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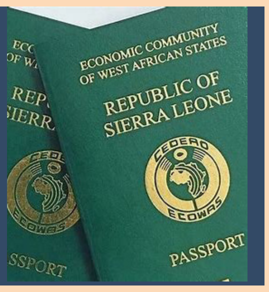

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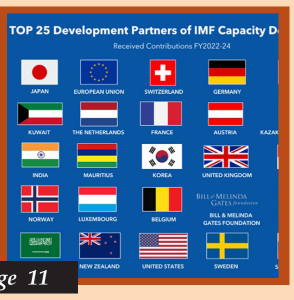
Knowledge Zone

Facts About The IMF



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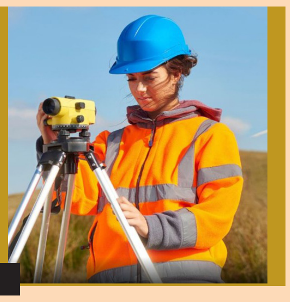
Women Losing Out On Green Jobs



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Global Employment To Leap 14% By 2030

By Ibrahim Mansaray

The World Economic Forum (WEF) estimates the creation of approximately 170 million new jobs – about 14% of current employment – by 2030.

This contrast with the displacement of estimated 92 million existing positions (8% of total employment). This, according to WEF would results in a remarkable structural labour market churn, culminating in 22% of the 1.2 billion formal jobs.

The reshaped global labour market and projected significant changes would focus on five macro-trends, technological change, the green transition, economic uncertainty, geoeconomics fragmentation, and demographic shifts. By synthesizing employer expectations regarding job growth and decline, the report estimates a net increase of approximately 78 million jobs (approximately 7% of today's total) by 2030, despite the concurrent displacement.

Conversely, the anticipated displacement of 92 million jobs represents a critical challenge that workers, businesses, and governments will need to address. The sectors most susceptible to job losses are those reliant on

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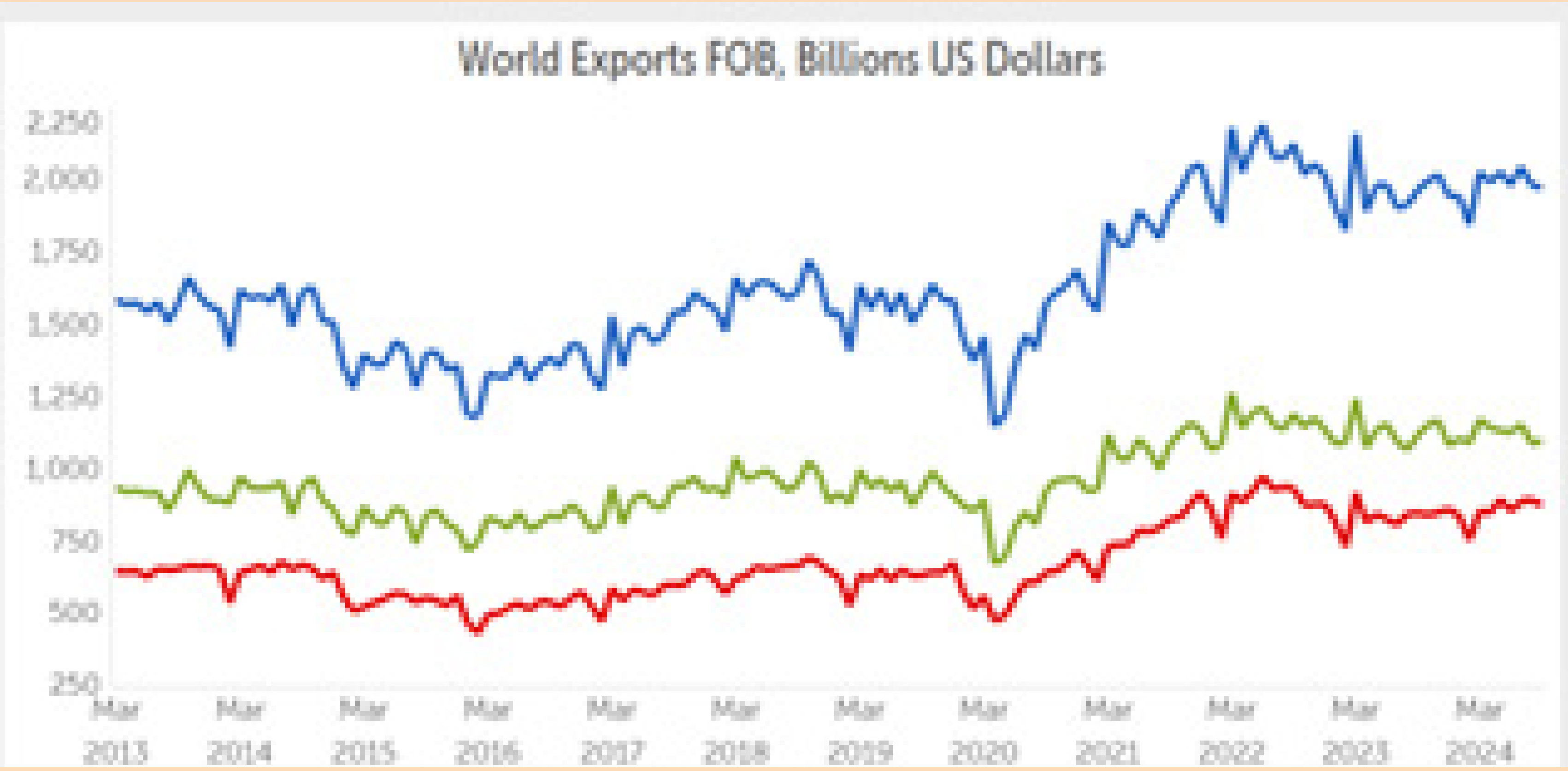


Tax Reform To Boost Domestic Revenue

A comprehensive Medium-Term Revenue Mobilization Strategy (MTRS) has commenced. It aims at enhancing domestic revenue collection. This initiative hopes to push domestic revenue from 8.7% of Gross Domestic Product (GDP) in

Continued **PAGE 13**

Salone Projects 4.5% rise In Economic Growth

By John Kelly Marah

A projected growth rate of 4.5 percent has been projected for fiscal 2025. In its Fiscal Strategies Statement for 2025–2027, the Ministry of Finance (MoFi) outlined measures to bolster economic resilience in the face of global challenges, with a particular focus on strengthening the mining and agriculture sectors.

'The global economic landscape remains fraught with uncertainties, including rising inflation, supply chain disruptions, and geopolitical tensions. Despite these challenges, Sierra Leone's government has adopted strategies aimed at safeguarding macroeconomic stability and stimulating growth'.

Minister of Finance, Sheku Bangura, speaking on this explained that the projected growth is underpinned by ongoing reforms and targeted investments. "Our focus on mining and agriculture—key drivers

Continued **PAGE 4**

World Business Briefs

Good News From Côte d'Ivoire

The Ivoirien economy has performed strongly over the past decade, with GDP growth averaging 6.4 percent, inflation hovering around 2.2 percent, and a declining proportion of the population living below the national poverty line. The country has maintained macroeconomic stability despite the major shocks that have buffeted the world in recent years.

Nonetheless, structural obstacles persist, including the informal nature of employment, which has diminished but remains pervasive, thereby complicating the country's mission to achieve stronger and more inclusive growth, broaden the tax base, and deepen the ongoing

IFC Partners ACCIONA

The International Finance Corporation (IFC), a member of the World Bank Group, has announced a strategic partnership with ACCIONA, a leading global infrastructure company. This collaboration, which aims to advance sustainable infrastructure projects across emerging markets, has started with two major initiatives: decarbonizing Peru's energy mix and enhancing public transportation in Brazil.

In Peru, IFC will support three of ACCIONA's power transmission projects designed to strengthen

United States' $5.5bn For IFC.

