

The Art of Taxation



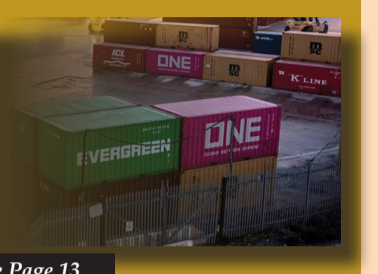
See Page 5

Starting Off in International Development



See Page 10

Trade and Investment Fact sheets



See Page 13

Utilities, Transport Fuel Inflation Spike

Inflation accelerated for the second consecutive month in April 2026, deepening concerns over persistent cost-of-living pressures despite easing food prices. Headline year-on-year inflation rose to 10.83%, up from 10.24% in March, according to the latest Consumer Price Index (CPI) report released by Statistics Sierra Leone.

The 0.59-percentage-point

By Ibrahim Mansaray

increase confirms a renewed upward trend in price growth, even as monthly inflation slowed sharply to 1.37% from 2.28% in March. Analysts say the moderation in month-to-month price changes has done little to offset the structural pressures now embedded across key non-food sectors. Housing, water, electricity, gas and

other fuels emerged as the single largest driver of inflation in April. Prices in this category surged from 45.02% in March to 55.23% in April — a dramatic 10.21-percentage-point jump in just one month. With an 8.9% weighting in the CPI basket, the spike in utility and energy costs exerted an outsized influence on the national inflation rate.

Transport inflation also accelerated sharply, rising from 22.27% in March to 32.96% in April. The 10.69-percentage-point increase reflects ongoing pressures from fuel costs, logistics disruptions, and imported inflation. Transport carries an 8.6% weighting in the CPI, amplifying its impact on overall price levels.

In contrast, food and non-alcoholic beverage

inflation — the largest component of the CPI at 40.3% — eased significantly. Food inflation fell to 3.56% in April from 4.58% in March, helping prevent an even sharper rise in headline inflation.

However, the broader trend shows a decisive shift: non-food inflation is now the primary engine of price growth. Non-food inflation climbed to 16.62% in April, up from

Ways and Means Financing Falls

Sierra Leone's public finances came under renewed pressure in the first quarter of 2026, with fresh data showing a steep contraction in short-term government financing and a rapid drawdown of available cash balances.

Ways and Means advances — the overdraft facility provided by the Bank of Sierra Leone — fell by SLE 744 million, signalling a deliberate effort by the government to curb reliance on central bank borrowing. The reduction aligns with ongoing commitments to restore monetary discipline and limit inflationary pressures linked to excessive overdraft use.

However, the tightening came at a cost. Government bank balances dropped by SLE 3.96 billion over the same period, indicating significant cash depletion across treasury accounts.

Hope Rises on Ebola Vaccine

Russian scientists have created a vaccine targeting the new strain of the Ebola virus currently fuelling a deadly outbreak in the Democratic Republic of Congo (DRC).

The Russian Embassy in South Africa quoted the country's Minister of Health Mr Mikhail Murashko as having confirmed the development, stating the vaccine holds potential efficacy against the rare Bundibugyo strain linked

to the current crisis.

The announcement comes as the World Health Organisation (WHO) reported over 900 suspected cases and 220 suspected deaths in the DRC, with the true scale of the epidemic potentially much larger. This outbreak, declared a public health emergency of international concern on May 17th, has already extended its reach to Uganda, underscoring the virus's persistent

Continues on PAGE 4



Embattled: Air Sierra Leone In Comeback Bid

Embattled Air Sierra Leone, under the ownership of Nigeria's Xejet (4U, Lagos), is currently in the final stages of securing its own AOC certification from the Sierra Leone Civil Aviation Authority. This internal certification process is a vital step towards greater operational independence and control, reducing reliance on external technical partners for core flight operations.

The airline, in preparation for this has also entered into discussions

By Reuben Ademiluyi

with three prospective aircraft suppliers to restore its suspended fifth-freedom flights

between Freetown and London Gatwick via Banjul. The airline is targeting a return to service this month - June 2026.

The company recently confirmed that crucial regulatory procedures are actively being pursued with the respective civil aviation authorities

in Sierra Leone, The Gambia, and the United Kingdom, underscoring a concerted effort to achieve full operational status. The definitive

timeline remains contingent upon the successful completion of these approvals and the attainment of operational readiness, a common hurdle for airlines navigating complex international aviation landscapes.

The necessity for this strategic pivot stems directly from the abrupt suspension of Air Sierra Leone's operations on April 30, 2026. This operational halt was precipitated by the technical partner,

Continues on PAGE 4



World Business Briefs



Conflict Hits Global Aviation Demand

Global air passenger demand fell 3.4% year-on-year in April 2026, driven almost entirely by a 46.6% collapse in Middle East traffic due to the ongoing conflict. Jet fuel prices more than doubled, pushing airlines to cut capacity and raise fares. Higher fuel costs and reduced schedules signal tighter margins for airlines, higher ticket prices for consumers, and potential knock-on effects for tourism-dependent economies.

Confidence Drops Amid Instability

McKinsey's March 2026 global survey shows a steep decline in business optimism, with 72% of executives citing geopolitical conflict as the top economic risk, up from 51% in December 2025. Energy prices and supply chain disruptions have also re-emerged as major concerns. Corporate leaders are bracing for volatility, which may slow investment, hiring, and expansion plans across multiple regions.

UN Downgrades Global Growth Forecast

The UN's mid-2026 outlook cuts global GDP growth to 2.5%, citing the Middle East crisis, rising energy prices, and renewed inflation pressures. Developing economies face sharper inflation, rising from 4.2% to 5.2%, with food prices a particular concern due to fertilizer supply disruptions. Higher inflation + slower growth = tougher policy trade-offs for central banks, tighter financing

Bloomberg's Year of "Rocky Global Trade"

Bloomberg's 2026 briefing highlights persistent trade tensions, AI-driven sectoral shifts, and a cooling US housing market. Analysts expect another turbulent year for global trade, with geopolitical risks and supply chain realignments dominating corporate strategy. Companies with global supply chains may face higher costs and more frequent disruptions, accelerating diversification away from single-region dependencies.

