percent in June 2024 to 24.71 percent in July 2024, year-on-year. 1 Classification of Individual Consumption by Purpose 2 Health, with weight 7.60 percent, declined by 2.10 percentage points from 40.67 percent in June 2024 to 38.57 percent in July 2024, year-on-year. Transport, with weight 8.60 percent, declined by 3.94 percentage points from 60.17 percent in June 2024 to 56.23 percent in July 2024, year-on-year.

STATISTICS SIERRA LEONE

PERSONAL VIEW

IBRAHIM MANSARAY

Achieving Sustainable African Economies

By Ibrahim Mansaray

There has never been any doubt that countries of rich raw materials, many of which are in Africa, want to develop and move from net receivers of so-called aid to self-reliant net providers of innovations and solutions to the challenges and problems confronting them and the world.

Colonialism, underdevelopment, inequalities, poverty have been and would continue to be major global crises that have dragged on for ages. This is compounded in Africa by limited global value chains, financial outflows, with worsening threats from pandemics and climate change, among other challenges. The continent has a significant infrastructure gap that must be closed. Foreign Direct Investment in Africa is key to sustainable recovery and growth. Fresh funds imply the erection of factories, stimulation of sustainable industrial development, research and development, employment creation and sustainable livelihoods and value addition to commodities in the case of African minerals and divestment from fossil fuels and investment in renewable energy.

German investment in Africa stood at 1% of its total external investment in 2018; this means that Sierra Leone and other African Nation's has an opportunity to tap into the German business investments. Last year 2021, the G7, hosted by the UK, pledged to invest $80 billion in Africa.

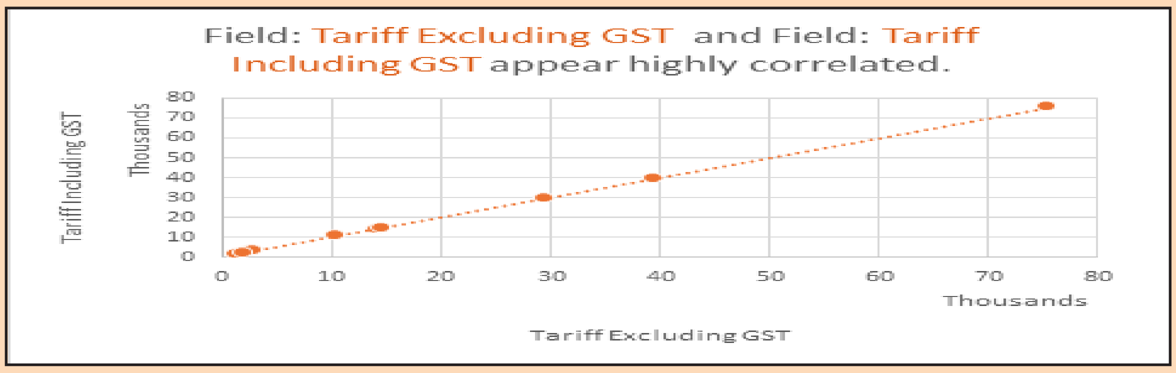
The G7 has a present and historical duty to assist by drawing on their financing commitments for Africa. There are potentials for mutual benefit for Germany and Africa in German foreign direct investment, as with G7 FDIs in Africa.

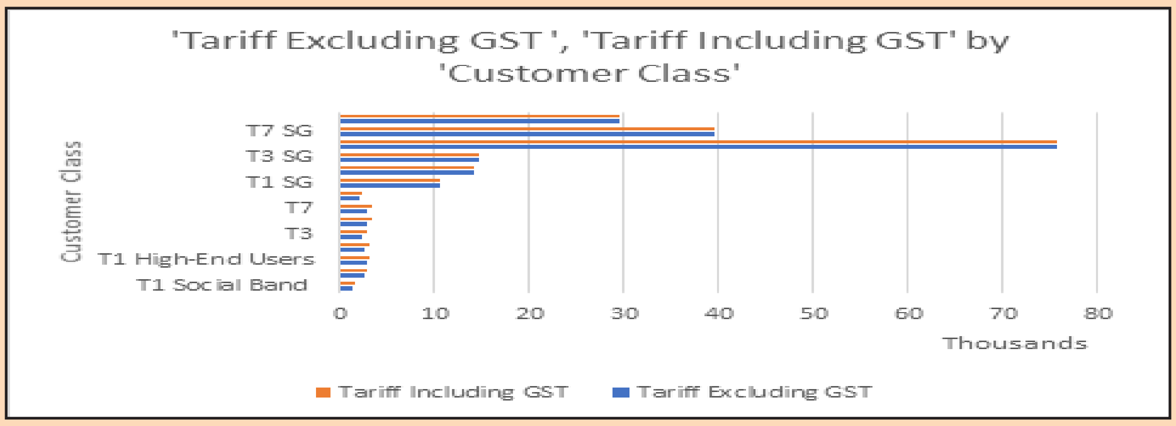
The G7 and the G20 have committed to re-allocating $100bn of Special Drawing Rights out of $650bn to help International Monetary Fund (IMF) member countries facing economic crises. The G7 has promised much to Africa through endless so-called aid offerings. For decades, G7 leaders have pledged to allocate 0.7% of their respective countries (GNI) to international aid to support Africa and other continents in need.

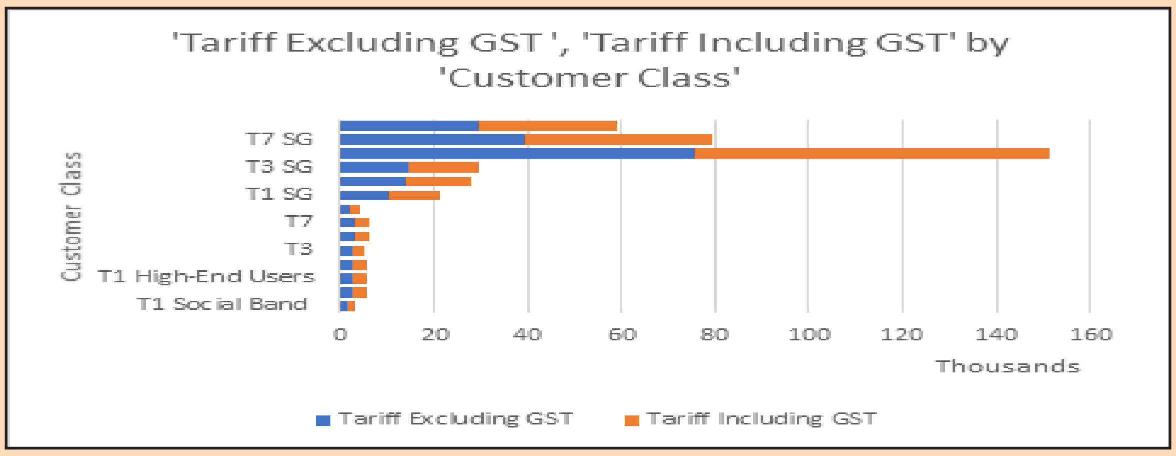
Yes, Africa needs development partners who care about its citizens' environment, climate, and economic and social wellbeing. However, any development support that ignores Africa's post-colonial challenges relating to trade, food sovereignty and energy sovereignty will merely deepen Africa's economic challenges.

> there is the need for the G7 to invest in a global financial and trade architecture that would enable African countries produce their own food, provide energy to meet their domestic needs

To do this, there is the need for the G7 to invest in a global financial and trade architecture that would enable African countries produce their own food, provide energy to meet their domestic needs, facilitate technological transfer (to enable sustainable essential manufacturing and industrial activity) and invest in public education, research, and development. This is the only way to achieve sustainable economies that would produce jobs and provide livelihoods on the continent.