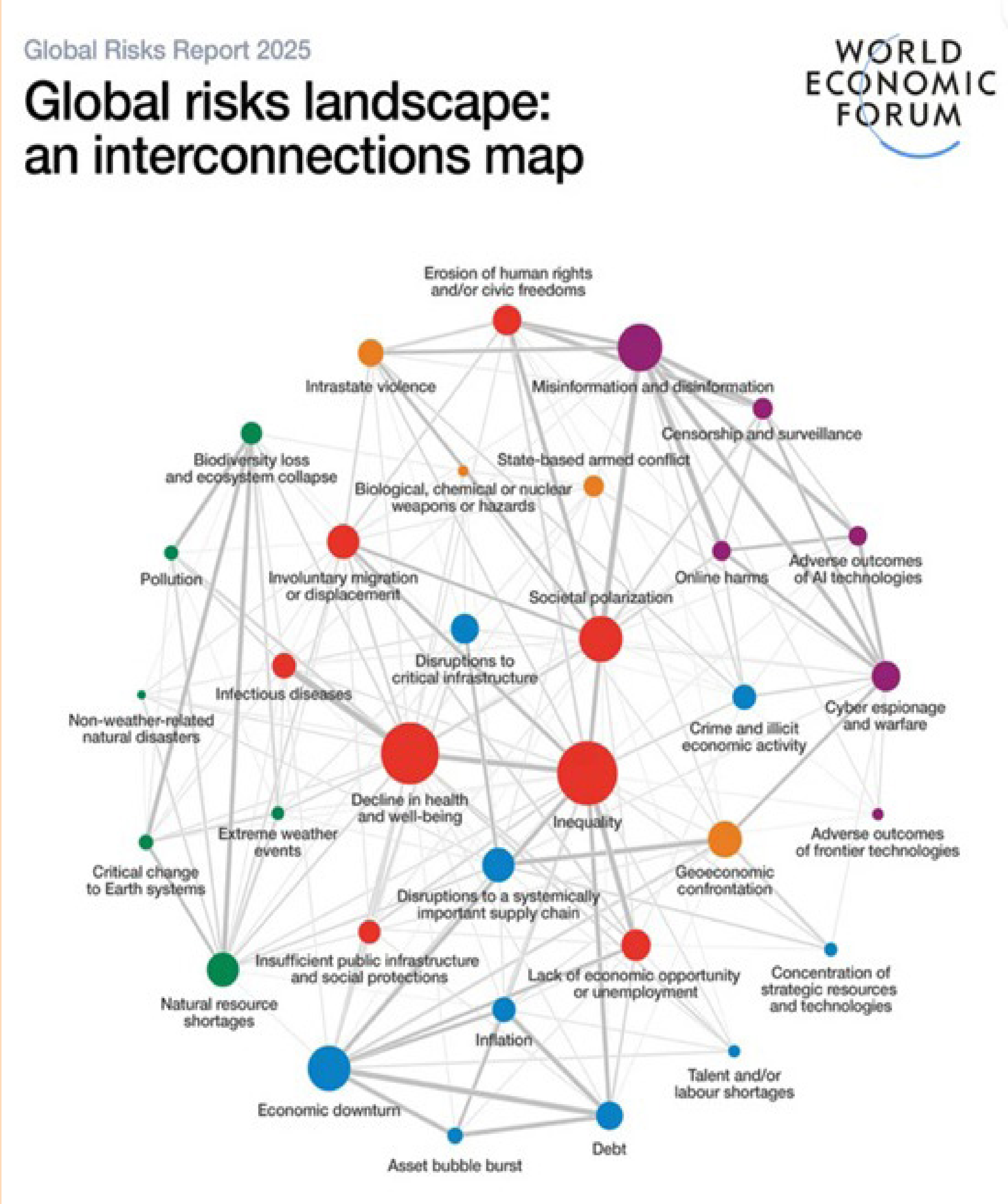
The World Bank Group welcomes the United States' authorization of the $5.5-billion capital increase for the International Finance Corporation (IFC) as part of the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), signed into law recently. The law also includes authorization of the United States' welcome pledge to the 19th replenishment of IDA (IDA-19), the World Bank's fund for the poorest countries.

The authorization of the capital increase for IFC, a member of the World Bank Group focused on the private

$2.0 Billion For Emerging Market

IFC, a member of the World Bank Group, issued a three-year social bond, raising $2.0 billion to support low-income communities in emerging markets. The transaction represents IFC's largest ever social bond, and the largest US dollar denominated social bond issued by a supranational. The orderbook reached a total size of $11 billion, IFC's largest ever order book for a single bond issuance. It follows a 1 billion Australian dollar denominated social bond issued by the corporation last week.

Announced on Monday, the orderbook grew steadily during the marketing process and continued to do so throughout the bookbuild. "In an era marked by rising inequality and poverty, social bonds have emerged as a crucial tool



Strong Demand Trails Tech Jobs

Big Data Specialists, FinTech Engineers, AI and Machine Learning Specialists, Autonomous and Electric Vehicle Specialists, and Environmental Engineers have been identified as the fastest growing job roles globally.

These roles primarily benefit from technological advancements and the green transition, indicating a strong demand for skills in innovation and sustainability. Whilst the fastest declining job roles are Cashiers and Ticket Clerks, Administrative Assistants, Accountants and Auditors, and Printing Workers, the decline in these positions underscores the growing role of automation and AI in reshaping the workforce, revealing a change away from routine clerical tasks.

> A crucial aspect of the transformation detailed is the shifting relationship between humans and machines.

A crucial aspect of the transformation detailed is the shifting relationship between humans and machines. By 2030, it is anticipated that the balance of work tasks will significantly change, with a projected reduction in those predominantly performed by humans. Approximately 47% of tasks are currently done by humans; this will decrease as automation and collaboration with machines become more prevalent. While automation may displace certain roles, it also holds the potential to augment human work, enhancing productivity and efficiency.

Furthermore, labor market policies cannot afford to rely solely on job creation. Support for unemployed individuals through social safety nets, retraining programs, and mental health resources will play an essential role in cushioning the impacts of job displacement.

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Transformative Trends and Workforce Dynamics

The 2025 jobs report by the World Economic Forum(WEF) has reveal significant insights into the evolving global labour market, projecting both profound transformations and nuanced challenges. With input from over 1,000 leading global employers representing more than 14 million workers across 22 industry clusters and 55 economies. Below is a breakdown of the core findings and their implications for the future job landscape:

•Technological Change - (The Driving Force)

Among the surveyed employers, 'broadening digital access' emerges as the most transformative trend, with 60% predicting it will reshape their businesses by 2030. The increasing integration of technologies particularly artificial intelligence (AI) and information processing (86%), robotics and automation (58%), and energy generation innovations (41%) is set to revolutionize job profiles. This shift emphasizes the urgent demand for technology-related skills, with AI and big data, networks and cybersecurity, and technological literacy expected to be the three fastest-growing skill sets.

•Economic Conditions and Cost of Living

The cost-of-living crisis ranks as the second-most transformative force shaping business strategies, with roughly 50% of employers forecasting a significant impact by 2030. Interestingly, while global inflation is projected to decrease, economic slowdown remains a pressing concern, with 42% of businesses anticipating changes due to this trend. The report warns that a net loss of 1.6 million jobs could result from economic factors, underscoring the need for skills in creative thinking, resilience, and agility.

• Green Transition—A Change Toward Sustainability

Climate change's role in the labour market is undeniable, with climate change mitigation ranked as the third-most important trend. Approximately 47%of organizations foresee significant transformations driven by the green transition, which is generating high demand for positions such as renewable energy engineers and environmental engineers. This trend has also ushered in a focus on environmental stewardship, now included among the top ten fastest-growing skills.

• Demographic Shifts—An Aging and Expanding Workforce

Two demographic trends are emerging prominently, the aging population in higher-income nations and the growing working-age population in lower-income countries. Each presents unique challenges and opportunities. The demand for roles in healthcare (e.g., nursing) is surging as older populations require more services, while expanding younger populations will drive growth in education sectors. Consequently, skills such as talent management, mentoring, and self-awareness are increasingly vital.

• Geo-economics Fragmentation—Navigating Tensions

The increasing geoeconomics fragmentation and geopolitical tensions are set to reshape business models. Findings indicate that 34% of organizations expect these trends to impact their strategies significantly, with 23% of employers highlighting increased trade restrictions as a notable factor. This has led to a spotlight on network and cybersecurity skills and human-centred abilities such as leadership and flexibility essential in navigating these turbulent waters.

Fiscal Strategy Focuses On Inflation and Exchange Rate

The Ministry of Finance's fiscal strategy statement for 2025-2027 highlights the critical importance of addressing inflation decline and exchange rate stability as pillars of macroeconomic stability and growth. This analysis delves into the risks and assumptions underpinning the ministry's macroeconomic forecasts, focusing on:

Key Assumptions: The government's projections are predicated on robust agricultural output, steady global commodity prices, and increased foreign direct investment inflows. A stable political environment is assumed to bolster investor confidence and foster economic recovery.

Risks to Stability: The strategy acknowledges external and internal risks, including volatility in global markets, potential disruptions in international aid, and domestic challenges such as public debt pressures and vulnerabilities in key sectors like mining and energy.

Policy Interventions: Fiscal measures include enhancing revenue collection efficiency, broadening the tax base, and prioritizing spending on critical infrastructure and social programs. Strategies to stabilize the exchange rate involve diversifying export earnings

> **Risks to Stability: The strategy acknowledges external and internal risks, including volatility in global markets, potential disruptions in international aid, and domestic challenges such as public debt...**

and strengthening foreign reserves.

To curb inflation, the ministry plans to collaborate with the central bank on implementing prudent monetary policies while addressing supply-side constraints in key sectors like agriculture and energy.

This report underscores

Employers Firm Up To Global Challenges

Employers are increasingly acknowledging economic pressures as pivotal transformation tools in dealing with the volatility and unpredictability of the market.

As at early 2025, global economic prospects remain a blend of cautious optimism and unpredictability. Insights from the WEF's Chief Economists Outlook indicate that while inflation has decreased and economic conditions have stabilized, concerns linger. Low-income countries face compounded challenges, grappling with inflationary pressures, particularly in services and food prices. The International Monetary Fund (IMF) forecasts stable global growth at 3.2% in 2025; however, the divergence in economic conditions among regions remains prominent. Companies must adapt their operations to navigate these complexities effectively.

The rise in geoeconomics tensions is reshaping global trade and supply chains, largely impacting lower-income economies. Trade restrictions have surged, posing a threat to global economic growth and innovation. The WEF data indicates that approximately 34% of employers relate rising geopolitical tensions as a key driver for organizational transformation. This fragmentation creates challenges but can also prompt businesses to reconsider their strategies regarding supply chain resilience and operational efficiencies. Diversification and localization will become paramount as companies adapt to a more fragmented global market.

Sectors heavily reliant on global supply chains, like automotive and aerospace, are particularly sensitive to evolving trade restrictions. Conversely, industries such as education experience minimal impact, showcasing significant disparities in how different sectors relate to this macroeconomic trend. The climate change adaptation is becoming increasingly critical, with 47% of employers citing efforts to reduce carbon emissions as a transformative driver for their organizations. This momentum toward the green transition signals a broader shift towards sustainable business practices that enhance resilience in the face of climate-related challenges. Industries engaged in energy-intensive activities, such as automotive and mining, recognize the imperative for decarbonization. Especially employers in Southeast Asia lead the way, anticipating substantial transformation in response to climate challenges. The global labour landscape is shaped by demographic shifts; higher-income countries face challenges associated with aging populations and decreasing birth rates, leading to increased dependency ratios. In contrast, lower-income economies contend with burgeoning working-age populations, offering potential opportunities for growth.