EIU Predicts New Phase of Volatility

The Economist Intelligence Unit warns that US policy uncertainty, shifting fiscal positions, and elevated geopolitical risks will shape global markets in 2026. Opportunities remain in AI-driven investment and selective monetary easing, but overall conditions remain fragile. Economist Intelligence Unit

MoFI Reports SLe28bn Deficit as Revenue Drops

Sierra Leone's public finances came under renewed strain in the first quarter of 2026, with the government posting a cash deficit of SLe 2.81 billion between January and March. This has come amid weak revenue mobilisation and rising recurrent expenditure. The figures, contained in the Ministry of Finance's latest Statement of Fiscal Operations, underscore a deteriorating fiscal position as the country navigates the 2026 financial year. Domestic revenue for the period amounted to just SLe 3.31 billion, representing 14.9% of the annual target of SLe 22.16 billion. The shortfall was dwarfed by total expenditure and lending to SLe 17 billion, widening the financing gap and reinforcing the government's dependence on borrowing to meet its obligations. Income tax remained the government's most

reliable revenue stream, generating SLe 1.83 billion—about 55.3% of all domestic revenue collected in Q1. Yet even this category achieved only 22.2% of its annual target of SLe 8.25 billion, raising concerns about the government's ability to meet year-end projections without a significant acceleration in collections. Other key tax heads also underperformed. Goods and Services Tax (GST) contributed SLe 484 million (14.6% of

domestic revenue) while Customs and Excise receipts were particularly weak at SLe 178 million, equivalent to just 3.2% of the annual target of SLe 5.48 billion.

Taxes on international trade and transport, however, generated SLe 327 million, outperforming standard customs collections and highlighting the economy's continued dependence on import-related taxation rather than domestic production.

Debt Servicing Threatens Budget Stability

By Our Reporters

Sierra Leone's fiscal position is facing mounting strain as new figures reveal that debt servicing has become the single largest threat to budget stability in the first quarter of 2026. Domestic interest payments surged to SLe 2.42 billion, while external interest obligations added a further SLe 94 million. Combined,

the SLe 2.51 billion spent on servicing debt accounted for 35% of total government expenditure and an alarming 76% of total domestic revenue during the period. Fiscal analysts warn that this level of debt-service-to-revenue ratio is unsustainable, crowding out essential development spending and tightening the government's already fragile liquidity position.

Capital investment remained particularly weak, with only SLe 553 million spent in Q1—equivalent to just 6.6% of the approved SLe 8.39 billion capital budget for 2026. The shortfall underscores how rising debt costs are diverting resources away from long-term growth-enhancing projects. A breakdown of expenditure by function shows a continued tilt toward administrative

and governance-related spending: General Public Services received the largest allocation at SLe 1.62 billion. Environmental Protection followed with SLe 662 million. Public Order and Safety absorbed SLe 547 million. Health Services received SLe 334 million. Education Services stood at SLe 299 million, trailing behind security and public administration

Monthly Inflation Slows Sharply

Inflation rate slowed considerably in April 2026, providing a temporary sign of easing short-term price momentum even as annual inflation continued to rise. Statistics Sierra Leone reported month-on-month inflation of 1.37% in April, down sharply from 2.28% in March. The moderation implies that while consumer prices are still increasing, the pace of monthly price acceleration is beginning to stabilize. Several major CPI

categories recorded slower monthly inflation or outright declines. Housing and utilities monthly inflation eased from 7.27% in March to 5.34% in April, while transport inflation slowed from 12.50% to 9.70%. Although still elevated, the relief indicates some deceleration in energy and transportation cost growth. Health inflation turned negative on a monthly basis, falling from 3.78% in March to -0.13% in April. Clothing and footwear recorded one of the steepest declines,

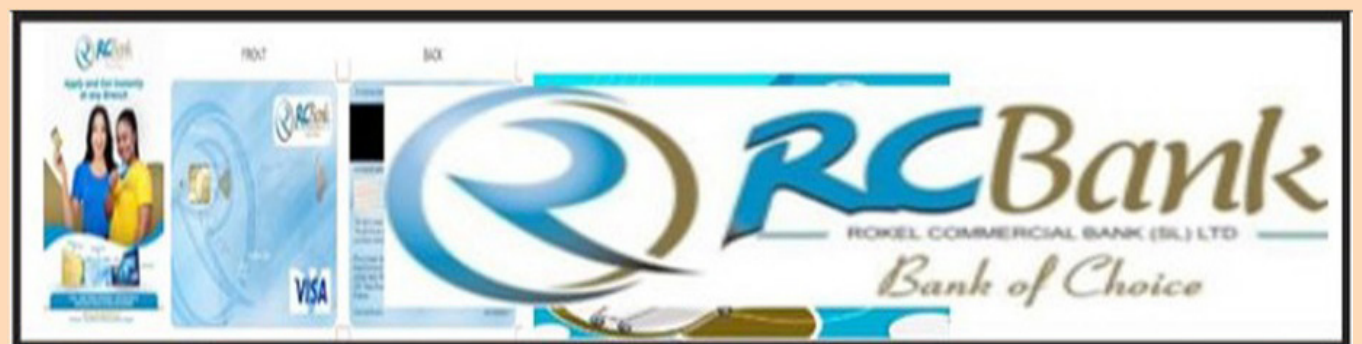
dropping from 0.44% monthly inflation in March to -4.85% in April.

Food prices, however, reversed direction month-on-month. Food and non-alcoholic beverages inflation increased from -0.15% in March to 0.73% in April. Given food's dominant weight in the CPI basket, this reversal contributed significantly to maintaining positive headline monthly inflation.

The national CPI index itself increased from 264.14 in March to 267.77 in April, reflecting a 3.63-point monthly

increase. While lower than previous months, the continued upward movement confirms that inflationary pressures remain embedded across the economy.

Economists are likely to view the slower monthly inflation as cautiously encouraging, but not sufficient to signal a sustained disinflation trend. With annual inflation still rising and non-food categories accelerating sharply, the risk of renewed inflationary escalation remains significant over the remainder of 2026.



NEWS ANALYSIS

In the Shadow of Conflict: Why Global South Faces the Sharpest Edge of the Shock

The global economy enters 2026 carrying the weight of overlapping disruptions — higher trade barriers, persistent uncertainty, and now the destabilising shock of war in the Middle East. Even under the most optimistic assumption that the conflict remains contained, the world is heading into a period of slower growth and renewed inflationary pressure. But for the Global South, the implications are far more severe and far more structural.