EDSA Tariff

Approved Tariff for EDSA effective 1st December 2019 is as shown in Table below;

EDSA Tariff

Tariff Category	Units per kWh	Le per kWh	GST 15%	Tariff including GST	Service Charg
		Le	Le	Le	Le
T-1 Residential - social	0-25	560	84	644	
T-1 Residential-Normal	Above 25	1,600	240	1,840	10,500
T-2 Commercial	All units	1,870	280.5	2,150.5	14,115
T-3 Institutions	All units	1,800	270	2,070	14,730
T-4 Large energy users	All units	1,890	283.5	2,173.50	75,630
T5-5- Street Lighting	All units	1,678	251.7	1,929.7	29,460
T-2 Welding	All units	1,900	285	2,185	39,570

APPROVED TARIFF BY SIERRA LEONE ELECTRICITY AND WATER REGULATORY COMMISSION FOR ELECTRICITY DISTRIBUTION AND SUPPLY AUTHORITY (EDSA) EFFECTIVE 1st JULY 2022

Customer Class	Description of Charge	Units	Approved Tariff Excluding GST	Approved Tariff including GST
			2022	
T1 Social Band	First 0-25kWh per month for All T1 Residential Customers	SLL/kWh	1,400	1,610
T1 Normal Band	Consumption Exceeding 25kWh per month for all T1 Residential Customers	SLL/kWh	2,545	2,927
T1 High-End Users	Consumption Exceeding 200kWh per month for all T1 Residential Customers	SLL/kWh	2,745	3,157
T2 Commercial	Commercial	SLL/kWh	2,615	3,007
T3	Institutions	SLL/kWh	2,400	2,760
T4	T4 Large Customer and Industries	SLL/kWh	2,925	3,364
T7	Welding	SLL/kWh	2,915	3,352
T5	Street Lighting	SLL/kWh	2,014	2,316
T1 SG	T1 Residential Service Charge	SLL/month	10,500	10,500
T2 SG	T2 Commercial Service Charge	SLL/month	14,115	14,115
T3 SG	T3 Institutions Service Charge	SLL/month	14,730	14,730
T4 SG	T4 Industries Service Charge	SLL/month	75,630	75,630
T7 SG	T7 Welding Service Charge	SLL/month	39,570	39,570
T5 SG	T5 Street Lighting Service Charge	SLL/month	29,460	29,460

Stakeholders Fault Tariff Regime, Push for Review

By Kongbap Sumner

Consumers and stakeholders have advocated for a review of electricity and water tariff in the country. Speaking at a recent stakeholder's engagement in Freetown, the concerned consumers appealed to the Electricity and Water Regulatory Commission (SLEWRC) to look into this urgently even now that the Act of Parliament establishing the commission is being reviewed.

Earlier in his address at the occasion, Dr. Emmanuel Mannah, Director-General of SLWRC had reiterated the need for the on-going public consultations being held throughout the country. The consultation had held in Bo town and Kenema. According to him, the SLEWRC Act is the right tool to apply in regulating the sector, adding that a lot had been done in the past 13 years of its establishment. He hinted of the move to incorporate sanitation into SLEWRC mandate.

The engagement was part of the nationwide public consultations on the review of the SLEWRC Act No. 13 of 2011 for which funds are being solicited from the World Bank. Alfred Paul Juwah – a stakeholder on the review informed that a lot is being done to ensure a holistic review. According to him, the constitution of the country, the Consumer Protection Act and the National Investment Board Act among several others are being consulted over the review of the SLWRC Act. He explained that no stone is being left unturned in ensuring that best practices as obtainable in other countries including Nigeria and Ghana are being studied.

He called for the support of the organised private sector and affirmed that some provisions of the Act would be retained but modified and made user-friendly.

'There are several provisions in the Act to be amended while some would be replaced', explaining that some of the issues already raised by stakeholders include composition of the Board of the SLEWRC, its functions and tenure from 3-5 years and that its Board should be opened to representatives of professional institutions such as the Sierra Leone Institute of Engineers, the Sierra Leone Bar Association etc. Stakeholders, he said have also underscored the need to include women in the Board citing the Gender Empowerment Act.

Other issues highlighted were the need to heighten public education/sensitization about the functions and activities of the SLEWRC, appointments of the Director-General and Deputy, how to fix water rates and charges, unfair competition citing the soon to be introduced Africa Continental Market, clarified that the SLEWRC is supreme and the need to engage and sensitize Members of Parliament on the draft Act.

The Chairman of the Parliamentary Oversight Committee on SLEWRC, Hon. Mus Lahai urged SLEWRC to engage and sensitize Members of Parliament on the draft Act, that there is need to include sanitation in the mandate of the Commission, protection of the environment, disposal of plastics, merger of laboratories and collaboration with key stakeholders reiterating that the Commission cannot operate in isolation.

Other stakeholders called for an enabling environment for players in the private sector to operate, that solid and liquid waste as well as sludge should be recycled to produce manure and manufacturing of other products like tiles in addition to the recycling of water.

The need to harmonize the water rates of Guma Valley Water Company and SALWACO was also highlighted, that SALWACO for example operates 24-hours on generators and cannot even breakdown on its expenditure as tariffs are driven by costs while GUMA operates on gravity for which the former was advised to spread its tariffs evenly among its numerous customers nationwide as sometimes it supplies water free of cost to hospitals and in cases of emergencies.

Orange Telecom Supports Afforestation in Kasewe

By Alimatu Kargbo
Special Projects

The Minister of the Environment and Climate Change, Mr. Jiwoh Abdulai has launched the Reforestation Project at the Kasewe Forest Reserve in Moyamba District.

The project aims to plant 10,000 (ten thousand) assorted trees by the Ministry of Environment and Climate Change in partnership with Orange Sierra Leone. One of the major project outcomes focuses on the protection of over four water points at the foot slope of Kasewe Forest Reserve (KFR) with fragmented catchments and springs which recharge the two streams flowing at Bunkababi Bridge, West of KFR and Moyamba Junction Bridge, Southeast of KFR.

This intervention will encourage the communities to work in close collaboration with the Ministry of the Environment for cooperation and participation in the management of the Forest Reserve.

The launch of the project was witnessed by various stakeholders from three Chiefdoms notably, Kori, Yoni and Fakunya respectively. They charged Orange

Continued PAGE 14

Afrimoney Launches 'Kam Join We' Campaign

Afrimoney, has launched a new campaign called "Kam Join We" in Freetown. The campaign aims at attracting new users according to Afrimoney's Chief Executive Officer, Martison Obeng-Agyei who spoke of the benefits of the 'Kam Join We' at its recent launch in Freetown. "The campaign is about informing potential customers of the many perks they are missing if they don't join the Afrimoney family," he stated, describing it as an "invitation to treat" aimed at expanding the user base.

One of the key highlights of the campaign, according to him, is a 10% cashback offer for customers who use Afrimoney to purchase EDSA electricity units during the first 10 days of each month. "With this offer, Afrimoney subscribers can save money on their EDSA purchases," Obeng-Agyei noted. He announced that Afrimoney is offering free person-to-person transactions, with no service fees. "We are the only mobile money operator in Sierra Leone providing free peer-to-peer transactions."

ENVIRONMENT

Rainforest Builders Transforms Degraded land into rainforest

By Dolly Jones

Rainforest Builder (RBSL) a specialised company focused on tropical forest restoration is set to transform over 100 hectares of land into rain forest in Seirra Leone. The company mostly serving the West African market with pioneering activities in Ghana is presently operating in Moyamba district of Fakunya chiefdom and in Wonde chiefdom in Sierra Leone.

Forestry Manager informed that the company, over the course of the next ten years would transform 100,000 hectares of land that would be returned to rainforest, using restoration techniques and working with local communities.

According to him, the company has pure-play restoration forestry teams capable of turning damaged land into rainforests. The process of creating a rainforest, according to him involves the planting of native trees and caring for them to ensure healthy growth.

'Our goal is to eliminate climate change-related problems through trade and carbon sequestration. Presently, Rain Forest is cultivating more than ten distinct native species, such as terminalia ivorensis, terminalia superba, cola laterata, ceiba pentrandra and others', adding that the company uses its wealth of experience in commercial forestry, including land preparation, fire safety measures and nursery management to restore tropical forests.

