GOVERNMENT OF THE GAMBIA

MEDIUM TERM ECONOMIC FISCAL FRAMEWORK

2020–2024

DRAFT

MINISTRY OF FINANCE AND ECONOMIC AFFAIRS

June 2019

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

LIST OF APPENDICES

LIST OF ABBREVIATIONS

AfDB	-	African Development Bank
ASYCUDA	-	UNCTAD Automated System for Customs Data
BADEA	-	Arab Bank for Economic Development in Africa
BIA	-	Banjul International Airport
BReST	-	Building Resilience through Social Transfers for nutrition security in the Gambia
CBG	-	Central Bank of Gambia
CFA	-	West African Franc
CIT	-	Corporate Income Tax
CPI	-	Consumer Price Index
DCC	-	Donor Coordination Council
DLDM	-	Directorate of Loans and Debt Management
ECD	-	Early Childhood development
ECOWAS	-	Economic Community of West African States
EGRA	-	Early Grade Reading Assessment
FX	-	Foreign Exchange
GAMCEL	-	Gambia Telecommunications Cellular Company
GAMPOST	-	Gambia Postal Services
GAMTEL	-	Gambia Telecommunications Company
GBOS	-	Gambian Bureau of Statistics
GCAA	-	Gambia Civil Aviation Authority (GCAA)
GDP	-	Gross Domestic Product
GGC	-	Gambia Groundnut Corporation
GOTG	-	Government of The Gambia
MoFEA	-	Ministry of Finance and Economic Affairs
MoFA	-	Ministry of Foreign Affairs
MoJ	-	Ministry of Justice
MTEFF	-	Medium-Term Economic Fiscal Framework
MTDS	-	Medium-Term Debt Strategy
NDB	-	Net Domestic Borrowing
NDP	-	National Development Plan
SOE	-	State Owned Enterprises

1 Introduction

The Ministry of Finance and Economic Affairs (MoFEA) is required by The Public Finance Act 2014, Part II Section 4, to develop a Government macro-fiscal policy and medium-term economic and fiscal framework (MTEFF) for budget preparation for each year. The MTEFF helps to integrate the top-down revenue (resource) envelope with the bottom-up sector programs executed by various Ministries, Departments and Agencies (MDAs). The MTEFF outlines expenditures reflecting the Government's key fiscal policy priorities over the medium term (2020–2024) to be strictly guided by budget realities, investment and public procurement options, debt strategies and borrowing plans of the government and the key reform priorities.

The MTEFF medium-term priorities are aligned with the key national development plan (NDP) priorities and reforms to transform the economy for the well-being of all Gambians and with the aim of delivering good governance, accountability and social cohesion. Key technical inputs from various documents such as the debt sustainability analysis (DSA) and the medium-term debt strategy (MTDS) also feed into the MTEFF analysis.

The budget preparation cycle in 2020 and beyond will draw upon the operational MTEFF document which would be approved by the Cabinet in July. This provides the Cabinet a broad picture of resource availability and resource constraints. At the same time a specific Budget Framework Paper (BFP) is developed from the MTEFF and is also presented to Cabinet for approval. The BFP guides the budget preparation vis-à-vis detailed budget allocations/ceilings of Ministries, Departments and Agencies (MDAs). Regular adjustments and updates to the MTEFF and BFP are required to reflect new information or unexpected shocks from domestic and international economic developments that can create additional constraints. The constraints bind more acutely especially at end of the year as the budget preparation is finalized and the degree of budget execution success or shortfall in the current year 2019 is known. This would impact expenditure components for the new budget year 2020 and create pressures for arrears clearance in the future years.

A key feature of the MTEFF and BFP process is to help derive credible medium-term projections for revenue and expenditure components from available sectoral GDP statistical and model forecasts. The projections together with the incorporation of shock scenarios and various constraints (outlined above) help to establish the importance of building buffers to mitigate fiscal risks and shocks and create fiscal space to implement key policy priorities and reforms.

The MTEFF as presented here aims to improve inter and intra-sectoral resource allocations adding to greater budgetary predictability for line Ministries, Departments and Agencies (MDAs) and more efficient use of public monies. The MTEFF helps address macroeconomic imbalances and provides the Gambian people greater political accountability and fiscal transparency for public expenditure outcomes from legitimate decision making.

2 Macroeconomic Overview

2.1 Global Economic Developments

As a small, highly open economy, The Gambia is vulnerable to global macroeconomic and international developments. The April 2019 World Economic Outlook (WEO) from the International Monetary Fund (IMF) reports that the global expansion of the last two years decelerated in the second half of 2018. Activity softened amid an increase in trade tensions and tariff hikes between the United States and China, a decline in business confidence, a tightening of financial conditions, and higher policy uncertainty across many economies. Against this global backdrop, a combination of country-and sector-specific factors further reduced momentum. After peaking at close to 4 percent in 2017, global growth remained strong, at 3.8 percent in the first half of 2018, but dropped to 3.2 percent in the second half of the year.

A slowdown in global growth remains a concern for the Gambia in that it weakens the demand for Gambian exports and tourism. Weakening consumer and investor sentiment in the Gambia's main export markets of Europe due to elevated risks from a no-deal Brexit and elevated sovereign spreads is perhaps more worrisome.

Notwithstanding the global slowdown, improving regional prospects in Sub-Saharan Africa with aggregate growth set to pick up from 3 percent in 2018 to 3.5 percent in 2019 and stabilizing at 5 percent over the medium term (excluding Nigeria and South Africa) will support the strong domestic prospects (see below) and continuing political stability. Continuing macroeconomic stability in The Gambia is reflected in the favorable growth, inflation and exchange rates baseline forecasts including over the medium term (Table 1 and Section 4.1)

Table 1: Macroeconomic forecasts 2019-2024

Macro Projections	2019	2020	2021	2022	2023	2024
GDP (GMD MM Current Prices)	89,117	100,040	111,294	123,167	135,697	148,463
GDP (GMD MM Constant Prices)	61,900	65,865	69,454	73,342	77,103	80,493
GDP GR (Constant Prices)	7.1%	6.4%	5.4%	5.6%	5.1%	4.4%
GDP GR (Nominal)	13.3%	12.3%	11.2%	10.7%	10.2%	9.4%
Exchange Rate	49.9	51.4	53.1	54.6	56.3	58.1
Inflation (%)	5.6%	5.0%	4.8%	4.8%	4.7%	4.7%

Source: MoFEA

Global commodity prices have a significant impact on the Gambian economy through key imports and exports which in part drive our baseline sectoral GDP forecasts for Agriculture and Energy sector for 2019-2024 and their overall contribution to GDP. Global commodity prices (food and non-food) have been trending lower albeit with increased volatility in 2018. Key food items such as groundnut, rice and non-food items such as oil prices are expected to remain subdued at these lower levels in 2019[1]. Lower oil prices together with stronger demand for energy as the economy grows on average around 6 percent over the next few years are likely to support stronger oil imports and greater custom tax revenues from oil imports over this period.

[1] WEO forecasts for oil in 2019-2020 are expected to be round $60 per barrel.

A key area for prosperity for The Gambia is to take advantage for greater regional trade integration likely to come from the Africa Continental Free Trade Area (AfCFTA), which The Gambia recently endorsed. This initiative has the potential to boost intra-African trade and growth across many dimensions[2]. It can add jobs, foster competition, help increase investment, and spur the spread of knowledge and technology.[3] This is likely to be an important driver for growth in The Gambia beyond 2021 and is one factor that underpins our growth projections between 2021-2024 (Section 4).

2.2 Domestic Economy

2.2.1 Recent Macroeconomic Developments

Growth has continued to accelerate in 2018, bolstered by growing consumer and business confidence further strengthening the economy[4] Improvements stemming from more regularized supply of electricity (Figure 1), lower interest rates, and a rebound in agriculture, tourism, and other services spurred private sector activity, complementing the impetus from the public investment program under the National Development Plan (NDP).

Reflecting these developments, private credit expanded by 33 percent in 2018 and stands at around 24 percent (year-on-year) in April 2019 (Figure 1). Banks are keen to finance commerce and real estate developments, but supervisory vigilance will be required to ensure lending standards are not weakened. GDP growth is estimated to have exceeded 6½ percent in 2018.

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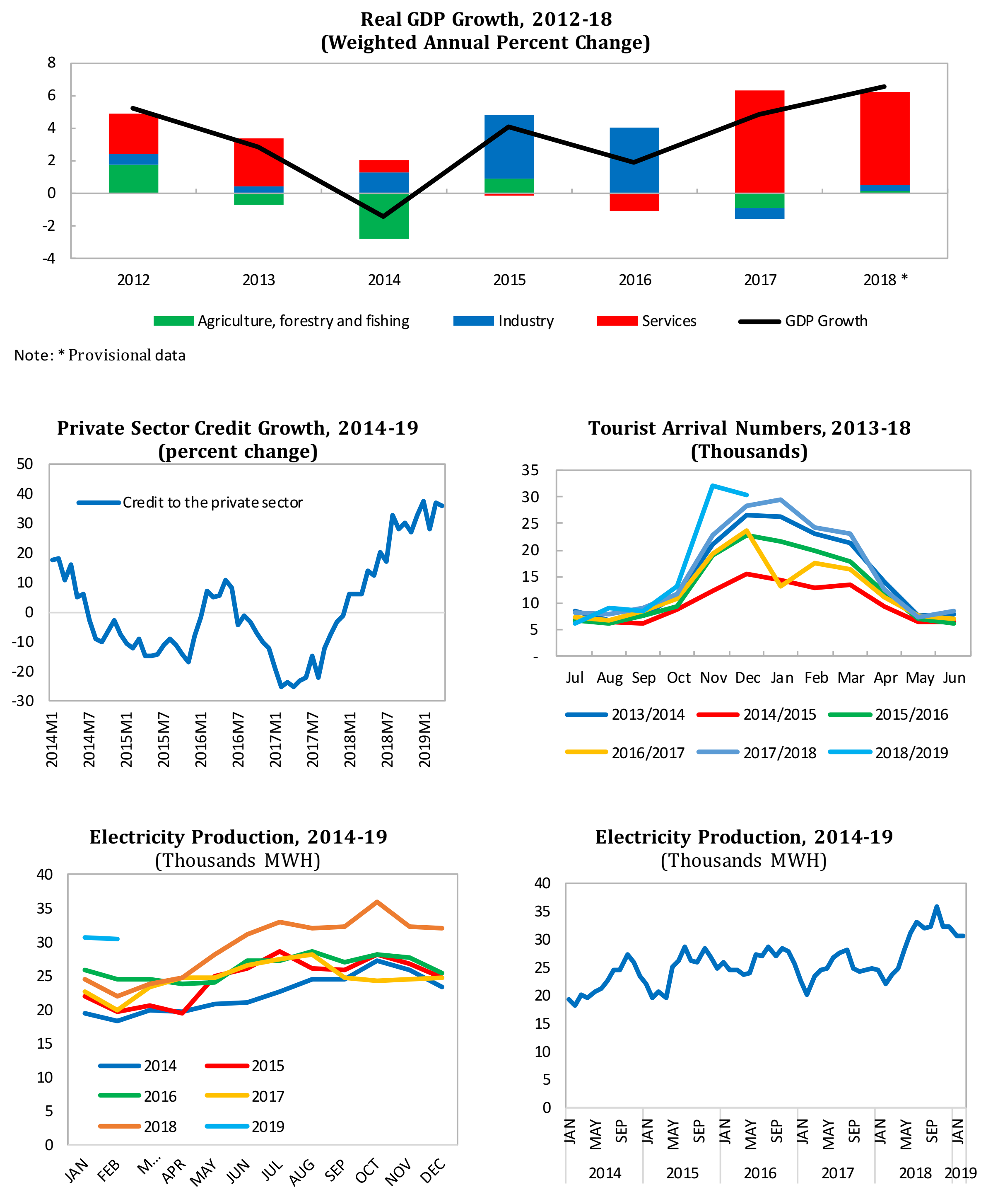
[2] The agreement itself, however, is but one step. To fully benefit from it, the significant nontariff bottlenecks to trade that exist across the region will also need to be tackled. These include infrastructure shortcomings, logistical costs, and other hurdles that hinder cross-border trade.