Global growth is projected to ease to 3.1% in 2026 and 3.2% in 2027, while inflation ticks up before easing again. For advanced economies, this is uncomfortable. For emerging markets and developing economies, it is destabilising. The reasons are simple.

- Higher import dependence means inflation passes through quickly.

- Weaker fiscal buffers limit the ability to cushion shocks.

- Debt vulnerabilities amplify every external disturbance.

- Narrow export bases make countries more exposed to trade disruptions.

In short, the same shock that advanced economies absorb becomes a systemic

stressor for the Global South. Downside Risks Cluster Around the Global South. The risks outlined — escalation of conflict, geopolitical fragmentation, reassessment of AI productivity, renewed trade tensions — all disproportionately affect developing economies. For oil-importing African and Asian economies, higher energy prices

South exporters and complicate investment flows. If AI fails to deliver expected gains, global investment sentiment weakens — and capital retreats first from emerging markets. Tariffs and protectionism hit commodity-dependent economies hardest, shrinking revenues and employment.

The high public debt

the risk of social instability.

The Fund's warning on defence spending is especially relevant for the Global South. However, there are short-term stimulus. Higher defence spending can temporarily boost activity — construction, procurement, logistics. But the medium-term costs viz : Inflationary pressures, worsening fiscal and external balances, crowding out of health, education, and social protection and heightened risk of social unrest are severe. For countries already grappling with youth unemployment, fragile institutions, and rising inequality, this trade-off is perilous. The Global South cannot afford a fiscal pivot that strengthens borders while weakening societies.

What the Global South needs now, according to the IMF are three global imperatives — adaptability, credible policy frameworks, and international cooperation. For the Global South, these translate into concrete priorities:

- Strengthen institutional credibility

Transparent fiscal management, independent central banks, and predictable regulatory environments are not luxuries — they are

Continues on PAGE 4

New Maritime Pact With Philippines

A maritime agreement on the training of seafarers has been signed with the Philippines.

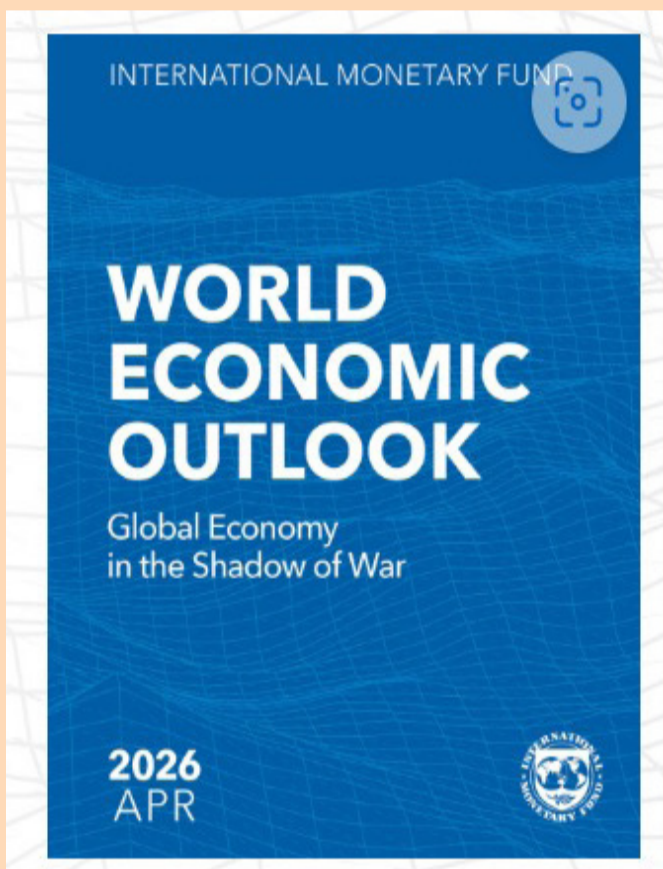
Dr. Daniel Kaitibi, Executive Director of the Sierra Leone Maritime Administration (SLMA), represented the country at the signing ceremony at the International Maritime Organisation (IMO) office in London during the 111th Session of the Maritime safety committee (MSC111). This began a new era of collaboration for the country's maritime sector. Witnessing the momentous occasion on behalf of the Philippines was Samuel Batalla, Executive Director of the Maritime Industry Authority

(Marina)-STCW Office.

This official endorsement cements the mutual respect and adherence to international maritime standards, with Sierra Leone now officially acknowledging the validity of Standards of Training, Certification and Watch-keeping (STCW) certificates issued by Marina.

The direct implication of this agreement is clear: qualified Filipino seafarers holding valid Marina credentials can now serve on board Sierra Leone-flagged vessels. This access, however, remains contingent upon adherence to all prevailing Sierra Leonean laws and regulations. Marina

Continues on PAGE 12



SLE3.7bn Inflow Projections Turn Red

The first quarter of 2026 recorded zero grant inflows, despite government projecting SLE 3.77 billion in direct budgetary support from bilateral and multilateral partners for the year.

The absence of external grants significantly tightened fiscal space, forcing the Treasury to rely more heavily on domestic borrowing and short-term instruments to sustain expenditure commitments. Treasury Bills generated *SLE 328 million* in net financing during the quarter, but this was far below the

levels needed to offset the widening resource gap.

With no grant support and limited uptake in the domestic securities market, the government leaned further on debt financing to keep operations running — a trend that analysts warn could exacerbate liquidity pressures and heighten debt sustainability risks.

The shortfall in external support also compounded the impact of declining cash balances and reduced Ways and Means financing, leaving the fiscal authorities with fewer buffers to manage expenditure volatility.

The Newspaper

Financial Standard, a weekly tabloid on business and economy is a publication of the Aba Jo'onu Prudential Group. Freetown, Republic of Sierra Leone.

Motto
The Smartest Way to Think.

Editorial

Associate Editor
Ibrahim Mansaray.

Management & Corporate

Terry Adewale
St Fajembola
Editorial Advisor

Sento Conteh

Vice President
(Corporate Services)

ID Sola FASH

Vice President (Special Projects & Advertorial)

Editorial philosophy and mission

FS as catalyst for empowerment and development, provides

news and information to the reading public. It informs, educates, motivates and provides knowledge; drives financial literacy and seeks to provide a roadmap for initiatives geared towards an enduring organized private sector. We aim at building capacity for a financially

literate community and aggregate its benefits for all; whilst investing prudently and taking advantages of the democratic space to assert economic rights and responsibilities.

