



REPUBLIC OF THE GAMBIA

2023 BUDGET SPEECH

**“TOUGHING OUT THE CRISIS”
RIDING THE CURVE OF THE CRISIS
TO BUILD RESILIENCE**

Central Bank of the Gambia
Delivered on Friday, 2nd December 2022

**AT THE NATIONAL ASSEMBLY
BY THE
HONOURABLE MINISTER
OF
FINANCE AND ECONOMIC AFFAIRS**



HONOURABLE SEEDY K.M KEITA

MINISTER OF FINANCE AND ECONOMIC AFFAIRS

ACRONYMS

AfDB	African Development Bank
AFRITAC	African Regional Technical Assistance Centre
AMP	Asset Management Policy
ASYCUDA	Automated System for Customs Data
ATI	Africa Training Institute
AU	African Union
BADEA	Arab Bank for Economic Development in Africa
CASS	Cargo Accounting Settlement System
CBG	Central Bank of The Gambia
CCA	Common Country Assessment
AfCFTA	African Continental Free Trade Agreement
CIF	Cost, Insurance and Freight
CPCU	Central Project Coordinating Unit
CRC	Constitutional Review Commission
CRR	Central River Region
CSO	Civil Society Organization
ECD	Early Childhood Development
ECOWAS	Economic Community of West African States
EFSTH	Edward Francis Small Teaching Hospital
EIF	Enhanced Integrated Framework
ENABEL	Belgian Development Agency
EPZ	Export Processing Zone
EU	European Union
FAO	Food and Agriculture Organization
FOB	Free on Board
FTT	FAO-Thiaroye Technology
GAMSR	Gambia Social Registry
GAMTAXNET	Gambia Tax Management System
GAP	Gambia Aid Policy
GBA	Greater Banjul Area
GCCPC	Gambia Competition and Consumer Protection Commission
GCF	Green Climate Fund
GDP	Gross Domestic Product
GEF	Global Environment Facility
GIA	Gambia International Airline
GIEPA	Gambia Investment and Export Promotion Agency
GIRAV	Gambia Inclusive and Resilient Agricultural Value Chain
GIZ	Gesellschaft für Internationale Zusammenarbeit

GLF	Government Local Fund
GMD	Gambian Dalasi
GNPC	Gambia National Petroleum Company
GPA	Gambia Ports Authority
GPPA	Gambia Public Procurement Authority
GPS	Gambia Prison Service
GRA	Gambia Revenue Authority
GSRB	Gambia Strategic Review Board
HFO	Heavy Fuel Oil
HMC	Heavy Mineral Concentrates
ICT	Information and Communications Technology
IFAD	International Fund for Agricultural Development
IFMIS	Integrated Financial Management Information System
ILO	International Labour Organization
IMF	International Monetary Fund
IOC	International Oil Companies
IOM	International Organization for Migration
IPSAS	International Public Sector Accounting Standard
IT	Information Technology
ITAS	Integrated Tax Administration System
ITC	International Trade Centre
IUU	Irregular, Unreported and Unregulated
LRR	Lower River Region
LTDV	Long-Term Development Vision
MDA	Ministry, Department, or Agency
MOTRIE	Ministry of Trade, Industry, Regional Integration and Employment
MSME	Micro, Small and Medium Enterprises
NAWEC	National Water and Electricity Company
NBR	North Bank Region
NDA	Net Domestic Assets
NDP	National Development Plan
NEA	National Environment Agency
NFA	Net Foreign Assets
NGO	Non-Government Organization
NRM	National Referral Mechanisms
OIC	Organization of Islamic Cooperation
OMVG	Gambia River Organization for Development
OPEC	Organization of the Petroleum Exporting Countries
PEFA	Public Expenditure and Financial Accountability
PFM	Public Finance Management

PHC	Primary Health Care
PIP	Public Investment Program
PPA	Power Purchase Agreement
QGDP	Quarterly GDP
RCIC	Rural Communities Information Centres
RF	Recovery-Focused
SDG	Sustainable Development Goals
SDR	Special Drawing Rights
SENELEC	Senegal National Electricity Company
SOE	State Owned Enterprise
SOP	Standard Operational Procedure
SSHFC	Social Security and Housing Finance Corporation
TDA	Tourism Development Area
TOT	Training of Trainers
TRRC	Truth Reconciliation and Reparations Commission
TSA	Treasury Single Account
TVET	Technical and Vocational Education and Training
UN	United Nations
UNCDF	United Nation Capital Development Fund
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNECA	United Nations Economic Commission for Africa
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization:
URR	Upper River Region
USD	United States Dollar
USET	University of Applied Science, Engineering and Technology
UTG	University of The Gambia
VNR	Voluntary National Review
WACA	West Africa Coastal Areas
WACOMP	West Africa Competitiveness Project Gambia
WAPP	West Africa Power Pool
WARDIP	West Africa Regional Digital Integration Project
WB	World Bank
WCR	West Coast Region
WEO	World Economic Outlook
WFP	World Food Programme
WHO	World Health Organization
YEP	Youth Empowerment Project

Table of Contents

INTRODUCTION	8
MACROECONOMIC OVERVIEW	10
DEVELOPMENTS IN THE GLOBAL ECONOMY.....	10
IMPACT ON THE DOMESTIC ECONOMY.....	13
DEVELOPMENTS IN THE DOMESTIC ECONOMY.....	14
REAL SECTOR.....	14
FISCAL SECTOR	15
MONETARY SECTOR.....	16
EXTERNAL SECTOR.....	17
KEY SECTORS	18
FINANCE AND ECONOMIC AFFAIRS	18
PRODUCTIVE SECTORS.....	24
AGRICULTURE	24
FISHERIES AND WATER RESOURCES.....	25
COMMUNICATION AND DIGITAL ECONOMY	26
TOURISM AND CULTURE.....	28
TRADE, INDUSTRY, REGIONAL INTEGRATION AND EMPLOYMENT.....	29
TRANSPORT, WORKS AND INFRASTRUCTURE	32
PETROLEUM AND ENERGY.....	34
SOCIAL SECTORS	36
BASIC AND SECONDARY EDUCATION.....	36
HIGHER EDUCATION.....	37
HEALTH	38
GENDER, CHILDREN & SOCIAL WELFARE	40
YOUTH & SPORTS.....	42
CROSS-CUTTING SECTORS	43
INTERIOR	43
INFORMATION.....	44
JUSTICE.....	44
THE OMBUDSMAN	45

PUBLIC SERVICE, ADMINISTRATIVE REFORM, POLICY COORDINATION & DELIVERY	46
ENVIRONMENT, CLIMATE CHANGE AND WILDLIFE.....	47
LANDS AND REGIONAL GOVERNMENT	49
FOREIGN AFFAIRS	50
DATA AND STATISTICS.....	51
REVENUE ADMINISTRATION	52
REVIEW OF THE IMPLEMENTATION OF THE REVISED 2022 BUDGET.....	54
MEDIUM TERM GROWTH OUTLOOK	55
SALIENT FEATURES OF THE 2023 BUDGET.....	58
MEDIUM TERM POLICY REFORMS	58
2023 REVENUE MEASURES.....	60
CONCLUSION	61
ANNEXES	64

Honourable Speaker,

I beg to move that the bill entitled “An Act to provide for the services of the Government of The Gambia for the period 1st January 2023 to 31st December 2023 (both dates inclusive)” be read a second time.

INTRODUCTION

1. The Gambian economy set out on a path to recovery despite the great uncertainty about the post-pandemic economic landscape, the Gambian economy set out on a path to recovery, with significant improvements especially in the services and industry sectors. In 2021, medium-term growth prospects were high, premised on a global vaccine rollout, development partner support for The Gambia's vaccination program, and better than expected resilience of some economic sectors. However, this situation was short-lived because the beginning of 2022 came with the emergence of the Russia-Ukraine conflict, lowering growth expectations and putting major setbacks in the recovery path. Initially optimistic growth prospects were dampened as the conflict severely affected global supply chains and commodity prices. This placed major obstacles in the growth trajectory of not only the domestic economy, but economies across the globe, bringing about downward revisions to growth projections.
2. The war has been a major blow to the global economy, with economies across the world registering higher inflation and slower growth in 2022. With Russia and Ukraine being major commodity producers, the supply chain disruptions triggered by closures of major sea-ports in the region increased prices significantly, eroded real incomes, and consequently affected demand. The ripple effects of this manifested in the domestic economy, pushing inflation to double digits in the first 9 months of 2022—a level The Gambia has not experienced in the last 20 years.
3. As we face these unprecedented global economic challenges with effects being felt in households across the country, Government has intervened through various channels using both fiscal and monetary policy tools. With that said, it is imperative to note that it has

been a challenging task striking a balance between fighting the negative impact of the crisis—especially on the population—and keeping the economy on a sustained growth path.

4. Similar to basic commodities, the global oil price hikes translated to unbearable domestic fuel price hikes which triggered the need for Government to provide subsidies to the tune of D1.3 billion in the first three quarters of 2022, to ease the effects on the population. Whilst this gave much needed assistance to the Gambian population, it also meant over one billion Dalasi of forgone revenues for government, which is unsustainable. As fuel prices have recently taken a downward turn, Government moves towards a gradual adjustment of domestic retail prices to recover losses in oil revenues.
5. In addition to fuel price subsidies, Government made other fiscal policy interventions including the continued discount of 20 percent on the CIF valuation of basic commodities; fertilizer subsidies; 30 percent increase in the salaries of civil servants; and a revision of the 2022 budget featuring a series of expenditure cuts and revenue measures to create the fiscal space needed to accommodate these interventions and remain resilient against the shocks.
6. To curb inflation, the Government took a tightening monetary policy stance and increased the monetary policy rate by 2 percentage points over the course of the year. This was done with careful consideration of the potential impact on growth as the economy tries to recover. Government also made a foreign currency intervention of US\$87 million to support the availability of essential commodity stock levels.
7. In the coming year and over the medium term, prudent policy response to realign with emerging socio-economic priorities will be crucial to remain resilient against the shocks and get back on a path to recovery. This includes reforms in key sectors which continue to be critical support systems to sustain recovery and growth in the medium term.

MACROECONOMIC OVERVIEW

DEVELOPMENTS IN THE GLOBAL ECONOMY

8. As per the October world economic outlook, the global economy continues to face steep challenges, shaped by the lingering effects of three powerful forces: the Russia – Ukraine war, a cost-of-living crisis caused by persistent and broadening inflationary pressures, and the ongoing impact of pandemic-related lockdowns and supply chain disruptions, especially in China.
9. Global growth is forecast to slow from 6.0 percent in 2021 to 3.2 percent in 2022 and 2.7 percent in 2023. This is the weakest growth outlook since 2001 except for the global financial crisis and the acute phase of the COVID-19 pandemic and reflects significant slowdowns for the largest economies. About a third of the world economy faces two consecutive quarters of negative growth.
10. More than a third of the global economy will contract this year or next, while the three largest economies—the United States, the European Union, and China—will continue to stall. In short, the worst is yet to come, and for many people 2023 will feel like a recession.
11. The Russia-Ukraine war has led to a severe energy crisis in Europe that is sharply increasing costs of living and hampering economic activity. Gas prices in Europe have increased more than four-fold since 2021, with Russia cutting deliveries to less than 20 percent of their 2021 levels, raising the prospect of energy shortages over the next winter and beyond. More broadly, the conflict has also pushed up food prices in the world market, despite the recent easing after the Black Sea grain deal, causing serious hardship for low-income households worldwide, and especially so in low-income countries.
12. For advanced economies, growth is projected to slow from 5.2 percent in 2021 to 2.4 percent in 2022 and 1.1 percent in 2023. Growth in the emerging markets and developing economies is expected to decline to 3.7 percent in 2022 and remain the same for 2023.

However, growth in Low-income developing economies especially is projected to rise from 4.1 percent in 2021 to 4.8 percent in 2022 then to 4.9 percent in 2023, respectively.

13. Global trade volume has been estimated to decline from 10.1 percent in 2021 to 4.3 percent in 2022 which is projected to further decline to 2.5 percent in 2023. The slowdown in trade mainly reflects the decline in global output growth. Supply chain constraints have been a further drag: the Federal Reserve Bank of New York's Global Supply Chain Pressure Index has declined in recent months—largely because of a drop in Chinese supply delivery times—but is still above its normal level, indicating continuing disruptions. The Russia-Ukraine war is one other factor causing the decline in global trade.
14. The US dollar's appreciation in 2022—by about 13 percent in nominal effective terms as of September compared with the 2021 average—is likely to have further slowed world trade growth, considering the dollar's dominant role in trade invoicing and the implied pass-through in consumer and producer prices outside the US.
15. Whereas global trade growth is declining, global trade balances have widened and are projected to rise further in 2022. The widening of balances has reflected the pandemic's impact. It has also, in 2022, mirrored the increase in commodity prices associated with the war in Ukraine, which has raised balances for oil net exporters and reduced them for net importers.
16. While inflation is increasingly important, firms still see COVID-19 as the dominant risk. The continued high numbers of COVID-19 mentions in firms' earnings calls may reflect the pandemic's lingering effect on labour markets and supply chains.
17. Global inflation is forecast to rise from 4.7 percent in 2021 to 8.8 percent in 2022, before declining to 6.5 percent in 2023. Upside inflation surprises have been most widespread among advanced economies, with greater variability in emerging market and developing economies.