[3] See the analysis in the April 2019 Regional Economic Outlook for Sub-Saharan Africa.

[4] GBoS rebased GDP in 2018 and subsequently revised those estimates with GDP higher in 2016 and 2017 at [x percent] and [y percent].

Figure 1. Recent Macroeconomic Developments, 2012-19



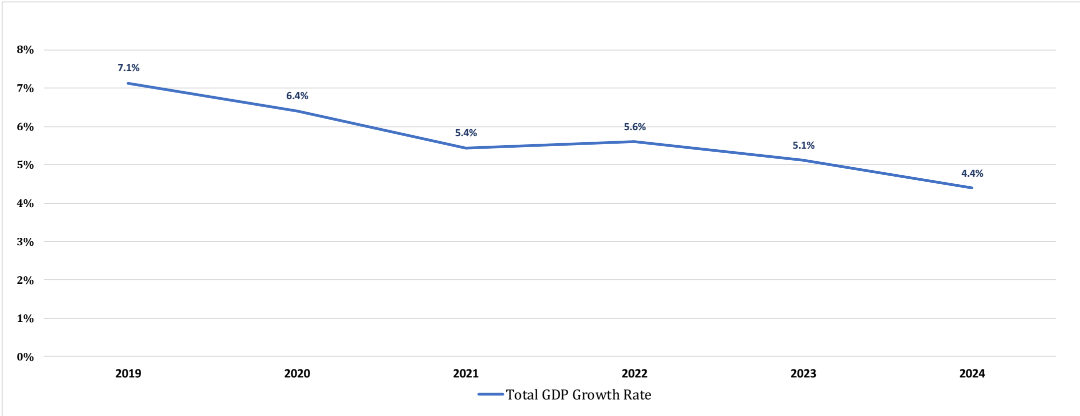
Growth in 2018 is also supported by price and external stability (Figure 1). Inflation subsided in 2018 reflecting relative stability in the dalasi, abundant food supply, and a softening of commodity prices including oil prices. Inflation declined from a recent peak of 8.8 percent in January 2017 to 6.2 percent in February 2019 but has recently jumped to 6.9 percent in April 2019 due to a one-off increase in telecommunication (postal) charges, with other components remaining on a benign trend. The balance of payments improved in 2018, with a positive overall balance enabling significant gross reserves accumulation.

The current account deficit narrowed from 11 percent of GDP in 2017 to an estimated 10.4 percent in 2018, due to an improvement in net services. The deficit was fully financed by strong capital and financial inflows, including increased diaspora investments in real estate, resulting in a positive overall balance of 1.3 percent of GDP. As a result, gross official reserves increased to US$201 million in May 2019, representing over three months of prospective imports, following the disbursement of US$30 million in delayed budget support from the EU.

2.2.2 Medium-Term Assumptions and Growth drivers

The medium-term growth projections for 2019-2024 in addition to reflecting international developments and the very strong domestic momentum in recent years (Section 2.2.1) builds on sectoral GDP projections for the following key important sectors (Figure 2):

Figure 2: Real GDP Growth (annual percent change) 2019-2024



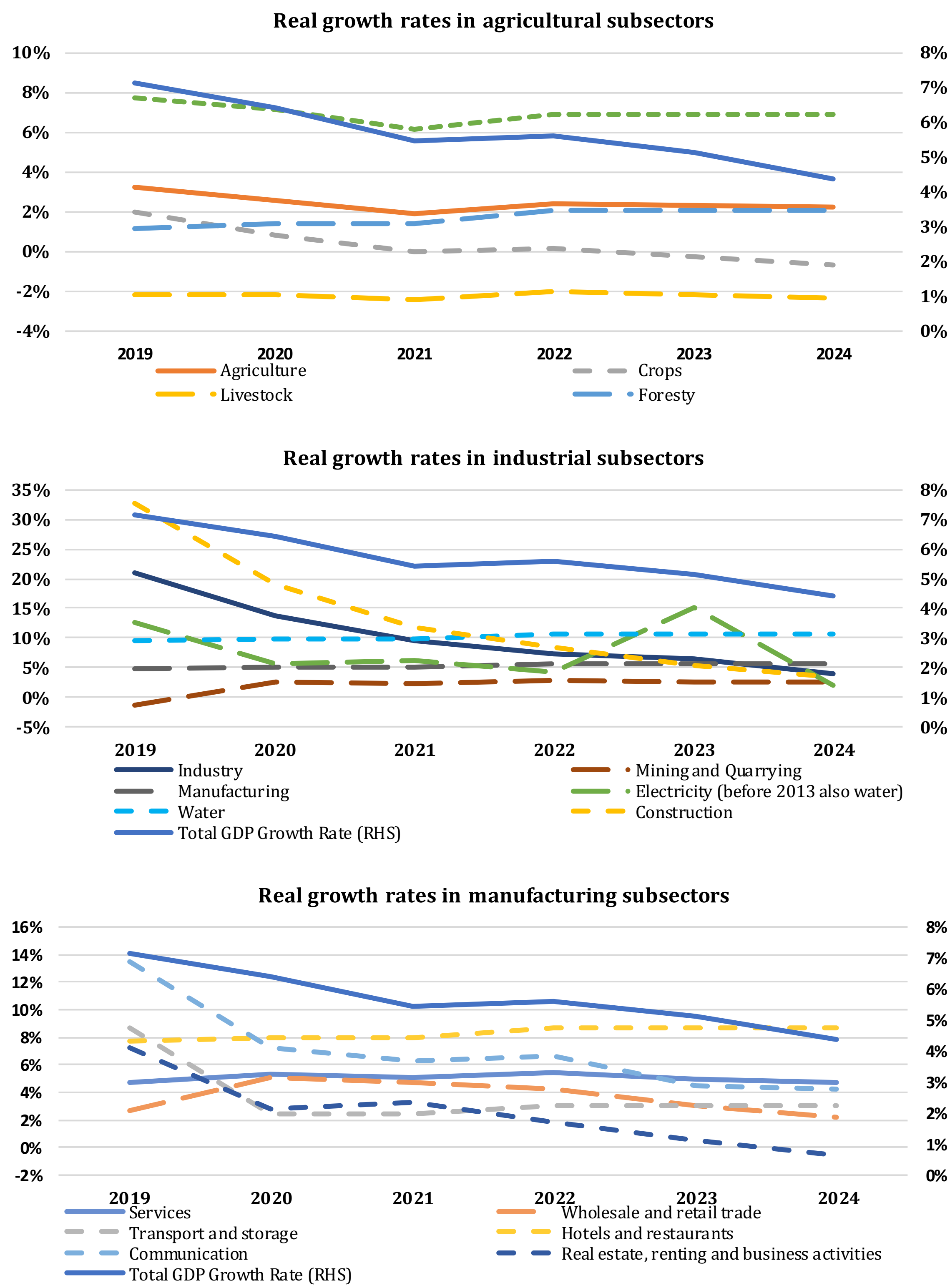
- Agriculture will greatly benefit during 2019 and 2020 boosted by development investment projects, which will raise its real growth during these two years by 3 percentage points, compared with an average stagnation over the period 2015-2018. Beyond this strong expansion, it is assumed that sectoral growth will return to a trendline around 2 percent. This same approach applies to crop, livestock, and forestry. In the fisheries sector, the impact of externally-financed projects will be particularly important, with the purchase of a patrol boat, funded by the EU and the commencement of operations of newly built fish factories. As a result, this sector will expand by around 8 percent in real terms during the next two years. The baseline does not incorporate any impact of future climate effects.

- In the services sector, tourism will experience a steady and robust real growth close to 9 percent which is explained by recent investment in new hotels, appointment of destination managers, improving the E marketing platform, product diversification: community based tourism (Eco Lodges Upcountry), increase in number of flights, integrating culture into the tourism industry (promoting cultural and food festivals, improving monuments and museum exhibitions) and other initiatives. This development will indirectly favor growth in other service branches and agriculture.

- In the energy sector, implementation of the energy sector road map with planned investment in new generation capacity, the reform of NAWEC (Section 3.4.2) and the diversification in the energy mix are key assumptions informing our medium-term growth projection (around 7 percent on average between 2019 and 2024).

- In the construction sector, addressing huge infrastructure needs -such as hotels, bridges and roads- will drive important private and public sector investments, although access to materials (cement, metals and wood) and financing constraints could be limiting factors. The baseline scenario projects an average growth rate around 13 percent, though considerably stronger during 2019-20.

Figure 3. Expected GDP Growth Rate by Economic Sector, 2019-24



2.3 Fiscal Performance in 2018 and 2019

2.3.1 Review of 2018 Budget Performance

Budget execution in 2018 was affected by domestic challenges and a shortfall in development partners' budget support for reforms. Domestic revenue in 2018 was 0.3 percent of GDP lower than the projection made at the second IMF SMP review, mainly because of weaker than expected tax revenue. Nontax revenue exceeded the projected level by 0.4 percent of GDP helped by the sweeping of nontax revenue accounts such as sand mining, scanning fees, etc. in preparation towards the implementation of the Treasury Single Account (TSA), which enabled a better capture of nontax revenues that were not previously recorded by the treasury. At the same time, expenditure pressures developed in the second half of the year, and spending overruns, including due to (i) lack of progress on the vehicle policy reform; (ii) travel expenses; (iii) unanticipated increases in foreign embassy staff; and (iv) injections of support to SOEs and transfers to subvented agencies. In the last quarter of the year, we initiated measures to rein in spending, including travel bans this measure helped contain the overall fiscal deficit to 6.3 percent of GDP (compared to the program projection of 2.6 percent of GDP). As a result, the net domestic borrowing (NDB) by the government in 2018 reached 3.4 percent of GDP, based on the IMF program definition, or 4.1 percent of GDP.

The bulk of the spending overruns for 2018 was regularized through a supplementary budget appropriation (SAP). In late December, MoFEA submitted to parliament a request in the amount of 1.1 billion dalasi (1.4 percent of GDP) to cover (i) additional personnel emoluments resulting from the following: 1. increases in vehicle and transport allowances especially in the area of subvented agencies including Hospitals and Schools 2. Reinstatement and settling of Basic Salary drawbacks for security personnel that were dismissed by the previous regime, and 3. Posting of personnel on our Foreign Missions that were not factored on the approved budget (ii) operational costs of newly established commissions (236.1 million dalasi), (iii) external obligations to international organizations (226.4 million dalasi), (iv) maintenance of newly opened foreign embassies and allowances to related staff (65.9 million dalasi), and (vi) transfers and subsidies to support the operations of the National Food Security Processing and Marketing Corporation (NFSPMC, formerly Gambia Groundnut

Corporation, GGC) and NAWEC (for settlement of the ITFC Facility) (402.6 million dalasi). Of this request, The National Assembly approved 562 million dalasi: (i) 159 million dalasi in personnel emoluments for ministries of defense, interior, and basic and secondary education; and (ii) 403 million dalasi in subsidies for the GGC and NAWEC, which in the event were used to amortize their credits outstanding to the Islamic Trade Finance Corporation (ITFC). The amounts that have not been approved in the SAP were handled through a reallocation of budget credits. Preliminary data on the 2018 budget execution indicate that no new domestic arears were accumulated in 2018.