Contacts:
News: editorial@financialstandardsl.com

Complaints: feedback@financialstandardsl.com

Adverts & Special Projects:
advertisement@financialstandardsl.com

London Bureau
16, Bricksworth House,
Gosling Way, London.
SW9 6LA.

NEWS



Discussants at a session of the recently held Global Partnership conference on development and humanitarian aid in London

Global South Faces the Sharpest Edge of the Shock

Continued from PAGE 3

survival tools.

- Protect social spending

Cutting health, education, and social protection to fund defence or debt service is a recipe for instability.

- Build resilience through regional cooperation

As global cooperation weakens, African, Asian, and Latin American regional blocs must step up — on trade, energy security, and financial stability.

- Invest in productivity and digital transformation

AI may not be a silver bullet, but

countries that fail to adopt digital tools risk falling further behind.

- Manage debt sustainably

Debt restructuring, concessional financing, and domestic revenue reforms are essential to avoid a lost decade.

The Bigger Picture

The world is entering an era of permanent shocks — geopolitical, technological, climatic, and financial. The Global South is not merely exposed; it is positioned at the fault lines.

The challenge is not only to survive the current shock but to build systems

Ebola Vaccine

Continued from PAGE 1

threat to regional stability.

DR Congo Health Minister Roger Kamba, speaking at a press conference recently, described the current outbreak as being at an "early stage" but acknowledged a continuous rise in infections and fatalities. While 101 cases have been confirmed and 10 deaths recorded, Kamba indicated that approximately 1,000 suspected cases have been identified in affected areas.

The implications for Sierra Leone are profound. The country bore a heavy burden during the Zaire strain 2014-2016 epidemic, experiencing extensive loss of life and significant societal disruption. The memory of how quickly the virus spread across borders and

overwhelmed healthcare systems remains vivid.

The WHO defines Ebola as a severe, often fatal viral illness, transmissible to humans from wild animals and then spreading through direct contact with infected bodily fluids. The average fatality rate historically hovers around 50%, with past outbreaks seeing rates fluctuate significantly.

Crucially, there is currently no approved vaccine or specific treatment for this particular strain, making the Russian development a potentially game-changing intervention. This new Russian vaccine, if proven effective and made accessible, could serve as a vital tool in preventing a repeat of the catastrophic events of the past.

Air Sierra Leone Comeback Bid

Continued from PAGE 1

Ascend Airways, losing its United Kingdom air operator's certificate (AOC) and subsequently returning its fleet to lessors. This unforeseen development left Air Sierra Leone without the critical capacity needed to maintain its services, particularly the highly

anticipated fifth-freedom route. The airline had relied on a chartered B737-8 from Ascend for the London leg since mid-February, highlighting the significant impact of this disruption on their business model and passenger commitments. Strategic intent

behind the Freetown-London Gatwick via Banjul route was multifaceted, as articulated by the airline's operational goals. Primarily, it was designed to mitigate the inherent seasonality of the Freetown-London market. It is also important to note the historical context

of Ascend Airways' involvement in launching Air Sierra Leone's direct service to Gatwick in June 2025. During a period when an Ascend aircraft was temporarily unavailable, Titan Airways provided a sub-chartered A321-200NX(LR) to facilitate the inaugural flights.

afrimoney

Buy EDSA Top-Up and get **10% INSTANT CASHBACK** Valid till 10th Each month

KAM'S TOP UP by Betan

DO AM YU SEF

Dial *161*2*2*1#

PUBLIC FINANCE

The Art of Taxation

KATHERINE BAER, RUUD DE MOOIJ

MARCH 2026

Why raising revenue is central to development

All governments need money. Roads must be built, schools staffed, hospitals supplied, courts funded, and public safety ensured. These public goods and services form the backbone of every well-functioning economy and society. Governments can borrow or accept foreign aid, but the most sustainable source of financing is taxation.

Raising tax revenue, however, is not simply a technical exercise. Governments must strike a careful balance. On one hand, revenues must be sufficient to finance public services and fulfill public obligations. On the other hand, taxes that are too high, poorly designed, or badly administered can stifle investment, innovation, and economic growth.

This balancing act has become more difficult. Today public debt and fiscal deficits are high in many countries, even as spending needs are rising. Populations are aging, poverty remains a concern, and governments face growing pressure to invest in education, health care, digital infrastructure, and climate resilience. This requires more public resources—yet raising revenue without snuffing

out growth is a formidable challenge.

The process by which countries seek to raise public resources through taxation in a sustainable, efficient, and equitable manner is known as domestic revenue mobilization. It lies at the heart of development because it determines whether governments can finance their priorities, reduce dependence on external aid, and respond to shocks effectively.

Revenue mobilization is deeply political. Decisions about who pays taxes, how much, and in what form go to the core of the social contract between the state and its citizens. Since few people like paying taxes, reform requires not only sound economic design but also careful political management. Ultimately, success depends on trust—trust that the tax system is fair and that government will use revenue wisely for the public good. That is the art of taxation.

Strengthening domestic revenue mobilization requires building tax capacity—a country's ability to raise revenue effectively, fairly, and with minimal distortions. This involves four interconnected dimensions: the level of taxation, the mix of taxes, tax design,



Katherine Baer

and tax administration.

Research suggests that a useful benchmark for countries is to generate tax revenue of at least 15 percent of GDP. Below this level, government effectiveness, financial development, and economic growth stagnate. Yet today more than 70 developing economies still collect less than 15 percent of GDP in



Ruud de Mooij

economies have untapped revenue potential. They could raise an additional 4 to 5 percent of GDP through well-designed tax reforms, estimates suggest. Countries including Jamaica, Maldives, Morocco, Nepal, Rwanda, and Uzbekistan have demonstrated recently that meaningful gains are possible, even in challenging contexts.

“
Corporate income taxes also play an important role in developing economies, particularly as a way to tax profits of large companies and multinational corporations.
”

taxes. This constrains development and leaves governments vulnerable to economic shocks.