Employers in high-income economies are increasingly prioritizing employee transitions into growing roles, particularly as automation becomes a key strategy for addressing declining labour availability. Meanwhile, in lower-income countries, companies plan to invest heavily in reskilling to harness the statistic dividend effectively.

Salone Projects 4.5% rise In Economic Growth

Cont'd from PAGE 1

of the economy—will ensure we not only recover from external shocks but also lay the groundwork for sustainable growth," Bangura stated during the announcement.

The mining sector, which contributes significantly to Gross Domestic Product (GDP), is expected to see steady growth. Efforts to attract foreign direct investment (FDI), coupled with measures to enhance transparency and efficiency in the sector, have been highlighted as a critical component of the strategy. The government has also prioritized the formalization of artisanal mining and the diversification of mineral exports to reduce dependency on iron ore.

"With enhanced regulatory frameworks and infrastructure development, we are positioning the mining sector as a catalyst for economic transformation," Bangura added. Agriculture, which employs over 60% of Sierra Leone's population, remains a cornerstone of the government's growth strategy. Plans include increasing access to agricultural financing, adopting climate-smart technologies, and improving rural infrastructure to facilitate market access for farmers.

"The agriculture sector is the backbone of our economy. By investing in mechanization and modern farming techniques, we aim to improve productivity and food security while creating jobs," noted the Minister.The Fiscal Strategies Statement also highlights commitments to fiscal discipline, including efforts to widen the tax base, streamline public expenditures, and improve revenue collection mechanisms. Key infrastructure projects, particularly in energy and transport, are set to receive significant attention as part of the government's broader development agenda.

The statement outlines a medium-term economic framework targeting a gradual increase in growth to 5% by 2027. This optimistic outlook is anchored on maintaining political stability, fostering an enabling environment for private-sector growth, and strengthening social services. As Sierra Leone navigates global challenges, the government's strategic focus on mining and agriculture is expected to underpin its resilience and propel the country

STATISTICS SIERRA LEONE

ISSUES & POLICY

TERRY FADE ADEWALE

Achieving Sustainable African Economies

By Ibrahim Mansaray

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

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

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

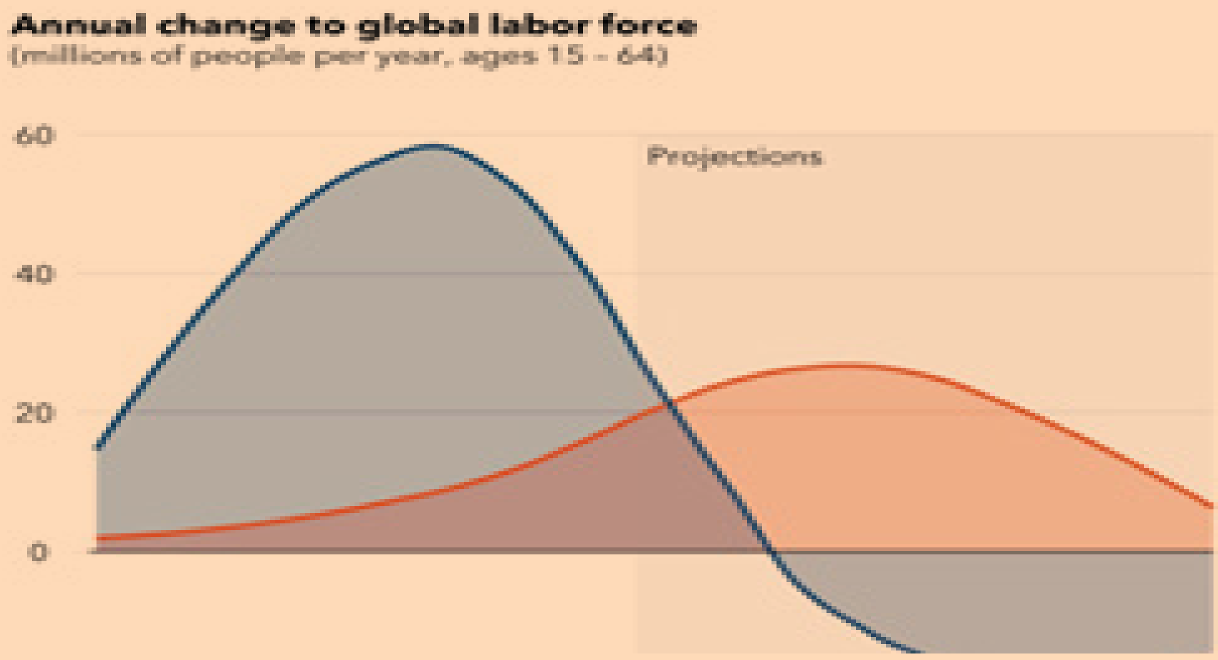
The G7 has a present and historical duty to assist by drawing on their financing commitments for Africa. There are potentials for mutual benefit for Germany and Africa in German foreign direct investment, as with G7 FDIs in Africa.

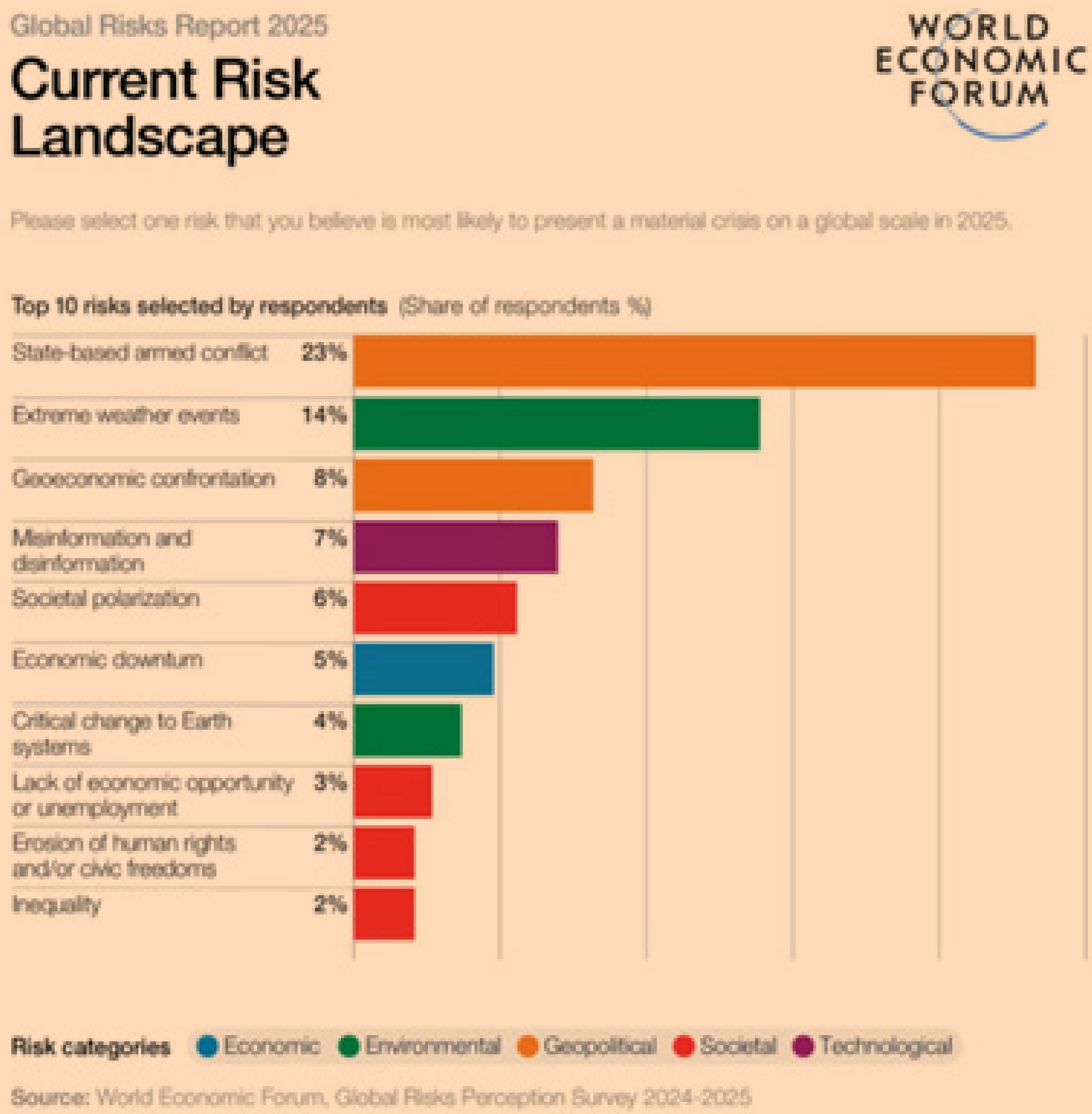
The G7 and the G20 have committed to re-allocating $100bn of Special Drawing Rights out of $650bn to help International Monetary Fund (IMF) member countries facing economic crises. The G7 has promised much to Africa through endless so-called aid offerings. For decades, G7 leaders have pledged to allocate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