2.3.2 Review of 2019 Budget Implementation and prospects[5]

The 2019 Budget is anchored on a zero NDB target designed to strengthen ongoing efforts of fiscal and debt sustainability and aim at putting debt on a downward path. The target is supported by projected disbursements of budget support from EU and AfDB to reduce the domestic borrowing requirement to support a more sustainable debt path. For this current draft MTEFF we have yet to include any projections for World Bank budget support either in 2019 or in the medium-term. Our intention is to program this more concretely in the revision to the MTEFF when the needed financing assurances of debt relief is obtained from The Gambia's bilateral, plurilateral and private creditors. The debt relief and additional budget support would help to fill the financing gap.

Fiscal measures were programmed, covering both expenditure and revenue, that are expected to yield 1.0 percent of GDP on revenue by end-year (Table 2) measures table.

[5] The figures here relate to end-May 2019.

Table 2: Revenue and expenditure measures for 2019 Budget (percent of GDP)

Measures	Yield
Revenue	**1.0**
I. Tax Measures	0.6
Excises on alcohol	0.2
Income tax from 50-percent wage increase	0.2
Excises on vehicle imports	0.1
Fees on fuel imports (1 dalasi/liter)	0.1
Import surcharge	0.1
II. Non-tax Measures	0.2
User fees and charges	0.1
ECOWAS levy recovery	0.1
III. Improved Revenue Administration	0.2

Revenues are performing well as of May 2019 and are 300 million GMD above projections of 4.7 billion GMD. This encouraging revenue mobilization is anticipated to continue providing additional fiscal space. However, our revenue projections into the medium-term still remain conservative increasing no more than 0.3 percent of GDP on average per-year over the 2020–2024 period.

Budget implementation has been satisfactory so far. Budget lines like fuel, travel and subventions are running below projections. Travel expenditure has been on a declining trend and registered a reduction of 34% when compared to the same period last year (end May). However, certain discretionary budget lines, especially those pertaining to allowances, are running ahead of projections. Allowances linked to transport (car), trekking, and schooling for embassy staff children are posing challenges on our budget execution, and as a whole, D732 million of the D1.6 billion budgeted for allowances in 2019 has already been spent by end May, representing an absorption rate of 46%.

To tackle foreign embassy expenses a proposal has been drafted by the Ministry of Foreign Affairs and is being finalized that summarizes the streamlining of overseas missions and shows the projected savings. This proposal is envisaged as an appendix to the new draft "**Foreign Service Rules**", which will outline and formalize the new regulations and terms of engagement for overseas staff. The document is expected to be sent to Cabinet for its approval by end-June (Section 3.4.3).

Discretionary budget lines like the vehicle policy, foreign embassy staff and travel especially will need to be contained (or offset with revenue or expenditure measures) in the remainder of the budget year if the NDB target was under threat. commitment to this approach will be needed as budget lines linked to social spending (which are currently below projections) on items such as school improvement grants, and pensions require ring-fencing and preservation as part of key NDP priorities (Section 4).

Certain other important NDP reform-related budget lines are running ahead of projections in 2019. Expenditure on the work of the Commissions (Janneh, Constitutional Review Commission and the Truth, Reconciliation and Reparations Commission (TRRC)) has required additional domestic financing in 2019[6]. We believe this is an area where additional donor funds to help support the commissions' reform work would be helpful in accelerating the completion of the work. This will further cushion the budget from additional pressures, as these areas are well within the priorities of many development partners.

Careful budget management will be required to ensure the second half of 2019 does not lead to a build-up of spending pressures that could result in a supplementary budget, as was the case in 2018. Our aim is to avoid such an eventuality especially as discretionary budget control has been difficult in the past, due to unbudgeted transfers to SOEs and lower than expected donor budget support. The newly established Cash Management Committee and associated Cash Management Unit will be instrumental in ensuring strong budget implementation management including the build-up of cash buffers by tapping the Bond/T-Bill market at competitive rates now when liquidity conditions are favorable.

[6] The grant of Qatar for $3 million, was intended for this purpose.

3 MTEFF Medium-Term Fiscal and Reform Priorities[7]

3.1 Macroeconomic Stability

The fiscal path and the individual revenue and expenditure sub-component projections of the MTEFF is intended to support the strong recent macroeconomic progress in The Gambia (Section 2.2) for the medium-term (2020–2024). The intended fiscal reforms will deliver greater fiscal certainty, expenditure control and incorporates reforms in Public Finance Management (PFM) on the TSA, cash management, IFMIS and Budget and revenue administration and reforms. This is being supported with the help of development partners including by an IMF resident expert in the PFM area. The growth projections in the MTEFF factor in modernization and strengthening of the agricultural, fisheries and energy sectors while building on the strong momentum from construction (including the Senegambia bridge) and tourism sectors already seen in 2018 and 2019. In addition, The Gambia will continue to take advantage of opportunities offered by regional integration and diversification possible with its neighboring countries and leveraging on the continent wide AfCFTA investment.[8]

This medium-term path seeks to ensure fiscal and debt sustainability on a forward-looking basis with strong commitments to: (i) prioritize and preserve social and poverty reduction spending linked to the NDP priorities and reforms (Section 3.3); (ii) create fiscal space (buffers) to support NAWEC and Gambia Groundnut Corporation on the trade-credit facilities with the ITFC; (iii) arrears clearance between ministries, departments and agencies (MDAs) and their private suppliers and cross arrears between SOEs; (iv) maintenance of a zero NDB based on conservative revenues and expenditure restraint; (v.) below the line financing gap which is in part filled by debt-relief and financing for large reforms (civil & security service and SOE reforms) and

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[7] This section outlines several key fiscal and reform drivers which fully complement and support the implementation of the National Development Plan 2018-2021.

[8] We do not factor in for our growth assumptions around the strong growth impulse that could come from viable oil and gas findings. We also have not been able to fully capture all grant-financed investment projects including from China and investment linked to The Gambia's hosting of the 2022 OIC summit. In that regard our growth assumptions while robust remain conservative with the potential for a significant upside.

other reforms that will be needed (from development partners and domestically) (Section 3.4).

To maintain macroeconomic stability over the medium-term we make the following assumptions on some key macroeconomic variables that impact the overall revenue and expenditure projections and forecasts in 2020–2024.

On inflation we assume the reforms on governance, transparency, accountability and greater independence of the Central Bank of the Gambia (CBG) strengthens the monetary policy framework and enables a more effective implementation of monetary policy. A stronger capitalized CBG using its balance sheet to absorb and inject liquidity through operational monetary tools (CBG bills, OMOs, narrower range of the deposit and lending facilities) will help to better control the official monetary policy rate to ensure we gradually bring down inflation from the current 6.9 percent (April 2019) to around the 5-percent inflation target over the 2020–2024 projection profile. We also assume inflation expectations are anchored around this target.

A more effective control of the official policy rate aligned with liquidity conditions in the market is being supported with ongoing reforms of the monetary operations framework and risk-based supervision (RBS) with technical assistance (TA) from development partners. These operational enhancements will help to better align (narrower spread) the official monetary policy rate with short-term private credit and commercial rates (up to 1-month) to support private credit that grows in steady and safe manner from a low base, such that the financial services sector's average real growth over the 2020–2024 period is anticipated to be 9 percent.

Our projections for interest rates for 2020–2024 are reflective of stable inflation around 5 percent in the medium-term and our financing strategy. The latter would rely on a zero NDB target (including debt relief) and a clear dominance of grant-based financing for key NDP and infrastructure projects over minimal, highly concessional external loans for high-priority projects for which grant financing is not available[9] (Table 3).

The interest path for 2020–2024 is then paired with the debt strategy mix consistent with the medium-term debt strategy (MTDS) of long-term and short-term domestic debt that minimizes rollover risks and accounts for domestic financial counterparts' constraints for holding different maturity instruments and incorporates assumptions on limited external financing. The MTEFF interest expense, which comes down between 2020 and 2024 by more than 1 percent of GDP starting from 3, also benefits from the positive confidence generated by successful debt relief as articulated in the recent joint IMF/World Bank 2019 SMP debt sustainability analysis (DSA)[10].

Table 3: Past and expected disbursements of loan-financed approved projects (GMD Millions)

Sector	2017	2018	2019	2020
Agriculture	291.1	1392.4	911.5	58.3
Education	341.3	539.0	471.7	0.0
Energy	816.2	1473.0	87.1	8.7
Finance	41.6	0.0	0.0	0.0
Gamworks	163.6	683.8	179.5	0.0
Health	0.0	32.9	47.0	94.0
Water Resources	0.0	0.0	0.0	0.0
Infrastructure	3974.0	993.7	993.7	0.0
Total	5627.8	5114.8	2690.4	161.0

Source: GoTG

The projections build in continued external and exchange rate stability and flexibility over the medium-term. The MTEFF builds into its external stability view and exchange rate assumptions a continuance of strong inflows of foreign exchange (FDI and remittances) and abundance of budget support to increase the CBG's gross reserves to above 3 months of prospective imports.

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[9] MoFEA have received TA on IMF Public Investment Management Assessment (PIMA), to help guide our project planning, allocation (including appraisal and selection), and implementation, and facilitate the development of our borrowing plan, encompassing all external financing. This help further in our prioritization of public investment procurement that is consistent with fiscal and debt sustainability on a forward-looking basis.

[10] The Gambia, Request For A Staff Monitored Program – Press Release and Staff Report, IMF Country Report No. 19/128, International Monetary Fund, Washington D.C.

3.2 Improving Tax Revenue Mobilization

A key priority in the MTEFF for 2020–2024 is to strengthen domestic revenue mobilization. While there has been positive revenue increases in 2019 reflective of a stronger domestic economy led by the private sector we also assume the overall revenue projections reflect a conservative increase over the period 2020–2024 of around 1.5 percent from 13.4 percent of GDP in 2019 to 14.9 percent of GDP in 2024.

Improvements linked to reforms in in revenue administration will also support domestic revenue mobilization that are less dependent on growth but linked to further widening of the tax base and stronger enforcement actions by the GRA. The revenue reforms aim at a gradual increase in tax revenue over the medium-term, the program also envisages (i) verification and update of the large taxpayer data on the tax registry using third party data (e.g., from utility companies and customs) and analysis from the data cleansing project; (ii) implementation of a risk-based operational culture at the GRA by adopting appropriate terms for the GRA risk management committee and for the customs risk audits; and (iii) the conduct of two risk-based post clearance audits by the customs unit in accordance with the GRA's post-clearance audits manual. These revenue measures draw on the recommendations from the IMF's TADAT mission of April 2018 and are complemented by efforts to consolidate the tax base and address custom tax avoidance, with the support of an EU-financed long-term resident advisor based at the GRA. There is also potential for some additional revenue from streamlining tax exemptions in The Gambia which are fragmented into various statutory and non-statutory types across multiple government ministries and agencies. However, for the baseline projections we omitted any inclusion of exemptions revenue as work is under way to better target exemptions and to bring them in line with best international practices and with the much smaller tax exemptions found in the region.

3.3 National Development Plan Priorities and Reforms[11]

The expenditure projections in the MTEFF for 2020–2024 (Section 4) reflect the eight key strategic priorities to achieve the goal of the NDP 2018–2021 which is to: *deliver good governance and accountability, social cohesion, and national reconciliation and a revitalized and transformed economy for the wellbeing of all Gambians*. Moreover, the structure and scope of MTEFF expenditure component projections also seek to promote the seven key critical enablers of the NDP. Our MTEFF is aligned with a more detailed medium-term budget framework (MTBF) and would eventually link with a program-based budgeting approach which provides a more granular recurrent and development budget line links to the aggregate expenditure totals in the MTEFF.[12] It is not expected that top-down MTEFF expenditure estimates for the medium-term should be exactly consistent and equivalent, with bottom-up expenditure estimates made on the basis of the programmatic structure of the budget. However, reconciliation and addressing inconsistencies between the two will better link NDP priorities and reforms at MDA budget requirements level with actual budgetary expenditure ceilings and allocations.