The good news is that many developing

Types of tax

Over time, countries tend to move away from narrow and distortionary taxes toward those that are broader and more

efficient. Historically, trade taxes such as tariffs were an important revenue source for developing economies because they were relatively easy to collect at borders. Since the mid-20th century, trade taxes have declined worldwide thanks to globalization and trade liberalization, but they still account for about one-quarter of tax revenue in many developing economies. Overreliance on tariffs, however, can discourage trade, raise consumer prices, and slow economic integration.

Modern tax systems rely more heavily on taxes on consumption, income, and wealth. Value-added tax (VAT) has become the workhorse of revenue systems around the world, generating more than one-third of total tax revenue, even in many low- and middle-income countries. VAT is relatively efficient because it taxes consumption broadly while allowing firms to deduct taxes paid on inputs, which reduces cascading effects along supply chains.

VAT is often complemented by excise taxes on goods that impose social costs, such as tobacco and alcohol, or on environmentally harmful activities, such as burning fossil

fuels. These taxes can both raise revenue and improve public health or environmental outcomes.

Corporate income taxes also play an important role in developing economies, particularly as a way to tax profits of large companies and multinational corporations. However, corporate taxation has come under pressure from international tax competition and profit shifting, where firms move profits to low-tax jurisdictions. This has made corporate tax reform increasingly complex and underscores the need for international coordination.

Personal income taxes, by contrast, typically raise relatively little revenue in developing economies. This reflects several structural factors: a small middle class, large informal sectors, widespread self-employment, and a limited formal financial sector. Still, progress is possible. In Africa, for example, personal income tax revenue has roughly doubled as a share of GDP since 2000. Strengthening these taxes is important not only for revenue but also for progressivity, as higher-income individuals pay a larger share of their income in taxes.

Quick Cash for all
Salary Workers
in Sierra Leone

WITH
GT Salary
Loan

Available for all skilled workers in public & private institutions.



Sharing the Road

JIAXIONG YAO, ROBERT ZYMEK

DECEMBER 2024



Sharing The Road

Chinese electric cars will help some European economies and harm others, but tariffs would leave everyone worse off

BYD

Qin, Nio ES, and Xpeng P—these are popular series of Chinese electric vehicles (EVs). Well-built and affordable, they are not currently household names in Europe, but millions of them are already on the road in China and other emerging markets, such as Brazil. And with China now the largest automobile exporter in the world overall—accounting for 60 percent of global EV sales in 2023—these cars could soon come to a road near you.

The rise of China as a major EV producer has posed a dilemma for policymakers looking to promote the transition to a low-carbon economy. The European Union (EU) has set itself ambitious EV adoption goals: 100 percent of new car purchases by 2035, up from 15 percent today—a goal that could be achieved more easily by importing low-cost Chinese cars, which retail for about 20 percent less than similar French, German, or Italian models in the EU. However, several central and eastern European economies rely heavily on car and parts manufacturing for the leading European brands. Losing market share to Chinese car makers could put high-value jobs at risk

and undermine political support for the green transition.

In new IMF research, we ask how the EU would be affected if it were to pursue its proposed EV adoption goals while permitting Chinese manufacturers to capture a significant share of its car market. We use state-of-the-art macroeconomic and trade models to quantify the impact of such an “EV shock” scenario on EU economies, relative to a hypothetical world in which EV adoption and China’s market share remain fixed at their pre-2023 values.

A crucial ingredient in the analysis is how much EU market share Chinese imports could capture. This depends on how strong a comparative



advantage China is able to establish in a global car sector that is shifting toward EV production. Given the relative novelty of EVs, and the highly dynamic nature of technological innovation in this industry, projecting the evolution of comparative advantage is naturally difficult. For this reason, we turn to a historical



episode and use it as a yardstick for our scenarios.

High fuel prices in the 1970s raised US consumer demand for low-cost, fuel-efficient vehicles. This helped promote Japan’s emergence as a global auto exporter. Between 1970 and 1985, the share of imported Japanese cars in the US rose from almost 1.7 to nearly 15 percent,

before shrinking as trade tensions grew. Japan’s entry transformed US and global car markets.

Our scenarios assume that China’s rise could prove similarly transformative, leading to a 15 percentage point increase in its share of the EU market absent trade impediments, albeit over a shorter period. This serves as an illustration, not a forecast, as China’s penetration of the EU market is unlikely to mirror Japan’s entry into the US market exactly. The EU has already imposed new tariffs on Chinese EVs, up to 45 percent in some cases, so the import surge from China could prove weaker than in this earlier episode. It could also prove stronger, if China emerges as a more

dominant producer in the car sector than Japan did.

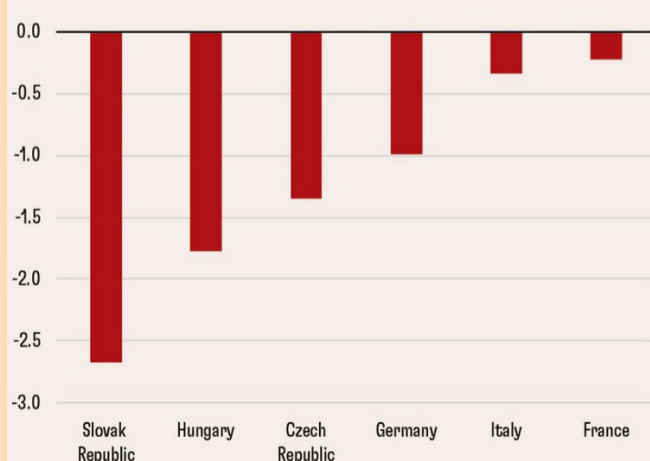
We find that the GDP impact from an EV shock is very small for the EU as a whole, but varies widely across its members (see Chart 1). Two countervailing forces are at work here. The increased supply of cheap Chinese vehicles benefits consumers throughout the EU. But it reduces demand for European car manufacturing, an economically important sector because of its high profitability and labor productivity. The resulting income loss is modest for Germany, France, and Italy. Despite being home to Europe’s major car brands, their economies are large and very diversified. Instead, the hardest blow is on smaller eastern European countries, where manufacturing in the supply chain for European cars makes up a large share of economic activity. Our model results show that Hungary and the Czech Republic are the worst-affected economies, with a decline in real GDP of 1 percent and 1.5 percent over five years, respectively.