18. The upward inflation revision for advanced economies is expected to rise from 3.1 percent in 2021 to 7.2 percent in 2022 before declining to 4.4 percent by 2023. For emerging market and developing economies, inflation is expected to rise from 5.9 percent in 2021 to 9.9 percent in 2022, before declining to 8.1 percent in 2023.
19. Emerging market and developing economies are estimated to have seen inflation of 10.1 percent in the second quarter of 2022 and face a peak inflation rate of 11.0 percent in the third quarter- the highest rate since 1999.
20. The sharp appreciation of the US dollar adds significantly to domestic price pressures and to the cost-of-living crisis for these countries. Capital flows have not recovered, and many low-income and developing economies remain in debt distress. The 2022 shocks will re-open economic wounds that were only partially healed following the pandemic. For many emerging markets, the strength of the dollar is causing acute challenges, tightening financial conditions, and increasing the cost of imported goods. The dollar is now at its highest level since the early 2000s. So far, this appreciation appears mostly driven by fundamental forces, such as the tightening of monetary policy in the United States and the energy crisis.
21. The global economy's future health rests critically on the successful calibration of monetary policy, the course of the war in Ukraine, and the possibility of further pandemic-related supply-side disruptions, for example, in China. Positive measures ought to be put in place to mitigate the negative effects of current macroeconomic and geopolitical factors.

IMPACT ON THE DOMESTIC ECONOMY

22. Similar to global growth projections, the domestic economy is projected to register a modest growth in real GDP from 4.3 percent in 2021 to 4.5 percent in 2022. Growth in the domestic economy remains challenging and dependent on global economic recovery through tourism and trade channels for recovery.
23. Mirroring trends in the global economy, the current account deficit is estimated to widen to 13.9 percent of GDP in 2022, driven by infrastructure-related imports and a rising oil and food import bill not only due to increases in the prices of commodities but also because the Dalasi depreciated against the strengthening dollar.
24. Supply chain disruptions and rising global inflation have worsened existing challenges in supply and increased the prices of essential commodities. In the domestic market, average prices of both food and non-food commodities have been on the rise, bringing about unprecedented inflationary pressures. Inflation year-on-year stood at 13.3 percent as at end-September 2022, and it is expected to continue on this path due to uncertainty surrounding the trajectory of the war and the outlook on oil prices, especially in light of OPEC's recent decision to cut oil production.
25. On a more positive note, developments in the tourism sector this year are promising, despite precarious economic conditions in the West. Tourist arrivals recorded in the first quarter of 2022 exceeded 47,000, compared to 18,000 recorded in the corresponding period in 2021.

DEVELOPMENTS IN THE DOMESTIC ECONOMY

REAL SECTOR

26. Economic performance in 2022 has been relatively weak against initial projections made earlier in 2021. Real GDP growth for 2022 is estimated at 4.5 percent, a modest growth from the 4.3 percent growth registered in 2021, when recovery from the pandemic was underway. This modest growth is on the back of a contraction in Industry and minimal growth within the Services sector due to the Russia-Ukraine crisis.
27. The Agricultural sector is projected to register a growth rate of 6.1 percent in 2022 compared to a 4.7 percent growth in 2021. This increase in growth is largely attributed to a relatively good rainy season, bringing about improvements in performance in the crops, livestock and forestry subsectors.
28. The Industry sector growth is expected to decline to 5.6 percent in 2022, coming from strong base of 10.4 percent in 2021. This is largely as a result of a drop in performance in construction and a subdued recovery in manufacturing, as supply chain disruptions affect prices and availability of both manufacturing and construction inputs. In the same vein, a risk of declining private remittances due to the rising cost of living in the West is expected to reduce private construction activities.
29. Growth in the Services sector is projected to remain at the same rate of 1.9 percent in 2022, as registered in 2021. This is because the better-than-expected performance in tourist arrivals is not strong enough to make up for the relatively poor performance expected in wholesale and retail trade and finance and insurance, as well as a modest performance in transport and storage and communication.
30. Still reeling from the lingering effects of the pandemic, the sector continues to face challenges as the shock from the war has had similar effects, making recovery very difficult. Nonetheless, the impressive number of tourist arrivals registered so far this year indicates great recovery and growth prospects going forward.

FISCAL SECTOR

31. Revenue and Grants declined from D15.1 billion in first nine months of the 2021 to D14.2 billion in the same period 2022. The decline between the two periods is mostly attributed to a decline in Domestic Revenue by 13 percent, specifically in taxes on international trade. This stems from the increasing level of fuel subsidies to support social safety among others, due to the impact of the Russia-Ukraine war on oil prices.
32. Total Expenditure increased marginally to D18.8 billion in the first nine months of 2022, compared to D18.7 billion in the same period in 2021. This was due to an increase in current expenditure by 8 percent from D11.6 billion to D12.6 billion.
33. During the period under review, personnel emoluments increased by 22 percent from D3.3 billion to D4.1 billion, as a result of the 30 percent civil service salary increment introduced in July.
34. Other Charges recorded an outturn of D6.2 billion compared to D5.6 billion in the same period in 2021, indicating a growth of 12 percent. This significant increase was due to an increase in Subsidies and Transfers, which increased by 20 percent through subventions to agencies.
35. Interest Payments amounted to D2.3 billion compared to D2.7 billion a year ago, recording a contraction of 16 percent. Similarly, External and Domestic Interest payments declined by 19 percent and 16 percent respectively.
36. The overall fiscal deficit including grants worsened from D3.6 billion as at end-September 2021 to D4.4 billion in the corresponding period in 2022. Although grants increased, it was not sufficient to offset the impact of the decline in revenue over the period. The deficit excluding grants also worsened to D8.4 billion in 2022 from D6.7 billion in 2021.

37. Revenue loss from tax exemptions—primarily duty waivers—increased from D1.1 billion in the first nine months of 2021 to D2.2 billion in 2022. This is largely due to the implementation of on-going government projects in rural roads, OIC preparation, agriculture and education.
38. The public debt stock amounted to D90.7 billion as at end September 2022 compared to D83.8 billion in the same period in 2021. The increment of the public debt stock is explained by the Foreign Exchange rate loss on the foreign debt stock and increase in domestic borrowing amounting to GMD 3.2 billion and GMD 3.7 billion respectively. However, the Government is still within the domestic borrowing target as approved in the 2022 national Budget. Of the total debt stock in 2022, domestic debt constitutes D39.7 billion, whilst external debt constitutes D51.0 billion.

MONETARY SECTOR

39. Growth in monetary aggregates have been decelerating, reflecting the impact of the ongoing crisis on the balance of payments on the net foreign assets of the Central Bank and commercial banks. Money supply growth slowed from 23.7 percent in June 2021 to 9.9 percent as at end-September 2022, owing to a contraction in the Net Foreign Assets (NFA) of both the Central Bank and commercial banks. At end-September 2022, the total money supply stock amounted to D64.0 billion.
40. The Net Domestic Assets (NDA) of the banking system remained the main source of liquidity that continued to drive the growth of money supply. Growth in NDA, the main source of liquidity, remained robust increasing by 30.8 percent at end-September 2022. The increase in the NDA was supported by increased borrowing by government and private sector.
41. Annual reserve money growth contracted to 6.0 percent at end September 2022 from 24.0 percent recorded in 2021. The contraction in reserve money reflected the contraction in

reserve of commercial banks by 16.0 percent, in contrast to a marginal increase in currency in circulation.

EXTERNAL SECTOR

42. Preliminary balance of payments estimates show that the current account balance widened to a deficit of US\$25.6 million in the first half of 2022 from a deficit of US\$8.3 million in the corresponding period of 2021.
43. The goods account balance recorded a deficit of US\$292.0 million in the first half of 2022, from a deficit of US\$31.3 million in the corresponding period in 2021. The widened deficit in the goods account reflected mainly the marked increase in imports (FOB), especially mineral fuel and oils, vehicles, and cereals, coupled with the less-than-expected increase in re-export trade.
44. As at end September 2022, imports rose to US\$317.5 million, compared to US\$281.3 million in the same period in 2021, driven by the increase in global commodity prices. Exports (FOB) increased to US\$25.5 million in the first half of 2022 from US\$20.6 million in the corresponding period of 2021.
45. The services account balance rose to a surplus of US\$24.8 million in the first half of 2022 from a deficit of US\$5.0 million in the same period a year ago. This reflects an increase in tourist arrivals of 96.6 percent.
46. The resumption of transfers through unofficial channels following the re-opening of international travel is putting a damper on the inflows recorded in the official statistics. As a result, current transfers declined to a net inflow of US\$259.7 million in the first half of 2022, from a net inflow of US\$284.3 million in the same period in 2021, representing a decline of 8.7 percent.

47. Some capital transfers, mainly project grants, and the general Special Drawing Rights (SDR) allocation from the IMF, helped mitigate the impact of the deterioration in the current account and enabled the Central Bank to maintain a comfortable level of external reserve buffer. In addition, there was a net inflow in the financial account during the year, dominated by foreign direct investment and other investments. The capital and financial account registered a net inflow of US\$182.8 million in the first half of 2022, compared to US\$96.5 million recorded in the same period in 2021.

KEY SECTORS

FINANCE AND ECONOMIC AFFAIRS

48. The upgraded (web-based) Integrated Financial Management Information System (IFMIS) is currently being extended to Subvented Agencies including Hospitals and donor-funded projects. This will facilitate the production of more comprehensive Government consolidated Financial Statements and improve the transparency and accountability of public resources.

49. To further support the Treasury Single Account (TSA), a Payment Gateway Portal is currently being developed. This would facilitate the automation of the revenue collection process across the country and ensure that Government revenue is collected electronically. This is expected to greatly improve revenue performance and reporting, thus supporting the full implementation of the TSA.

50. The Government of the Gambia through support from AFRITAC West 2 is in the process of implementing an Asset Management Policy (AMP) for use across Government. This will help track all physical assets (Property, Plant and Machinery) of the government. Currently, work is ongoing to produce an initial draft prior to the arrival of a Technical Assistant. The AMP is one of the fundamental aspects towards migrating to International Public Sector Accounting Standard (IPSAS) Accrual accounting.

51. In a bid to build on the gains registered, foster development, address existing challenges—particularly the impact of the COVID-19 pandemic and the climate crisis, the Government through the Ministry of Finance initiated the formulation of the Green Recovery-Focused National Development Plan (RF-NDP) 2023 – 2027, which will succeed NDP 2018 – 2021; and the Long-Term Development Vision (LTDV) 2023 – 2050 which will succeed Vision 2020.
52. The former will guide Government’s development efforts and inform the Public Investment Programme and development strategies in the medium-term, whilst the latter will serve as an anchor for a series of medium-term national development plans. The drafts of both plans are expected to be completed and adopted by the end of the year. The Government will engage in intensive resource mobilization efforts for the RF-NDP in 2023.
53. The Gambia presented its second Voluntary National Review (VNR) this year. The outcome of which will feed into the formulation process of the RF-NDP and will help in accelerating the implementation of the Sustainable Development Goals (SDGs).
54. The impact of the COVID-19 pandemic has challenged the implementation of the NDP, eroding some of the gains that have been registered. The continuing conflict between Russia and Ukraine will pose a risk to the implementation of the RF-NDP in terms of resource mobilization, including domestic resources. In this regard, Government will explore innovative and sustainable financing mechanisms to further enhance domestic resource mobilization to finance our development priorities.
55. MOFEA has recently reviewed the 2022-2026 Medium Term Debt Management Strategy that seeks to help achieve the debt management objectives of ensuring Government’s financing needs are met at the lowest possible cost, consistent with a prudent degree of risk. To achieve this objective, the Ministry develops an Annual Borrowing Plan with a 3-month rolling basis issuance calendar on both the MoFEA and Central Bank websites. This is geared towards enhancing transparency in public debt and provide investors with guidance on government’s borrowing plan and strategy.