The eight key priorities and enhancement of the seven key enablers of the NDP are an important element of the reform agenda of the government of the Gambia. The MTEFF, intends to guide the achievement of the above, as it incorporates an overall commitment to fiscal sustainability through expenditure restraint and conservative revenue projections between 13 and 14 percent of GDP on average per year within an overall net domestic borrowing (NDB) at zero (including debt relief), reinforcing the strong recent economic performance adding to macroeconomic stability. The MTEFF sustains the macro performance necessary to mobilize revenue to support key NDP priorities especially social spending, poverty reduction and support for education and

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[11] The Government of the Gambia National Development Plan 2018-2021. The plan articulates the 8 key strategic priorities and seven critical enablers. It is expected the government will extend the NDP horizon to cover the 2021-2024 period.

[12] The Budget Department in MoFEA together with support from the US Treasury is working on a program-based budgeting approach which will help with linking the bottom-up budget line details with the aggregate MTEFF categories. The capital budget lines are made up of three elements which map to the NDP priorities and consist of both domestic capital components financed by domestic resources and the loan and grant-financed projects by various development partners.

health over 2020–2024. The NDP spending reflects both domestically financed budget lines (and some external donor supported NDP financed projects (Table 4a). The articulation of budget items to the strategic priorities and critical enablers (Table 4b) is currently work in progress at MoFEA and will likely be made more precise from inputs from other MDAs.

Table 4a: NDP Strategic Priorities and Budget Line-Items

Strategic Priority 1: Restoring good governance, respect for human rights, the rule of law, and empowering citizens through decentralization and local governance		
	2019 Estimate Recurrent Expenditures	**Comments**
Linked Ministries, Departments and Agencies (MDAs):		
Primary:		
Ministry of Justice - Program: Transitional Justice *Constitutional Review Commission *Truth and Reconciliation Commission *Commission of Inquiry into Land Confiscations *Criminal and Media Law Reforms *Human Rights Commission	255,796,135	One Program
Ombudsman	20,241,000	Key NDP Result - Fully functional Ombudsman
The Judiciary	114,591,692	Total Recurrent Budget Key Results - *Fully functional Courts and Tribunals in all the Administrative Regions by 2021 * Indigenized judiciary and State Law Office by 2021 *Also includes an Alternative Dispute Resolution Mechanism
Ministry of Lands and Regional Government - Subprogram: Strengthening Decentralization and Good Governance	13,615,000	One Subprogram Key Results: *Effective and harmonized policies and regulatory frameworks for enhanced coordination of the decentralization programme *Strengthened human and institutional capacities at all levels for decentralization

Other related MDAs:		
Independent Electoral Commission	Cannot Be Determined	
The National Assembly	Cannot Be Determined	
Ministry of Interior (Security Sector Reform)	Cannot Be Determined	
Ministry of Defence (Security Sector Reform)	Cannot Be Determined	
Strategic Priority 2: Stabilizing our economy, stimulating growth, and transforming the economy		
Linked Ministries, Departments and Agencies (MDAs):		
Ministry of Finance and Economic Affairs (including Gambian Revenue Authority and Gambian Public Procurement Authority)	800,216,197	Total Recurrent Budget
Other related MDAs:		
National Audit Office	Cannot Be Determined	
Strategic Priority 3: Modernizing our agriculture and fisheries for sustained economic growth, food and nutritional security and poverty reduction		
Linked Ministries, Departments and Agencies (MDAs):		
Primary:		
Ministry of Agriculture	234,268,940	Total Recurrent Budget
Ministry of Fisheries and Water Resources - Subprogram: Fisheries Development and Management	5,550,000	One Subprogram does not include salaries or indirect administration
Other related MDAs:		
MoBSE - Establishment of school farms and gardens (farms, fish ponds, Poultry, animal husbandry, etc.)	Cannot Be Determined	
Strategic Priority 4: Investing in our people through improved education and health services, and building a caring society		
Linked Ministries, Departments and Agencies (MDAs):		
Primary:		
Ministry of Basic and Secondary Education	1,989,270,828	Total Recurrent Budget
Ministry of Higher Education, Research, Science and Technology	283,339,522	Total Recurrent Budget
Ministry of Health	1,037,567,500	Total Recurrent Budget
Ministry of Women, Children and Social Welfare	43,285,475	Total Recurrent Budget
Ministry of Fisheries and Water Resources - Subprogram: Sustainable Water Resources Management	9,220,000	One Subprogram does not include salaries or indirect administration
Strategic Priority 5: Building our infrastructure and restoring energy services to power our economy (Energy, Transport and Public Works)		
Linked Ministries, Departments and Agencies (MDAs):		
Ministry of Petroleum and Energy	48,515,500	Total Recurrent Budget

Ministry of Transport, Works & Infrastructure - National Roads Authority and Gambian Port Authority	81,265,164	Total Recurrent Budget
Strategic Priority 6: Promoting an inclusive and culture-centered tourism for sustainable growth		
Linked Ministries, Departments and Agencies (MDAs):		
Ministry of Tourism and Culture	37,039,165	Total Recurrent Budget
Strategic Priority 7: Reaping the demographic dividend through an empowered youth		
Linked Ministries, Departments and Agencies (MDAs):		
Primary:		
Ministry of Youth and Sports	97,026,190	Total Recurrent Budget
Other related MDAs:		
Ministry of Basic and Secondary Education (collaborations with the MoYS)	Cannot Be Determined	
Strategic Priority 8: Making the private sector the engine of growth, transformation, and job creation.		
Linked Ministries, Departments and Agencies (MDAs):		
Ministry of Trade, Industry, and Employment	104,062,020	Total Recurrent Budget

Source: MoFEA & other MDAs

Table 5b: NDP Critical Enablers and Budget Line-Items

Critical Enabler 1: A public sector that is efficient and responsive to the citizenry		
Linked Ministries, Departments and Agencies (MDAs):		
Personnel Management Office (Office of the President)	Cannot Be Determined	
Pensions and Gratuities	Cannot Be Determined	
Critical Enabler 2: Empowering the Gambian Woman to realize her full potential		
Linked Ministries, Departments and Agencies (MDAs):		
Ministry of Women, Children and Social Welfare - Subprogram: Women's Affairs	10,075,550	One Subprogram does not include salaries or indirect administration
Critical Enabler 3: Enhancing the role of the Gambian diaspora in national development		
Linked Ministries, Departments and Agencies (MDAs):		
Ministry of Foreign Affairs (Diaspora Engagement initiative)	Cannot Be Determined	
Independent Electoral Commission (Registering diaspora voters)	Cannot Be Determined	
Critical Enabler 4: Promoting environmental sustainability, climate resilient communities and appropriate land use		
Linked Ministries, Departments and Agencies (MDAs):		
Ministry of Environment, Climate Change and Wildlife	89,195,495	Total Recurrent Budget
Ministry of Lands and Regional Government - Program: Land Resources Management	32,755,475	One Program
National Disaster Management Agency (Office of the Vice President)	Cannot Be Determined	
Critical Enabler 5: Making The Gambia a Digital Nation and Creating a modern information society		
Linked Ministries, Departments and Agencies (MDAs):		
Ministry of Information, Communication, and Infrastructure	34,152,479	Total Recurrent Budget
Critical Enabler 6: A civil society that is engaged and is a valued partner in national development		
Linked Ministries, Departments and Agencies (MDAs):		
No Ministry identified	N/A	
Critical Enabler 7: Strengthening evidence-based policy, planning and decision-making		
Linked Ministries, Departments and Agencies (MDAs):		
Gambia Bureau of Statistics - MoFEA	Cannot Be Determined	
Ministry of Higher Education, Research, Science and Technology	Cannot Be Determined	

Source: MoFEA & other MDAs

We increased poverty-reducing spending, as defined under the previous SMP and reported in our IFMIS, from 3.4 billion dalasi (4.9 percent of GDP) in 2017 to 4.4 billion dalasi (5.6 percent of GDP) in the 2018 budget and implemented 93 percent of it despite expenditure adjustments in the context of lower budget support and unanticipated spending pressures. In the 2019 budget we increased this envelope to 5 billion dalasi (5.7 percent of GDP).

Over the period 2020–2024 through the BReST[13] initiative and the social Protection grant from the World Bank, we aim to refine our targeting of vulnerable households and monitor the implementation of a more narrowly-defined concept of poverty-reducing spending, encompassing such programs as school feeding and youth empowerment, social production services, and other initiatives to support livelihoods and strengthen food and nutrition security.

Also, in the social spending arena, our aim is developing a Social Registry with the support of the World Bank. This registry would store data on household characteristics that can be used to determine eligibility for social assistance programs. A Social Protection Secretariat, with financing for three staff, will be established to provide monitoring and evaluation of this initiative. The same WB project also contemplates the establishment of a new program of cash transfers, initially as an unconditional cash transfer for three years to extremely poor households in The Gambia's poorest 20 districts.

The project will also provide related project management, capacity building and communication functions. Total cost of the project will be USD $31 million, with USD $30 million disbursed by IDA and USD $1 million by the Government. IDA disbursements will follow the schedule displayed in Table 5, which is embedded in our medium-term expenditure projections. Evidence from other countries where this targeting of poor households has been successful has shown this cash support helps to increase savings in those household which are often re-invested into education and or

[13] Building Resilience through Social Transfers funded by the European Union

business start-ups, in that regard this support adds to the gross fixed capital formation (GFCF) of the capital account of the household sector and when allied with GFCF in other sector can help to increase productivity and maintain growth.

Table 6: IDA disbursements of the social safety net project (in USD million)

Year (ending June 30)	2020	2021	2022	2023	2024
Disbursement (US$ million)	1.88	2.94	5.52	9.92	9.74

Source: World Bank and MoFEA

This crucial additionality of social support from donor financing will help with domestic resources to provide a common gateway for inclusion of the poor and vulnerable in programs that aim to reduce economic and social vulnerabilities. The MTEFF also incorporates spending support for the work of the new Ministry of Women, Children and Social Welfare in early 2019.

In addition, government has also taken necessary steps to boost its expenditure on social causes, such as funding the “School Feeding” program, which used to be financed by the World Food Programme (WFP). Beginning this year, Government has agreed to take over the financing of this initiative in a phased approach by providing D90 million in this year’s budget, with the goal of gradually increasing this figure in subsequent years. Furthermore, Government has setup the Women Enterprise Development Fund in this year’s budget, with an allocation of D5 million. The Fund is specifically geared to avail young women entrepreneur’s startup capital for their businesses.

The EU currently forecasts (Annex 3) of around €61 million in 2019 and around €59 million in project support for The Gambia focusing on various NDP related reform areas of: (i) rural development, agriculture and food security; (ii) governance, security and rule of law; (iii) employment, inclusive sustainable growth and trade; (iv) infrastructure, energy, climate change and transport; and (v) other regional and migration related projects. For 2021-2024 the EU are unable to provide more firm details on project support as a new programming cycle is about to begin. The EU as is the IMF and other development partners keen to see more progress in delivery around the sustainable development goals (SDGs) and programme based budgeting to better operationalize poverty reduction with greater emphasis on gender equality and environmental preservation.