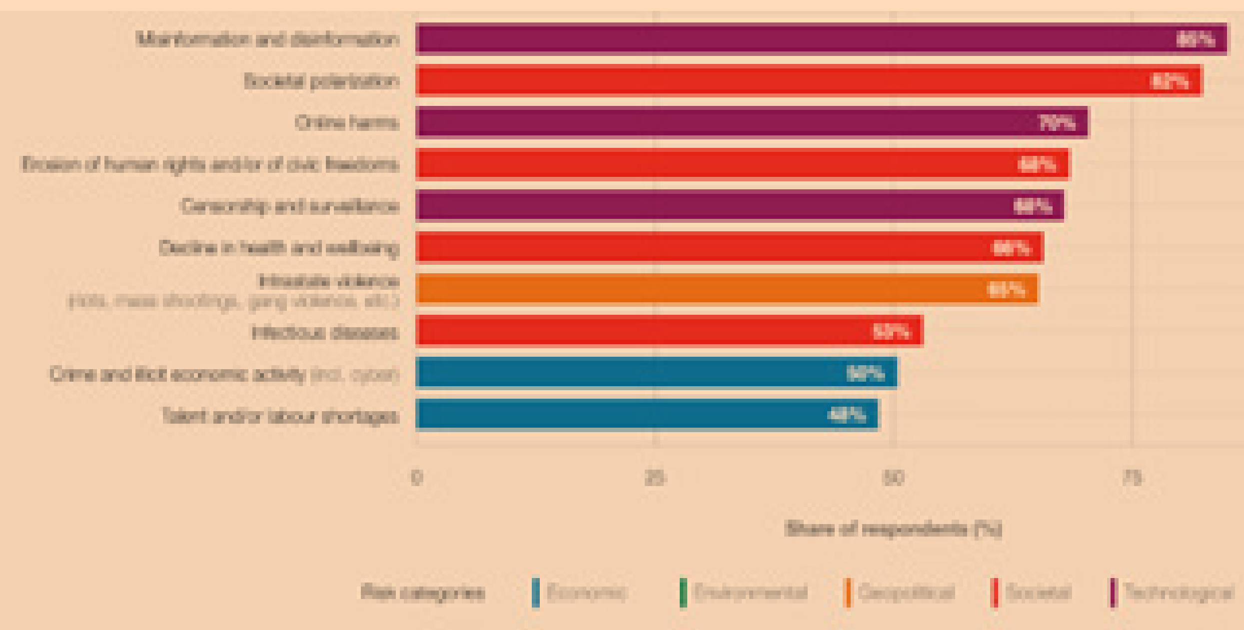
Yes, Africa needs development partners who care about its citizens' environment, climate, and economic and social wellbeing. However, any development support that ignores Africa's post-colonial challenges relating to trade, food sovereignty and energy sovereignty will merely deepen Africa's economic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

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

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







HOUSING COSTS MOUNT

Price rises are piling pressure on the poorest and adding to intergenerational strife

After retreating during the global financial crisis, house prices have resumed their relentless rise. Over the past decade, the cost of a home across the OECD's mostly high-income countries has risen by 37 percent in real terms, according to the organization's analytical house price indicators. Prices are up 16 percent relative to incomes, on average.

Rising house prices are straining relations between the generations, with younger people yet to get a foot on the property ladder more concerned than their parents. Sixty percent of OECD survey respondents aged 18–39 said they worried about housing affordability, compared with 38 percent of those aged 55–64. The generation gap was greatest in Ireland, Canada, and the United States.

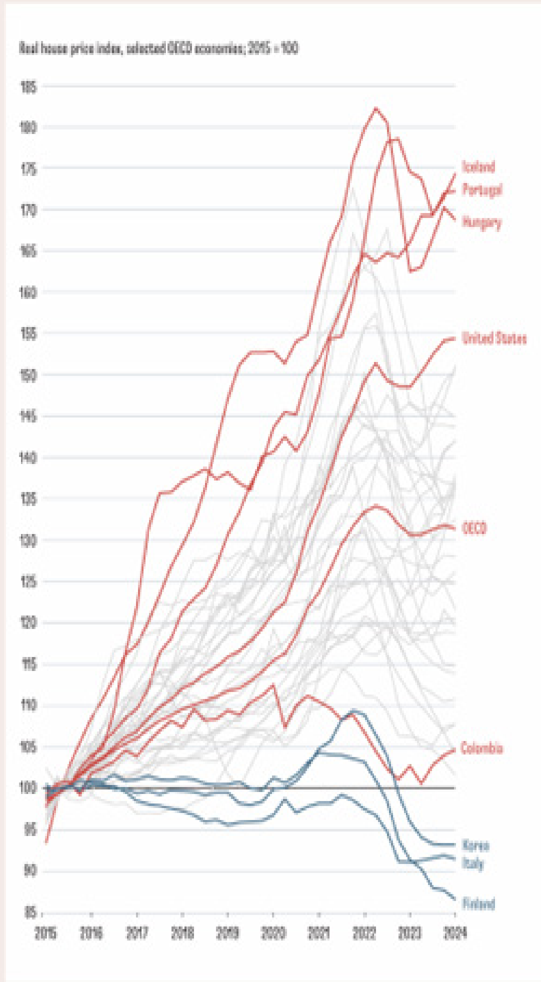
Differences in affordability partly explain stark contrasts in the proportion of people who own a home, though history, culture, and other factors matter, too. Homeownership is highest in Eastern Europe's former communist countries, with 94 percent of Romanians owning their home outright. That compares with just 5 percent of the Swiss.

On average, 16 percent of people rent from private landlords in the countries the OECD tracks. For the poorest, it can be cripplingly expensive. In Colombia, 82 percent of renters in the lowest income quintile hand over more than 40 percent of their income to private landlords. Its rental market is also one of the least regulated.

Higher interest rates mean homeowners who have yet to pay off mortgages don't have it easy, either. In Colombia and Luxembourg, more than half of the poorest who own a home spend at least 40 percent of their income on repayment.

Relentless rise

Home prices have increased in every OECD country except three over the past decade, rising by more than a third on average and by over 50 percent in the US alone.



SOURCE: Organization for Economic Co-operation and Development (OECD), Affordable Housing Database.

ARE HOUSING MARKETS BROKEN?

By Hites Ahir

Few economic issues are as contentious as housing. Concerns about affordability are top of mind for many people, young people especially, as aspirations for home-ownership appear increasingly far-fetched. Are housing markets broken?

Thomas Carlyle, the 19th century philosopher, famously lambasted economists for parroting "demand and supply" as the answer to every question. But it must be the starting point for any explanation of the seemingly relentless rise in house prices: income and population growth boosts demand for housing and, unless supply keeps up, house prices continue to rise.

Consider the case of Canada. House prices (adjusted for inflation) have risen at an annual rate of about 5 percent since 2016, driven by steady growth in income and population, including strong immigration. But housing supply has lagged. The Canada Mortgage and Housing Corporation estimates that the country faces a shortage of 3.5 million homes for a population of about 41 million. Similar mismatches in supply and demand are inflating house prices elsewhere, too.

Demand amplification

Of course, economists recognize that housing is different from the other products people buy. Housing is a major long-lasting purchase and investment—for most people, the biggest they will make—and is typically financed by borrowing. This has two important consequences. First, it makes housing demand sensitive to expectations and social narratives about future house prices. Often the fear of missing out can lead people to buy homes at high prices if a narrative takes hold that tomorrow's prices will be even higher. The Nobel Prize–winning economist Robert Shiller is famous for spotting bubbles in the housing market driven by unrealistic expectations of future prices. In 2003, Shiller noted that US house prices were substantially out of whack with people's incomes and with rents, suggesting prices were not supported by economic fundamentals. House price bubbles form, Shiller argued, from narratives and societal beliefs, often amplified by word of mouth, creating a powerful collective expectation of ever-increasing prices.

A second consequence is that housing demand is sensitive to the availability and cost of mortgage credit. A relaxation in lending standards can impart a strong boost to house prices, as happened in the run-up to the global financial crisis in 2008–09. But even without changes in lending standards, there can be amplification effects related to credit availability. As house prices climb, the value of properties pledged to lenders as collateral also increases, which can lead banks to extend more credit, further inflating the housing market. Shiller noted that the misconception that house prices always rise led to risky lending and investment. These practices, combined with the sale of high-risk loans as securities, exacerbated the impact when the

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Local Authorities Project 56% Uplift In Revenue

By John Kelly Marah

Local councils across the country are poised for significant revenue growth, with projections indicating about 56 per cent rise by 2027. Reforms on property tax and intensive efforts on mobilization are expected to drive the growth.

The government also plans to address inefficiencies in revenue collection with strategies and measures targeting expansion of property tax base through updated property valuations, streamlined assessment processes, and enhanced compliance enforcement mechanisms.

Additionally, local councils are adopting innovative revenue mobilization strategies, including the integration of digital systems to improve tax collection efficiency and transparency. Collaborative efforts between councils and the private sector are also expected to unlock new revenue streams through public-private partnerships (PPPs).

The Ministry emphasized that these reforms are not merely about increasing revenue but ensuring equitable distribution of the tax burden and fostering sustainable development at the grassroots level. Funds generated will be reinvested in critical sectors such as infrastructure, health, and education, directly benefiting local communities.

This ambitious plan reflects the government's commitment to strengthening fiscal decentralization as a cornerstone for inclusive economic growth. With effective implementation and stakeholder collaboration, the reforms are expected to drive lasting improvements in service delivery and local economic development.

New Regulations Coming for Credit Union

The government of Sierra Leone has unveiled ongoing efforts to establish standardized regulations for credit unions across the country. The initiative aims to ensure transparency, accountability, and compliance within the credit union sub-sector, fostering greater financial stability and inclusion.