56. The Ministry, in collaboration with CBG, has introduced a regular bond issuance program. This allows the Government to issue medium and longer dated domestic instruments to provide medium to long term financing and address financing and refinancing risk in the domestic debt portfolio.
57. With support from the African Development Bank (AfDB), Government is currently conducting a Public Expenditure and Financial Accountability (PEFA) assessment. The objective of this assessment is to provide a general understanding of on-going Public Financial Management (PFM) reforms performance and assess gains in PFM reforms. The assessment report is expected in 2023.
58. Government continues to benefit from support from development partners to implement development projects. To this end, the EU has made commitments to support the Government in the medium term in the areas of macroeconomic stability and economic performance; PFM reforms; budget transparency and oversight; and adopting a new NDP.
59. In light of these new reforms, a new Public Procurement Bill 2022 has recently been passed by the National Assembly and the Gambia Public Procurement Authority (GPPA) is currently developing the Regulations, which will be finalized by the end of this year.
60. In addition to the above, there is support from the EU to accelerate progress in PFM reforms; acceleration of the TRRC's white paper implementations; gender-based violence; sexual harassment; human right violations; migration; improvement in the National Environment Agency's (NEA) technical capacity; elections; and other legal matters.
61. The Government of The Gambia, through the Ministry of Finance and Economic Affairs, has initiated reform activities to strengthen the financial position and corporate governance of State-Owned Enterprises (SOEs). Key amongst the reform agenda is the introduction of Performance Contracts to challenge, measure and evaluate the performance of SOEs. In this regard, the MOFEA has already signed a performance contract with NAWEC which is being closely monitored.

62. Negotiations are also at an advanced stage to sign contracts with Gambia Ports Authority (GPA), Social Security and Housing Finance Corporation (SSHFC), and the Gambia National Petroleum Corporation (GNPC); all of which are expected to be signed before the end of the year. The Ministry intends to sign performance contracts with all SOEs in a gradual and phased manner.
63. The Ministry has also submitted a draft SOE Bill to National Assembly. The Bill centers on the creation of an SOE Commission that will serve as an oversight and regulatory body for all SOEs. It will also strengthen corporate governance issues such as reporting requirements, transparency initiatives, and the selection of Board members.
64. Government is committed to ensuring MDAs' budgets are anchored on national priorities in order to attain national development objectives. The Ministry seeks to consolidate and strengthen programme-based budgeting throughout 2023 and subsequent years by improving and expanding on what is already in place. A revitalized programme-based budgeting system will underpin the new National Development Plan as it emerges in 2023, providing the planning framework and a practical accountability framework for achievement of the most important national policies.
65. Additionally, as part of efforts to improve stakeholder engagements and ensure that the budget process is participatory, the Budget Directorate organized a constructive dialogue with Civil Society Organizations (CSOs) to give citizens a say in how public funds are spent. Engagements are also held with the Private Sector aimed at improving private and public sector planning and policies to stimulate inclusive growth and development.
66. The Government is also aware of the need to reduce the inequality gap between rich and poor, as well as between genders. Hence, with technical support from the IMF, the Ministry is running a pilot on Gender Based Budgeting. This has been rolled out to three Ministries and should be rolled out to all MDAs by 2025. This will also entail the development of a workplan and preparation of a draft template for the gender-based budgeting results framework.

67. A Directorate for Revenue and Tax Policy has been established at MoFEA to provide a more strategic focus on tax policy formulation, design and monitoring. The Directorate is currently taking stock of existing tax systems, laws and institutional arrangements supporting our domestic tax system. The aim is to initiate a paradigm shift in tax policy, anchored on a robust domestic resource mobilization strategy. The recent economic crises and regional efforts in harmonizing taxes have brought to light the need for tax policies that will build resilience, underpinned by strong legal and regulatory framework that will guide and facilitate harmonization efforts.
68. Tax expenditure has been an area of concern for the Ministry and intentional steps have been taken to carefully assess its magnitude, develop solid plans to work on a framework to curtail and better manage this going forward.
69. Over the medium term, the Directorate's work will center on regularizing and standardizing all tax related systems/practices so as to set the tone for improved revenue mobilization through a comprehensive tax policy. This will include working with all Government MDAs to carry out a complete review of all activities related to revenue collection; catalog all revenue related laws; and identify potential areas for much needed reforms to support domestic resource mobilization.
70. In a bid to advance the rationalization of subvented agencies, the MoFEA in collaboration with the Central Bank intends to transform the Social Development Fund to an independent financial institution. Similarly, efforts are being made to address the multiplicity of subvented agencies which currently stands at a little below 60 agencies with an annual budgetary allocation of about D4 billion. This is primarily aimed at rationalizing resource allocation, a review of subvented institutions will be carried out in collaboration with government stakeholders and development partners.
71. With regards to public investment management, the Gambia Strategic Review Board (GSRB) was created to enhance efficiency of the public investment. The Board is responsible for the appraisal and endorsement of all programs and projects, and to ensure

their compliances and alignments to the national development strategies and priority action plans. During this year, the Board has successfully reviewed the mainstreaming of TVET in Primary, Secondary and Open-School Education to improve the perspectives of youths within and outside the main education system to access the labor market and/or become self-employed. The Board has also reviewed the Western Africa Regional Digital Integration Program (WARDIP) under the Ministry of Communication and Digital Economy, to increase broadband access and usage and strengthen the foundations for the establishment of a single digital market in Western Africa.

72. With support from World Bank, the Ministry has developed a medium-term policy framework for the Public Investment Program (2022-2025) which is aligned with the 2023 fiscal year Budget cycle and the NDP. The PIP will be piloted to key sectors with high involvement in capital investment projects such as Health, Education, Agriculture, Infrastructure, Energy and Environment for ongoing projects both GLF and Donor funded. The Ministry will work with Development Partners to develop capacities of the piloted sectors on public investment and later roll out to other sectors.

73. The Ministry of Finance and Economic Affairs through the support of the UNDP developed and validate the Gambia Aid Policy (2023-2032). The key objective of the aid policy is to increase the effectiveness of external assistance and provide a basis on which the additional aid required to meet the country's short-to-medium-term investment needs can be mobilized.

PRODUCTIVE SECTORS

AGRICULTURE

74. The Agriculture sector has registered significant growth during the last season due to good rainfall and tremendous support by Government and development partners. The production of major agricultural commodities has increased. As a result, the per capita availability of important food items has increased despite increasing population and demand.
75. There is overwhelming evidence that the outputs of agricultural research continue to benefit our farming population and the entire population of our country. In view of this, agriculture is being accorded top priority in the country. Government plans to take up scientific and technological interventions for higher agriculture growth, especially towards climate resilience as climate change continues to pose unprecedented challenges to the farming community and ecosystem.
76. The Ministry is implementing a total of eight active agriculture projects with a total portfolio of US\$294 million, geared towards the development, transformation and modernization of the agriculture sector with focus on key value chains namely rice, maize, horticulture crops to enhance the thematic areas which are well aligned with the ongoing NDP.
77. A number of projects are being implemented through the Ministry's departments and agencies to enhance climate resilience, youth capacity/employment, income and food security, and the development and promotion of pro-poor technologies, among others.
78. While the public sector remains the primary source of finance for the agriculture sector in the last five years, the government intends to change those dynamics in the next five years. To that effect the government shall create a risk sharing mechanism with a view to de-risk the agriculture sector in terms of financial services from the financial institutions. The government will create a fund that will avail up to 70% guarantee to the financial

institutions for credit financing of agricultural investments by either individuals or Small Medium Enterprises (SMEs). This, we hope, will induce the needed capital to transform and modernize agriculture for the benefit of every Gambian.

FISHERIES AND WATER RESOURCES

79. The Fisheries sector remains high on the Government's development agenda as having enormous potential to contribute to the national socio-economic development. The Ministry continues to make interventions with the objective of increasing fish production, eliminating or reducing post-harvest losses and increasing fresh fish availability to the interior of the country, especially to increase protein intake in rural communities.
80. The fisheries sector is faced with a myriad of challenges including climate change, the impact of COVID-19 and the current Russia-Ukraine conflict. The latter has destabilized trade routes and created a rise in oil prices which is the major input for both artisanal and industrial fishing vessels. The soaring prices of oil have had serious negative impacts on the entire fisheries value chain such as an increase in the cost of pre-harvest fishing inputs, a rise in unemployment and a fall in foreign exchange earnings. The sector also continues to suffer from growing Irregular, Unreported and Unregulated (IUU) fishing from both artisanal and industrial fishing, coupled with increased pressures on marine resources due to over exploitation and population growth factors.
81. With these challenges in mind, Government will continue to make significant interventions to improve conditions in the industry. In the area of artisanal fisheries, Government is providing fisheries infrastructural facilities, fishing related equipment, and a means for fish distribution and marketing within the country in collaboration with development partners.
82. Through different partnerships, improved fish smoking facilities, such as the FAO-Thiaroye Technology (FTT), have been provided in major fish landing sites. The provision of the FTT smoking facility will contribute to the processing of high quality standard smoked fishery products. It will improve the health of women fish smokers as exposure to

smoke is virtually non-existent. The technology is energy efficient as it uses less fuel and wood compared to the traditional methods of smoking fish.

83. Through the Climate Smart Rural Water Supply and Sanitation Development Project, with funding from the African Development Bank (AfDB), the Water Resources Department has now constructed 108 solar-powered piped-water supply systems, out of the targeted 144. This is aimed at providing safe and quality drinking water to 400,000 rural settlers, additional drilling will continue once the rainy season ends.

84. Additionally, the Water Resources Department, through support from the Japanese Government, has constructed 27 solar-powered piped-water supply systems to benefit people in the rural communities. The Government of The Gambia has invested D10 million on the drilling and rehabilitation of boreholes in Central and Upper River Regions. Upon completion of the programme, seventeen (17) communities are expected to have access to safe and quality drinking water.

85. The Fisheries Department, through funding from Green Climate Fund (GCF) will embark on a US\$25 million project to enhance climate resilience of vulnerable fishing communities. The project will also intervene to rehabilitate the existing fisheries jetty in Banjul and ensure licenced industrial fishing vessels comply with landing requirements in The Gambia as well as increase employment, availability of fish for domestic consumption and ultimately reduce malnutrition and poverty.

COMMUNICATION AND DIGITAL ECONOMY

86. The decision to decouple the former MOICI into two separate Ministries in May 2022 reaffirmed government's commitment to the realization of the objectives of its digital transformation agenda.

87. The unfortunate internet shutdowns experienced on four occasions this year reinforced the urgent need for government to establish a secondary landing station to provide adequate redundancy in the first mile and also support the requisite capacity needs to accelerate the digital transformation process.
88. The Ministry upgraded and expanded its's LTE network that provides broadband wireless connectivity to senior government officials and MDAs. Some MDAs entirely depend on this Government LTE Network Infrastructure as the main source of internet connectivity to support their day-to-day operations and service delivery.
89. Cyber threats are major challenges to the digitalization process. The Government therefore prioritizes the strengthening of national cyber security capabilities and capacities. These efforts are anchored on the pillars of the National Cyber Security Policy and Strategy 2022-2026.
90. The Ministry is currently rolling out the third phase of the digital addressing initiative in the West Coast Region, which is expected to significantly boost revenue generation for the central and local governments in the region.
91. In a bid to significantly increase targeted investments in the ICT sector, the next phase of digital development advocacy and investment efforts will focus on attracting foreign direct investments and creating an environment for innovative financing arrangements amongst stakeholders to support ICT program implementation.
92. The Ministry is set to implement the recommendations from the digital literacy feasibility study conducted in 2021 with support from the AfDB. This includes the implementation of an aggressive campaign to encourage girls to take up ICT as a career path.
93. In an effort to increase access to broadband and digital services in the West African Region, the Project Development Objective (PDO) of WARDIP aims to provide technical and financial support to digital markets.

94. To spur research and development in ICT, the Ministry is on a roadmap to establish technology hubs in the GBA and across all regions. The objectives of the initiative include fostering innovation, create employment and employability, and provide transformative ICT driven solutions across all sectors.

TOURISM AND CULTURE

95. The emergence of the global pandemic and the recent Russia-Ukraine conflict has negatively impacted Tourism and dampened previously optimistic prospects as the economy started recovering from the COVID-19 pandemic. However, despite these shocks and challenges, tourism remains resilient and poised to rebound in the short term, with the right recovery strategies being put in place by the Ministry of Tourism and Culture in partnership with tourism stakeholders and the development partners.

96. As such, well thought out policy reforms have been rolled out, culminating in the formulation of the new tourism policy and strategy called the National Tourism Policy and Strategy 2022-2031. The policy aims to transform Gambia's tourism sector by fostering public – private partnership, institutional and human resource strengthening, product development and regeneration, effective destination marketing and source market diversification, domestic tourism as well as developing community-based tourism and ecotourism, intensifying e-Marketing and digitization, and addressing climate and environmental issues.