Beyond the headline GDP impacts, the shock would imply a significant labor reallocation away from the automobile sector. Our models show that the dislocated workers amount to as much as 2.6 percent of the

Disappearing jobs

A large increase in China’s market share could cause job losses in Europe’s major car producers.

Long-term employment change in motor vehicle industry (percent of total workforce)

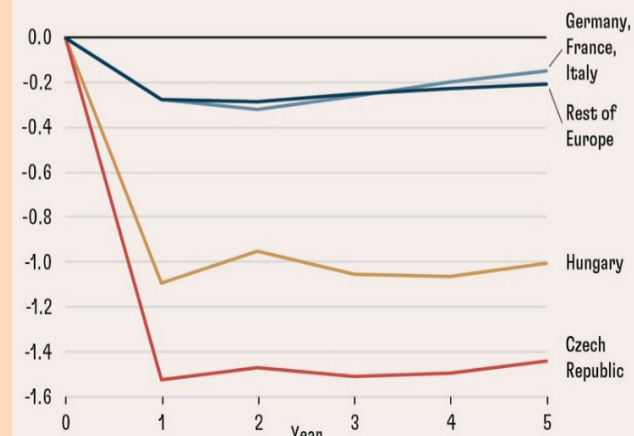


SOURCE: Wingender and others 2024.

Output losses

Eastern Europe’s smaller economies would be hit hardest by a large increase in China’s share of the electric vehicle market.

Short-term GDP impact of EV shock (percent of GDP, deviation from no-shock steady state)



SOURCE: Wingender and others 2024.

NOTE: “EV shock” represents a productivity increase in China combined with a preference shift in

Continues on PAGE 9

BUSINESS TO BUSINESS

BUY A SPACE HERE TO ADVERTISE YOUR GOODS, PRODUCTS & SERVICES

ADVERTISE
HERE



ADVERTISE
HERE

ADVERTISE
HERE

ADVERTISE
HERE



ADVERTISE
HERE



ADVERTISE
HERE

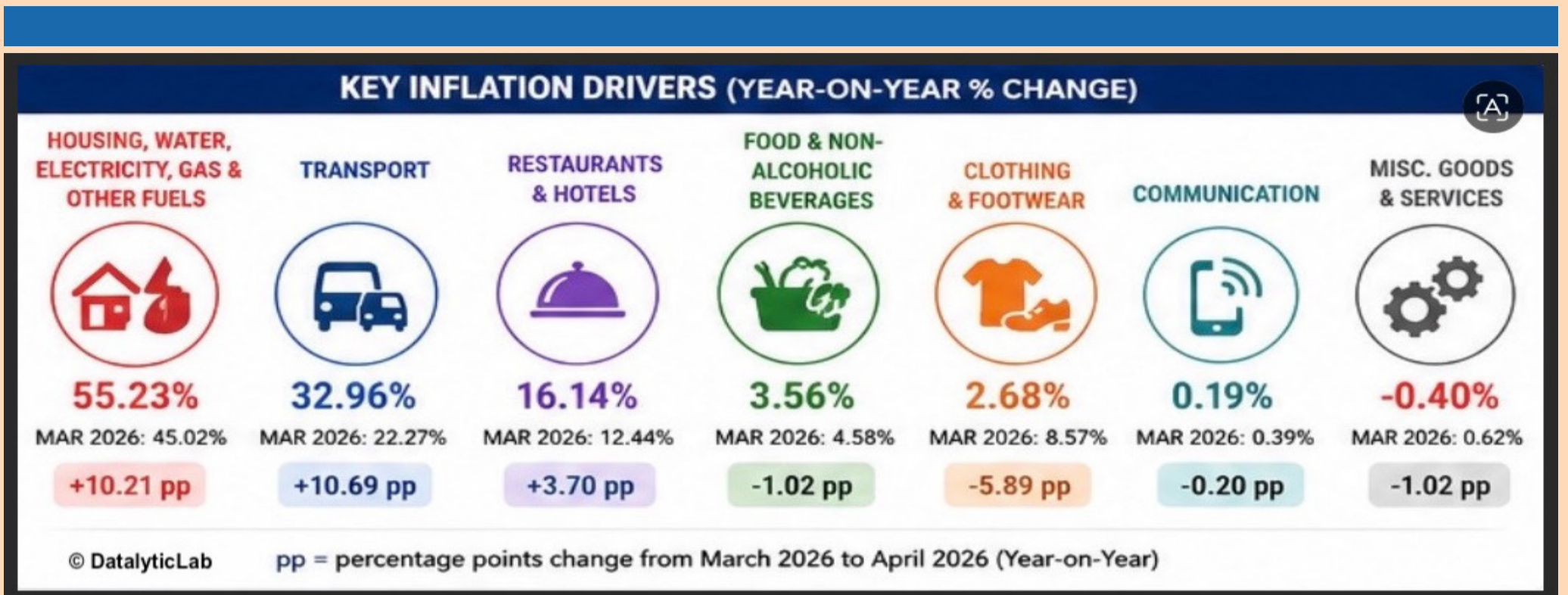
ADVERTISE
HERE

ADVERTISE
HERE

ADVERTISE
HERE



NEWS



Regional Inflation Gap Widens as Western Area and Northern Region Outpace National Average

Regional inflation divide deepened in April 2026, with new Consumer Price Index (CPI) data showing sharp contrasts between urban and rural price movements. The Western Area and Northern Region recorded inflation rates far above the national average of 10.83%, underscoring uneven economic pressures across the country.

The Western Area posted the highest inflation nationwide at 15.94%, up from

14.63% in March. The figure places inflation in the capital region 5.11 percentage points above the national benchmark, driven largely by rising transport fares, higher housing and utility costs, and increased prices of imported goods.

The Northern Region followed with inflation of 15.30%. Although this marks a decline from 17.33% in March, the region remains one of the most inflation-pressured parts of the country. Analysts attribute the persistently high rate to

structural supply challenges and elevated distribution costs affecting key

“The figure places inflation in the capital region 5.11 percentage points above the national benchmark, driven largely by rising transport fares,...

commodities.

In contrast, inflation

remained comparatively low in the Eastern, Southern, and North-West

regions. Eastern inflation rose from 2.91% to

4.28%, while the Southern Region saw an increase from 2.88% to 5.04%. The North-West recorded the lowest inflation nationally at 1.54%, down sharply from 3.64% in March.