'Rain Forest Builders Sierra Leone (RBSL) is not focused on planting trees in order just to mitigate climate change but rather has socio-economic impacts on communities in and around the two chiefdoms in which they operate: Fakunya and Wonde respectively'.

The company which presently employs over 200 workers in the Moyamba District, Fakunya Chiefdom has created greater room for community involvements. According to natives, the company's engagement in the locality has created massive employment especially among the youths of the area.

'The company's activities have boosted our livelihood', Moses Samba, one of the young person's spoken to on the project alluded. He explained that the communities in the area have been drawn into agricultural activities. A vendor in the locality, Fatmata Peters, is happy that her community is open up to increased activities that have crystalized into bumper sales. FS sources at the company spoke of planned improvements as it expands its activities into more communities.

> **The company's activities have boosted our livelihood**

RBSL has also enhanced environmental improvement; as a forest restoration company, there is a greater shift from forest depletion to forest conservation which has helped not only in combating climate change but improved conservation methods.

Areas that were hitherto abandoned by the local people as degraded lands have been transformed into fertile and viable land as the trees planted will improve the soil quality.

With the intervention of RBSL in Fakunya Chiefdom, there has been great increase in biodiversity in local birds and certain wild animals as the company plants tree species that create habitat for these animals.

Stakeholders raise awareness on climate change

By Alusine Kargbo

The Ministry of the Environment and Climate Change, in collaboration with the Ministry of Information and Civic Education recently held a Town Hall conversation on environmental protection, disaster preparedness and management.

The event held at the District Council Hall, Waterloo was part of the government's efforts at mapping out mitigations, raising of public awareness on the preservation of the country's forest cover and other civic environmental education. Discussions were centred on protection of the Western Area Peninsula Rainforest and water scarcity which has adverse effects on the GUMA Dam.

Jiwoh Abdulai, Minister for Environment speaking at the occasion asserted that water insecurity has affected the

Harnessing the Potentials of The Commodities Market

By Ibrahim Mansaray

The commodities market in Sierra Leone is experiencing significant shift in recent times, reflecting both global trends and local economic conditions. Customer predilection in Sierra Leone is increasingly leaning towards more diverse investment options, especially in commodities. Data obtained from the Bank of Sierra Leone revealed that commodities exports in Sierra Leone decreased to 129.76 USD million in March from 130 USD million in February of 2024. Exports averaged 40.57 USD million from 1998 until 2024, reaching an all-time high of 197.99 USD million in December of 2012 and a record low of 0.02 USD million in February of 1999.However, the commodities market holds significant potentials for economic development and poverty alleviation in Sierra Leone.

The country is known for producing high-quality gemstones. The consequences had been a double-edged sword. It brought wealth providing significant revenue yet also a harbinger of conflicts. Diamond exports constitute substantial part of Sierra Leone's Gross Domestic Product (GDP). Production levels have fluctuated, and the industry struggles with issues such as illicit mining, global demand, regulatory controls, and lack of investment. However, the gemstones remain a critical part of the economy, providing jobs and income for the people and the treasury. Sierra Leone hosts one of the largest bauxite deposits in the world. Its production has the potential to become a primary growth driver in the economy. Unfortunately, its price has been unsteadied.

Iron ore, on the other hand, had a tumultuous period following a boom in the early 2010s, but currently declining with options for other stable countries there by affecting the industry. While there is still potential for revitalisation, it depends on demand and investment in sustainable practices. Beyond mining, agriculture remains a critical part of the economy, employing a sizeable portion of the population. Cocoa, palm oil, rice, and cassava are vital crops but often remain underproduced due to lack of access to markets and food security issues. Other commodities like coffee and cashews are being explored for export potential but require further development and support.

Given its coastline, fishing is also a vital industry in Sierra Leone, contributing to food security and export revenues. The current production of artisanal fishing remains prevalent, but there are challenges related to overfishing and sustainable practices, and the economic impact in this sector plays a crucial role in ensuring food security and providing employment, particularly for coastal communities.

Despite the potential of these commodities, there are several challenges that these sectors face, which are:

- ***Infrastructure Deficits:* *Poor transportation networks hinder efficient logistics and reduce competitiveness in export markets.***
- ***Regulatory Issues: Corruption and lack of transparency can deter investment and lead to mismanagement of resources.***
- ***Global Market Volatility: Commodities are susceptible to price fluctuations, which can impact government revenues and economic stability.***
- ***Environmental Concerns: Mining and agricultural practices pose threats to the environment, necessitating sustainable approaches to resource management.***

Contract for Difference (CFD) tracks development on the commodities market. The Consume Commodity Index (CCI) reached an all-time high of 15,773.80 points in February 2021, a decrease of 2,094.58 points or 23.22% since the beginning of 2024. Respective strategies could bolster the commodity sector by developing roads, ports and energy sources. It could improve access for producers and enhance competitiveness. Encouraging a diversified portfolio of exports beyond minerals could stabilize the economy and reduce vulnerabilities. Implementing environmentally sustainable practices in agriculture and mining could protect resources and appeal to global markets that favour ethical sourcing. Capacity building and training programs for farmers and workers in the commodity sectors would also significantly improve productivity in the commodities sector and promote sustainable livelihoods. This shift can be attributed to a growing awareness of the potential returns and risk diversification that commodities can offer to investors in the country. Trends in the market show a rising interest in commodities trading among local investors and financial institutions. This trend is driven by the desire to hedge against inflation and currency fluctuations, as well as to take advantage of the potentials for high returns in the Commodities market. Domestic circumstances, including reliance on mineral exports and fluctuating global commodity prices, equally play significant role in shaping the market. The volatility in commodity prices has led to increased interest in Commodities trading. Underlying macroeconomic factors, including government policies, economic stability, and global market conditions, also influence the improvement of the market in Sierra Leone.

To realize its full potentials, a stronger regulatory environment is needed to attract new investments while ensuring fair practices in the sector. Moreover, transparency in the use of revenue generated from mining and exporting resources must be of priority to foster trust and accountability. Diversifying the economy through investment in agriculture and infrastructure will reduce dependency on bare commodities.

The Sierra Leone government should channel resources towards enhancing agricultural productivity while exploring new markets for traditional and non-traditional crops. This would ensure food security. Engaging local communities in the mining processes would equally lead to more equitable development, lessen conflict over resources and strengthen economic resilience. Establishing partnerships between international companies and local cooperatives could promote sustainable practices while optimizing returns for the community.

In all, the commodities market holds significant potentials for economic development and poverty alleviation in Sierra Leone. With sensible policies, investment in infrastructure, and a focus on sustainable practices, the country can build a robust commodities economy that holds benefits for its citizens. By taking a multi-faceted approach that emphasizes sustainability, transparency, and community engagement, Sierra Leone can transform its wealth of natural resources into a driving force for broad-based economic development. The path forward is not easy but with concerted effort, the nation can leverage its commodities to achieve long-term prosperity. As the global market evolves, successful adaptation and strategic collaborations will be key to harnessing these rich natural resources effectively.

BUSINESS TO BUSINESS

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FG Worry Over Absence of Building Code

By Joan Bannister

The government has expressed worry over the lack of a comprehensive building code in the country.

Dr Mohammed Jalloh, Vice President of the federal republic of Sierra Leone who expressed government's concern observed the absence of code since independence has been a source of tragedies occasioned by collapse of buildings in the country. "The lack of a comprehensive building code since Sierra Leone's independence has contributed significantly to the rise in building disasters", adding that many recent collapses were linked to constructions without proper permits in unsafe locations.

Dr Jalloh who spoke at the wake of a building collapse in East Freetown recently pledged immediate measures to demolish buildings deemed hazardous, stating, "We will no longer accept structures with serious deficiencies that could lead to further tragedies." The Vice President emphasized the importance of investigating the causes of the collapse and pledged to strengthen compliance with engineering standards.