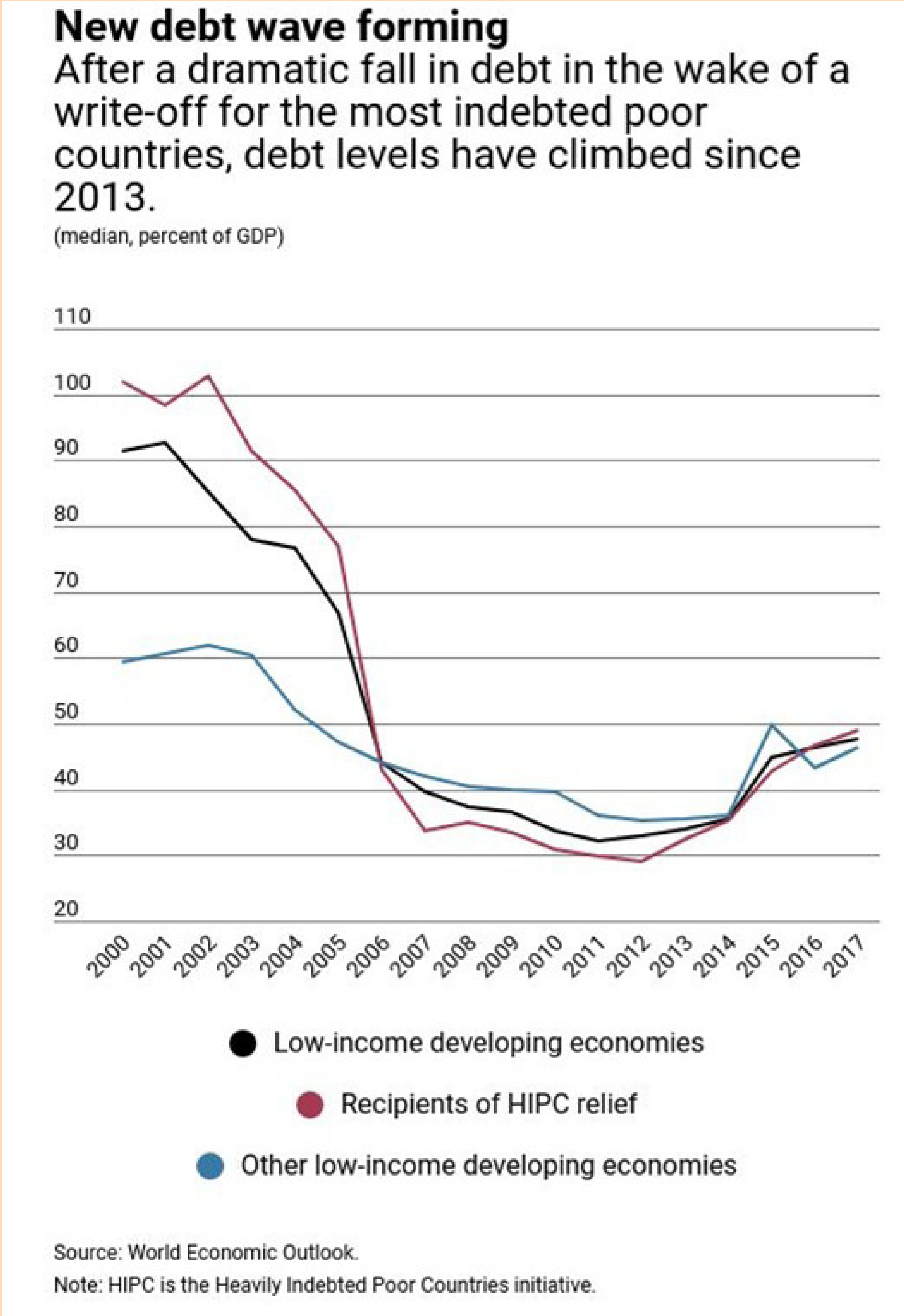
Deputy Minister for Trade and Industry, Madam Fatmata Kargbo, made the announcement during the launch of the Credit Union Growth and Sustainability Program. Speaking at the weekly government press briefing organized by the Ministry of Information and Civic Education at the Miatta Conference Hall in Freetown, Madam Kargbo highlighted the pivotal role of credit unions in bridging the gap between formal and informal financial sectors.

Credit unions provide access to affordable credit, savings opportunities, and financial literacy programs, empowering individuals, micro-enterprises, and cooperatives," she stated. She emphasized that these services stimulate local entrepreneurship, foster productive investments, and build resilience within communities.

The Credit Union Growth and Sustainability Program is expected to advance financial inclusion, empower communities, and support economic development across Sierra Leone. By creating a more robust and regulated credit union framework, the initiative aims to encourage sustainable growth and improve livelihoods nationwide.

The event underscored the government's commitment to fostering an inclusive financial environment, with stakeholders commending the program's potential to strengthen grassroots financial systems and contribute to national development.

Credit unions provide access to affordable credit, savings opportunities, and financial literacy programs, empowering individuals, micro-enterprises, and cooperatives," she stated.



Managing Debt Vulnerabilities in Low-Income and Developing Countries

By Tao Zhang

Government debt in some of the world's poorest countries is rising to risky levels, a new IMF report shows. The report looks at economic developments and prospects among the world's low-income countries, which account for a fifth of the world's population but only four percent of global output. The report focuses not only on the rise in government debt, but also on the shift in the composition of creditors. And, because of this shift, it also focuses on the importance of official creditors working together to find ways to ensure efficient coordination in the event of future debt restructurings.

The drivers of the debt build-up vary across countries. They include shocks—the sharp drop in commodity prices of 2014, which hit budget revenues in commodity exporters, natural disasters, including the Ebola epidemic, civil conflict—as well as high levels of public spending that were not linked to financing productive public investment. Ample global liquidity played an important role in allowing for the rise of debt in low-income countries, by making it easier to borrow. Our study calls for action on the part of borrowers, lenders, and the international community.

Government debt is rising

Budget deficits have been rising in most low-income countries during this decade: 70 percent of low-income countries had higher government deficits in 2017 than during 2010-14. For commodity exporters, falling revenues contributed to higher deficits, whereas higher spending was the more important factor in other countries. For the median country, public debt levels increased to 47 percent of GDP last year, up from 33 percent of GDP in 2013.

The current build-up of public debt comes in the wake of the low debt levels and robust growth that followed the international community's actions to write off most of the debt of highly indebted poor countries—the Heavily Indebted Poor Countries (HIPC) initiative and Multilateral Debt Relief Initiative , which left countries with more resources to spend on investment and education.

Higher public deficits and debt levels are not necessarily undesirable. When countries borrow to pay for infrastructure investment, that can boost long-term growth, which in turn generates revenues to service the higher debt.

Indeed, in about a third of low-income countries, such as Bangladesh, Kenya, Madagascar, Moldova, and Nicaragua, where deficits rose, investment rose by at least the same amount. But in most cases, investment rose by less than the increased deficits—and in half the cases it actually fell. Thus, it appears that in a sizeable share of countries the debt build-up helped finance investment only to a limited extent.

> **The drivers of the debt build-up vary across countries. They include shocks—the sharp drop in commodity prices of 2014, which hit budget revenues in commodity exporters, natural disasters, including the Ebola epidemic, civil conflict—as well as high levels of public spending that were not linked to financing productive public investment.**

Threat of debt crises is climbing

Although their debt has risen, more than half of low-income countries are still at low or moderate risk of defaulting on their debt service obligations. However, the share of countries at elevated risk of debt distress, for example, Ghana, Lao P.D.R., and Mauritania, or already unable to service their debt fully has almost doubled to 40 percent since 2013.

The IMF anticipates some stabilization of the debt build-up in the coming years. However, this forecast is predicated in part on countries undertaking fiscal adjustment and carrying out ambitious economic reform programs to deliver stronger economic performance. It will be very important that countries implement these reforms—otherwise the debt build-up is likely to continue.

A different set of lenders and data gaps

There are two issues that amplify risks from elevated public debt levels in low-income countries. First, there has been a marked change in the composition of debt since the completion of the Heavily Indebted Poor Countries and Multilateral Debt Relief initiatives, pushing up servicing costs and making debt resolution harder. Borrowers have moved away from traditional official creditors such as multilateral institutions and members of the Paris Club, a grouping of major creditor countries organized to provide debt rescheduling or reduction to debtor countries in payment distress. They have moved towards non-Paris Club official bilateral creditors, sovereign bond issues, other foreign commercial lenders, and domestic sources—mainly banks.

The new forms of private credit often come at shorter maturities and higher interest rates, yielding larger debt service burdens for the borrower countries and higher rollover risks when these debts mature. What's more, these creditors, unlike the Paris Club members, do not have ready mechanisms for coordination with other creditors, which is likely to make any needed debt resolution more difficult. Second, reliable assessments of debt vulnerabilities require complete data sets, which are often not available for low-income countries. One third of low-income countries do not report information on government guarantees on debts of state-owned enterprises, fewer than one in ten report debt of public enterprises, and risks from public-private partnerships are rarely reported. All these types of contingent liabilities can rapidly turn into government debt in case of distress.

Risk of a new debt crisis?

Several countries, for example, Chad, Mozambique, and the Republic of Congo, have already fallen into debt distress, with some seeking to restructure their debt. Can this drift into debt distress by low-income countries be contained?

To help contain debt

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NATIONALITY

Programs that offer passports in return for investment have financial integrity risks that must be managed


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As countries closed their borders to slow the spread of COVID-19, a second passport became an ever-more-desirable commodity, for those who could afford it. While not a new phenomenon—several countries have adopted “golden passport” programs over the years—the onset of the pandemic generated renewed interest. Price tags for a second citizenship—sometimes in only 30 days—range from $100,000 to $2.5 million. Antigua and Barbuda, Cyprus, Grenada, Jordan, Malta, St Kitts and Nevis, and Vanuatu are among the many countries that have offered such deals.