The widening gap highlights growing regional inequality in consumer price trends. Inflation in the Western Area is now more than ten times higher than the rate in the North-West, reflecting stark differences in urban demand pressures, transportation costs, and exposure to

imported inflation.

Monthly inflation figures also revealed significant variation. The Eastern Region recorded the highest month-on-month inflation at 3.22%, while the Northern and North-West regions experienced negative monthly inflation of -0.27% and -0.96% respectively.

Economists say the data points to increasingly localized inflation dynamics. With national inflation still elevated, policymakers may face mounting pressure to

Medical Foundation To Deploy Surgical Expertise

Fundación Clínica Premium has announced its return to Sierra Leone with a high-impact humanitarian medical mission, marking one of the most strategically coordinated international health interventions in the country this year.

A specialist volunteer

team of surgeons, nurses, and medical students from the Costa del Sol clinic is set to deploy to Kissi Town in the east end of Freetown, targeting one of the communities most affected by Sierra Leone’s chronic shortage of surgical and specialist medical services

Sierra Leone continues

to face a severe deficit in surgical capacity, with too few trained professionals to meet the country’s overwhelming medical needs. This gap often turns treatable conditions into life-altering or fatal outcomes.

Fundación Clínica Premium’s mission directly confronts this reality. The team plans to

perform over 40 complex urological surgeries, prioritising patients whose conditions require urgent intervention. Alongside the surgical work, the team is expected to deliver more than 300 general medical consultations, offering diagnoses, treatment, and referrals for a wide range of health concerns.

The foundation’s return is anchored in a renewed partnership with Caritas Freetown, a respected local organisation with deep community networks and proven operational capacity. The collaboration is designed to avoid the common pitfalls of foreign medical missions—particularly misalignment

with local needs and weak integration with existing health systems.

The Spanish contingent will work closely with healthcare personnel at Christ The King Children’s Hospital, engaging in hands-on knowledge transfer and demonstrating advanced surgical techniques.

UBA Prepaid Card

Enjoy banking with a card that is not linked to your account!

The UBA Prepaid Card is a pre-funded and re-loadable card that can be used to pay bills and make purchases. The UBA Prepaid Card is:

- Best for online shopping
- Great for budget planning
- Not linked to your account
- Instantly issued at any UBA business office
- Accepted all over the world

MOTORING



Keeping Your Car Safe

Don't just rely on your key fob

Always locking your car when you leave it goes without saying, but make sure you double check the car is actually locked.

Some vehicles will use an audible or visual signal, while others will feature 'pins' on the inside of the windows, which will lower when the doors have been locked.

Don't simply rely on your key fob, as some thieves use 'jammers' to intercept the signal between the fob and the car, leaving the vehicle unlocked and vulnerable to theft. These signal jammers might be in a criminal's pocket or left in the bushes at the side of a car park, so be on your guard.

It might seem like a hassle to check every door, including the boot, but it's the only sure-fire way of ensuring the car is locked.

Avoid being a victim of a 'relay attack'

An increasing number of car thieves are using 'relay attacks', which involves two criminals working together using electronic signal relay devices.

One criminal uses a device to receive the key signal from inside the home, transferring the signal to a second box, which is placed alongside the car. In effect, this tricks the car into 'thinking' the key is there, allowing the thieves to unlock the vehicle and drive away.

Although the signal

can pass through doors, walls and windows, it cannot penetrate metal, so placing the keys inside a metal box, signal blocking wallet or safe will protect your vehicle from a 'relay attack'.

Car and key hacking guide

All you need to know about catalytic converters

What to do if your car alarm keeps going off

MM trustpilot promo panel.

Get your car serviced or repaired at home

RAC Mobile Mechanics can come to you, saving you the hassle of going to a garage.

Get a quote

Where should you park your car to keep it safe?

Don't just park in the first space you see - try to find a place that's well-lit and open to public view.

Having your coat or bags in view, or just leaving loose change on the dashboard could be enough to tempt somebody to break in and leave you with a repair bill for a broken window

If you need to use a car park, try to find one that's security patrolled, covered by CCTV, or that is in a secure area.

If you're at the shops or in a busy town centre car park, you should park close to other shoppers, rather than away from other cars.

Thieves will be less

likely to target your vehicle if they believe they might be disturbed.

Knowing the best places to park if important for all drivers.

Don't display any belongings in your vehicle

Avoid car vandalism by taking your belongings with you when you park.

Having your coat or bags in view, or just leaving loose change on the dashboard could be enough to tempt somebody to break in and leave you with a repair bill for a broken window.

If you have a parcel shelf or load cover in the boot, it might be best to open or remove it, which will show would-be car thieves that there's nothing to steal.

Take out your infotainment system, stereo, and sat-nav

If your car stereo has a front panel that stops it from working when it's removed, take this with you. If it has a flap or cover, remember to shut this to shield your stereo from view.

Take your sat-nav system with you too, remembering to remove the holder and to clean any tell-tale suction marks from the windscreen.

If you have a removable entertainment system - make sure that you remove it when you leave your vehicle for an extended period of time and keep it somewhere safe.

Add a car alarm, immobiliser or tracking device

Most modern cars will come with a factory fitted immobiliser, but adding a Thatcham-approved car alarm can reduce your car insurance premium as well as the risk of car theft.

If you have no car security at all, make fitting an immobiliser a top priority.

Fitting a tracking device won't prevent a vehicle from being stolen, but it will increase the chances of it being recovered and returned by the police.

Use locks to protect your vehicle

Adding a visual deterrent to your car is a good way to avoid car theft and often enough to make a thief look for an easier option.

Use a sturdy lock for the steering wheel, pedals and gearstick.

These might be old-school deterrents, but they're making a comeback in the digital age. Many thieves are opportunistic, and they might pass on a car they perceive to be too much hassle.

Chinese electric cars will help some European economies

Continued from PAGE 6

workforce in the Slovak Republic and 1.7 percent in Hungary (Chart 2). Although these workers would ultimately be reemployed in other sectors—primarily services—labor reallocation on such a scale may have significant social, economic, political, and psychological costs, which are outside the scope of our models.