Dr. Jalloh revealed plans to enhance the powers of the Ministry of Lands to ensure strict enforcement of building regulations, 'particularly in light of recent structural failures and the increasing risk they pose to public safety', he said. He praised the efforts of the National Disaster Management Agency (NDMA), the Sierra Leone Roads Authority (SLRA), and local residents for their rapid response during the search and rescue operations at the collapsed building site.

Community volunteer Michael Joseph Kanu briefed Dr. Jalloh on the efforts of local youths who quickly organized to assist in the rescue operations. He expressed gratitude for the government's support and acknowledged the contributions of various stakeholders in the ongoing mission to save lives.

By Kongbap Sumner

Govt Backed Loan to Rescue IPAM Building Project

Indications are that government's assistance would be sought in financing the completion of the Institute of Public Administration and Management (IPAM) Bureh Campus project. Inside sources hinted that a sovereign guarantee worth $43 million backed by the government of Sierra Leone is being contemplated.

An insider at IPAM indicated that although the university initially committed to a $12.5 million payment to FEMAB (the property) only a partial payment of $4.5 million was made, which allowed the project to begin. acknowledged the transparency of USL and assured that it remains fully committed to finishing the long. FEMAB awaited state-of-the-art campus, despite ongoing financial challenges. FEMAB has collaborated closely with USL and other stakeholders to establish the new residential campus at Bureh Town. However, delays in securing financial guarantees have posed significant obstacles to progress.

USL's statement detailed the extensive due diligence, appraisals, and negotiations that have been conducted, involving the Ministry of Finance and other governmental bodies. FEMAB stated that it has diligently fulfilled its obligations in resource mobilization, site preparation, and initial construction efforts. FEMAB is presently engaged in discussions with USL to finalize new financial model that can facilitate the project's completion. The new model under consideration includes a Build, Operate, and Transfer (BOT) structure, which is expected to address financing gaps and align with the long-term vision of both

This development has generated enthusiasm among students and stakeholders. The need for a new campus has been felt acutely due to the congestion at the current Tower Hill location in Freetown. The overpopulation of students has led to daily struggles for classroom space, which hampers the university's ability to deliver quality education. The construction of the new Bureh campus is seen as a solution that will ease these challenges and expand opportunities for students and faculty alike

Sierra Leone Signs $50m Digital Pact with Peking

The Government of Sierra Leone has taken a major step in advancing the country's digital transformation by signing a USD$50 million agreement with China National Technical Import and Export Corporation.

The transformation aims at expanding internet connectivity to over 400,000 citizens who previously lacked access, establishing national data centers to manage and protect the country's sovereign data, and bolstering security around critical state infrastructure in Freetown. The deal, formalized by the Ministry of Communications, Technology, and Innovation, forms part of the broader SMART Sierra Leone Project aimed at revolutionizing the nation's digital infrastructure. The signing ceremony, held on the sidelines of the FOCAC Summit in Beijing, was a landmark moment in Sierra Leone's efforts to enhance its digital capabilities. President Julius Maada Bio, who was present at the event, outlined the key objectives of the SMART Sierra Leone Project.

In a parallel move, the Minister of Communications, Technology, and Innovation, Salima Monorma Bah, has also signed an agreement with Huawei Group for the Digital Village Project.

This initiative, set to be implemented in Tormabum, aims at empowering farmers and local communities by providing them with online access to crucial information that can improve agricultural productivity and open up new market opportunities.

President Bio emphasized the significance of these projects in his remarks, noting that the SMART Sierra Leone and Digital Village Projects are not only milestones in the partnership with China but also key components of the government's Big Five Agenda, which prioritizes technology and infrastructure development.

These projects, he said, underscore the government's commitment to driving digital innovation and improving the livelihoods of Sierra Leoneans.

Tax Defaulters Cough Out 40bn Leone In 2 Months

In the two months to last June, the government recovered over 40 billion leones in tax arrears from defaulting corporate concerns in the economy.

The recovery made by the Public Account Committee (PAC) of the parliament was made in the 2 months of May and June. Chairman of PAC, Hon Ibrahim Conteh who announced this in Freetown also informed that the process of garnishing and recovering lost government fund would continue unabated. The public account committee, he said is working on plans to recover 3.4 billion Leone (15 million goods and services) in tax from defaulting companies.

"This would be done by garnishing their account through the Bank of Sierra Leone", he said adding that PAC would order the Central Bank and other relevant commercial banks to freeze and garnish the account of companies that failed to appear before the committee to address their GST payment obligations to government treasury.

PAC, very recently ordered the Union Trust Bank (UTB) to pay a sum of 460 million to the Sierra Leone Road Safety Authority (SLRSA). The Public Account Committee (PAC) is empowered to examine the annual account of government together with the Auditor General as stipulated by the Budgeting and Accountability Act.

AVIATION

Ethiopian Airlines' Strategic Plan Launched

Ethiopian Airlines is implementing a 15-year strategic plan called Vision 2025. The plan sources at the airline said will see it becoming the leading aviation group in Africa with seven business centres: Ethiopian International Services; Ethiopian Cargo & Logistics Services; Ethiopian MRO Services; Ethiopian Aviation Academy; Ethiopian ADD Hub Ground Services, Ethiopian Express Services (Domestic) and Ethiopian Airports Services.

Presently, the Airlines fleets include ultra-modern and environmentally friendly aircrafts such as Airbus A350, Boeing 787-8, Boeing 787-9, Boeing 777-300ER, Boeing 777-200LR, Boeing 777-200 Freighter, Bombardier Q-400 double cabin with an average fleet age of five years. Ethiopian Airlines is the first airline in Africa to own and operate these aircrafts. It commands the lion's share of the Pan-African passenger and cargo network operating the youngest and most modern fleet to more than 127 international passengers and cargo destinations across five continents.

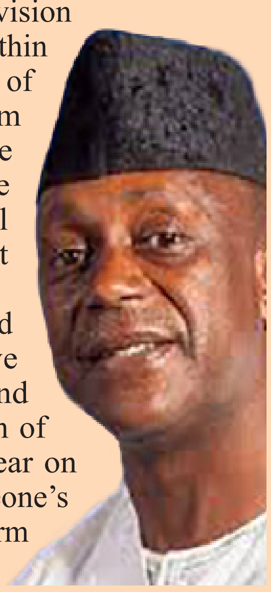
The airline recently announced the launch of a thrice-weekly passenger service to Freetown, Sierra Leone via Ouagadougou, Burkina Faso. Thus marks the entry of Ethiopian Airways into that route. The flight schedule for the new service is; ET 943 Addis Ababa (ADD) Ouagadougou (OUA) Freetown (FNA) Tues, Thurs, Sat ET 942 Freetown (FNA) Ouagadougou (OUA) Addis Ababa (ADD) Wed, Fri, Sun.

Ethiopian Airlines aside operating passenger services is also actively involved in aircraft maintenance, aviation academy, charter, ground handling, flight catering, personnel secondment (aviation professionals), holiday packages to a wide range of tourist destinations & sights globally (Air

Dr. Yumkella to Chair Energy Group

Chairman Presidential Initiative on Climate Change, Renewable Energy and Food Security, Dr Kandeh Yumkella, is to chair an Energy Governance Coordination Group, (EGCG). The Group constituted by government is charged with ensuring coherence, effective information sharing and coordination within the energy sector.

The EGCG is tasked with functions including but not limited to the provision of guidance to entities within the energy sector, tackling of immediate and short-term challenges and in the provision of guidance in the design and roll out of sector investment promotion initiatives.



Dr Yumkella is expected to bring his impressive level of knowledge and experience in the domain of energy governance to bear on and or leverage Sierra Leone's energy potentials and reform endeavours.

MDAs seek £36.7m Budget Top-Up

By John Marrah

Over 198 billion new Leone (£6.7 million) may be approved as budget enhancement for the operations of MDAs in the country for the present fiscal year.

