



GOVERNMENT OF THE REPUBLIC OF SIERRA LEONE

TALKING POINTS

FOR

HIS EXCELLENCY

DR. JULIUS MAADA BIO

THE UNITED STATES OF AMERICA GOVERNMENT

ROUNDTABLE ON TRADE AND INVESTMENT

ON THURSDAY, 19TH SEPTEMBER 2024,

AT 14H:30.

EXCELLENCIES,

DISTINGUISHED LADIES AND GENTLEMEN,

I BRING YOU WARM GREETINGS FROM SIERRA LEONE.

A. OPENING REMARKS

1. On behalf of the Government and people of the Republic of Sierra Leone, I thank the United States Government for putting together this important **Trade and Investment Roundtable.**

- 2.** It is a great pleasure and honour to share my Government's priorities as we pursue opportunities for deeper collaboration and jointly leverage private-sector investment to drive inclusive and sustainable growth and development in Sierra Leone.

- 3.** This Roundtable is a vital dialogue that strengthens our commitment to economic growth, collaboration, and prosperity.

- 4.** Beyond our shared commitment to principles of democracy, rule of law, and justice, our economic ties and their potential to engender shared prosperity are a beacon of hope for our diplomatic relations. We are optimistic about the future of this relationship.

- 5.** Against this backdrop, I am keen on engaging with policymakers, business leaders, and other members of the United States Government Think Tank to discuss ways of advancing mutually beneficial areas of collaboration and synergy.

6. Our relationship with the United States is built on shared values of democracy, peace, and prosperity.

7. We, therefore, seek to deepen our trade and investment ties with the United States, which we believe will not only boost our economy but also create opportunities for American businesses and investors.

8. American businesses have long been at the forefront of global innovation, and we believe that through strategic partnerships, we can leverage their expertise, technology, and capital to accelerate Sierra Leone's economic transformation.

B. MY GOVERNMENT'S PATH TO REFORM AND PROGRESS

EXCELLENCIES, LADIES AND GENTLEMEN,

9. In the last six years, my Government has worked tirelessly to improve:

I. GOVERNANCE AND TRANSPARENCY: By strengthening our democratic institutions, fighting corruption, and increasing transparency in our public financial management systems.

— This is evident with the country's selection for the second round of MCC Compact and other international partnerships.

II. INFRASTRUCTURE DEVELOPMENT: My

Government's ambition of modernising our infrastructure to attract global investors and ensure that Sierra Leone becomes a hub for regional trade is yielding results.

- We have witnessed increased passenger traffic to Freetown, with more airlines increasing their schedules.

- We have also made significant investments in energy, roads, and port facilities to enhance connectivity and improve business efficiency.

III. HUMAN CAPITAL DEVELOPMENT: Our people are our greatest assets, and any nation's future rests on its people's capacity.

—In Sierra Leone, we have prioritised education, healthcare, and skills development to empower our citizens, particularly the youth.

IV. AGRICULTURE AND ENERGY: My

Government's unwavering commitment to the **FEED SALONE Programme** means we are dedicated to promoting innovative agricultural practices that will help ensure food security for our people.

— While our **Medium-Term National Development Plan** articulates our aspirations across five key areas — the **BIG FIVES** — I will focus today on the two sectors where we urgently need your intervention: **ENERGY AND AGRICULTURE.**

BUILDING OUR ENERGY SECTOR CAPACITY

EXCELLENCIES, LADIES AND GENTLEMEN,

10. The MCC-supported growth diagnostic conducted in 2021 found that the energy and agriculture sectors are the most binding constraints to sustainable growth in Sierra Leone.

11. Both sectors present significant opportunities for private-sector investment, making them highly attractive areas for potential partners and investors.

- 12.** It is no secret that Sierra Leone is currently facing a critical situation in the energy sector.

- 13.** Arrears to IPPs are unsustainably high, and revenue collection by the distribution utility is low due to operational weaknesses compounded by a non-cost-reflective tariff.