3.4 Other Strategic Reforms

3.4.1 Reform Overview

While the MTEFF prioritizes the achievement of strategic NDP priorities and reforms linked to them (Section 3.3) it does not explicitly include financing for several key areas of reform (SOE, civil and security service) which will be important to ensure long-term fiscal and debt sustainability. We aim to include these "other reforms" as part of our financing gap to be filled, in part with debt relief from the Gambia's plurilateral, bilateral and [private] creditors.

The strategy around reforms for SOEs following from the Ernst & Young (E&Y) recommendations and the recommendations that are likely to come from the remainder of SOE audits as well as the civil and security service reform have yet to be fully agreed or implemented and would require donor support to fill this "*other reform financing gap*".

There are additional reform areas that would also require donor support, for example on social protection including funding the program of Ministry of Women, Children and Social Welfare and helping to build in key elements of gender-responsive budgeting[14].

The government's budget and fiscal measures can have differential impact on women and men. Gender budgeting will help to ensure government programs and policies can promote women's economic development and gender equality. Adjustments in laws, regulations, and practices that govern the budget will need to be addressed. Once specific needs are fully assessed MoFEA will aim to use gender budgeting with

[14] This would address education access for women, improvement in maternal and child health, reduction of unpaid time burden through access to water and electricity.

various MDAs to set key goals, allocate funds correspondingly, and monitor and evaluate achievements.

The gender-budgeting approach will target gaps in both opportunities and outcomes. For example, equalizing school enrollment rates for boys and girls and boosting overall education levels. Other aspects include increasing female labor force participation through investments in infrastructure and transportation services to reduce the costs related to work outside the home. Also, access to electricity and water sources closer to the home can free up women's time for work outside the house and allow them to integrate into the formal economy. Adequate health care provision would help reduce time spent on providing informal care. Making communities safe for women increases their participation in work, education, politics, and recreation.

In agriculture, key future reforms will also need donor funding. The interventions in this area are aimed at:

- increasing production and productivity to using sustainable land and water management practices to address hunger and food security needs;
- quality assurance mechanisms development to strengthen access to export markets;
- agriculture value chain development, including promotion of agri-business and processing;
- rebuilding and revitalizing the agricultural market infrastructure through cooperatives and commodities exchanges;
- research and development and extension to ensure that farmers have access to the latest technologies, irrigation, seeds and other inputs to enhance productivity;
- promotion of climate smart agriculture to build resilience; pest and disease control, and reduction of post-harvest losses.

Activities include measures to support small-scale farmers to increase their resilience to climate change and improve their food and nutrition security through the provision of high-quality inputs, ploughing services and training. This also involves the establishment of community gardens, equipped with solar systems and overhead tanks fitted with a water reticulation network. Other activities include projects to support the establishment of commercial poultry production schemes and poultry farms owned by poor and vulnerable households, measures to support artisanal fisheries with training in improved fishing techniques, fish handling and processing skills.

Finally, there are also other macro-critical reforms that will need to be financed in the medium term linked to climate change, gender-equality and digitalization. Quantification of the costs of these other reforms remain difficult at this point. Moreover, strategies and proposals for many of these reforms are uncertain with many reform strategies yet to be fully developed or proposals yet to be agreed with key stakeholders. Nevertheless, these reforms remain critical for future prosperity in The Gambia.

3.4.2 SOE Reform proposals

The E&Y Draft Report on the Special Purpose Audit of the seven major SOEs[15] has recently been finalized and, on the basis of the comments provided by these SOEs and findings from the audits of the remaining seven SOEs, the final report will be finalized. Main findings of the Draft Report include significant overstatements of assets and profits, as well as fundamental accounting errors which highly distort their reported financial position as of 31 December 2017. Moreover, the Draft Report also highlighted the lack of audit traceability of the key numbers in the financial statements of all SOEs, which raises important questions about the accuracy and reliability of the latter.

The same Draft Report sets out a roadmap to address the situation of the sector. This strategy consists of five steps: i) improving governance and avoiding government interference in the governance of these companies, by eliminating the legal basis for executive orders; ii) ensure that the SOEs have complete control over all their bank accounts; iii) monitor public procurement contracts of SOEs -which account for a large

[15] As for the remaining seven SOEs, the Government intends to move swiftly with the procurement of their audits with a view to commence them before the first SMP review.

share for their expenses- and always the Gambia Public Procurement Authority regulations; iv) encourage an internal culture of openness and dialogue on the problems of the company and v) cleanse balance sheets, giving management the opportunity of acting against performance indicators without being burdened by historic decisions out of their control. In this regard, it will be critical to provide them with new balance sheets, removing non-recoverable assets and cancelling or transferring to equity those debts which the company will never be able to service. The Government intends to publish the results of the audits and the final conclusion of the report.

Against this background, the Government is seeking for a comprehensive solution to the situation of public corporate sector. While the reform strategy has yet to be agreed by the Cabinet, the potential associated costs could include: (i) compensation-costs for the future workforce downsizing; (ii) capital infusions; (iii) additional SOE technical, financial and accounting support, including to obtain clean starting balance sheet positions for SOEs incorporating standalone financial and cross (inter) SOE exposures, valuation and impairment losses. To move forward, the Government will appoint a team that would elaborate a blueprint reflecting the principles guiding the reform, notably the economic and social functions to be performed by SOEs to address market failures. Complementarily, the Government will submit to Parliament a revised SOE law compliant with good governance principles.

Given the complexity and magnitude of these tasks, the Government is seeking donor support to move forward with these reforms. In this respect, a WB project for SOE restructuring is currently under discussion. At the same time, the Government has committed to implementing a number of prior actions (until end-August 2019) within a WB DPO aimed at improving the financial viability and the quality of service delivery within the energy and ICT sectors. These actions are structured into two pillars:

- Actions addressing a general enhancement of Public Financial Management practices and cross-cutting SOE issues. Among them, and publish a report quantifying arrears -as of 31 December 2018- with and between the seven major SOEs, as well as a strategy for clearance of legitimate claims beginning 2020.

- Actions specifically addressing financial problems in the energy and ICT sectors. Among them, NAWEC should formulate a time-bound plan to settle public sector arrears between the public sector and NAWEC, starting 2020, and 75 percent of NAWEC's debt will be restructured as per the March 2018 Memorandum of Understanding. In addition, payments to NAWEC for critical public facilities (hospitals, the military, street lighting) will be earmarked and other public sector customers will transition towards a system of prepayment to promote energy efficiency and a new tariff-setting methodology will be published. The latter will include a mechanism to compensate NAWEC for any difference between the approved tariff and required revenues, starting in 2020. On the incentive side, MoFEA will sign a performance contract with NAWEC for 2020 to meet some key operational and financial indicators.

3.4.3 Civil and Security Service Reforms

The civil service and security service reform will require a comprehensive approach in developing key objectives to create a professional, skilled, productive workforce that are adequately compensated. Quantification of the cost for phase 1 of the civil service reform was agreed in early 2018 by the Cabinet. Phase 1 is intended to cover the following areas: (i) determination of optimal staff numbers; (ii) retention, motivation and attraction of skilled staff; (iii) enhancement of discipline and ethical conduct of staff; (iv) developing meritocracy and due process in delivering efficient public administration; (v) delivering improvements in public administration through ICT; (vi) closing capacity gaps in the civil service; and (vii) timely and effective program implementation. The cost of phase 1 covering the period 2018-2022 in 2017 (which may now be higher) was estimated to be $5 million (250 GMD million). Phase 2 of the civil service reform is dependent on the outcomes of phase 1 and would likely involve larger financial support for worker compensation packages. This is yet to be quantified especially since phase 1 has stalled, given the lack of domestic resources for this financing. Donor support will be needed to finance the civil service reforms for phase 1 and phase 2 which remains unquantified.

Reforms on performance management for civil staff are critical to ensure effective functioning of government and critical staff are available to complete key operational functions in MDAs. To complement this work approvals for staff training from MDAs will need to be independently scrutinized and authorized by the PMO with inputs from the MDAs. This would help to contain travel budget in terms of recurrent spending, but most importantly create synergy for capacity building of critical sectors and cadres for effective service delivery.

The Security reform aims at bringing the security services under full democratic civilian control. Additional financial factors have been considered, as the cost of the security sector is estimated to be GMD 1,723 million – 13.8 percent of total budget expenditure of 2019 (excluding debt service). The primary reason for the high proportion of spending is the number of personnel; some 18,752 personnel in the sector, comprise 46 percent of the total 40,569 public servants on the payroll.

The reform is in a strategy development process. The National Security Policy (NSP) launched in draft in October 2018 remains to be finalized and this will be followed by two documents: i) a security sector strategy and ii) a security sector reform strategy. The development of these documents will have to balance the tension between fiscal challenge and security priorities.

According to WB estimates, reductions of personnel, per year over five years would result in savings representing about 29 per cent of the sector wage bill and cumulative savings to around D592 million by 2024. Reform scenarios will involve significant outlays to ultimately achieve savings. These may include severance compensation packages, pensions, and scholarships and retraining. A very rough approximation of the potential restructuring and compensation costs is estimated at D775 million. Given these costs, the Government will need both financial support as well as technical assistance from development partners to carefully handle the risks associated with such a transformative initiative.

In sum, the reform areas included in this section are currently not financed in as part of the zero NDB target and it forms a significant part of the financing gap over the medium-term 2020–2024 (Table 6). We appeal to development partners to fund these key reform areas. The Ministry is also willing to put in place a domestic financing strategy component to cover part of these other reforms once the strategy and costings for the reforms are made clear.

Table 7: Remaining Financing Gap 2020-2024 (percent of GDP)

% of GDP	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Revenue	21%	20%	21%	21%	21%	21%
Domestic	13%	14%	14%	14%	15%	15%
Grants						
Budget support (excl WB)	3%	2%	2%	1%	1%	1%
Projects	4%	5%	6%	6%	6%	5%
Expenditure	24.4%	24.8%	24.7%	24.3%	24.0%	23.3%
Current	15.7%	15.7%	15.2%	14.9%	15.0%	14.9%
Capital	8.7%	9.1%	9.4%	9.3%	8.9%	8.5%
Balance	-3.5%	-4.3%	-3.4%	-3.0%	-2.8%	-2.3%
NDB	2%	0%	0%	0%	0%	0%
External borrowing (identified)	1.5%	1.2%	1.0%	0.7%	0.4%	0.3%
Financing gap (before adding reforms)		3.1%	2.4%	2.3%	2.4%	1.9%
Debt relief		2.0%	1.7%	1.7%	1.6%	1.4%
Cost of additional reforms 1/						
SOE reform						
Civil service/security reform						
SP/Gender						
Agriculture						
Climate Change						
Digitalization						
Additional financing need (grants)						
Additional domestic reforms/savings TBD						
DEBT	79%	75%	70%	65%	60%	56%
DEBT (Including Financing Gap)		78%	75%	72%	70%	68%
1/ Not yet costed/prioritized						

Costs estimated for 2018-2019 have been imputed to 2020, given the delay in the implementation of the reform and assuming no change in the proposed timeline.

Other reforms linked to social protection, climate change, gender-based budgeting, including reforms outlined by Ministry of Foreign Affairs and Ministry of justice have yet to be costed. We will seek to work together with development partners to construct a financial donor support package to address these additional critical areas of reform.

4 Medium Term Macroeconomic Framework (2020–2024)

The Framework embeds the Government's objective to place the Gambian economy on a sustainable growth path with a view to "deliver good governance and accountability, social cohesion, and national reconciliation and a revitalized and transformed economy for the wellbeing of all Gambians" as envisaged in the National Development Plan.