The close to 60 ministries, agencies and departments in operation have already requested this from the Ministry of Finance (MoF) as budgetary enhancements. The Public Accounts Committee (PAC) of the parliament disclosed this to FS at a recent sitting in Freetown. Hon Ibrahim Tawa Conteh, Chair of PAC speaking on behalf of parliament said however that the request has been received by PAC and is subject to the approval of the House.

Adding that such requests before now were being processed by the Ministry of Finance without recourse to parliament. Budgetary enhancements are monies outside the approved budget by Parliament for the services of the Republic of Sierra Leone.

Meanwhile, the PAC has sanctioned the Union Trust Bank (UTB) and ordered it to pay 460Million old Leone to the government. The monies are to be paid into SLRSA' account. The Bank's Manager for the Kenema Branch (name not disclosed) was equally ordered to pay 11 million old Leone for failing to undertake due diligence during a transaction that resulted in discrepancies in some financial transactions with the government. The PAC is equally pushing for his demotion from managerial position.

These sanctions are coming on the heels of a 471 million Leone query raised in the Auditor General's Report for 2022 relating to financial discrepancies between the account holder and

Import bills slumps

From page ONE

worth £12 million were in services. In the four quarters to the end of Q1 2024, UK exports of goods to Sierra Leone changed by less than £1 million in current prices, compared to the four quarters to the end of the first quarter of 2023 while UK exports of services to Sierra Leone decreased by 14.3% or £2 million in current prices, compared to the four quarters to the end of Q1 2023.

Further breakdown revealed that the top 5 goods imported from the UK to Sierra Leone during the review period were commodity exports, specialised machinery (capital), manufactures, specialised machinery (intermediate) and miscellaneous electrical goods.

During the trading period under review, specialised machinery (intermediate) recorded an increase of 32 percent at £4.4 million, other manufactures (consumer) an increase of 56 percent at £2.6 million, specialised machinery (capital) accounted for £2.5 million. Others include Cars at £2.4 million - an increase of 6.6 percent while miscellaneous electrical goods (intermediate) accounted for £2.1 million - a decrease of 26.5 percent.

The total UK market share in Sierra Leone was 3.4 percent in 2022 for goods and services. This is a decrease of 0.8 percentage points from 2021. The UK market share in Sierra Leone was 3.0 percent in 2022 for goods only. This is unchanged from 2021. The UK market share in Sierra Leone was 5.2 percent in 2022 for services only. This is a decrease of 6.9 percentage points from 2021.

Telecom Supports Afforestation

From page 7

Telecommunication Company to extend its network to-hard-to-reach areas within Moyamba District for the benefit of other communities.

The Chief Director in the Ministry of Environment and Climate Change, Edward Bendu expressed gratitude for the tree planting initiative rolled out by Orange Company at the Kasewe Forest Reserve disclosing that Sierra Leone is losing its forest cover because of massive deforestation.

As part of rolling out its Corporate Social Responsibility to the people of Moyamba District, the Chief Executive Officer (CEO), Orange Sierra Leone, Sekou Amadou Bah said the company's local strategy is to positively impact local communities where it operates. He mentioned the Environment, Health and Safety Week which is organized annually aimed at increasing the planting of trees through the support of CSR Directorate and the Chief Climate Officer of the company.

Orange, he said contributed a lot in education, health, and environmental activities, is currently utilizing 70% of renewable energy at its sites notably, shops and data centres and underscored that the use of renewable energy and the planting of trees would contribute to zero carbon

Bio Charges Yumkella's Group On Energy Crisis

By Joan Bannister

President Mada Bio has urged the Energy Governance Coordinating Group (EGCG) to find permanent comprehensive solutions to the energy crisis in the country.

Dr Kandeh Yumkella speaking in his capacity as Chair of the EGCG informed that his committee has been tasked to shun temporary fixes. Yumkella, along with Deputy Ministers Eldred Taylor and Edmond Nonie, along with other senior officials, committed to reinvigorating the committee, which is responsible for crafting policies and implementing projects aimed at addressing various aspects of energy management. This includes electricity generation, transmission, the development of distributed renewable energy, as well as improving energy access, affordability, and sustainability.

He stressed the necessity for cohesive collaboration among all stakeholders within the energy system, urging that development partners be included as co-chairs in the committee's structure. This approach aims to foster a more integrated effort in tackling the challenges facing the sector.

Present at the occasion, World Bank Country Director in Freetown, Abdu Mwonge, the FCDO Technical Adviser Keith Hammond, and representatives from USAID and JICA all expressed enthusiasm for the committee's revitalization, highlighting its potentials to act as a pivotal instrument for enhancing energy generation and distribution across the country.. Many participants expressed their support for the steering Committee's initiat

"We are eager to collaborate with the EGCG." Additionally, development partners, particularly from the World Bank Group, called for essential reforms at EDSA anitartd emphasized the need for transparency and coordinated efforts among government stakeholders in the energy sector.

Fiscal Policy for Mitigating the Social Impact of High Energy and Food Prices (2)

By David Amaglobeli, Emine Hanedar, Gee Hee Hong and Céline Thévenot

Managing the Effects of High Energy and Food Price

Given the magnitude of the shock to real household incomes, a policy response may be necessary and should be based on a careful assessment of fiscal and welfare trade-offs.

The appropriate policy response should consider country-specific circumstances, but some general considerations apply to all. The strength of SSNs should be a key consideration in developing policy responses. Strong SSNs can increase households' resilience to the shock, protecting them from falling (deeper) into poverty. Countries with strong SSNs should be able to protect poor and vulnerable households, while those with weaker SSNs would typically face difficulties in reaching vulnerable households in a timely manner.6 Other considerations include the availability of fiscal space, and threats to food and energy insecurity.

Allow Price Pass-through

Countries should aim at allowing domestic prices to follow international prices.

Price signals are crucial for inducing demand responses. For energy, the demand response can be sizable. Short-term price elasticity of demand in the empirical literature has been estimated at –0.2, with the highest elasticity for gasoline (–0.29). followed by natural gas (–0.18) and diesel (–0.15) (Labandeira and others 2017).7 Long-term price elasticities of demand are even greater. In contrast, food is a basic good that takes a higher fraction of incomes of the poor and may be less price-elastic. Ensuring affordable access to basic staples, especially where food security is a concern, therefore, should be prioritized. Higher prices on energy should encourage more efficient use of energy and investments in renewables, while higher food prices should encourage more agricultural production. Measures aimed at preventing domestic prices to adjust are costly, crowd out productive spending, and reduce producer incentives. At the same time, it is possible to appropriately design measures to protect the vulnerable households.

Protect the Most Vulnerable

The ability of countries to effectively protect vulnerable households from energy and food price shocks depends on the strength of their SSNs. Strong SSNs allow governments to identify eligible households to better target and efficiently deliver such assistance. Strong SSNs can be defined as a set of benefit programs that have high coverage of the poor, adequate benefit levels, good benefit incidence,8 are effective at reducing

David

Emine

poverty, and have good infrastructure to scale up transfers in response to shocks. The scalability of SSNs depends on the availability of strong information systems, such as universal and robust identification that is effectively linked to databases with socio-economic information (household characteristics, employment, and income), on the adequate implementation capacity to deliver benefits to the intended beneficiaries in a reliable and timely manner and on strong medium-term fiscal frameworks that ensure flexible and sustainable financing.

Countries with strong SSNs could use targeted and temporary cash transfers to mitigate the impact on low-income and vulnerable groups.

Transfers that are independent of the consumption of energy or food are preferred as they do not distort relative prices. Tax systems can also be used to provide relief to vulnerable households, for example, using refundable tax credits.9 With energy prices, if existing SSN programs cannot be scaled up immediately, then other temporary measures that rely on utility service providers could be considered. For example, by combining household income information with utility bill information governments can provide lump-sum discounts to those who fall below a certain income threshold. Such lump-sum benefits are preferred over benefits that are proportional to utility bills as they are more progressive and less distortive. Additionally, smoothing energy consumption bills over time could be considered. While the immediate relief should be temporary (time-bound), more permanent support through existing SSNs should be provided by indexing the benefits to inflation.