97. The Ministry is committed to improving the tourism sector's performance and youth employment prospects and as such, has embarked on a few interventions including a move towards digitization; implementation of stringent health and safety measures; the construction of three roads in the Tourism Development Area (TDA) leading to major hotels; the renovation of craft markets and building of hubs to promote collective trading of tourism products in partnership with YEP and ITC; collection and digitization of valuable cultural practices and traditions to preserve cultural heritage in partnership with the University of Hamburg; and the enhancement of ecotourism and community-based

tourism through the deployment of the Regional Tourism Officers in all the regions of the country.

98. In addition to these efforts, the Ministry has also secured a grant of US\$68 million from the World Bank to support the diversification and climate resilience of the tourism sector in The Gambia. The project aims to assist in strengthening the institutional and policy framework, improve capabilities and access to finance for tourism related Micro Small Medium Enterprises (MSMEs) suppliers, and enhance the attractiveness of selected existing but underdeveloped destinations. The project will also strengthen the sustainability of the coastal areas.

TRADE, INDUSTRY, REGIONAL INTEGRATION AND EMPLOYMENT

99. Through the Ministry of Trade, Industry, Regional Integration and Employment (MoTRIE), the Government is strengthening its collaborations with trading partners to support trade, integration and employment. As part of these efforts, MoTRIE signed a new Country-UNIDO Program (2022-2027) to support private sector development in key strategic sectors as part of the post-COVID-19 recovery programs.

100. In addition, The Ministry is also working with ECOWAS under the ECOWAS Nnamdi Azikiwe Academic Mobility Scheme to promote the development of practical skills of youth to enhance their employability.

101. At the continental level, the Government continues to be fully committed to the African Continental Free Trade Agreement (AfCFTA) and the Government has strengthened the Gambia's preparedness for the AfCFTA. The Ministry with the support of the UNECA has formulated AfCFTA National Implementation Strategy to leverage on the opportunities of the AfCFTA while at the same time addressing the challenges of the

scheme and also strengthen the institutional, policy, and regulatory frameworks for effective implementation of the agreement.

102. To enhance the resilience of businesses in the post-Covid pandemic, the Ministry has conducted a national e-commerce assessment in collaboration with the Ministry of Communication and Digital Economy with the aim of enhancing MSMEs access to digital technology to improve their businesses. The findings of the assessment are already incorporated in the new Green Recovery National Development Plan (NDP). The Ministry through its projects, provided technical and financial support to MSMEs to enhance their recovery process.
103. As part of the global She Trades community, the Government continues to support women-owned businesses. This year the HUB has registered an additional 45 women-owned businesses making a total of 138 She Trades companies that the Ministry is working with, providing the relevant skills and support to improve their production capacities.
104. On competition matters, competition is a key driver of growth and that having an effective competition regime is one of the pillars of a vibrant market economy. As part of its mandate, Gambia Competition and Consumer Protection Commission (GCCPC) conducted series of market studies and investigations in various sectors such as airlines, real estate, pharmaceuticals, essential commodities, groundnut, and cement, and issued policy advice in relation to the findings in each of the sectors.
105. Among the priorities of the Commission for 2023 includes setting up of Regional Offices and Consumer Protection Tribunals in all administrative regions; conducting investigations into food products that are expired; construction sector, and food that do not meet the required weights and measurements.
106. The Authority will also develop a framework that would ensure consumers in the digital finance market are adequately protected; and conduct assessment on the education sector to make educational products and services more affordable and consumer oriented.

107. On employment promotion, the Ministry has finalized and received cabinet approval on the new National Employment Policy and Action Plan 2022-2026 with a target of creating 150,000 jobs during the life of the policy. The objective of this new policy is to create productive employment in the productive sectors.
108. To further strengthen the labour administration in the country, the Ministry in collaboration with the Judiciary, has established Industrial Tribunals in all the regions across the country. To track Gambian Labour Market and Migration trends, the Ministry has established the Labour Market and Migration Information System which is to be launched early 2023.
109. The Ministry is developing an enterprise formalization strategy aimed at formalizing informal businesses, broadening the tax base of the economy, and creating decent jobs for Gambian youth.
110. With regards to investment promotion and facilitation, the Ministry, through GIEPA, has been able to attract US\$36.9 million through the Special Investment Certificate and with the potential to create a total of 1,185 jobs. To facilitate access to finance, the Ministry, through GIEPA, has established the Enterprise Development Fund, which will be used to support Micro and Small businesses.
111. Another significant achievement by the Ministry is the identification of land for the Special Economic Zones for commercial and industrial purposes in four different locations in Lower River Region (LRR). The construction of a modern Agro-pole to provide required facilities for provision of agro-processing and cold storage services is being supported by ENABEL at one of the EPZ sites in Jenoi in LRR. The construction for this is cash-for-work and provided useful employment to the Jenoi community and is at an advanced stage of completion.
112. As part of the Government efforts, under the EU funded WACOMP Project, to build a new food testing laboratory as National Reference Testing Lab at The Gambia

Standards Bureau Laboratory Complex in Abuko, the Ministry with technical support from the West Africa Competitiveness Project Gambia (WACOMP) is developing a National Laboratory Policy.

113. This will provide a more coherent approach to the coordination of laboratory services in The Gambia. In addition, the Ministry in collaboration with UNIDO is establishing a National Food Testing Laboratory as well as a second laboratory for light testing under the WACOMP.

114. During the course of the year, the Weights and Measures Bureau has been able to verify over 2,520 commercial weighing and measuring devices including 190 Petrol Stations throughout the country and the axle load weighing system at the Senegambia Bridge in Farafenni. These interventions help safeguard consumer welfare and guarantee the value for Money.

115. To strengthen and modernize the Weight and Measures Bureau, MoTRIE has completed the review of the legal framework for Weights and Measures Act and drafted a new Legal Metrology Bill expanding the scope of legal metrology to regulate measurements not only in trade but also measuring devices use in health and safety, law enforcement and environment management.

116. The review of the Bill by the Ministry of Justice is completed, and MoTRIE will present it to the National Assembly for consideration this year after Cabinet approval. This when enacted will help mitigate challenges in the regulation of measurements in the areas of trade, health and safety, law enforcement, and environmental management.

TRANSPORT, WORKS AND INFRASTRUCTURE

117. The Banjul City Rehabilitation Project continues to make progress with 95 per cent of the registered roads completed and approximately 84 percent of those in the additional

works completed as at end September. As part of the project, the Bund Road pump house was rehabilitated and two new 75KVA pumps were installed in August 2022 with a capacity of 2,000,000 liters per hour. The new pumps helped evacuate the unprecedented amount of rainfall recorded in the month of July which resulted in flash floods in some parts in Banjul.

118. As part of Government's strategy to uplift and upgrade public infrastructure at the regional government level, the construction of Governors offices and residences was initiated. The Governor of North Bank Region's office was successfully completed and handed over.
119. In a bid to effectively manage Public Buildings as stated in the new National Public Buildings and Facilities Policy, a Bill was drafted and submitted to National Assembly for consideration and adoption.
120. The Government of The Gambia has received loans from Kuwait Fund for Arab Economic Development (KFAED), Arab Bank for Economic Development in Africa (BADEA), and Islamic Development Bank (IsDB) to fund the widening of 22.5 Km Bertil Harding Highway for the Organization of Islamic Cooperation (OIC) Conference.
121. To help connect the neighboring villages with the main sections 1 & 2, an additional 16km has been added to Lot 1 of the Rural Roads Expansion Programme. Progress at Lot 2 of the road constructions as at end September 2022 stands at 63 per cent. The construction of the 86 kilometers Niumi – Hakalang Road is in progress with 48 percent of the work completed as at end September 2022.
122. In the aviation sector, the Gambia International Airlines (GIA) has procured a high loader—which is a critical equipment for airport operations—and an airline crew bus to enhance operational efficiency.

123. To ease movement for business and leisure between The Gambia and Senegal, Gambia International Airlines (GIA) is intensifying negotiations with credible airline partners to secure an aircraft that will operate daily flights between the two countries. The domestication will significantly reduce airfares and bring more reliability in flights between Banjul and Dakar.
124. In 2023, GIA will work with the Enhanced Integrated Framework (EIF) project through the Ministry of Trade, Industry, Employment and Regional Integration to automate GIA cargo operational system. Once in place, the Cargo Accounting Settlement System (CASS) will enhance the operational efficiency of cargo handling, airlift and delivery. To support the implementation of the project, GIA intends to procure two cargo trucks.
125. To advance our infrastructure development agenda, Government will leverage on existing fixed assets to finance the creation of new development projects through the issuance of asset-backed security financing instruments. This will allow us to mobilize additional resources for development without increasing the debt stock.

PETROLEUM AND ENERGY

126. The Russia-Ukraine war has impacted supply chains and domestic retail prices of fuel in the country. The war has disrupted production and trade of several commodities, reduced income and increased the cost of living for people in The Gambia. The restrictions on logistics and supply chain for the movement of traded commodities, food and services have had significant effects on prices globally and as a result, domestic pump prices of fuel were increased.
127. In the area of energy, NAWEC continues to face major challenges with the increased price of Heavy Fuel Oil (HFO) and difficulties in access and affordability of spare parts, coupled with the dramatic rise in demand for energy as a result of population growth and urbanization; expansion of infrastructure and social services; growth in small

and medium size industries; and expansion in the tourism and hospitality sector. To address capacity constraints, Government has taken major steps including a Power Purchase Agreement (PPA) between NAWEC and SENELEC, Senegal for the importation of energy. However, full utilization of the PPA is hindered by the dispatch constraints in the Gambian transmission and distribution infrastructure.

128. Despite the challenges, The Gambia's energy sector is in the middle of a major transition with significant investments in energy development through development partner support. This includes projects in electricity restoration and modernization, expansion and access. As a result of these investments, NAWEC has registered major improvements in electricity stability and operational efficiency. At the same time, the OMVG interconnection has started operation, bringing with it the first ever High Voltage network in The Gambia and the opportunity to access large quantities of cleaner and lower cost electricity from the West Africa Power Pool (WAPP).

129. The Ministry has made substantial efforts towards supporting the mining and quarrying sub-sectors. The Geology Department is continuing efforts in geological and mineral resource surveys and assessment with a view to identifying potential occurrences of mineral resources with emphasis on construction earth materials required by the construction industry which have been a key driving force behind the rapid infrastructural development in this country.

130. Regarding the petroleum exploration activities, there are currently six (6) open blocks, and the goal is to license these blocks in order to achieve the strategic policy objective to discover commercial oil deposits. These blocks are being promoted through Oil & Gas conferences, exhibitions, and workshops, or through direct engagements with International Oil Companies (IOCs).

131. On downstream, the Ministry, together with The Gambia Standard Bureau is currently working on getting a laboratory for testing petroleum products.

SOCIAL SECTORS

BASIC AND SECONDARY EDUCATION

132. In accordance with its primary goal of ensuring universal access to education, the Ministry of Basic and Secondary Education continues to use resources from both the domestic budget and development partners to provide quality teaching and learning strategies as well as innovative ways of reaching underserved areas. In this regard, a significant surge in enrolment has been registered at all levels. This includes the Second Chance Education Program meant to expand opportunities for Out-of-School students.
133. To ensure quality education delivery at all education levels, the Ministry continues to collaborate with both The Gambia College and The University of The Gambia to support and train teachers and increase the number of qualified teachers across all levels. The Ministry has also embarked on a comprehensive curriculum review for Early Childhood Development (ECD), Lower Basic, and Upper Basic Schools to roll out enrolment to Senior Secondary Schools.
134. As a result of these investments, the Ministry recorded a significant drop in the number of students attaining zero credits or passes in the West African Senior Secondary Certified Examinations and Gambia Basic Education Certificate Examination.
135. While the Ministry is making significant gains in both access and quality education, the sector continues to grapple with challenges which require attention. This includes human and material resource requirements; the costs associated with the school feeding program and school improvement grant; and others.
136. The successful implementation of all planned activities needs the concerted efforts and greater collaboration between Government, Development Partners, and Civil Societies including community participation both in the short and medium term.