There are few figures about the trade in passports given the overall opacity of these programs. Nevertheless, firms that offer such services reported increasing demand for second passports in the midst of the pandemic. Requests from high-net-worth individuals in advanced economies have skyrocketed. The demand has been further fuelled by discounts offered by some countries.

A second passport has many benefits, such as the ability to travel freely without visas and flee political persecution, conflict, or civil unrest. It can offer attractive tax and wealth management benefits, too. Usually citizens from autocratic countries, where the rule of law is weak, are the most anxious to obtain a golden passport.

But as the coronavirus threatened to overwhelm health services before vaccines became available, wealthy individuals from developed democracies also looked for an escape route. For countries seeking to rebuild pandemic-stricken economies, the sale of passports can seem an easy way to secure revenue and investment. In the past, such arrangements have generated large inflows, which can have a significant economic and fiscal impact—consider, for example, revenue generated by such programs in the Caribbean (see IMF Working Paper No. 20/8). Some countries have used these programs to replenish their coffers after natural disasters (for example, a decline in tax revenue after Hurricane Maria hit Dominica was partly offset by golden passport revenue).

Ultimately the bestowal of citizenship is a government’s sovereign decision. However, the risks of selling citizenship can be high. Abuses are widely documented, including enabling corruption, money laundering, tax evasion, and other crimes. If the risks are not properly managed, countries that offer these programs can suffer reputational damage, affecting their economic and financial stability and worsening inequality.

New citizenship can disguise a higher risk profile. Criminals and terrorists may shop around for a country that offers a safe haven from law enforcement or extradition. They might hide behind alternative identities to gain access to financial products or evade sanctions and watch lists. They could use secondary citizenship to conceal a bank account that would otherwise require declaration under international tax rules, or they might seek citizenship in a country that has not agreed to such tax information exchange.

The risks from these programs can spill over to other countries, too. Members of organized crime may use their newly acquired passports to move freely between countries and establish illegal enterprises. The European Commission has launched legal proceedings against two member states (Cyprus and Malta) for offering golden passports to people without a “genuine link” to the bloc; it says they threaten the integrity of EU citizenship as a whole, since a citizen of one EU member state has the right to move, live, and work freely in the other 26 members.

Citizenship by investment can lead to corruption and rent-seeking. Without proper oversight, public officials may accept bribes or pocket the fees. Programs linked to specific sectors can cause overdependence that leads to economic imbalances. Some countries, for example, offer citizenship to investors who purchase an expensive property. Foreign money can drive up local property prices and give rise to real estate bubbles.

In reaction to countries that sell passports without proper vetting, other governments may respond with countermeasures such as enhanced checking of regular passport holders from these countries. In some cases, countries could be labeled as high risk. The Organisation for Economic Co-operation and Development, for instance, publishes a list of high-risk programs it suspects allow people to hide their taxable assets abroad. Foreign banks can react to these negative risk perceptions, putting pressure on correspondent banking relationships. This can have far-reaching implications for financial stability.

Evaluating programs

The IMF is working with members on policy advice to highlight the risks of these arrangements, with an eye to properly balancing risks and benefits and avoiding a long-term negative economic impact. For example, the IMF has advised members on

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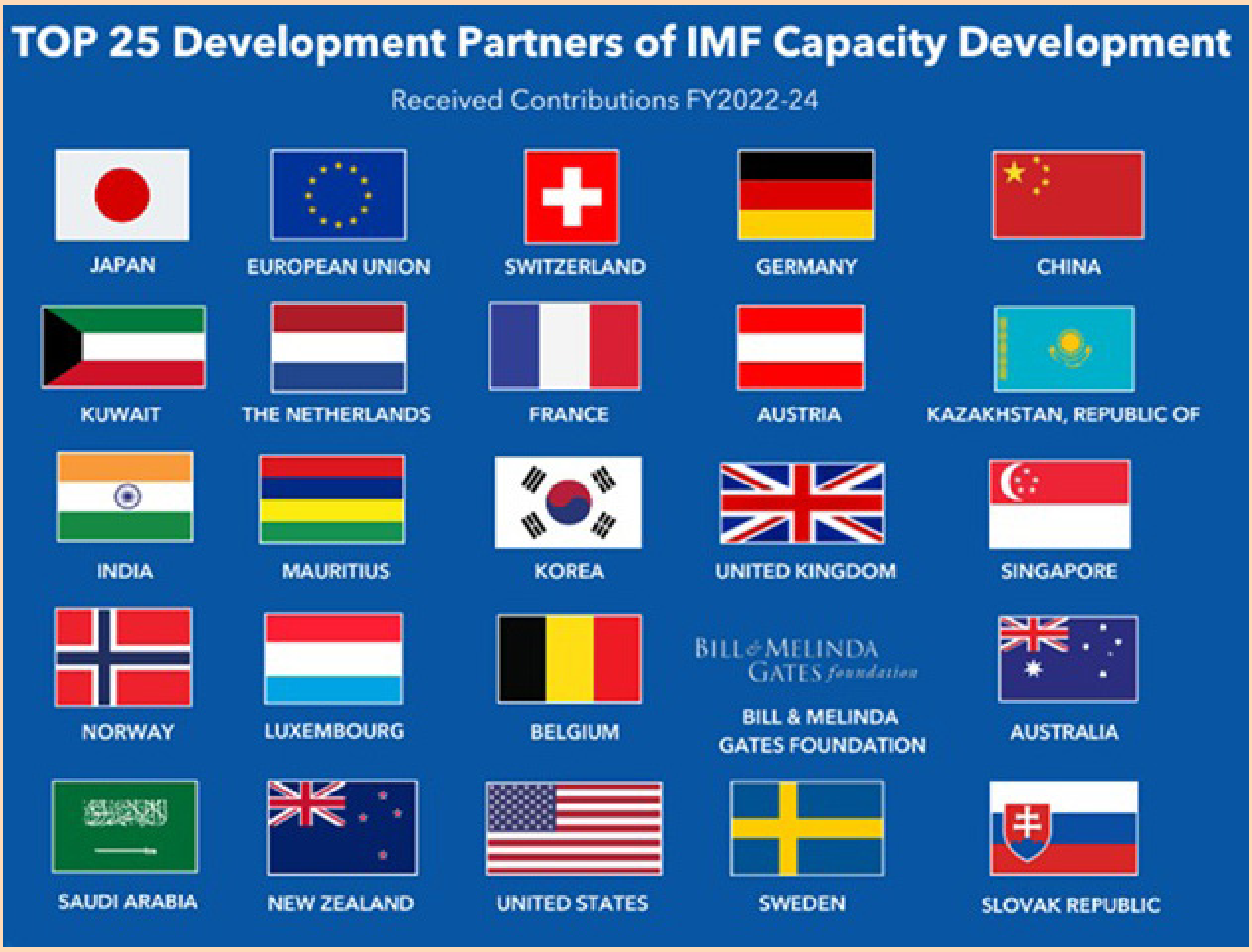
Facts About The International Monetary Fund (IMF)

Over 40 bilateral and multilateral partners finance about one half of the IMF's capacity development efforts around the world. Our two largest partners are:

The Government of Japan: With 30 years of consistent support, Japan is the IMF's largest and longest-standing partner for capacity development, contributing $807 million in funding to date and supporting programs in more than 100 IMF member countries.

The European Union (EU): The EU is the IMF's second largest capacity development partner and has contributed about US$330 million in funding since 2006 to help developing countries reach the SDGs.



The IMF's knowledge sharing efforts are demand-driven, meaning initiated by our member countries. Amid global economic challenges and the international community's commitment to the Sustainable Development Goals, this demand has increased substantially in recent years. The IMF provides support to almost the entire membership of 191 countries.

The IMF contributes a significant amount of its own resources to ensure that demand is met. Bilateral and multilateral partners also play a vital role in meeting this demand, and presently finance about one half of the IMF's knowledge sharing efforts. Partners contribute to the IMF's knowledge sharing work in a variety of ways — via our global network of regional capacity development centers and thematic funds focused on specialized areas, or through bilateral programs.

In 1990, Japan became the first partner to support the IMF's capacity development efforts and is currently its single largest contributor, providing $807 million in funding to date. More than 100 IMF member countries across the globe have benefited from Japan's support.

In fiscal year 2023 (FY2023), the Government of Japan provided a new contribution of $13 million to finance a large portfolio of 33 bilateral programs. In the past five years, Japan has consistently been responsible for about one-third of all external financing to IMF CD.

Japan-funded IMF programs address countries' CD needs and are consistent with Japan's international cooperation priorities and the IMF's commitment to the Sustainable Development Goals (SDGs). Programs typically address fiscal issues, monetary and capital market reforms, macroeconomic statistics, and macroeconomic management.

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The EU-IMF partnership promotes shared objectives to support economic growth in Africa and improve revenue mobilization and effectiveness of public spending in developing countries.

With steadfast support to regional capacity development centers and global thematic funds, as well as bilateral programs, the partnership covers a broad range of issues related to good economic governance and institution building, as well as related human capacity development needs, thus helping countries achieve sustained progress toward the Sustainable Development Goals (SDGs). The IMF also collaborates with the EU to support its Member and Accession states to build strong institutions and policies. Since 2006, the EU has contributed about US$388 million to IMF capacity development.

Since 1997, Switzerland, through its State Secretariat for Economic Affairs (SECO), has partnered with the IMF on capacity development, and has a large bilateral program of projects supporting capacity development in Swiss priority countries. As an early supporter of IMF multi-partner initiatives, it has contributed to regional capacity development centers in Africa and global thematic funds focused on key topics. The country's support promotes economic stability and sustainable growth, helping countries reduce poverty. Switzerland has contributed approximately US$170 million towards IMF capacity development to date.