Countries without strong enough SSNs to provide support to the most vulnerable can expand existing programs.

When feasible, the existing most efficient SSN programs (for example, school feeding programs) can be expanded to provide some relief to low-income and vulnerable households by increasing benefit levels and coverage as needed. Alternative approaches to targeting, such as geographic, categorical, self-selection, community-based, or proxy-means testing, can be used. Ad-hoc measures, such as those introduced in response to COVID-19, can be considered.10 In this respect, digital tools can be leveraged, for instance for beneficiary intake and registration through online applications complemented with information on individual situations from non-standard sources, such as telecom metadata. Benefits can be delivered through Government-to-Person (G2P) mobile payment platforms. During the pandemic, some governments, such as Brazil and Thailand, implemented registration processes through dedicated websites. In Togo, the government was able to quickly identify and enroll the vulnerable with the help of biometric voter IDs and satellite and phone record data. Cash transfers through a digital G2P platform. Nigeria used a new targeting method based on census data and

Gee

Céline

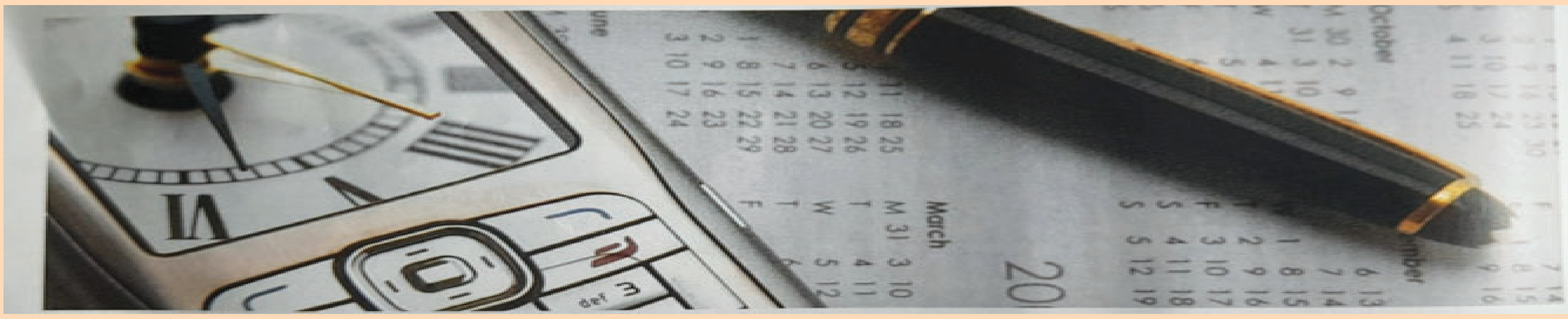
high-resolution satellite imagery to map the poorest urban areas and target benefits. However, these technology-based approaches can lead to the exclusion of low-income households that may not have access to digital tools and/or may be difficult to reach through digital mechanisms. Governments could also consider reducing education, health, or public transportation fees if they help in reaching the targeted groups and can be effectively implemented. All these imply that countries with weak SSNs must rely on a combination of measures to reach the desired target groups.

Countries with existing energy or food subsidies should gradually pass through international prices to retail prices while committing to eliminate subsidies over the medium term.

The pace of pass-through should be carefully calibrated based on the gap between retail and international prices, the available fiscal space, and the ability to put measures in place to mitigate the impact on vulnerable households.

- Fuels. Countries with fuel subsidies could consider differentiating adjustment paths of domestic prices by type of fuel based on their relative weights in the consumption of different income groups. For example, in some countries, liquefied petroleum gas and kerosene are more important for low-income households—which use these fuels for cooking or heating, and hence could have a slower adjustment path than prices for gasoline and diesel. Once the domestic price is increased in line with the international price, countries could adopt an automatic energy pricing mechanism with smoothing that prevents sharp adjustments in fuel prices as a transition to liberalized pricing. The expansion of fuel subsidies could also impose a risk to fuel security as incomplete compensation of fuel suppliers is often associated with supply shortages.1
- Utilities. Countries with utility subsidies can adjust prices gradually in line with changes in costs. To mitigate the impact of higher prices, some temporary measures, such as uniform lump-sum bill discounts could be considered. In addition, smoothing of energy bills throughout the year can help households avoid falling into arrears during the months when more energy is needed for heating or cooling. While lifeline tariffs will continue to play a role in cushioning the impact of high prices on lowincome households, they may need to be redesigned to make them fiscally affordable.13 Moreover, lifeline tariffs are generally inferior to other alternative measures, such as lump-sum discounts for several reasons: the consumption level of poor households is not always lower (Komives and others 2005), the measure reduces the average tariff for the utility and distorts prices, and poor households who do not have access to the power network are not likely to benefit from it.
- Food. In countries with food subsidies, rationed food prices can be increased gradually.Targeting of existing programs can be improved to reduce leakages to higher income groups and in the supply chain of food subsidies. This could reduce the fiscal burden of food subsidies while not impacting the most vulnerable benefitting from food subsidies. Food security should be prioritized within the existing fiscal envelope. If food security is a concern and all previously-mentioned options have been exhausted, governments can consider other temporary measures, such as providing price subsidies or lowering consumption/import taxes with clear sunset clauses for basic food staples. Efforts should also be made to increase the food supply by supporting production and avoiding hoarding behaviors14 by using food reserves when available and prioritizing human consumption over other uses of food crops.

Continues from next edition



Banking and Payment Card Scams

Protecting your card details is vital.

Card scams involve the use of stolen or counterfeit cards to make direct purchases or cash withdrawals or the use of stolen card details to buy items over the phone or via the Internet.

What you should know

Phone

Your bank and the police will NEVER ring you and tell you to verify your PIN, withdraw your cash, purchase high value goods or that they are coming to your home to collect these items, so never hand it over to anyone who comes to collect it. Should you receive a call like this put the phone down. THIS IS A SCAM!

•If you receive a call from your bank or the police, verify who the person is before handing over any personal details. You can do this by calling your bank (the number on the back of your card) or the police (101) on a DIFFERENT phone line. This can be a mobile phone or a phone owned by your family, friend's or a neighbour. If no other phone is available, wait AT LEAST 5 minutes to ensure your line is clear to make the phone call. This is because currently, scammers are able to keep phone lines open. Whilst you think you are making a new phone call, the line s still open to the scammer who pretends to be a different person from your bank or the police (see page 7 for Courier fraud)

•Depending on who you bank with, the security questions asked by the bank may vary (e.g. the last 4 digits of your account number or digits of your password) but your bank will NEVER ask you to authorise anything by entering your PIN into the telephone.

ATM-Cash Machines

NEVER share your PIN with anyone -the only time you should use your PIN is at a cash machine or when you use a chip and PIN machine in a shop.

AIf there is anything unusual about the cash machine or there are signs of tampering, do not use it and report it to the bank as soon as possible.

Cover your PIN. Stand close to the machine and always use your free hand to cover the keypad as you enter your PIN to prevent any prying eyes or hidden cameras seeing it.

•Do not get distracted. Be particularly cautious if 'well-meaning' strangers try to distract you or offer to help you and most importantly, discreetly put your money and card away before leaving the cash machine.