HIGHER EDUCATION

137. The Ministry of Higher Education, Research, Science and Technology (MoHERST) continues to intensify efforts towards equitable access to relevant and quality tertiary and higher education. In line with this aspiration, the Ministry has implemented programmes and activities within its higher education transformation agenda during the year under review. Simultaneously, MoHERST and partners have initiated programmes to promote and utilize scientific research and technology development.
138. The Ministry has secured funding from IsDB and BADEA to complete Lot II of the Construction of the University of The Gambia (UTG) Campus at Faraba Banta project, as Lot I is already at 95 percent completion rate. Classes are scheduled to move to the new site in Faraba in the second semester of this academic year. The Government is complementing these efforts by providing adequate bus services for staff and students.
139. To address employability and Africa's human capital formation, construction of the University of Applied Science, Engineering and Technology (USET), a project funded by the World Bank will soon commence. The Ministry has procured modern and laboratory equipment, industry standard computers and 3D-printers to promote efficiency among students.
140. To address youth migration within and outside the borders of the country, rehabilitation works at skill centres across the country are near completion. These skills centres will have accommodation facilities for students and staff and will run courses that are responsive to the needs of the country and the local communities. Two more sites have been identified, one of which will specifically focus on Agribusiness skill sets.
141. A higher education financing model is being developed, and as part of the strategies identified, the Ministry will pilot its first student loan scheme next year. This is one of the surest ways of allowing every brilliant youth to pursue their education ambition to higher heights.

142. The Gambia College Annexe at Basse in the Upper River Region is already producing qualified teachers for schools in that part of the country and has almost addressed the posting menace the education sector has faced over the years.
143. To ensure that all post-secondary institutions comply with the same standards, eventually addressing the mismatch issues in our education system, the National Accreditation and Quality Assurance Authority has validated the National Qualifications Framework. The Ministry will present a draft Bill of this framework for ratification. In promoting research and innovation, the Ministry has validated the Research Policy, which will soon be launched.
144. The COVID-19 pandemic has brought to light the need for digitalization, especially in the education sector. The Ministry is therefore working on a digitalisation strategy and will work closely with the Ministry responsible for digital transformation to ensure that e-Learning, as well as digital libraries and e-Education management permeate our delivery structures.

HEALTH

145. In the wake of the current global crises that have caused both health and economic havoc around the world, including The Gambia, the government through the Ministry of Health continues to commit itself to the provision of quality health care service delivery, which is accessible, affordable and responsive to the needs of the population.
146. Over the period under review, the sector successfully expanded and developed health care services, through improved infrastructure, personnel, and supplies, on a reformed health financing landscape.

147. Additionally, key health indicators have improved, notably, maternal and child health, skilled birth attendance, post-natal care, and nutrition. On maternal and child health services, significant gains were registered during the past years as Infant Mortality Rate and Under-five Mortality Rate reduced significantly while percentage of deliveries conducted by skilled birth attendants in health facilities increased. Access to services in maternal and child health considerably improved.
148. The sector's introduction of The Gambia National Health Insurance Scheme is a major achievement. The Act to establish the Scheme became effective in November 2021 to particularly benefit the poor and the vulnerable, while serving as a social safety net.
149. On the training of health care personnel, The Gambia now offers postgraduate training at the Edward Francis Small Teaching Hospital, while the UTG also offers health related programs at Bachelor's level.
150. As part of efforts to revitalize and implement the concept of Primary Health Care (PHC) in the country, the PHC Unit under the Ministry witnessed a significant increase of PHC in key villages. The implementation of the strategy paid off with significant improvement in the health status of the people.
151. The development of the Civil Registration and Vital Statistics Bill (2022) is ongoing and will be submitted to the National Assembly when finalized. This Bill is meant to create universal access to health services. Currently HIV/AIDS services are provided in almost all the health facilities across the country.
152. On health care infrastructure, there are a wide range of construction works in progress to expand services throughout the country. Amongst them is the construction of a National Emergency Treatment Centre, National Laboratory Centre, Blood Transfusion Centre in Farato and other new health facilities. The construction of a modern waste treatment center in Farato has been completed and launched.

153. The Ministry plans to undertake refurbishment, maintenance and construction of health facilities in both rural and urban Gambia. Construction of a National Diagnostic Imaging Center at Farato, Neonatal Intensive Care Unit at Edward Francis Small Teaching Hospital (EFSTH) and the Doctor's Accommodation at Bwiam General Hospital is of importance.
154. On Public Health Research, the country has consented to the implementation of several international accords on health research. The Gambia has seen an unprecedented increase in advances in healthcare research and delivery over the past few years.
155. The Ministry has established a partnership with Health Strategy and Delivery Foundation based in Nigeria to help the sector to develop research priorities.
156. As demography changes and population becomes better informed with growing expectations, the need to provide quality care that is responsive to the needs of the population becomes a necessity. This has been clearly stated in the National Health Policy, which targets the acceleration of quality health services to achieve universal coverage.

GENDER, CHILDREN & SOCIAL WELFARE

157. The Ministry of Gender Children and Welfare launched the Women Enterprise Fund in October 2019 as part of the NDP flagship projects with the objective of strengthening capacities of 35,000 women and girls in micro, small and medium enterprises which is entirely funded by government of the Gambia. From December to date, the Women Enterprise Fund has trained 24,000 women and disbursed D21 million to 257 women's groups across the country.
158. In addition, the United Nation Capital Development Fund (UNCDF) in collaboration with the Ministry is providing technical and financial support to enhance

capacity of the Ministry to implement innovative financial solutions that empower women. Since its inception, a training of trainers (TOT) of 100 female staff was conducted on financial literacy, followed by a rollout campaign to 53 constituencies.

159. A UNESCO funded project on "Female Traditional Circumcisers through the promotion of alternative ways for self-actualization and self-sustenance" supported the Ministry in strengthening the capacities of 75 traditional female circumcisers to find alternative ways for self-actualization, self-esteem and self-sustenance through business skills development and startup support. They were trained and provided with material as startup capital (in kind).
160. The Fistula programme, through the ECOWAS Gender and Development Project, has been launched to support the treatment and reintegration of women and girls who are victims of the condition in The Gambia through BAFROW- a local NGO. The components of the fistula project include sensitization, treatment, re-habilitation, and re-integration. The project has assessed over 100 patients out of which 85 were repaired, 10 integrated and 5 underwent repeated surgeries.
161. The Ministry has strengthened the National Referral Mechanisms (NRM) for young migrants. The National Referral Mechanisms is a guide used to support categories of migrants. The objective of the NRM is to strengthen the institutional, technical and operational capacities of Government and Non-Government Agencies working in identification, family tracing, return and re-integration assistance to vulnerable migrants.
162. The Ministry and other stakeholders including development partners have successfully developed Standard Operational Procedures (SOPs) manual for the management of vulnerable children. The purpose of the SOPs manual is to help improve the quality and consistency of services countrywide for victims/ survivors and standardize the response to gender- based violence, sexual violence and violence against adults, children and others who are vulnerable or have disabilities. A training of trainers as well as a step-down training for service providers were also conducted at all levels.

Honourable Speaker

YOUTH & SPORTS

163. The Government of the Gambia through the Ministry of Youth and Sports (MoYS) continues to prioritize youth empowerment and sports development. The Covid-19 and Russia-Ukraine war have resulted to constraints on MoYS to meet its demand in terms of service delivery and provision of goods and services.
164. The National Enterprise Development initiative through funding from International Organisation for Migration (IOM) has trained 614 migrant returnees on business development and career guidance across the country. With funding by the government, 300 youth and women entrepreneurs were supported through the mentoring and coaching/ Advisory services for the sustainability of their business. In addition, through the Gambia Inclusive and Resilient Agricultural Value Chain (GIRAV) project under the Ministry of Agriculture CPCU, 20 youth and women were identified and supported with fencing, borehole, irrigation and farm inputs.
165. The National Youth Council, with support from development partners carried out activities including renovation of youth centers, training of youth and migrant returnees, and hosting of the National Youth Connect Summit 2022, which attracted many young people across the country.
166. MoYS plans to implement the Mandatory one-year National Service Program and soft skill training such as mobile repairs, website, satellite, electronic repairs, etc. The Ministry will also continue the rehabilitation and renovation of the stadium to meet the required standard for the hosting of international matches by March 2023. Additionally, MoYS plans to expand and strengthen the youth agricultural service and micro processing centers project to more regions; establish the General Merchandise project as a revenue stream; provide micro finance support to youth and women entrepreneurs; and work with

partners to build a regional enterprise business training center and hub for youth and women.

CROSS-CUTTING SECTORS

INTERIOR

167. In the last five years, the Ministry has embarked on a number of reforms aimed at making sure that the security services are more professional and responsive in their service delivery. For this reason, the Ministry of Interior has secured land for the construction of the Ministry of Interior Office Complex.
168. Gambia Commission for Refugees in collaboration with the National Agency for Legal Aids sensitized refugees on their rights, access to legal services and local integration procedures and opportunities.
169. Records have revealed that the trend of drug abuse is consistently on the increase, resulting in many of the youth experiencing drug-induced mental illness. To tackle this, the Drug Law Enforcement Agency intends to implement a rehabilitation program for victims of drug abuse to trigger a national shift from approaching drug abuse as a criminal justice issue to a public health problem.
170. The Gambia Fire and Rescue Services has received six Fire Engines from the FIFTY-SIX Partners through the Kanifing Municipal Council based in the United Kingdom (Emergency Service Aid Charity). The construction of the Baja Kunda Fire and Rescue Service Station has been completed and is fully operational.
171. Gambia Prison Service (GPS) through the intervention of the Government and partners has trained fifteen officers and fifty inmates on different skills, construction of staff quarters, and rehabilitation of prisons in Janjanbureh.

INFORMATION

172. The Government of the Gambia established the Ministry of Information following the decision to de-couple the Ministry of Information and Communication Infrastructure (MOICI) primarily to advance democratic pluralism and safeguard the fundamental rights and freedoms guaranteed under the 1997 constitution. The Ministry is working with partners and Civil Society Organizations (CSOs) to revitalize and decentralize the Rural Communities Information Centres (RCICs) across the country. This will promote social cohesion and equitable socioeconomic development outcomes.
173. The government through a collaboration with the media and Civil Society Organizations (CSOs) has enacted the Access to Information Bill (ATI). The enactment and presidential assent of the ATI Act 2021 symbolizes a complete departure from the historical adversarial media-government relationship to an era that pro-actively seeks to anchor symbiotic collaboration, consultation and inclusive governance. As a next step, the Ministry is working towards developing an ATI implementation strategy and framework.
174. In addition to the current endeavours, the Ministry is working on a plan to create a modern media/press centre to empower the actors in the information value chain and to advance press freedoms and open governance initiatives.

JUSTICE

175. The Government through the Ministry of Justice invested in the Transitional Justice processes especially in the Constitutional Review Commission (CRC) and the Truth Reconciliation and Reparations Commission (TRRC). These two processes together with local and international cases and arbitration matters were the Ministry's main focus.

176. The TRRC completed its public hearings, submitted its report and the Government released the White Paper in May 2022. Currently, the Ministry is at the stage of developing and implementing the recommendations of the TRRC white paper.
177. The Government of The Gambia is fully committed to the implementation of the White Paper and as such will establish the necessary structures for the prosecution of individuals adversely mentioned in Jammeh era crimes. This will include the creation of a Special Prosecutors Office and a Special Investigations Unit; finalisation of the Treaty between the Government of The Gambia and ECOWAS Commission with regards to cooperation in the establishment of internationalised Court for the prosecution of human rights violations committed; establishment of the Victims Reparation Commission for the Payment of Reparations emanating from the TRRC Report; and enactment of Legislation and Legislative Review for the establishment of an internationalised Court.
178. To ensure transparency and accountability, the Office of the Curator is part of the pilot scheme of the IFMIS System. Plans are currently underway to put the necessary equipment in place to get the system up and running.
179. The Companies Registry plans to open an office in Basse with a view to decentralizing the registration of Companies and also with the view of easy access. Efforts are also underway to upgrade the IT infrastructure to make the system more efficient. The office intends to embark on rigorous inspections to ensure compliance and increase revenue generation.

THE OMBUDSMAN

180. One of the Ombudsman's priority areas under the NDP is decentralization. To that effect, the government's approval for a new Ombudsman office in the Central River Region is being implemented. Additionally, the office of the Ombudsman has proposed the

opening of a new office in the West Coast Region, which will mark the completion of its presence in all the regions.

181. To strengthen its operations and actualize its broader mandate to the public, the Office of the Ombudsman has appointed investigators who will be posted to the various regional offices across the country.

182. In 2023, the work of the office will continue to be largely characterized by routine activities in terms of the investigation of complaints, visiting prisons and detention centers, as well as creating the needed awareness on the roles and functions of the office. Furthermore, the office of the ombudsman intends to deepen its work in the area of asset declaration, in line with Section 223 of the Constitution as an anti-corruption strategy to fight illicit enrichment in public office.