Hi Tech To Redefine Job Roles

The world of work is undergoing significant transformations driven by a confluence of technological advancements, demographic transitions, and evolving socio-economic dynamics. The World Economic Forum (WEF) in its recent forecast, anticipates profound shifts in global employment patterns by 2030.

This outlook reflects the ongoing shift towards more advanced forms of employment such as technology, healthcare, green energy, and data analytics. The creation of these jobs will not be uniform; as significant growth is expected in emerging sectors that are reshaping the economic landscape.

Technology, WEF notes has continues to redefine job roles across various sectors, with advancements in artificial intelligence (AI), robotics, and digital automation leading the charge. According to Future of Jobs Survey, roles such as Big Data Specialists, FinTech Engineers, and AI Specialists are projected to experience significant growth, fuelled primarily by innovations in AI and increased digital access. Conversely, clerical positions, including cashiers and administrative assistants, are expected to see steep declines as automation and digital processing technologies take over routine tasks.

The urgency of climate change has bolstered the green transition as a vital driver of job creation. An anticipated growth of 170 million jobs by 2030 primarily hinges on roles focused on environmental sustainability. These include Renewable Energy Engineers and Environmental Engineers, alongside jobs in the agricultural sector, such as Farmworkers, projected to grow by 35 million. The transition towards sustainable practices is not just a job creator; it is also a necessity for companies aiming to reduce carbon footprints and meet societal demands.

Global economic factors introduce a dual narrative of job creation and displacement. While anticipated job losses due to slower economic growth are expected to exceed job gains, rising costs of living and adaptive responses to economic challenges are projected to foster new roles. For instance, jobs aimed at enhancing operational efficiency such as Business Development Professionals are likely to expand in response to these economic pressures.

With geopolitical tensions and the reconfiguration of global trade are expected to reshape job landscapes. The WEF reveals that jobs in logistics, security, and strategic roles are likely to expand due to changes in government policies and international relationships. Respondents also noted a propensity towards re-shoring jobs, reflecting a shift in workforce strategy in response to increased trade restrictions.

A demographic shifts with aging populations pose both challenges and opportunities in the labor market. They highlight that while aging and declining working-age populations will drive job growth in sectors such as healthcare and education, they will simultaneously create pressure by reducing the overall available workforce. This duality presents a complex picture of how demographic trends will influence job availability over the next decade.

Why Women Risk Losing Out in Shift to Green Jobs

STEM education is one of the biggest barriers to women getting green jobs. These skills are essential for engineering, renewable energy, and technology sectors that drive innovation. But women remain underrepresented in STEM fields despite making significant progress in higher education.

Men hold about 70 percent of the world's polluting jobs, so one might think that they have most to lose from the transition to cleaner energy. After all, they risk finding themselves out of work as countries close down dirty industries in a push to decarbonize and reach net-zero emission targets.

Yet analysis shows that women are also at risk of losing out over the course of the transition. That's because too few women study the science, technology, engineering, and mathematics (STEM) subjects that are vital to the green jobs of the future.

Women are much more underrepresented in green jobs, which improve environmental sustainability or reduce greenhouse gas emissions, than in polluting jobs, those in industries with per-worker emissions in the top five percent of polluters. While most workers work in neutral jobs, that gap is important because green jobs, which already employ one in 10 workers, are poised for much faster employment growth as the world shifts toward a sustainable economy.

For example, just 6 percent of women who work in advanced economies hold green jobs, compared to over 20 percent of working men. Green jobs employ an even lower share of women in emerging market and developing economies.

This is significant because green jobs command a substantial wage premium over other jobs in the economy, even after accounting for workers' education and experience, as our calculations based on several representative countries show.

In Colombia, for example, the wage premium is 9 percent for men and 16 percent for women. This wage premium highlights another reason women stand to lose out: they may be missing out on higher-paying opportunities.

The gender gap in

Women account for less than a third of STEM graduates in many countries, leaving them less prepared for green jobs that will shape the future labor market. Without targeted efforts to increase such participation, the green transition may worsen workforce gender inequality.

Africa Energy Summit For Tanzania

The Africa Energy Summit comes up in Dar Es Salaam Tanzania next week. Taking place between January 27 – 28, the summit seeks to lay the groundwork for an electrified future that would benefits millions in the continent.

For Sierra Leone, participation would herald new opportunities in terms of investment and policy reforms. Influential figures including African heads of state and government, industry leaders, development partners, and civil society representatives, the summit represents a moment for the continent's energy landscape. Hosted by the African Development Bank Group (AfDB), the World Bank Group, the African Union, and the Tanzanian government, aims to mobilize crucial financial resources, foster partnerships, and galvanize political commitment to advance the ambitious Mission 300 plan.

Tagged Mission 300, launched in April 2024, aims to provide access to electricity to 300 million people in Sub-Saharan Africa by 2030. This initiative emerges as a response to the staggering statistic that nearly 600 million Africans currently live without electricity. Representing about 83 percent of the global energy deficit, Africa's energy crisis is not just a challenge but a call to action. Mission 300, through enhanced infrastructure investment and comprehensive policy reforms across the electricity supply chain, seeks to not only transform lives but also uplift entire communities across the continent.

The Africa Energy Summit 2025 serve as a catalyst for dialogue and decision-making on critical energy issues. By bringing together stakeholders from diverse sectors government, private enterprise, and academia, the summit aims to achieve several key objectives:

- Mobilizing Financial Resources: A central theme of the summit is to secure the funding needed for energy projects across Africa. With public financing alone insufficient to meet the energy needs of the continent, the summit seeks to attract private investment and innovative financing solutions.
- Enhancing Infrastructure: Infrastructure development is crucial for providing reliable electricity. The summit will address the need for expanded generation, transmission, and distribution networks, as well as the integration of renewable energy sources.
- Policy Reforms: Engaging policymakers to craft an enabling environment for energy investments is vital. The summit will foster discussions on regulatory frameworks, energy pricing, and public-private partnerships to drive reforms that facilitate energy access.
- Regional Collaboration: The summit promotes collaboration among African nations, encouraging the sharing of best practices and regional projects that can enhance energy security and interconnectivity.
- Focus on Sustainability: The summit will underscore the importance of sustainable energy solutions, emphasizing the transition to renewable energy sources to mitigate climate change and promote environmental sustainability.

The significance of the Africa Energy Summit extends far beyond immediate financial and infrastructural improvements. By driving electrification efforts across the continent, the summit stands to catalyse sustainable development and foster resilience against climate change. Access to electricity stimulates industries and entrepreneurship, driving economic development and job creation across various sectors. With enhanced electricity access improves healthcare services and educational opportunities, as clinics and schools. can operate beyond daylight hours and utilize technology for better service delivery.

Emphasizing renewable energy sources contributes to reducing carbon footprints, aligning with global climate goals and ensuring sustainable energy futures for coming generations. A well-connected and electrified continent can foster regional security and cooperation, easing tensions that may arise from resource scarcity.

Tax Reform To Boost...

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2025 to 9.4% by 2027. The successful implementation of the MTRS is anticipated to provide the government with increased fiscal space to invest in critical sectors such as education, healthcare, and infrastructure, thereby fostering economic development and improving the quality of life for Sierra Leoneans.

The reform has the following components:

Tax Policy Reforms: to simplify the tax code and broaden the tax base to ensure equitable taxation.

Strengthening Tax Administration: Enhancing the efficiency of the National Revenue Authority to improve tax collection and compliance. Combating Tax Evasion: Implementing measures to detect and prevent tax evasion, ensuring all eligible entities contribute their fair share.

Public Financial Management Reforms: Improving budget planning and execution to ensure efficient use of public funds. These reforms are part of the government's broader macroeconomic policy objectives, focusing on unlocking economic growth potential through robust reforms in public financial management and the financial sector. The goal is to promote sustainable, resilient, green, and inclusive growth to alleviate poverty.

Financial Secretary, Mr Matthew Dingie emphasized that ongoing improvements in public financial management will enhance spending efficiency and facilitate medium-term budget planning and execution. Additionally, consolidating funds across Ministries, Departments, and Agencies under the Treasury Single Account system is expected to improve financial oversight and accountability.

Global Employment To Leap...

Cont'd from PAGE 1

routine tasks and manual labour. Automation and digitization are paramount factors in this displacement, with traditional industries like manufacturing, retail, and low-skill administrative functions facing the most significant threat.

While the net gain in jobs is encouraging, the reality of job replacement often brings about economic instability. Those who lose their jobs may encounter hurdles such as Skills Mismatch and or Regional Disparities. Many displaced workers may find it challenging to transition to new roles due to skills mismatch. The rapid pace of technological change demands proficiency in new tools and methodologies that may be unfamiliar to a significant portion of the workforce. With regional disparities, the job creation forecast is likely to be uneven across different geographical regions. Urban areas with access to technology and education may thrive, while rural regions could experience a lag in job availability.

Range Rover Sport SV

The Sport was the car that showed the untapped potential of

Range Rover as a sub-brand when it came along in 2004, kick-starting the growth in Land Rover's model catalogue and becoming so central to the company that it has eventuated with the firm renaming itself JLR and hiving off four distinct brand lines: Range Rover, Discovery and Defender plus Jaguar.

And it's the perfect modern Land Rover in as much as it has all the advantages: the lustre of the Range Rover brand delivered on a full-sized model, but at a more affordable price, the pick of the powertrains, and the advanced suspension and four-wheel drive technologies. To many of its owners, the Range Rover Sport has simply become the defining and best Range Rover, full stop. Of all available models, we've driven several in the UK, and most recently the new SV performance derivative - which gets its own road test here.