4.1 Prospects and forecasts

Growth is projected to remain robust in the medium-term, with an annual average growth of 5.6 percent, but gradually converging towards its trend slightly below 5 percent from a 6.3 percent in 2019. The maintenance of these real growth rates will in part be driven by donor support, on projects that facilitate a significant increase of capital formation, and from ongoing reforms that will remove obstacles and inefficiencies and inject dynamism into the private sector. Given the uncertainty about potential growth in the medium-run and for the sake of prudence, we have assumed a 4.5 percent real growth rate in the medium-run, but it could be around 5 percent or even well above that figure if external financial support and domestic reforms materialize as expected.

At a sectoral level (see details in Section 2.2.2), GDP will be mainly supported by construction, electricity and tourism. Nominal growth will slow down from above 12 percent in 2019 to around 10 percent in 2024, reflecting the return of real GDP growth to its trend and moderation of domestic inflation (close to the inflation target) in the medium-term.

4.2 Revenue Forecasts

On the fiscal side, domestic revenues will gradually increase from 13 percent of GDP in 2019 to just over 14 percent in 2024, reflecting conservative revenue mobilization efforts in the medium-term and implementation of reforms that result in an enhancement in tax collection administration (Section 3.2). Total grants are forecasted to maintain their current share in terms of GDP (around 7-8 percent) in the medium-term, with some pick up in project grants from 2021 onwards (within the frame of the new NDP), which more than offsets the expected declining trend of budget-support.

Table 8: Revenue projects (in GMD million)

	2018	2019	2020	2021	2022	2023	2024
Total Revenues (GMD MM)	12,135	18,648	20,472	23,644	26,247	28,741	31,381
Domestic Revenue (Tax + Non-Tax Revenue)	9,502	11,914	13,657	15,546	17,554	19,755	22,056
Total grants	2,633	6,734	6,815	8,098	8,693	8,986	9,325
Budget Support	794	3,065	1,733	1,782	1,568	1,385	1,491
Projects	1,839	3,669	5,082	6,316	7,125	7,601	7,834

Source: MoFEA

Table 9: Revenue projects (growth rates)

	2018	2019	2020	2021	2022	2023	2024
Total Revenues (GR)	-9%	54%	10%	15%	11%	10%	9%
Domestic Revenue (Tax + Non-Tax Revenue)	31%	25%	15%	14%	13%	13%	12%
Total grants	-53%	156%	1%	19%	7%	3%	4%
Budget Support	-74%	286%	-43%	3%	-12%	-12%	8%
Projects	-29%	99%	39%	24%	13%	7%	3%

Source: MoFEA

Table 10:Revenue projects (as share of GDP)

	2018	2019	2020	2021	2022	2023	2024
Total Revenues (% GDP)	15%	21%	20%	21%	21%	21%	21%
Domestic Revenue (Tax + Non-Tax Revenue)	12%	13.4%	13.7%	14.0%	14.3%	14.6%	14.9%
Total grants	3%	8%	7%	7%	7%	7%	6%
Budget Support	1%	3%	2%	2%	1%	1%	1%
Projects	2%	4%	5%	6%	6%	6%	5%

Source: MoFEA

Overall, tax and non-tax revenues will hover between 21 and 22 percent of GDP. Annex 1 shows a more detailed projections of revenue by subcategories (Table 8-10).

4.3 Expenditure Forecasts

Expenditure projections capture current policies, including our commitments on travel, vehicles and embassies (Table 11).

Greater expenditure restraint in the difficult to reform areas will be one important element in driving expenses in goods and services to slow considerably in 2020 and subsequent years, compared to 2019. The positive effects of the civil service reform on spending -in terms of removal of duplications between MDAs and ghost workers, as well as an increase in the efficiency of civil servants- are not yet fully embedded in the projections (Table 11-13).

By the same token, the restructuring of the SOE sector will contribute to reduce transfers to ailing SOEs, but as the reform package has not been fully defined or adopted by the Government, these unquantified savings are not yet reflected in the MTEFF. Therefore, in our view there are clear upsides to these projections which could gradually materialize over the medium-term (Table 11-13).

Expenditure is projected to show a downwards trend from 15 percent of GDP in 2019 to 13 percent by 2024. Within that amount, transfers to local governments are assumed to remain roughly constant at 3 percent of GDP and social benefits will increase up to 1 percent of GDP including support from World Bank and domestic financing support on social safety nets. This doubles their share in total expenses.

Capital expenditure for development purposes will broadly remain around current levels, between 9 and 10 percent of GDP. Moreover, with enhancements to capital stock we will commit to operationally maintain this new infrastructure reflecting between 0.1 and 0.2 percent of GDP per year over 2020-2024. This scenario does not consider the quantitative impact of more comprehensive civil and security service structural reforms that result in a downsizing of unproductive recurrent expenditure and addresses in depth the vehicle policy, travel allowances and embassies expenses.

Table 11: Expenditure projections (in GMD million)

	2018	2019	2020	2021	2022	2023	2024
Total Government Expenses (GMD MM)	**17,439**	**21,768**	**24,815**	**27,454**	**29,879**	**32,544**	**34,660**
Total Current Expenses	**11,178**	**14,020**	**15,676**	**16,952**	**18,378**	**20,404**	**22,076**
Compensation of employees	3,058	4,169	4,586	5,046	5,539	6,060	6,616
Use of goods and services	3,066	3,750	4,108	4,534	5,008	5,533	6,095
Interest	2,477	2,769	3,198	3,063	2,805	2,803	2,846
To non-residents	420	447	508	553	591	621	652
To residents	2,057	2,322	2,690	2,510	2,214	2,182	2,195
Grants to other general government units	2,147	2,904	3,008	3,346	3,703	4,096	4,517
Grants to international organizations	236	215	244	274	303	334	365
Transfers to local organizations	-	-	-	-	-	-	-
Social benefits	195	213	432	578	897	1,442	1,487
Gros Fixed Capital formation	**6,260**	**7,748**	**9,140**	**10,502**	**11,502**	**12,140**	**12,584**
GLF funded	726	885	831	955	1,046	1,104	1,196
Donor funded	5,535	6,863	8,309	9,547	10,456	11,036	11,388
Loans	3,696	3,194	3,227	3,231	3,331	3,435	3,553
Grants	1,839	3,669	5,082	6,316	7,125	7,601	7,834

Source: MoFEA

Table 12: Expenditure projections (y-o-y growth rates)

	2018	2019	2020	2021	2022	2023	2024
Total Government Expenses (GR)	**-2.8%**	**24.8%**	**14.0%**	**10.6%**	**8.8%**	**8.9%**	**6.5%**
Total Current Expense	**4.0%**	**25.4%**	**11.8%**	**8.1%**	**8.4%**	**11.0%**	**8.2%**
Compensation of employees	36.8%	36.3%	10.0%	10.0%	9.8%	9.4%	9.2%
Use of goods and services	29.2%	22.3%	9.5%	10.4%	10.4%	10.5%	10.2%
Interest	-26.7%	11.8%	15.5%	-4.2%	-8.4%	0.0%	1.5%
To non-residents	73.9%	6.6%	13.5%	8.8%	6.9%	5.2%	4.9%
To residents	-34.5%	12.9%	15.9%	-6.7%	-11.8%	-1.4%	0.6%
Grants to other general government units	26.3%	35.3%	3.6%	11.2%	10.7%	10.6%	10.3%
Grants to international organizations	49.1%	-8.8%	13.3%	12.3%	10.7%	10.2%	9.4%
Transfers to local organizations		-	-	-	-	-	-
Social benefits	1.7%	9.2%	103.0%	33.7%	55.1%	60.8%	3.1%
Gros Fixed Capital formation	-13.0%	23.8%	18.0%	14.9%	9.5%	5.6%	3.7%
GLF funded	-8.3%	21.9%	-6.1%	14.9%	9.5%	5.6%	8.3%
Donor funded	-13.6%	24.0%	21.1%	14.9%	9.5%	5.6%	3.2%
Loans	-3.0%	-13.6%	1.0%	0.1%	3.1%	3.1%	3.4%
Grants	-29.1%	99.5%	38.5%	24.3%	12.8%	6.7%	3.1%

Source: MoFEA

Moreover, the full cleaning-up of insolvent SOE balance sheets and other reforms (Section 3.4) is not embedded in these projections, as many of them have not been fully costed yet. The cost of financing these reforms (most of them yet to be fully quantified) are reflected in the financing gap which we require the support from donors. More than likely there may be a domestic financing expenditure component for these other reforms to complement donor support, but equally this could result in significant benefits with regard to expenditure restraint, savings from increased productivity in the civil and security service and reduced vulnerability from fiscal shocks from SOEs.

Additional growth and revenue could be supported by these other reforms. This would reflect an upside reform scenario, which is not currently reflected in the current baseline estimates for revenue and expenditure that is presented here.

Table 13: Expenditure projections (as share of GDP)

	2018	2019	2020	2021	2022	2023	2024
Total Government Expenses (% GDP)	22.2 %	24.4 %	24.8 %	24.7%	24.3 %	24.0 %	23.3 %
Total Current Expenses	14.2%	15.7%	15.7%	15.2%	14.9%	15.0%	14.9%
Compensation of employees	3.9%	4.7%	4.6%	4.5%	4.5%	4.5%	4.5%
Use of goods and services	3.9%	4.2%	4.1%	4.1%	4.1%	4.1%	4.1%
Interest	3.2%	3.1%	3.2%	2.8%	2.3%	2.1%	1.9%
To non-residents	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	0.4%
To residents	2.6%	2.6%	2.7%	2.3%	1.8%	1.6%	1.5%
Grants to other general government units	2.7%	3.3%	3.0%	3.0%	3.0%	3.0%	3.0%
Grants to international organizations	0.3%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%
Transfers to local organizations							
Social benefits	0.2%	0.2%	0.4%	0.5%	0.7%	1.1%	1.0%
Gros Fixed Capital formation	8.0%	8.7%	9.1%	9.4%	9.3%	8.9%	8.5%
GLF funded	0.9%	1.0%	0.8%	0.9%	0.8%	0.8%	0.8%
Donor funded	7.0%	7.7%	8.3%	8.6%	8.5%	8.1%	7.7%
Loans	4.7%	3.6%	3.2%	2.9%	2.7%	2.5%	2.4%
Grants	2.3%	4.1%	5.1%	5.7%	5.8%	5.6%	5.3%

Source: MoFEA

In the current baseline scenario, overall deficit will improve from close to seven percent of GDP to around 2 percent in 2024. The primary deficit excluding budget-support grants, a better proxy for the consolidation effort of the government, comes down from close to 4 percent of GDP in 2019 to 1.3 percent in 2024.

The fiscal strategy for this year 2019 and over the medium-term is geared towards obtaining debt relief, maintaining macroeconomic stability, ensuring fiscal sustainability and alleviating liquidity pressures from putting debt on a downward path (debt service as a share of domestic revenues remains above 30 percent in 2019). To that end, the strategy targets an NDB of zero percent of GDP.

As for cumulative external new borrowing, it is expected to remain well below GMD 4 billion in the medium-term and to be undertaken only for priority development projects at highly concessional terms for which grant financing is not available.

Debt relief from bilateral official non-Paris Club creditors would create fiscal space of around 2 and 1.5 percent of GDP annually. This forms a key part of filling the financing gap. Discussions on this relief are progressing well, but for the sake of prudence their effects have not been included in the baseline outlook, at least in terms of above the line fiscal estimates.

The funding gap will be around 3 percent of GDP in 2020, but it will be on a downwards path which brings it to 1.9 percent of GDP in 2024 (Table 14). Should this gap be financed with domestic debt according to the Medium-Term Debt Strategy adopted by the GoTG, the weight of gross debt on GDP will fall around 20 percent, from 75 percent of GDP in 2020 to 56 percent of GDP in 2024. Nonetheless, these projections are still highly sensitive to macroeconomic and financial risks, as well as the realization of any contingent liabilities (Section 5).