- 14.** The situation is further aggravated by insufficient generation capacity and the need for deeper governance reforms to strengthen utility companies and regulators

while enhancing the environment for private sector investment.

15. With over 50% of technical and commercial losses, the sector is financially unsustainable and poses a real threat to the economy.

16. Our objective is to increase energy access to over 70% and generation capacity to 1000 MW by 2030.

17. To achieve this objective, we need to support the proposed US\$480 million MCC-funded Compact that will expand the transmission backbone, increase distribution and access, and implement governance and institutional reform.

C. SIERRA LEONE'S INVESTMENT PROPOSALS

18. We need access to resources to undertake Government and private sector feasibility studies to build a pipeline of generation projects focusing on LNG and renewable generation options.

19. There is a need for Transaction Advisory support to bring IPP transactions to financial close quicker and to support the Government in driving competitive tenders to ensure value-for-money transactions.

20. There are opportunities to support the Government in accessing non-traditional guarantees and other financial instruments to de-risk IPP transactions.

21. LADIES AND GENTLEMEN, financing, including concessional financing, is the lifeblood of the private sector's investment in Sierra Leone. Your support in this area is of paramount importance.

22. As you may know, we recently launched the Naant project, which is supported by DFC. We need to close more deals with reputable companies.

23. I want to assure you that we are fully committed to the reforms necessary to open up the space for private sector investment, and we will play our role effectively.

24. For instance, the establishment of the **Independent Collections Account** led by the Ministry of Finance demonstrates our commitment.

25. It will bring predictability and transparency to the sector's revenue outlook, boosting private sector confidence.

26. Furthermore, we recently secured over US\$800 million in pledges during the June 2024 OPEC Investment Roundtable. To

unlock that funding, we need a pipeline of bankable projects.

27. I see some of the Partners around this table supporting these areas to complement the Government's efforts.

28. My recent leadership role in the energy sector is to foster coordination and signal to Partners that it's no longer business as usual.

THE AGRICULTURE SECTOR POTENTIAL

29. We recognise the catalytic role that access to energy will have in reducing the cost to the private sector of investing in agriculture as the most transformative initiative to reduce poverty in Sierra Leone.

30. Today, over 60% of Sierra Leone's GDP comes from agriculture. Additionally, more than half of the Sierra Leoneans in the labour force work in agriculture and represent low-income people.

- 31.** My Government's **Feed Salone Programme** is a holistic intervention to drive private sector-led food production systems across priority value chains such as rice, cocoa, and coffee.
- 32.** To achieve its objectives, it requires more investments in research and development, inputs, technology, infrastructure, and mechanisation.
- 33.** We want to attract the private sector to invest in downstream and upstream value chain activities.

34. At the same time, the Government coordinates infrastructure investments in roads, ICT, and energy to better integrate local, regional, and global markets to boost trade.

35. LADIES AND GENTLEMEN, around the table today, we should be able to identify opportunities to collaborate to:

- Support research and development in key value chains;
- Facilitate export to the US market through initiatives such as AGOA and

- Finance large US agriculture Companies to produce for domestic consumption and export.

36. Transforming the agriculture sector and creating decent jobs for our citizens is the singular most impactful driver of sustainable poverty reduction in an economy like Sierra Leone.

37. It can insulate our economy against price shocks and other exogenous factors that can have catastrophic impacts on families already living in desperate situations.

D. CONCLUSION

38. LADIES AND GENTLEMEN, the opportunities are significant in our energy and agriculture sectors.

39. My Government will work with you to expand on these opportunities and sustain the momentum to bring United States businesses to Sierra Leone.

40. Deeper cooperation between our two countries can do more to drive shared prosperity.

41. Be assured of our deep commitment to continuing to foster more robust cooperation with your Government to increase investment and trade, as well as a fundamental, steadfast commitment to our joint aspirations for the growth of democracy as a driver of economic growth and development.

THANK YOU FOR YOUR ATTENTION.