Like the full-sized Range Rover, the Range Rover Sport adopts JLR's MLA-Flex model platform, and it's built alongside its bigger sibling at the firm's Solihull plant. So while the original version shared its chassis with the contemporary Discovery, the latest Sport maintains its notionally close relationship with the full-fat Range Rover.

The chassis is made of a mix of aluminium and steel, with the latter chosen for the car's construction (where predecessors used aluminium construction almost exclusively) for its noise-suppression qualities. JLR claims that it delivers sizeable torsional stiffness gains as well, but it makes few specific assertions about weight-saving. We've had one Range Rover Sport on the scales at 2511kg as tested – nearly 200kg heavier than Land Rover's options-denuded homologation weight, and also 150kg heavier than its predecessor, which we tested in 2013.

The Range Rover Sport's UK-market engine range currently comprises three six-cylinder 3.0-litre mild-hybridised Ingenium turbo diesels (D250, D300, D350) with 247-, 296- and 345bhp respectively; two plug-in hybrid petrol-electric options (P460e, P550e); and the range-topping SV, now the only V8-engined model, with a 626bhp variant of BMW's 4.4-litre V8.

Each of the PHEVs teams JLR's six-pot Ingenium petrol engine with a 141bhp electric drive motor and a 38.2kWh drive battery. Depending on equipment level, they offer up to 70 miles of EAER lab-tested electric range.

The new Sport uses double-wishbone front suspension, with a multi-link axle at the rear designed to make room for an electric drive motor for the forthcoming all-electric version.

Most models have open differentials (and an eight-speed automatic gearbox without low range) unless you pay extra. The range-topping SV has what JLR dubs 6D Dynamic suspension, a hydraulically linked damper system not unlike that fitted to McLaren supercars, only here it not only links the suspension side to side, negating the need for anti-roll bars, but is also linked front to rear, so can control the car's pitch. Range Rover claims exceptional levels of roll and pitch control. In lesser models, you can also have Dynamic Response Pro active anti-roll bars, active four-wheel steering and mechanical active torque-vectoring diffs.

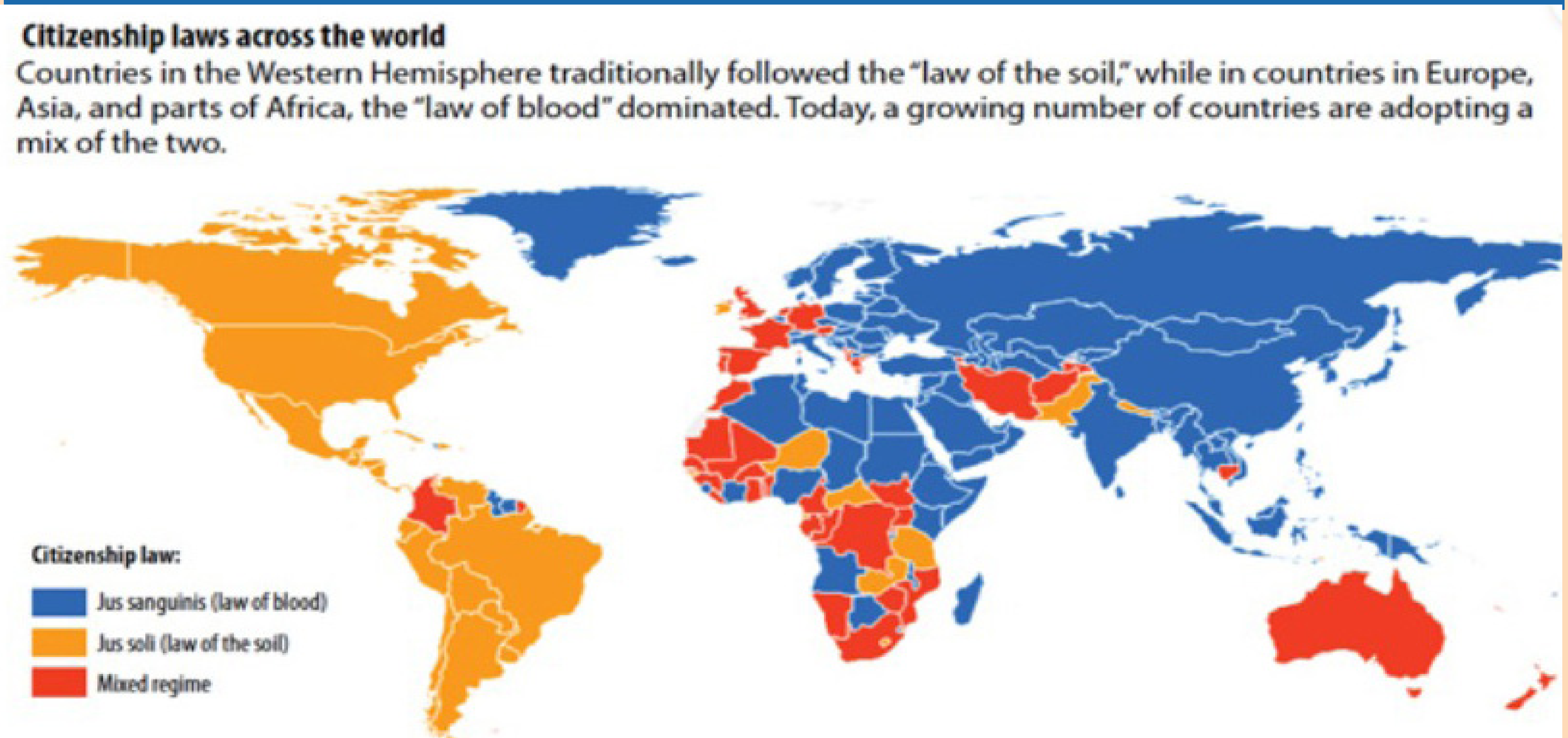
✓ GOOD

- Outstanding mechanical refinement and low-speed luxury appeal
- Such a broad range of dynamic ability: more, even, than any other Land Rover product
- Interior has made big strides on digital technology and remains rich and inviting

✗ BAD

- Exterior design might have tipped over into prissy territory – for some tastes
- It's expensive – 15-20% more than some rivals
- The SV is particularly expensive

NATIONALITY-2



The Market for Citizenship and Residency

Moving across borders or even shifting investment across borders can be done for many nontax and, even more broadly, noneconomic reasons. Explaining migration or investment purely by tax would therefore be a gross oversimplification. However, where a right, such as citizenship or residence, is granted directly in return for a financial consideration in the form of a significant fee or investment requirement, and where the country offering both is not otherwise a magnet for immigration or investment, tax considerations are likely to be a relevant—and in some cases even dominant—consideration.

It seems therefore justifiable to analyze such transactions as a market based on financial considerations. The following analysis looks more closely into the costs and benefits in such a market and the rationales behind different schemes.

The sellers in this market are countries that have residency or citizenship to offer. Almost every country offers some path to residency and citizenship, but conditions that must be met differ widely.

"The sellers in this market are countries that have residency or citizenship to offer. Almost every country offers some path to residency and citizenship, but conditions that must be met differ widely."

Drivers and Effects of Residence and Citizenship by Investment

There are many nonfinancial conditions to be met, including physical presence and cultural adaptation (citizenship and language tests) before granting permanent residency, with naturalization possible only after many years of permanent residence. Even if such countries offer initial residence permits for investment, such nonfinancial conditions still need to be met to obtain permanent residency or citizenship. These represent hard-to-value adaptation costs. Many RBI or CBI schemes, however, are combined with very weak nonfinancial conditions, with physical presence either unnecessary or reduced to a minimal amount (potentially just days). The transaction is then relatively simple to assess. The price charged is simply the fee paid—or in case of an investment requirement, the opportunity cost from undertaking this rather than a different investment.

The benefits could include the tax saving describe above, security, or in the case of citizenship, also the potential simplification of international travel. For RBI, tax consi erations are therefore likely dominant. For CBI, the benefits related to travel (and potentially from having access to a safe place) need to be netted off to figure out the pure tax benefit. Even the tax benefit

Programs that offer passports in return....

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the financial integrity risks of such current and past programs in Article IV consultations for Comoros, Cyprus, Dominica, Grenada, Malta, St. Kitts and Nevis, and St. Lucia. More broadly,

Countries should clearly understand the risks. Before launching or continuing with citizenship-by-investment programs, authorities should carefully assess the costs and benefits, including their own capacity to manage the financial integrity risks. Are the application, monitoring, and revocation procedures robust? How effective are the supporting mutual legal assistance, tax information exchange, and anti-money-laundering and counter-terrorism-financing frameworks? Such risk assessments should be ongoing to respond to changes in the environment.

Authorities should ensure that there is robust vetting of applicants. Government agencies or third parties responsible for processing golden passport applications should carry out rigorous background checks on an ongoing basis, including by checking with the home authorities of applicants and consulting databases of sanctioned and politically exposed persons. Agents who handle applications must exercise appropriate due diligence regarding their clients, establish the legitimacy of their sources of wealth and income, and report suspicious activity. Applicants should not be admitted without thorough vetting. All sectors and agents involved should be supervised for compliance with anti-money-laundering and counter-terrorism-financing requirements.

Authorities should consider enhanced measures for transparency and oversight. One way to do this is to publish the names of successful applicants. This can in turn be useful for banks and other businesses when they need to conduct due diligence on their clients and for authorities carrying out investigations. Another way is to ensure that the passport and other citizenship documents issued indicate that these are golden passports. Authorities should also consider periodic public audits to ensure that the proceeds of the program are used for their intended purposes.