Table 14: Debt, net domestic borrowing and financial gap (as share of GDP)

	2018	2019	2020	2021	2022	2023	2024
Debt (%GDP)	**87%**	**79%**	**75%**	**70%**	**65%**	**60%**	**56%**
NDB (% GDP)	**3.0%**	**2.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Financial GAP (GMD Millions)			3,107	2,712	2,775	3,260	2,849
As % GDP			3.1%	2.4%	2.3%	2.4%	1.9%

Source: MoFEA

5 Fiscal Shock (Risk Scenarios)

In the Gambia, a key fiscal risk (amongst many others)[16] is related to the inability of the state-owned enterprises (SOEs) to meet their short-term liabilities (operational and

[16] Jason Harris, Alberto Soler, Mohamed Afzal Norat, Sybi Hida and Matthew Appleby (2017) *The Gambia Fiscal Stress Test*, Technical Assistance Report, October 2017, International Monetary Fund, Washington DC

maintenance costs) and service their debt obligations. Much of the problems around SOEs stemmed from the corrupt actions of the previous regime which used SOEs as cash cows for personal gain adding to the debt of the government.

The insolvent positions of SOEs makes them vulnerable to shocks that migrate directly to the government's balance sheet. External shocks that affect one SOE would also likely affect other SOEs not only directly but also through the extensive network of cross (inter) SOE exposures further compounding the adverse fiscal and debt impact on the government. SOE combined liabilities are above [30] percent of GDP.

To show our high vulnerability to external and domestic shocks, we have produced a risk scenario with the following characteristics (Figures 4-5):

- Real GDP growth[17] experiences a temporary slowdown in 2020-21 of around one standard deviation and the resulting output gap closes only very gradually. This shock could be associated with a weaker growth in our main trading partners, which damages our export growth and a high multiplier effect on the non-tradable sectors.

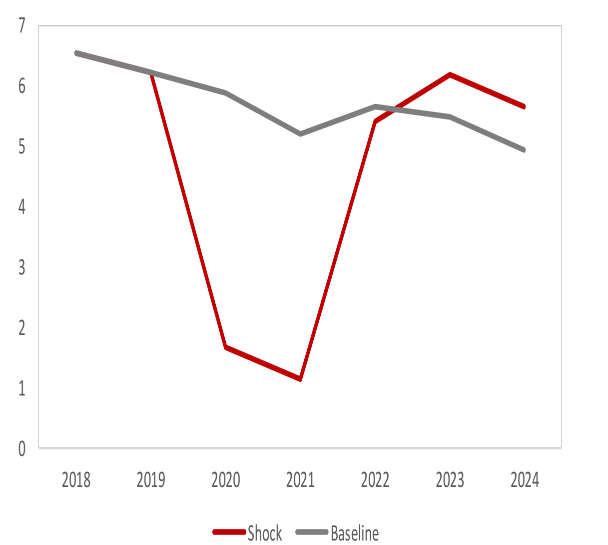
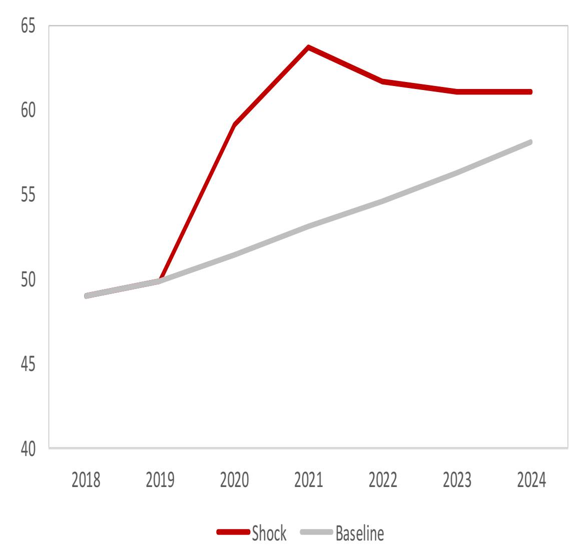
- In the wake of the shock, SOEs sales become sluggish and their operational balances worsen, increasing the need for transfers from the central government. Implicitly, this scenario assumes lack of a comprehensive SOE reform that addresses their solvency and governance problems.

- The exchange rate overshoots, returning to some more depreciated fundamental value once the effects of the shock start to die off. This situation worsens NAWEC's finances as 50 percent of its costs are linked to fuel purchases in dollars.

[17] In the context of the planned enhancement of our forecasting tools, we expect to extend the analysis of the effects of the shock in the future to prices and, consequently, the GDP deflator growth. Therefore, these figures, though illustrative, can only be understood as a first approach to the determination of the shock effects.

The deviation of real GDP growth and the exchange rate from their baseline values are significant but still within 1 standard deviation (Figures 4 and 5). Certainly, the risk scenario could have been further extended by looking at a U-shaped GDP growth shock without a complete recovery rather than the current v-shaped form detailed here. This would prove to be much more damaging causing more persistent impacts on government revenues and expenditures through various channels.

Figure 4 and 5: Real GDP growth (baseline and shock scenarios)

<table>
<tr><th>Figure 4 - Real GDP growth (baseline and shock scenarios)</th><th>Figure 5 -Dalasi/USD (baseline and shock scenarios)</th></tr>
<tr><td>
</td><td>
</td></tr>
</table>

Source: MoFEA

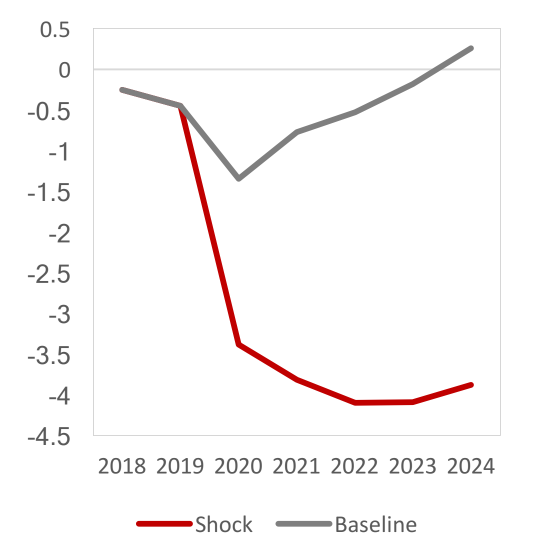
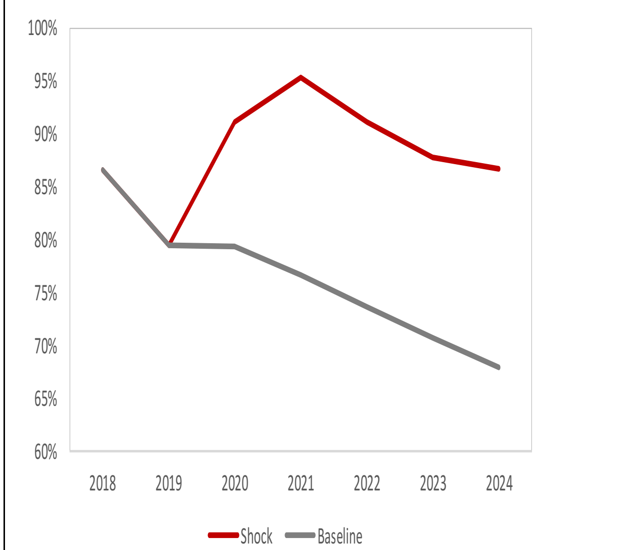
The shock causes significant effects on public accounts through the channels listed below:

- Revenues experience some mild non-linearities, with only a small decline from their baseline revenue-to-GDP ratios during the shock as numerator nonlinearities outweigh the denominator effects.

- Primary expenditure is affected in two ways: i) As a result of nominal rigidities in recurrent expenditure, there is a denominator effect that increases the expenditure ratio to GDP; ii) increased transfers to SOEs by close to an annual

1 percent of GDP to finance their additional cash deficits and allow them to service debt. In a conservative estimation, NAWEC would absorb between one-third and one-half of these transfers[18].

Figure 6 and 7 Primary balance as a share GDP (baseline and shock scenarios)

Figure 6 - Primary balance as a share of GDP (baseline and shock scenarios)	**Figure 7 - Public debt plus financing gap as a share of GDP (baseline and shock scenarios)**
	

Source: MoFEA

As a result, primary and total deficit increases well above the baseline scenario and, given the NDB zero constraint, this translates into a higher financing gap (of more than 15 percent of GDP for the period 2020-2024). Importantly, the maximum deviation of the primary deficit from the baseline reaches almost 4 percent of GDP towards the end of the projection horizon and this gap is only narrowed very gradually. The reason is the lack of a full catching-up of nominal GDP in the risk scenario with the baseline

[18] We have developed a basic model of cash-flow projections for three SOEs, based on the data provided by the E&Y preliminary report (NAWEC, GAMCEL and GCAA), with their sales tied through historical correlations to their sectoral GDP growth. The effect of the shock for these three companies has been scaled-up to account for the lack of reliable information for most of the remaining SOEs. The baseline implicitly assumes -for the sake of prudence, until a comprehensive restructuring package for ailing SOEs is adopted- a broadly constant volume of transfers to SOEs in terms of GDP, any additional loss in the risk scenario should be also offset by capital injections.

GDP, as well as the drag that SOEs still impose on expenditure (still 3 percent of GDP above the baseline in the risk scenario) (Figure 6).

It is worth mentioning that the stock of external debt will be impacted due to the valuation effects brought about by the stepped-up exchange depreciation during the shock. Public debt in the risk scenario is, at the peak of the shock, ten percent of GDP above the baseline, reaching 86 percent of GDP in 2020. Yet, if the financing gap had to filled with domestic borrowing, this difference between both scenarios could shoot to almost 20 percent of GDP in 2021, with a 96 percent of GDP of public debt in the risk scenario (Figure 7).

Although these scenarios are purely illustrative, they highlight the importance of decisively pursuing an improvement in the governance, oversight and financial situation of the SOE sector and implementing the recommendations of the E&Y report. They also show the large potential costs of deviating from our committed fiscal objectives, given the high vulnerability of our current economic structure to growth shocks stemming from several factors beyond our control.

Once the cabinet decides a strategy of reform for the SOEs our aim will be to revise the MTEFF to reflect the strategy in terms of the impact on the fiscal balance and reflecting both the development partner envelope of support for the reforms as well as domestic financing.