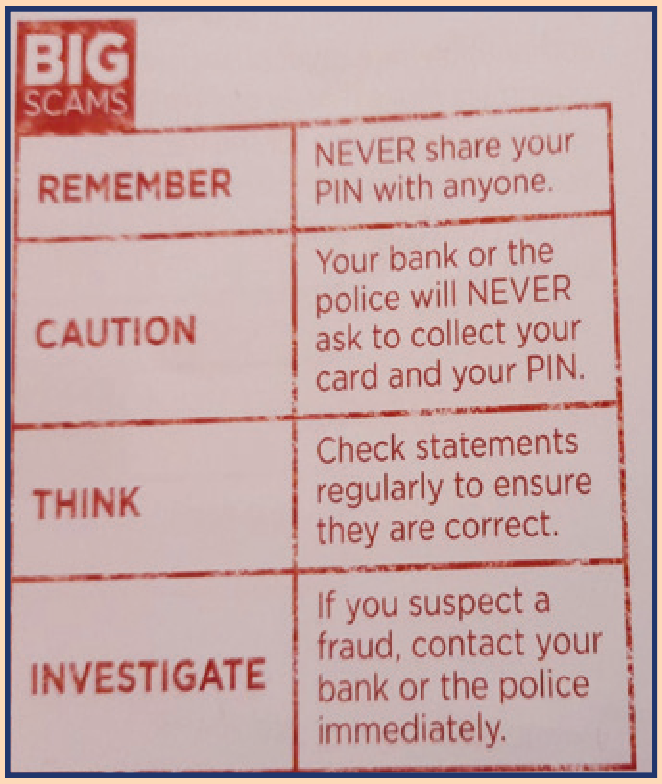
If your card does not get returned to you once it has been put in the machine, immediately contact your card issuer to cancel your card whilst you are still at or near the machine. Ensure you have your issuer's 24 hour contact number in your mobile phone or in your wallet or purse.

If your card does not get returned to you once it has been put in the machine, immediately contact your card issuer to cancel your card whilst you are still at or near the machine.

Banking

Check your statements regularly, including low value transactions. Notify your card company immediately if you suspect a fraud. Dispose of statements or slips which contain your card details carefully and securely by shredding or tearing your documents. This includes your cash machine receipts, mini statements or balance enquiries.

If you have to destroy your bank card then make sure you cut through the card including the CHIP. You can also use a shredder to destroy them.



Greenhouse Emissions Rise to Record Level, Erasing Drop During Pandemic

Emissions of carbon dioxide and other greenhouse gases plunged 4.6 percent in 2020, as lockdowns in the first half of the year restricted global mobility and hampered economic activity, the International Monetary Fund (IMF) has reported.

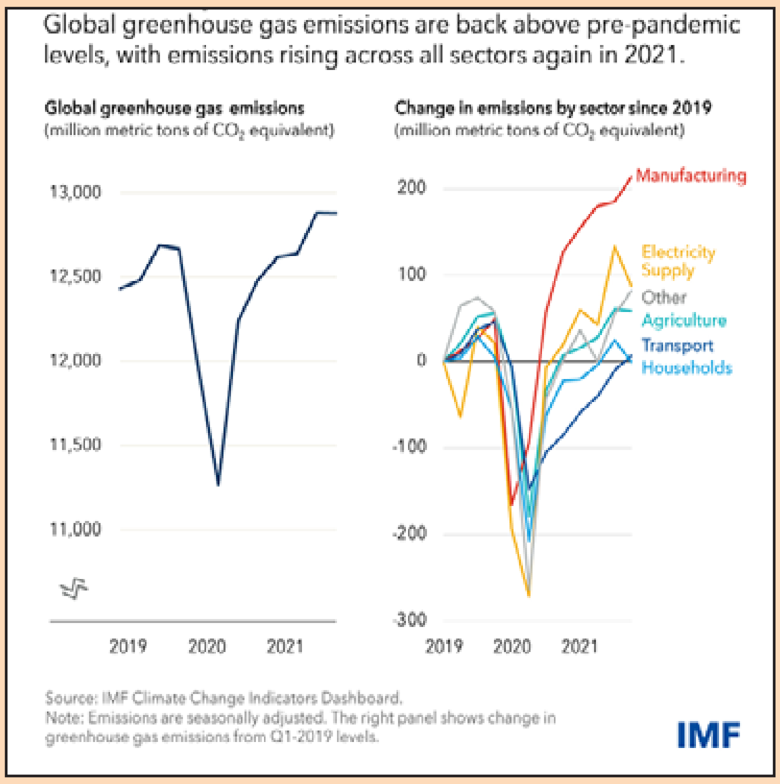
Many hoped that this plunge would mark the beginning of a more permanent shift downwards in emissions. However, emerging latest data dashed those hopes. As revealed in this data, annual global greenhouse gas emissions rebounded 6.4 percent last year to a new record, eclipsing the pre-pandemic peak as global economic activity resumed.

Emissions from the manufacturing and the energy sectors contributed the most to recent global increases based on updated information from the IMF's Climate Change Indicators Dashboard—a joint effort among national and international statistical organizations to provide timely data to help monitor the transition to lower carbon use.

While total emissions have climbed significantly above pre-pandemic levels, increases from transportation and households were more muted last year as the pandemic weighed on global mobility.

This was particularly evident with the emergence of the omicron variant in the fourth quarter of last year. The public health policy measures in many countries drove down the emissions of households and of the electricity sector.

It will be important to monitor the emissions of both of these sectors as economies fully reopen in the context of historically high fossil fuel-based energy prices. The Intergovernmental Panel on Climate Change has said that, in the scenarios they assessed, limiting atmospheric warming to the key level of around 1.5 degrees Celsius requires global greenhouse gas emissions to peak by 2025 at the latest.



The new data from the climate dashboard underscore what some scientists have warned: time is running out.

The Great Carbon Arbitrage: $78 trillion gain coming on energy transition.(Lead story on ENERGY page)

International negotiators can't agree on how to phase out coal, in part because of opposition to carbon taxes, and now even countries that had been able to abandon the fuel are reversing that progress as the war in Ukraine raises energy prices.

The most common concern about scrapping coal is that replacing it with renewable energy would be too expensive, but we show in new research that the economic benefits would far outweigh the costs.

In a recent IMF working paper analysts calculate this cost of replacing coal with renewables, as well as the social benefits of this important transition. The benefits from ending coal use come from avoiding damage from climate change and harm to people's health. Our estimate is that by doing so the world would yield a net gain of nearly $78 trillion through the end of this century. That's around four-fifths of global gross domestic product now, and would be equivalent to about 1.2 percent of annual global economic output during the period.

To determine both the size of the avoided emissions, as well as any potential losses from their prevention, we use a detailed dataset compiled by Asset Resolution on companies' historical and projected global coal production based on the aggregation of production at the plant level.

The cost estimate for adopting renewable sources includes capital spending for new energy generation capacity equal to what's lost with coal, plus compensation to coal companies for lost earnings when they are shut down. The cost estimate does not include compensation for affected workers, but this is likely to be small relative to the overall net gains from the transition. Additional compensation to make the switch to renewables feasible could be offered as long as the social benefits of phasing out coal exceed the more comprehensive set of costs.

Analysts calculated the value of doing so by estimating the reduction in emissions from phasing out coal, and by applying a carbon price to those discharges. This in turn allows opportunity to estimate the economic gain from the transition. The difference between the value of the social benefits versus costs of replacement and compensation for missed coal revenues forms our baseline estimate of world's net gain from finally ending our reliance on the fuel.

While conservative estimate comes with an unavoidable uncertainty, given the decades-long timeframe, the enormous social benefits from what could be thought of as an inexpensive insurance policy are clear: paying a premium offers coverage for significant potential damages.

So sizeable are the potential gains that world leaders should pursue a global agreement to finance the phase-out of coal as a complement to carbon pricing or equivalent measures that currently don't fully offset the negative effects of the emissions. We have chosen all our parameters, including the social cost of carbon, in a conservative way. The carbon arbitrage could in fact be bigger still for less conservative estimates.

Tit-Bits On Climate Change

Comparative Advantage in Low Carbon Technology Products

Low carbon technologies produce less pollution than their traditional energy counterparts, and will play a vital role in the transition to a low carbon economy. Wind turbines, solar panels, biomass systems, and carbon capture equipment are all examples of environmental goods. International trade will play a central role in the transfer of low carbon technologies between economies.