PUBLIC SERVICE, ADMINISTRATIVE REFORM, POLICY COORDINATION & DELIVERY

183. In a bid to create a merit-based system for promotion, training, and development and to strengthen effective service delivery within the Civil Service, the Ministry of Public Service Administration and Reforms has implemented a robust Performance Management System and also an effective and efficient recruitment process (E-Recruitment System) within the Civil Services.

184. Earlier this year, the Ministry led new initiatives through the Common Country Assessment (CCA) facility to forge a new Cooperation Framework that will replace UNDAF as the modus operandi designed to chart the strategic direction and results expected from this cooperation.

185. With the mandate of maintaining an up-to-date repository of sector policies and to improve the accessibility of government policies for easy reference, through the UNDP

Economic Management Project, an online policy database that compiled summaries of all sector policies into a Compendium of Government Policies was built. The Ministry can actively track key process indicators such as whether a mid-term or end-term evaluation of a policy has been completed or whether an expired policy has been updated.

186. The Ministry in collaboration with the Ministry of Finance and Economic Affairs is coordinating the ongoing NDP, SDG Coordination Mechanism Project funded by the UN Resident Coordinator's Office to interface all government data points into a dashboard. This will provide guidelines on how the government can address coordination gaps and growing challenges, streamline coordination and reporting and develop and adopt policies and systems that guide planners and decision makers on the level of progress on the NDP/SDG program.

187. The Ministry led the coordination of the MSDG fifth state in the national forum to support Gambia Diaspora participation in national development initiatives in partnership with other stakeholders. In addition, the Ministry led the implementation programs of the Governance and Leadership Project (2020-2022) that seeks to strengthen Inclusive Citizen engagement for more accountable governance in the Gambia.

188. The Ministry with support from the Commonwealth Secretariat, is working on re-institutionalizing a Performance Management System in the Civil Service that will hold MDAs accountable for what they are mandated to execute on an annual basis. The rule will be for all MDAs to enter into some form of performance contracting with the Office of the President that sets clear guidelines as to how they would be evaluated.

ENVIRONMENT, CLIMATE CHANGE AND WILDLIFE

189. The Ministry is continuously working with local, regional and international partners in trying to keep our environment and natural resources intact and has been leading the resource mobilization processes for the betterment of our country. All these activities

and strategies are geared towards the achievement of the goals of the National Development Plan (NDP).

190. The Ministry has advanced in the preparation of the West Africa Coastal Area (WACA) resilience investment program to the tune of US\$46 million. The project is to address coastal erosion, drainage systems and building resilience of communities in the country.
191. The Ministry of Environment, through the Ecosystem-based-Adaptation project is at an advanced stage on the construction of eight (8) multi-purpose centres and a central processing facility at Brikama-Ba in CRR, for the processing of forest and Agro-forestry natural resources products for value addition. The facilities which will provide employment opportunities, increase income generation for livelihood support and to better preserve natural products is set for operation before the end of the year.
192. On the restoration of mangrove ecosystems, the project has planted 200ha of mangrove ecosystem to support the improvement of marine ecosystem, which could be used for carbon trading in the near future.
193. In the area of biodiversity conservation, The Government of The Gambia has significantly invested in its human and financial resources in order to reverse the trend of biodiversity loss. This was partially achieved through its partnership with development agencies such as UNDP, GEF, and NGOs. All these initiatives have laid down the foundation of a solid and sustained institution responsible for Biodiversity conservation in the country.
194. The Ministry of Environment, Climate Change, and Natural Resources has engaged the Department of Parks and Wildlife Management and other relevant stakeholders to initiate the re-introduction and re-stocking of wildlife species by promoting public private partnership.

195. The Ministry has finalized and validated the guidelines for private sector involvement in natural resources management and exploring bilateral relationship with other countries to facilitate the capture, transfer and relocation of some extinct wildlife species into our various parks and reserves in the country.

LANDS AND REGIONAL GOVERNMENT

196. The Ministry, through its various departments has made significant achievements over the recent past. Some of the achievements include capacity building and strengthening of the decentralized structures; improvements in city planning and management; and a move towards digitalization. The programme for capacity building and strengthening of decentralized structures aims to further strengthen the institutional capacities of the decentralization structures (village and ward development committees, local councils, and community-based organizations in all regions). This will address strategic priorities one (1) and four (4) of the National Development Plan 2018–2021.

197. With regard to Banjul, the Ministry has embarked on the following initiatives—the development of a land use plan to improve the management of the use of land for residential versus commercial purposes; a Study of the Drainage System, which will facilitate the effective mitigation of flash flooding during the rainy season; and a planned demolition of dilapidated structures identified within the city, to protect lives and property.

198. On digitalization, the Ministry has also commenced the process of digitizing maps in order to enhance the efficiency and effectiveness of land management. Currently, the Ministry uses a coordinate system to geo reference land use report applications, which has minimized double allocation and land dispute.

FOREIGN AFFAIRS

199. The Government of The Gambia, under the leadership of His Excellency the President of the Republic would continue to undertake initiatives to bring about international actions through pro-active diplomacy that advance the national interests of the country and her citizens including those in the Diaspora, as well as to make a contribution to building a world community in which there is enduring peace and security, expanding freedom and lasting prosperity.
200. The Government's engagements with multilateral and bilateral partners over the years yielded far greater benefits for the country. This can easily be seen in the recent impactful engagements and conclusions with bilateral and multilateral partners, including the UN Peacebuilding Commission and other UN Agencies, AU, ECOWAS, OIC, IMF, WB, AfDB, IsDB, BADEA, SFD, amongst others.
201. As a country, our strategic interest in terms of geopolitics, economic, cultural, composition of our Diaspora and wider global engagements have changed over the years; hence the infrastructure needed to serve the new paradigm shift also needs to change both in terms of structure and resources.
202. In light of this, the Government's plan is to build a highly responsive, effective, efficient, professional and career-driven Foreign Service that would be better suited for its purpose. To achieve this, ongoing reforms will be expedited, and initiatives and other reforms will be undertaken geared toward institutional strengthening with emphasis on capacity building and improved service conditions for Foreign Service Officers. Policy documents such as the Foreign Service Bill will be finalized and submitted to the National Assembly in 2023.
203. It is of national interest for Government to own the properties it occupies in strategically located foreign missions. This is of utmost importance especially in countries of long-term interest. This is intended to bring about cost savings in the long term. The

Ministry of Finance and Economic Affairs will work closely with the Ministry of Foreign Affairs to implement this.

DATA AND STATISTICS

204. The Gambia Social Registry (GAMSR) is a consolidated database containing key information about current and potential beneficiaries of social protection programmes. The exercise has so far been completed in 36 districts. This includes all districts in URR, LRR, CRR, NBR and 5 districts in WCR (Fonis). Funds have been acquired from the World Bank to cover the remaining 4 districts of WCR and the listing of structures and households is in progress.
205. The State of Food Security and Nutrition in the World is an annual flagship report jointly prepared by FAO, IFAD, UNICEF, WFP and WHO to inform on progress towards ending hunger, achieving food security and improving nutrition and to provide in depth analysis on key challenges for achieving this goal in the context of the 2030 Agenda for Sustainable Development. The report targets a wide audience, including policy-makers, international organizations, academic institutions and the general public.
206. In order to adequately report on the SDG 2, the Bureau in collaboration with the Ministry of Agriculture conducted a Food Security and Nutrition Survey in September/October 2022, jointly funded by WFP and FAO.
207. To improve quality and timeliness, the Bureau is conducting a digital census in 2023 as per the requirements of the United Nations Principles and Recommendations for Population and Housing Censuses, Revision 3. In the same light, the Bureau will conduct the 2023 population census, as well as the Economic Census and the Integrated Business Enterprises Survey to rebase GDP from 2013 to 2022 for a more reliable estimation of the national economy.

208. The broad objective of the Labour Force Survey 2022 is to obtain comprehensive data on the status of national labour market. The survey provides data on the socio-economic characteristics of the labour force, informal sector activities and training needs of the labour market, educational levels for use in planning, policy implementation, monitoring and evaluation of Government programmes aimed at improving the livelihood of the population and especially the vulnerable groups. The household listing was conducted in August 2022 and the main fieldwork will begin in December 2022 and expected to be completed in January 2023. This survey is jointly funded by the GoTG, UNDP, ITC and ILO.

209. The Bureau plans to embark on the development and compilation of Quarterly Gross Domestic Product (QGDP) for the first time in The Gambia. This exercise began in March 2021 and the preliminary estimates from 2013 to the 2022 will be published by the end of the first quarter of 2023. The objective of this exercise is to provide a comprehensive assessment on the performance of The Gambia's economy on a short-term basis, as well as to establish comparability of economic statistics across the sub-region.

210. In 2023, the Bureau plans to re-base the Consumer Price Index from January 2019 to January 2022 using 2019/20 Integrated Household Survey data; and disseminate the key findings of the 2020/21 Integrated Household Survey.

REVENUE ADMINISTRATION

211. The Gambia Revenue Authority has faced challenges in revenue collection as a result of the Russia-Ukraine crisis so far this year, but ongoing reforms have contributed positively towards performance.

212. Some of the notable reforms carried out this year include the roll out of the enhanced version of GAMTAXNET in all the tax offices across the country; increased efficiency of the withholding tax regime; introduced data matching of third-party

information; increased tax audit coverage and yield; improved tax arrears collections and management; increased enforcement exercises; and improved taxpayer services and education programs among other interventions.

213. Additionally, the Authority launched the ASYCUDA World system at all main border posts, as part of efforts to modernize and digitalize revenue collection systems. The ASYCUDA World offers a web-based platform for importers, exporters or their agents to log into the system from the comfort of their homes or offices; make declarations; assess themselves and make payments at any commercial bank without the need to visit any GRA Office. For easy understanding of the system, the Authority has drafted the Tax Agent Regulations and ASYCUDA World regulations. Recent reports indicate that the ASYCUDA World has greatly improved revenue collection.

214. In other areas of digitalization, the Authority is working on implementing an Integrated Tax Administration System (ITAS) for the administration of domestic taxes; migrated from EPICOR 9 to 10 in line with Government's PFM reform agenda; and as part of efforts to integrate risk management in all GRA operations and activities, the Authority procured a new Enterprise Risk Management System and software.

REVIEW OF THE IMPLEMENTATION OF THE REVISED 2022 BUDGET

215. Total outturn for expenditure and net lending is projected to reach D30.7 billion against the revised Budget of D31.1 billion. In comparative terms, the end year projection is estimated at D412 million below the revised Budget. This is mostly as a result of lower performance of domestic revenue collections.
216. On debt Interest, the end year projection of D3,484 million will overshoot the revised budget by D442 million. This is mostly relating to the increase in both domestic and external debt service due to the appreciation of the USD and the increasing cost of domestic debt.
217. Personnel cost as at end 2022 is estimated to record D386 million below the revised budget amount of D5, 752 million, compared to a projected yearly outturn of D5,366 million (see details in table in Annex 4).

MEDIUM TERM GROWTH OUTLOOK

218. Recovery and growth prospects over the medium term will be subdued as conditions remain precarious as a result of the conflict. With economies across the world being negatively impacted by the Russia-Ukraine conflict and global growth projections being revised downwards, the medium term promises to be challenging. Although the West grapples with the effect of the conflict on their real incomes, tourist arrivals for the 2022-23 tourist season have improved, signaling positive moves towards recovery in the services sector. Performance in the Industry sector is expected to decline slightly as most of its subsectors are directly or indirectly impacted by supply chain disruptions associated with manufacturing and construction inputs which are usually imported from the war zone. Due to uncertainty in the prospects for Industry and trade, the economy will rely heavily on the other productive sectors to perform as projected in the medium term. The risk of a poor rainy season in the medium term could also exacerbate volatility hence recovery efforts must be premised on a strong commitment to medium-term policy reforms to ensure resilience.
219. The agriculture sector is expected to continue on a steady path to recovery after the downturn in 2021 with growth rate projected to increase to 6.5 percent in 2023 and averaging 5.3 percent by 2026. This projection is largely on the back of two factors, first is the improved investment efficiency in agricultural projects coupled with increased private sector participation in rice and vegetable farming; and second, the increase in fish production, which, by 2022, represents more than 50% of total Agriculture production. The increased use of the Gambia Strategic Review Board (GSRB) for project screening and selection will further strengthen efficiency in agricultural projects which, in the past, suffered from gross inefficiency in public investment management. Fish output is also expected to perform well over the medium term.
220. Whilst Industry continues to be the main growth driver, its path to recovery from the pandemic has suffered yet another setback from the conflict, coupled with some major projects under construction coming to an end in 2022. As a result, growth is expected to

hit 6.7 percent in 2023 and remain on an average rate of 6.5 percent until 2026. With the OIC nearing, construction of roads and other infrastructure for the conference should be completed in 2023, signaling an expected slowdown in investment in public construction thereafter. Similarly, private construction also faces the risk of a slowdown as we have already started experiencing a decrease in the flow of private remittances as cost of living in the West soars. Although the slowdown in construction will reduce sand mining, the mining and quarrying subsector is expected to remain on a decent path in the medium term due to the increase in export of Heavy Mineral Concentrates (HMCs).