ANNEX 1: REVENUE PROJECTIONS BY SUB-CATEGORIES

Table 15: Detailed revenue projections (in GMD million)

GMD MM	2018	2019	2020	2021	2022	2023	2024
Domestic Revenue (Tax + Non-Tax Revenue)	9,502	11,914	13,657	15,546	17,554	19,755	22,056
Taxes on income, profits and capital gains	2,048	2,568	2,943	3,351	3,783	4,258	4,754
Payable by individuals	785	985	1,129	1,285	1,451	1,633	1,823
Payable by corporations and other enterprises	1,069	1,441	1,651	1,880	2,123	2,389	2,667
Other taxes on income, profits and capital gains	150	88	101	115	129	146	163
Taxes on payroll and workforce	43	54	62	71	80	90	101
Taxes on property	-	-	-	-	-	-	-
Taxes on goods and services	3,978	4,987	5,717	6,507	7,348	8,269	9,232
General taxes on goods and services	3,021	3,788	4,342	4,943	5,582	6,282	7,013
Value added taxes	3,021	3,788	4,342	4,943	5,582	6,282	7,013
Other general taxes on goods and services	-	-	-	-	-	-	-
Excise taxes	851	1,068	1,224	1,393	1,573	1,770	1,976
Taxes on use of goods and on permission to use goods or perform activities	53	66	76	86	98	110	123
Motor vehicle license	43	54	62	71	80	90	101
Other taxes on use of goods and on permission to use goods or perform activities	52	65	74	85	96	108	120
Taxes on international trade and transactions	2,093	2,625	3,009	3,425	3,867	4,352	4,859
Customs and other import duties	2,093	2,625	3,009	3,425	3,867	4,352	4,859
Other taxes	20	26	29	33	38	42	47
Payable solely by business	-	-	-	-	-	-	-
Payable by other than business or unidentifiable	20	26	29	33	38	42	47
Other revenue	1,363	1,709	1,959	2,230	2,518	2,834	3,164

ANNEX 2: OTHER COMMINTMENTS ON PUBLIC INVESTMENT MANAGEMENT

The recent PIMA conducted by the IMF revealed important weaknesses throughout the whole public investment cycle and, given the importance of this issue for a sound implementation of our development policy, we commit to address the following priorities:

1. Operationalize the Ministerial Investment Implementation Committee (MIIC) and the Gambia Strategic Review Board (GSRB)

- Prepare TORs for the two committees (by September 2019)
- Issue a government decree establishing the two committees and defining their role and responsibilities (by December 2019)
- Prepare a set of criteria for project selection to be approved by the GSRB (by June 2020)

2. Expand the coverage and functionality of the Aid Management Platform (AMP) to include grant-funded projects and domestically-financed (GLF) and loan-financed projects, and monitor projects during the whole cycle from inception to completion

- Prepare an action plan for developing the expanded AMP and rolling it out (by December 2019)
- Obtain technical support from development partners, as necessary (by March 2019)
- Complete the roll out of the expanded AMP (by June 2020)
- Publish information from the AMP each quarter (by June 2020)

3. Improve the classification and reporting of maintenance and capital spending through an updated Chart of Accounts (COA) in the new program-based budgeting framework

- Complete work on updating the COA and issue guidance to MDAs on how it should be applied in preparing their budgets and financial reports (by December 2019)
- Ensure the consistent application of the COA across the budget and financial statements (by June 2020)
- Fully implement the revised COA in the 2021 budget (by June 2020)

4. Prepare and publish a register of the government's physical assets

- Issue guidelines to MDAs on preparing and maintaining a register of the stock and value of their physical assets (by June 2020)
- Identify one or two pilot MDAs to develop the new register and complete the pilots (by December 2020)

ANNEX 3: EU Details of Project Support for NDP Related Priorities

European Union support to the National Development Plan (NDP 2018 - 2021)					
Name of Project	**Start Date**	**End Date**	**Project Budget (Euros)**	**Forecasts 2019**	**Forecasts 2020**
Rural Development / Agriculture / Food security					
Post-Crisis Response to Food and Nutrition insecurity in The Gambia	1/15/2017	6/14/2019	*11,400,000*	365,539	0
Spanish Red Cross - Enhancing most disadvantaged women's access to productive and sustainable resources in Kiang West District (LRR), in an enabling environment for gender equality, equity and women's empowerment.	2/1/2018	1/31/2020	*300,000*	64,921	15,000
UNICEF - Building Resilience through Social Transfers for nutrition security in the Gambia (BReST)	8/1/2016	2/29/2020	*3,000,000*	632,228	100,447
Mbolo Association - Promoting small-scale agricultural communities resilience in Central River Region by enhanced agro-processing products using solar technology through empowering women.	1/1/2018	12/31/2020	*299,288*	140,437	92,388
United Purpose - Inclusive Business Opportunities for Economic and Social Empowerment of Women in URR	1/1/2018	12/31/2020	*224,897*	54,845	71,505
Action Aid - Strengthening Women's Economic Initiatives in Southern Central Region	1/1/2018	12/31/2020	*300,000*	66,643	62,283
Reducing micro nutrition deficiencies of women and children in The Gambia through	2/1/2017	1/31/2021	*2,118,387*	621,000	277,328

sustainable and integrated approaches to food fortification					
Improving Food Security and Nutrition in the Gambia through Food Fortification	3/1/2017	2/28/2021	*4,434,772*	1,000,000	1,146,856
WFP - School Meals and Disaster Risk management in The Gambia	7/1/2017	6/30/2021	*4,090,000*	742,244	697,500
Promoting Agro-ecology and eco-restoration practices in Southern Central River and North Bank Regions	8/1/2018	7/31/2021	*742,150*	100,000	164,661
CESAD-Circular Economy in Sustainable Agricultural Development	8/1/2018	8/1/2018	*667,684*	150,000	202,705
FAO - Agriculture for Economic Growth in The Gambia	8/1/2017	7/31/2021	*13,010,000*	2,400,000	4,030,808
The Konkobayo Project - A nutrition sensitive food security initiative for The Gambia	8/1/2018	7/31/2021	*750,000*	220,000	185,638
SOS Childrens Villages The Gambia - Sustainable Nutrition Improvement Project for 3 communities in Upper River Region	8/6/2018	8/5/2022	*416,846*	120,000	126,710
Total			**41,754,024**	**6,677,857**	**7,173,829**

Name of Project	Start Date	End Date	Project Budget (Euros)	Forecasts 2019	Forecasts 2020
Governance / Security / Rule of law					
Evidence into Action: Applied Research and Knowledge Transfer for Management and Prevention of Female Genital Mutilation (FGM) in The Gambia	01/03/2016	28/02/2019	*300,000*	15,000	0
Call for Proposal: Civil Society Organisations as Actors of Governance and Development	2019	2021	*1,887,000*	225,000	225,000
European Instrument for Democracy & Human Rights (EIDHR 2019)	2019	2021	*200,000*	100,000	100,000
Child Rights Instruments, Agent for Sustainable Change	01/01/2016	31/03/2019	*299,042*	22,428	20,000
2nd Mandate: Economic Community of West African States Military Intervention in The Gambia (ECOMIG II)	01/09/2018	31/08/2019	*14,000,000*	7,000,000	0
City link Ostend-Banjul – partnership for sustainable city development	01/09/2019	31/08/2020	*3,000,000*	1,500,000	1,500,000
ARTICLE 19 - Strengthening human rights standards, support to Parliamentary Subcommittee on HR, Gambian Federation of People with Disability and Association to the Victims of Torture during the Transition	01/05/2018	30/04/2020	*400,000*	117,473	20,000
Support to the media	24/04/2017	23/10/2019	*800,000*	64,432	0
Support to the Security Sector Reform process in The Gambia	24/04/2018	23/10/2019	*1,500,000*	700,000	0

State Building Contract I - Complementary Support 1: Public Financial Management and Revenue Administration	01/08/2018	31/07/2020	*1,800,000*	497,534	135,000
State Building Contract I - Complementary Support 2: Technical assistance: security sector reform, business environment, statistics and public financial management and procurement	12/09/2018	11/09/2020	*2,541,780*	476,584	794,306
State and Resilience Building Contract 2 BS payment	14/11/2018	13/10/2023	*50,000,000*	17,500,000	0
SRBCII TA	01/08/2020	31/07/2022	*2,800,000*	0	717,391
SRBCII Complementary Support	01/08/2020	31/07/2022	*1,800,000*	0	420,000
State and Resilience Building Contract (SRBC) III	2020	-	*50,000,000*	0	16,875,000
Total			**131,327,822**	**28,218,451**	**20,806,697**

Name of Project	**Start Date**	**End Date**	**Project Budget (Euros)**	**Forecasts 2019**	**Forecasts 2020**
Employment, inclusive sustainable growth / Trade					
West Africa Competitiveness Programme (WACOMP)	01/09/2019	31/08/2022	*4,000,000*	853,750	248,125
SheTrades Gambia	01/02/2019	01/12/2021	*400,000*	130,000	130,000
Jobs, skills and finance (JSF) for youth and women in the Gambia	01/06/2018	31/05/2022	*15,000,000*	3,000,000	6,249,063
Call for Proposal– pilot project on social protection	2020	2022	*6,000,000*	1,500,000	1,500,000
Technical Assistance on Social Protection	2020	2022	*1,000,000*	375,000	656,250
Total			**26,400,000**	**5,858,750**	**8,783,438**

Name of Project	Start Date	End Date	Project Budget (Euros)	Forecasts 2019	Forecasts 2020
Migration					
EUTF-IOM Initiative for migrant protection and reintegration: The Gambia	02/06/2017	01/06/2020	*3,900,000*	1,000,000	1,000,000
Make it in The Gambia - GIZ Employment and employability through new technologies and renewable energies	12/11/2018	12/11/2021	*7,000,000*	2,300,000	2,300,000
The Gambia Youth Empowerment Project (YEP)	01/01/2017	01/01/2022	*11,000,000*	2,200,000	2,200,000
Make It In The Gambia – Youth Empowerment Project (YEP 2.0) (top up)	07/01/2019	07/01/2022	*2,000,000*	650,000	650,000
Make It In The Gambia – Enabel Rural Infrastructure for Employment Creation in The Gambia (RIEC)	07/01/2019	07/01/2022	*7,000,000*	2,300,000	2,300,000
Make It In The Gambia – IMVF Conducive socio-economic environment for a sustainable reintegration and improvement of attractiveness of rural areas	10/01/2019	10/01/2022	*5,000,000*	1,600,000	1,600,000
Total			**35,900,000**	**10,050,000**	**10,050,000**

Name of Project	**Start Date**	**End Date**	**Project Budget (Euros)**	**Forecasts 2019**	**Forecasts 2020**
Infrastructure / Energy / Climate change / Transport					
GCCA+ project in The Gambia	01/01/2019	30/06/2023	*5,300,000*	1,812,935	2,673,119
Trans-Gambia Corridor Project Phase II – Construction Farafenni Senoba road in The Gambia	18/12/2018	-	*16,000,000*	1,000,000	4,645,940
Support for Governance in the road transport sector in The Gambia	05/11/2018	03/04/2019	*238,875*	143,325	0
Civil works for improvement of drainage	22/08/2016	21/12/2019	*835,000*	41,741	0
Reinforced access of the most vulnerable populations to markets and socio-economic facilities through a feeder road rehabilitation programme	18/07/2017	17/07/2020	*11,000,000*	6,237,264	50,000
Investment Support and Technical Assistance for The Gambia Sustainable Energy Project I	28/12/2018	27/08/2023	*6,000,000*	406,600	2,609,150
Investment Support and Technical Assistance for The Gambia Sustainable Energy Project II	28/12/2018	27/12/2027	*10,436,600*	0	0
Investment Support and Technical Assistance for The Gambia Sustainable Energy Project III	2019	-	*25,000,000*	0	0
Total			**74,810,475**	**9,641,865**	**9,978,209**

Name of Project	Start Date	End Date	Project Budget (Euros)	Forecasts 2019	Forecasts 2020
Other / Regional					
National Authorising Officer Support Unit - Programme Estimate / SIC 2016-2018 (NAOSU)	22/08/2016	21/12/2020	*1,128,850*	447,106	682,500
National Authorising Officer Support Unit - Programme Estimate (NAOSU)	21/12/2020	21/12/2022	*2,000,000*	390,000	750,000
Sustainable Fishing Partnership Agreement (SFPA)	May 2019	May 2025	*3,300,000*	0	550,000
European & Developing Countries Clinical Trials Partnership (EDCTP 2)	2019	2020	*9,375*	5,000	4,375
Total			**6,438,225**	**842,106**	**1,986,875**

Total Amount EU support to NDP 2018-2021 (Euros)	**316,630,546**	**61,289,030**	**58,779,048**