Greenhouse Gas Emissions

Greenhouse gas emissions are produced by industrial processes and everyday household activity. These emissions enter the atmosphere and trap heat near the earth's surface, contributing to the increasing global temperatures that are driving climate change, which in turn affects economic growth and financial stability.

Carbon footprint-adjusted loans to total loans for deposit takers

'Deposit takers' is the name given to financial institutions such as banks, credit unions, or mortgage loan companies, that obtain funds mainly through the acceptance of deposits and have financial intermediation as their principal activity. As well as offering everyday financial services to the general population, these institutions also provide loans to industry. Every industry conducts activities that involve a carbon footprint.

Environmental Taxes

Percent of GDP

An environmental tax is a charge levied on a physical unit of an item that has a proven negative impact on the environment. A gallon of petrol, a passenger flight or a ton of waste bound for landfill are examples of such physical units.

Environmental taxes are divided into four types: (1) Taxes on energy, including fuel for transport; (2) taxes on transport, excluding fuel for transport; (3) taxes on pollution; and (4) taxes on resources.

Supercars Go Electric

The makers of the world's fastest, most expensive automobiles are belatedly joining the zero-emissions revolution. Drivers can expect just as much speed and power and even more pampering. ***BY JACLYN TROP***

THE $4 MILLION Bugatti Chiron Super Sport is a supercar whose every exterior detail is designed to project its power-from the low slung, long-tailed silhouette that appears to be in motion even when standing still, to the slanted LED headlights that give it the aggressive mug of a bird of prey. It rockets from zero to 60 mph in just over two seconds, and the 1,577-horsepower "ultimate grand tourer" coupe version is capable of hitting 304 mph.

But the car is also Bugatti's swan song for the high-octane age, its final pure internal combustion vehicle. Bugatti will make only about 80 of the grand tourers before consigning its hand built 8.0-liter, 16-cylinder engine to history. The engine is the largest of any production car-four times the size of most engines on the road. "It will most likely remain the fastest car with a full combustion engine," says COO Cedric Davy. "There will never be anything else like it again."

For makers of hyper cars and other high performance, ultra-luxury vehicles, 2022 marks the end of an era. The battle to build the biggest, boldest engines is giving way to a fevered race to electrify. No longer will the superlative sports car announce itself with a heart-pounding thrum, nor leave a plume of pollution in its wake.

The coveted cars of tomor row will approach in silence, leaving behind nary a carbon footprint.

This ultra-luxury auto segment, where models sell for $250,000 or more, is admittedly tiny. But the category's high visibility and exacting standards for design and performance make these rarefied brands particularly influential in the broader industry.

Though they're slightly late to the game, the fact that they're transitioning to battery-electric power trains shows just how thoroughly electrification is becoming the new normal.

Some of the most hal lowed names in auto making-brands like Lamborghini, McLaren, Aston Martin, Bentley, and Rolls-Royce that built their reputations on speed and power-have pledged to go all-electric by 2030. To ease their customers into the electric era, several are beginning the transition with plug-in hybrids that travel a short distance on electricity before drawing power from the gas engine.

But it may not be such a hard sell. As owners of Teslas and other mass market EVs can attest, electric motors can outstrip gas burners when it comes to torque and acceleration.

The lack of engine rumble and visceral experience may make EVs appear to be slower, but their smooth glide belies their power.

"The performance that an electric car can give you is unmatched by the internal combustion engine, if you really get it right," says Lamborghini CEO Stephan Winkelmann. And for ultra-luxury sedans and SUVs, the configuration of batteries allows for larger cabins, while routing more power to support onboard accessories like larger touch screens or more devices-so manufacturers can get the pampering right too.

Bigger economic forces, of course, are driving these changes. The entire industry is headed toward electrification, with car makers planning to invest $330 billion in EV development through 2025.

Climate consciousness is a factor, as is customer demand. "The young generation is not even sitting at our table anymore if we don't promise sustainability," Winkelmann says.

As with most carmakers in the segment, Winkel mann adds, the average age of Lamborghini's customer is dropping rapidly, possibly due to the rise of new crypto and Instagram influencer fortunes.

Bentley Motors reported that more than 60% of its customers said in 2021 that they would drive an electrified vehicle, more than twice as many as in the year prior.

Both Lamborghini and Bentley are part of Volkswagen Group, and they benefit from that company's $100 billion investment in electrification.

Next year, Lamborghini will launch its first plug-in hybrid, followed by hybrid powertrains for its Hura cán sports car and Urus SUV. The brand's first full EV, most likely a four-seat coupe, is slated to arrive by 2028, with a battery electric Urus expected to follow. Lest drivers forget they're driving a car known for raw power, the brand is developing a V-12 engine to support its hybrid pow ertrain. "There must be a DNA which is recognizable as Lamborghini," Winkel mann says.

Bentley, meanwhile, is already embedded in the hybrid market. The British brand launched a $213,000 hybrid version of its Flying Spur sedan earlier this year; it plans to hybridize its entire portfolio by 2024 and launch its first EV the following year.

The plug-in Flying Spur retains the nameplate's performance-it can travel from zero to 60 in four seconds, with a top speed of 177 mph. It also boasts luxuries such as plush head pillows, massaging seats of hand-tooled leather, a huge touch screen for climate and audio controls, and sleek wood veneers.

The Flying Spur exem plifies the ultra-luxury electric strategy, focus ing not only on power but on a whisper-quiet passenger experience.

"When you think hybrid, it shouldn't feel like a Prius, it should feel like a Bentley," says Peter Bosch, the Bentley Motors board member responsible for manufacturing.

Rolls-Royce, owned by BMW Group, isn't asking its customers to think hybrid at all: It's going straight to an all-electric platform that will underpin all of its cars by 2030. It will launch its first EV, the Spectre coupe, late next year-priced somewhere north of $400,000, in line with the rest of Rolls Royce's model lineup.

Founder Charles Rolls, who was experimenting with EVs as early as 1900, proclaimed them clean, quiet, and devoid of smell or vibration, but lamented that charging technology: was still "many years" away.

A century-plus later, charging infrastructure remains a hurdle. But for buyers of ultra-luxury cars, executives say, range anxiety is not a key consideration.

They're more likely to take their showpiece vehicles for a short spin around town or, more rarely, on the track.

The value proposition for Bentley or Rolls-Royce customers is upgraded styling, cabin comfort, and higher horsepower, even if they never exploit the engine's potential.

"You're not looking to pull a lot of lateral G's in your Bentley," says John Loehr, a managing director in the automotive and industrial practice at consulting firm AlixPartners.

Still, for those who want to floor the gas pedal, several production EVS have set speed records that handily surpass most com bustion engines. In 2019, a Porsche Taycan sedan set a lap record for produc tion EVS on the 13-mile course at Germany's famed Nürburgring, finishing in seven minutes and 42 seconds. Last year, a Tesla Model S Plaid completed the circuit seven seconds quicker. "Put two cars on the line, and the EV is going to win any drag race, and it's not even going to be close," says Loehr.

Future innovation will only make EVs faster.

Formula 1 race car legend McLaren will launch its first production plug in hybrid this year-a $225,000 sports car called the Artura-and its first EV in 2028. Ferrari, which first offered a hybrid in 2019, will introduce its first full EV in 2025.

Aston Martin also plans to release its first EV in 2025, following the 2024 debut of its roughly $1 million, 1,000-horsepower Valhalla plug-in hybrid sports car.

Even Bugatti's next car will likely be a hybrid.

Sold by Volkswagen Group to EV maker Rimac Automobili last year, Bugatti is preparing to capitalize on the Croatian startup's expertise in electrification. A joint venture with Porsche will combine Rimac's technology and Bugatti's "savoir faire" to produce battery powered Bugattis, says Davy, the COO. But for now, he adds, he and his colleagues are still savoring the roar of that gas powered Chiron: "We are going out with a bang."