221. The Services sector is expected to register a subdued recovery over the medium term from the effects of the pandemic and the war. Growth is projected at 3.8 percent in 2023 ramping up to 5.9 percent by 2026, with Hotels and Restaurants and Wholesale and Retail Trade being the main drivers of the recovery. Tourism is expected to recover from the COVID disruption by 2026 when the arrival of tourists will match the arrivals of 2019 pre-COVID.

222. On the fiscal front, the domestic revenue collection is projected to increase from D15.9 billion in 2022 to D16.9 billion in 2023. This positive growth trend is expected to remain consistent over the medium term reaching an average growth of 13% in nominal terms from 2023 to 2026. This reflects robust revenue mobilization efforts and the implementation of the GRA reform agenda geared towards improving compliance and expanding the tax-base. Through support from the World Bank, MOFEA, in collaboration with the GRA has been working closely with a consulting firm to carry out a tax expenditure assessment which will lay the foundation for a comprehensive tax expenditure policy. This process has been completed and staff of the Ministry, GRA and other key stakeholders have been trained on the tools used in tax expenditure analysis. As part of the reforms, the Ministry has established a Revenue and Tax Policy Directorate to handle all tax related issues going forward. This is all geared towards increasing domestic revenues over the medium term.

223. Total grants are anticipated to increase from D10.7 billion in 2022 to D14.6 billion in 2023. It is expected that Total Grants will increase along the projection period. The Budget Support grants will reach GMD 2.9 billion by 2026, from the GMD 2.7 billion expected in 2023. On Project Grants, these will move from GMD 11.8 billion in 2023 to GMD 14.2 billion by 2026. The increment in Project Grants reflects the potential of new investment projects that will support the rapid growth of the economy in the medium term despite the adverse circumstances in the international markets. The 2023 budget support have already been discussed with development partners and passed the test for inclusion in the budget.
224. Total government expenditure is projected to increase from D31.2 billion in 2022 to D35.4 billion in 2023, and over the medium-term, it is expected to increase gradually to the tune of D42.8 billion. The projected increase in total expenditure is largely attributed to an anticipated increase in capital expenditure due to the ongoing road projects; (urban roads such as Kanifing-Brufut; and rural roads such as Nuimi-Hakalang, Sabach Sanjal, etc.); the expansion of the Bertil-Harding Highway for the OIC Summit; and the new salary increase applied from 2022 to 2026.
225. As economic conditions remain fragile and vulnerable to shocks, the most recent Debt Sustainability Analysis by the IMF assessed the country to remain at high risk of debt distress with limited borrowing space. This requires continuous and coordinated policy efforts to lessen the risk. The current Medium Term Debt Strategy's objective is encouraging for the strengthening of financing from both external concessional and longer-term domestic debt instruments, to improve the debt indicator thresholds and subsequently result in a more sustainable public debt path.

SALIENT FEATURES OF THE 2023 BUDGET

1. Increase in revenue by 18% on the back of improvements in revenue administration and collection through digitalization at the GRA and the Senegambia Bridge, among others.
2. Increase in expenditure by 14% mostly attributed to increases in capital expenditure on key infrastructure projects in both rural and urban Gambia.
3. The budget deficit in 2023 as a percent of GDP is estimated to decline to 3 percent compared to 4.5 percent in 2022 and therefore result to a reduction in the net domestic borrowing by 52.4 percent.
4. Increase in allocation to agriculture by 69% from 2022
5. Social sectors-education, health and agriculture spending accounts for 33% of the budget.
6. Capital Expenditure will constitute 35% of the budget to build the infrastructure and capital base for economic development.

MEDIUM TERM POLICY REFORMS

To ensure fiscal sustainability and improve future conditions in terms of revenues and expenditure management, the following reforms will be initiated:

1. Development of a travel policy for the entire public sector to ensure value for money.
2. Extension of performance contracts to all SOEs with a view to improving their financial viability, service delivery, and reducing fiscal risk to the budget.

3. Strengthening of Public Investment Management through the institutionalization of medium-term Public Investment Programme for all sectors, and ensuring all public investments pass the Gambia Strategic Review Board selection criteria.
4. Restructuring and rationalization of subvented agencies.
5. Development of a Domestic Resource Mobilization Strategy to enhance revenue collection.
6. Development of a Foreign Service Policy with the aim of rationalizing foreign missions.
7. Finalization of the Vehicle Policy and commencement of implementation as a matter of urgency, in order to rationalize expenditure on the purchase of vehicles, fuel and maintenance. This will be managed to address the concerns of the vulnerable—particularly existing drivers.
8. Review of the vehicle management plan by Riders for Health to rationalize costs.
9. Fiduciary elements of donor interventions will be housed at MOFEA, whilst the Programme implementation of these projects will be housed at the line Ministries.

2023 REVENUE MEASURES

1. Increase the excise tax on tobacco¹.
2. Revision of immigration fees of non-Gambians in line with regional benchmarks².
3. Introduction of an ad-valorem tax of 5% on used tyres.
4. Revision of duty waiver application fees³.
5. Introduction of 5% environmental tax on second-hand goods/materials which do not currently attract an environmental tax.
6. Security levy – 6% on ALL insurance premiums (monies will be collected by the insurance companies).
7. Introduction of the deduction of rental income tax at source for all commercial rental properties.
8. Increase in the Expatriate Quota tax for Non-ECOWAS Residents from D40,000 to D50,000. The Expatriate Quota Board will be strengthened to ensure proper monitoring.

¹ See schedule 1 in Annex 5

² See Schedule 2 in Annex 5

³ See schedule 3 in Annex 5

Honourable Speaker

CONCLUSION

226. Let me conclude by drawing the attention of this August Assembly to the very challenging and unprecedented position we find ourselves in, as we draw the curtains on the 2022 fiscal year and prepare for 2023. As a result of the back-to-back shocks to economies across the world, global economic prospects have worsened in the recent past and this has unfortunately trickled down to the domestic economy. As we work tirelessly to surmount the challenges, it is worthy to note that the outlook remains grim.

227. This position has forced us to look inwards and in so doing, we have come to the realization that we must build resilience from within, if we are to weather this storm. Therefore, as tough as these challenges may be, we acknowledge and fully embrace the opportunities that they come with. It is, therefore, a time for a serious commitment to reforms in critical areas to reinforce macro-fiscal sustainability in the medium term, in order to increase revenues and ensure value for money in expenditures. This includes innovation in all sectors of the economy, especially by leveraging technology to digitalize and transform our economy, in strong partnership with the private sector. We believe in local solutions to local problems and these unprecedented times have made this crystal clear.

228. The baseline economic scenario presented here describes a fragile path for public finance in the short and medium term, where serious reforms must be made to achieve sustainable economic growth, reduce vulnerability to external shocks, and ensure budget support grants in the medium term.

229. From the Government's side, a strong commitment to fiscal discipline across MDAs is crucial to reducing expenditures and committing to budget constraints in the near future. In 2019 Government instituted a policy on the management safeguards of revenue through controls in granting tax exemptions in government concessions or contracts. To

this end, this is a reminder that Government will not honour any tax exemptions granted by MDAs in concessions or contracts without prior consultation with the Ministry of Finance and Economic Affairs. Furthermore, all exemptions of direct taxes in Government concessions or contracts will be re-examined and terminated where they are not in compliance with existing tax laws.

230. The Government remains committed to intensifying resource mobilization starting from 2023, for the RF-NDP and vision 2050. These will serve as anchors for development efforts in the medium term and inform the Public Investment Programme as well as regional development strategies.

231. The recent shocks to the global economy have brought to light the simple fact that the world has become a global village. With that said, the urgent need for stronger collaboration to tackle our shared challenges and get on a path to recovery cannot be over-emphasized. To this end, The Gambia continues to benefit from the unwavering support of development partners in tackling key challenges and advancing our national development agenda.

232. On that note, on behalf of the Government and the entire Gambian population, I will use this occasion to register our profound gratitude to all Development Partners for remaining resolute in their support to our development agenda. It is with deep appreciation that I mention the World Bank Group, the International Monetary Fund, the European Union, UN Agencies, GIZ, International Trade Centre, ENABEL, the African Development Bank Group, the African Union, the Islamic Development Bank Group, the OPEC Fund for International Development, the International Fund for Agricultural Development, the Commonwealth, the Arab Bank for Economic Development, ECOWAS, the Red Cross, the MRC Holland Foundation, the Kingdom of Saudi Arabia and the Saudi Fund for Development, Kingdom of Morocco, Turkiye, the State of Kuwait and the Kuwaiti Fund, Russia, The People's Republic of China, Japan, South Korea, the Republic of France, The United Kingdom, and the United States of America.

233. I would also like to thank His Excellency, President Adama Barrow, for his tremendous support for the mostly difficult positions we have been compelled to take this year. The Ministry is in no doubt of the continued support from not only the Office of The President but that of the entire Cabinet, as we embark on what promises to be a challenging year. To emerge from this period with macroeconomic stability and resilience, we must be willing to make sacrifices, and I have no doubt that we can count on the required support from all Gambians.

234. The year 2023 will be challenging as all economic forecasts indicate. However, tough times call for re-doubling of efforts to ensure we build the resilience and capability to weather the storm. The implementation of the 2023 budget will require all and sundry to observe stringent fiscal rules, mobilize the domestic resources to deliver the development aspiration of the country.

On this note, Honourable Speaker, I beg to move.

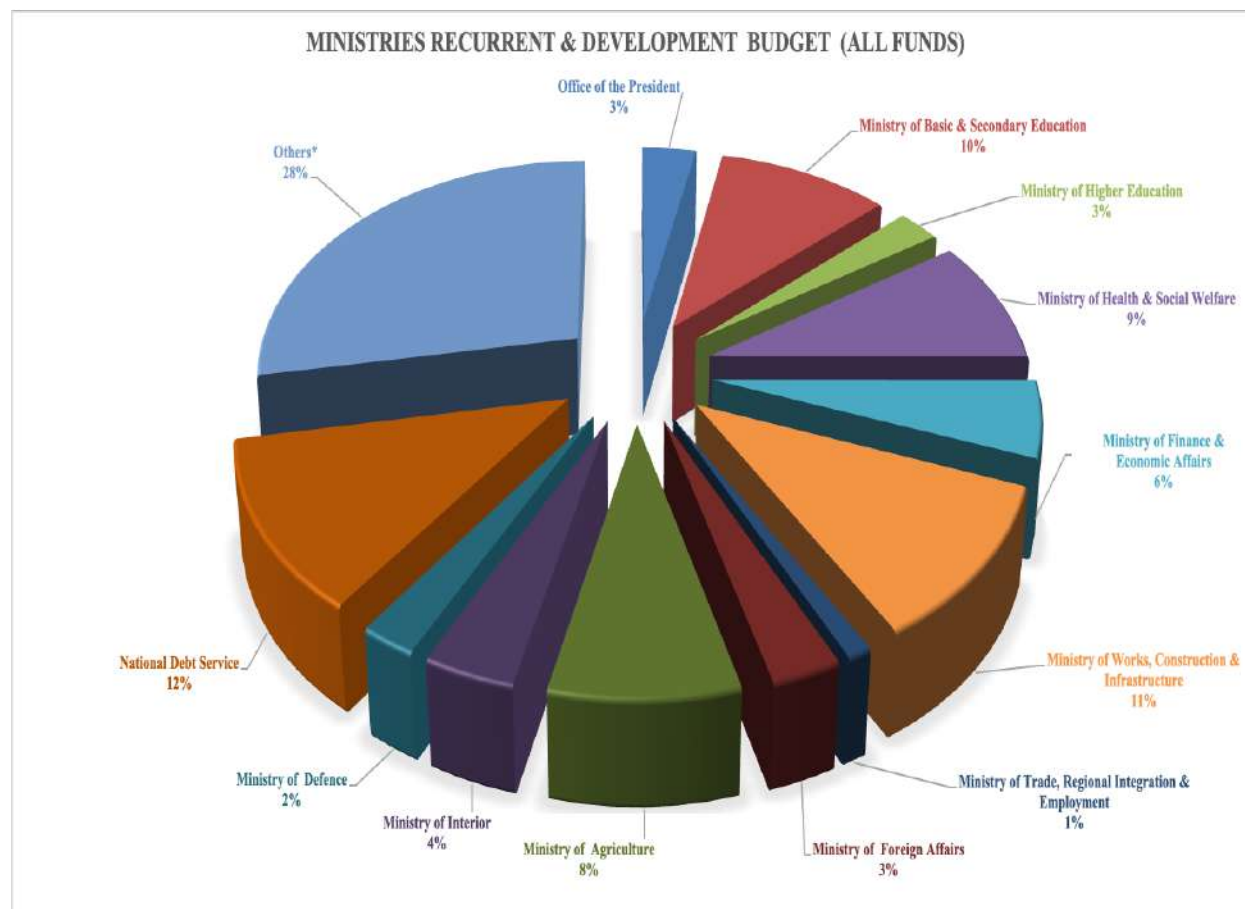
ANNEXES

ANNEX 1

SECTOR ALLOCATION FOR 2023 BUDGET

Ministries Recurrent & Development Budget (All Funds)	D' Millions	% of Total
Office of the President	1,121.91	3.19
Ministry of Basic & Secondary Education	3,563.48	10.15
Ministry of Higher Education	869.08	2.47
Ministry of Health & Social Welfare	3,231.94	9.20
Ministry of Finance & Economic Affairs	1,960.20	5.58
Ministry of Works, Construction & Infrastructure	3,906.40	11.12
Ministry of Trade, Regional Integration & Employment	367.94	1.05
Ministry of Foreign Affairs	1,036.77	2.95
Ministry of Agriculture	2,792.40	7.95
Ministry of Interior	1,356.36	3.86
Ministry of Defence	837.49	2.38
National Debt Service	4,307.72	12.27
Others*	9,766.77	27.81
Total	35,118.47	100.00

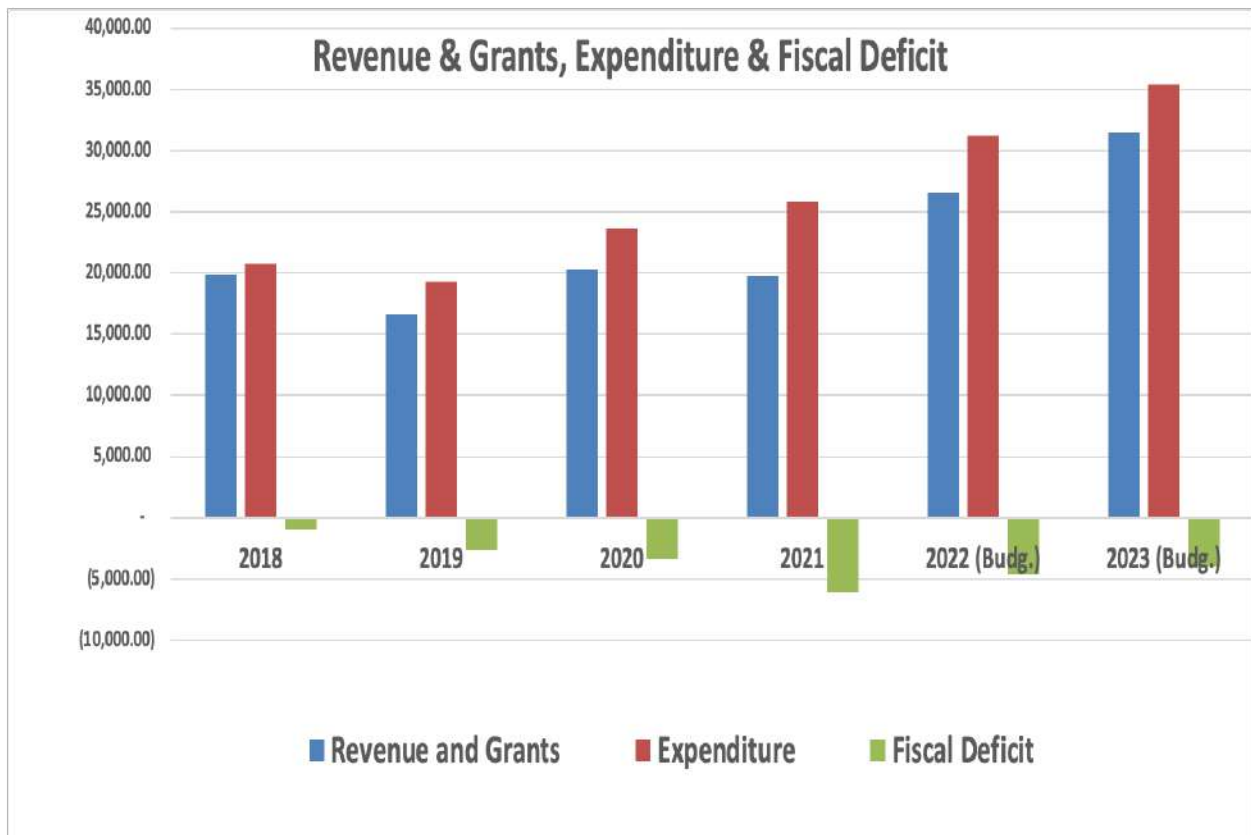
*Others: Ministries not listed above



ANNEX 2

Revenue & Grants, Expenditure and Net Lending and Fiscal Deficit 2010 - 2023

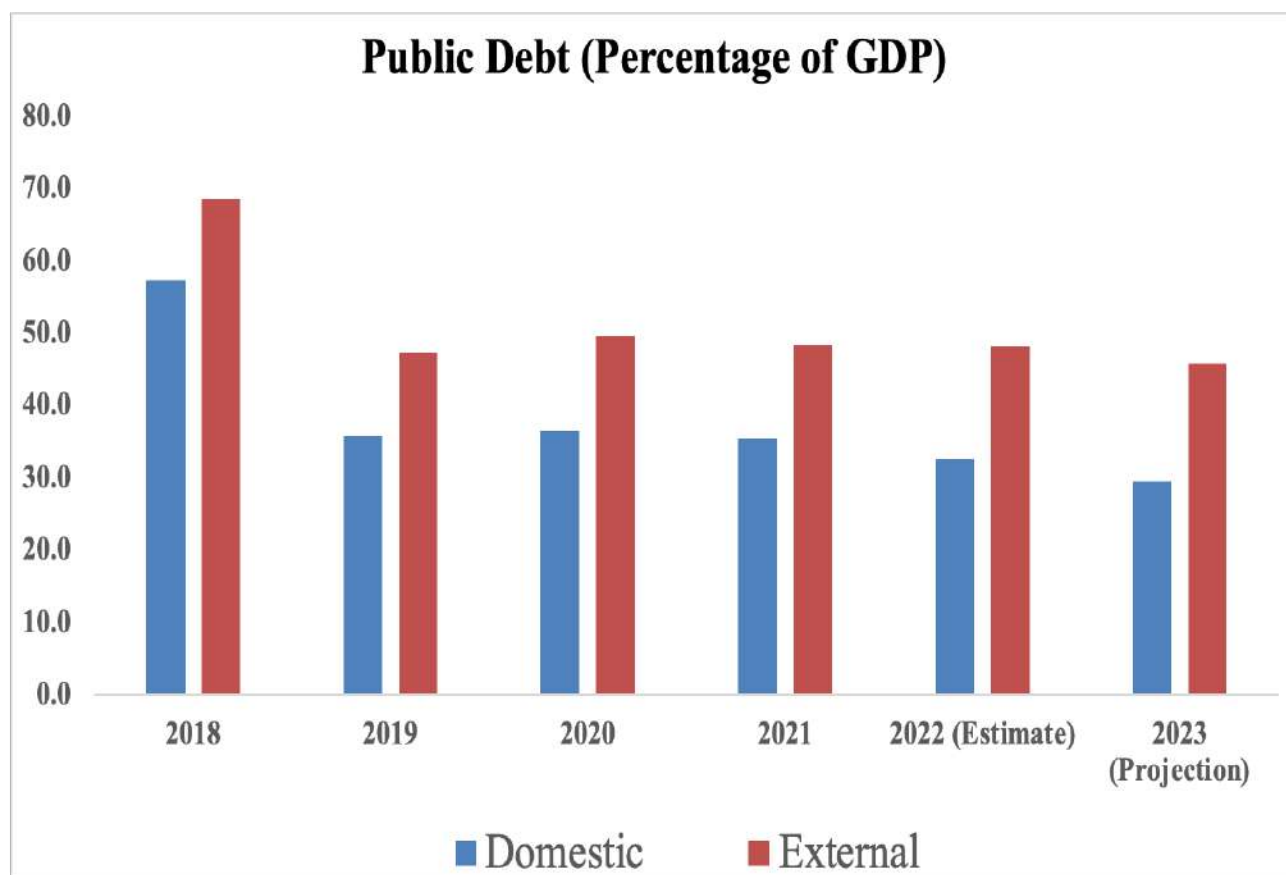
Year	Revenue and Grants	Expenditure	Fiscal Deficit
2018	19,844.86	20,766.83	(921.97)
2019	16,683.00	19,320.00	(2,637.00)
2020	20,266.17	23,635.73	(3,369.56)
2021	19,761.77	25,856.15	(6,094.38)
2022 (Budg.)	26,595.39	31,184.88	(4,589.49)
2023 (Budg.)	31,483.91	35,417.08	(3,933.17)



ANNEX 3

PUBLIC DEBT (PERCENTAGE OF GDP)

Public Debt	2018	2019	2020	2021	2022 (Estimate)	2023 (Projection)
Domestic	57.3	35.8	36.4	35.4	32.5	29.5
External	68.6	47.2	49.5	48.4	48.3	45.8



ANNEX 4

Implementation of Revised 2022 Budget

Column1	Outturn (Q1-Q3)	Q4 Projection	Projected End-Year Outturn	Revised Budget 2022	Variations
Revenue & Grants	14,309.91	8,140.56	22,450.47	29,868.84	7,418.37
Domestic Revenue	10,308.20	3,996.65	14,304.85	16,509.22	2,204.38
Tax Revenue	8,205.92	3,085.31	11,291.23	12,649.68	1,358.45
Tax on International Trade	3,306.93	1,352.86	4,659.79	5,825.49	1,165.70
Non-Tax Revenue	2102.28	911.33	3,013.62	3,859.54	845.92
Grants:	4,001.71	4,143.91	8,145.62	4,001.71	(4,143.91)
Program	1027.95	1,726.58	2,754.53	1,027.95	(1,726.58)
Project	2973.76	2,417.33	5,391.09	2,973.76	(2,417.33)

Item	Outturn (Q1-Q3)	Q4 Projection	Projected Outturn	End-Year	Revised 2022	Budget	Deviations
Total Expenditure & Net Lending	16,099	14,553		30,652		31,064	412
Debt Interest	1,807	1,677		3,484		3,042	442
Other Expenditure	14,292	6,438		20,730		28,236	7,506
Personnel	4,111	1,255		5,366		5,752	386
Other Current	7,625	1,757		9,382		10,468	1,086
Capital	2,556	3,426		5,982		12,016	6,034
Net lending						- 214	-214

ANNEX 5

Revenue Measures

Schedule 1: Excise Tax on Tobacco

Item	Current Rate	Proposed Rate
Specific excise tax on cigarettes, cigars/cigarillos	D30/pack	D35/pack
Environmental tax on cigarettes and cigars	D3.22/pack	D5.22/pack
Excise tax on all other tobacco products	D399/kg	D420/kg
Environmental tax on all other tobacco products	D185/kg	D200/kg

Schedule 2: Immigration Fees for Non-Gambians

SN	ITEM	Current Actual Price (D) SEMLEX	Proposed Price (D) SEMLEX
1	ECOWAS ID Cards	400	400
2	Non-Gambian ID	650	650
3	Permit A (Ecowas)	1,850	3,000
4	Permit A (Non-Ecowas)	1,850	3,000
5	Permit B (Ecowas)	1,850	2,500
6	Permit B (Non-Ecowas)	3,100	5,000
7	Alien Card	1,500	2,500
8	Entry Visa	3,000	7,000
9	Entry Clearance	3,000	7,000
10	Machine Readable Passport	1,000	3,000
11	Biometric Passport	500	500
12	Extension	1,000	1,000
13	ETC	250	250
14	Naturalization & Registration		
	ECOWAS nationals	5,000	25,000
	Non-ECOWAS nationals	15,000	75,000

Schedule 3: Duty Waiver Application Fees

Item	Current Rate	Proposed Rate
Returning Diplomats	D 2,500	D5,000
Diplomatic Missions (Embassies/UN Agencies)	D 2,000	D10,000
Donor Funded Projects, NGO/Charitable Organizations and Others	D 5,000	D15,000