What should governments do to cushion the economic impacts? Some restrictions on Chinese EV imports may appear tempting, and the EU has gone down this route to some extent with the new tariffs on EV imports from China finalized in October.

But trade barriers are not the right answer. Our model simulates the effects of a 25 percent and a 100 percent average tariff on Chinese automotive imports into the EU in the face of the EV shock. Far from lessening the economic costs, we find that tariffs make the situation worse, both in the short and long run (Chart 3). While the tariffs protect domestic auto production and yield limited revenue gains, they raise consumer prices as well as production costs in sectors that could use Chinese vehicles as inputs. These costs outweigh the benefits, leaving all EU countries poorer, with an especially adverse effect on economies that do not have a sizable domestic auto sector. The tariff

transition, resulting in additional CO2 emissions. On this point, our modeling results offer a more nuanced picture. The price effect of tariffs does cause consumers to buy some more traditional vehicles over the next decade, which adds to emissions. However, as long as the EU sticks to a path of policies that achieve its adoption target of 100 percent EV purchases by 2035, the overall fallout for emissions is minimal. In this case, the main effect of the tariffs is to raise the price tag of the transition. However, in practice a higher price tag may very well create pressure to delay EV adoption targets—and such a delay would cause a much more severe impact on emissions.

If not tariffs, what else might dampen the job and output losses of the EV shock? The key lies in investment and productivity. Our modeling shows that if higher EV demand in Europe is met by Chinese firms producing directly in Europe, via increased foreign direct investment, adverse impacts could be lessened. This is how Japanese automakers began to serve the US market beginning in the 1980s. We also find that realistic productivity gains in the European car sector could go a long way toward softening the macroeconomic impact on the worst-affected EU economies. A removal of remaining intra-EU

Some restrictions on Chinese EV imports may appear tempting, and the EU has gone down this route to some extent with the new tariffs on EV imports from China finalized in October

protection will also not make European carmakers more competitive in the global market.

Beyond their economic impact, it has been argued that tariffs on Chinese EVs could slow the EU's climate

barriers to trade and capital flows could allow car manufacturers to better exploit economies of scale, thereby incentivizing investment in research and development.

CAREERS & WORKPLACE



Starting off in International Development

International Development is a significant part of the charity and not-for-profit sector. It's also one of the most desirable career paths, which means there's plenty of competition. So how can you start a career in International Development with so many people fighting for the same roles? We can help with that.

What is International Development?

Combining research and practical aid, a career in International Development provides support to people living in the developing world. This can range from humanitarian work to construction of infrastructure and emergency response. Put plainly, it's looking into issues or problems and deriving solutions for developing nations.

There are a number of organisations within International Development; some are charities, some are not-for-profit organisations. Beyond that, there are government departments and even elements of the United Nations such as UNICEF, UNIDO

and The World Health Organisation that are involved. As such, it's not just big charities that are making a difference—there are multiple organisations working to make real-world changes.

Types of International Development organisations include:

Charities Non-governmental organisations (NGOs) Government development departments United Nations organisations Universities and academic research Think tank.

Which jobs are available in

By Benita Culshaw

'ground' development. Work in the field is often voluntary and performed by local staff, as the era of paid 'on the ground' work is coming to an end. However, specialist work is increasingly available. Experience in engineering, health, legal and other types of in-demand professions may make it easier for you to find paid work a bit closer to the action.

Research

Research and policy roles are generally based in

may not require a post-graduate education, but a research background is essential. You will be developing research-led projects for charities, think-tanks, university departments and government organisations.

Technical roles

These jobs will require technical speciality in areas of medicine and science. You may be an engineer or planner with knowledge of infrastructure, or be from a scientific background in water and sanitation. It's generally expected for you

Support & admin

As most International Development organisations operate offices in developed nations (though they may have an administration presence abroad), admin and office support positions are often available. These jobs will likely be quite familiar, ranging from office assistants to finance managers and HR. What do you need to get a job in International Development?

1. Education

Volunteer work in the UK may not require any qualifications but some International Development jobs ask you to be educated to degree level (not necessarily specifically for an International Development career, but it definitely helps). Some more senior positions may even ask for a Masters. Internships and placements are sometimes provided as part of a course, allowing you to gain vital experience while studying.

As always, experience trumps education. However, the most common career path is through an undergraduate degree, then an MSC in International Development and work in placements/internships for a few years until a job

opens up. Not being a graduate in this field could put you at a disadvantage.

If you have experience in the field, including solid and demonstrable volunteering experience with known organisations, you may be considered.

2. A history of volunteering

The sector is always on the lookout for passionate people. That means you'll need to demonstrate a clear dedication to the not-for-profit world. A great way to do this is through volunteering. But it's not just about proving your enthusiasm for the sector; it's about networking and building up contacts.

Volunteering is an unspoken essential for careers in international development. If you're considering a career change, this is even more valuable because it shows that you made time to get involved, even when working full-time.

Volunteering overseas can be a great addition to your CV, and an overseas placement can provide you with relevant experience which charities and NGOs will understand. Having a combination of good academic performance and relevant volunteering experience will push you ahead of other candidates.



International Development?

Field-based or programme work

This is 'boots on the

the nation(s) of the charity's founding and are office-based roles usually staffed by postgraduate students. Experienced candidates

to have both experience and qualifications in the area you would like to get into.



Have you tried Chicken Town?

We Deliver. Call **392** to order today.

Visit our branches at
Jui | Wilberforce Street | Old Railway Line | Aberdeen | Lumley



ARTS & CULTURE HUB



Kennedy Adewale is a poet and photographer who captures genuine human connections, highlighting spontaneous expressions and gestures that reflect shared experiences.



POETRY CORNER

Review

Unbroken Rhythms: A Song for the Diaspora

Author: Kennedy A. Adewale

Publisher: Daily Graphic Nigeria

Reviewer: Professor Abdullahi Kadir Ayinde, Head, Department of English & Literary Studies, University of Ilorin, Nigeria

Email: abdullahi.ka@unilorin.edu.ng

Introduction

This collection of poems: *Unbroken Rhythms: A Song for the Diaspora* poetically resonate post-colonial African's historical, social and political trajectories in its transformational process to modernity and reclamation of the lost heritage at home and in Diaspora. As Shakespeare hath said of man that he looks before and after. He is the rock of defence for human nature, an upholder and preserver, carrying everywhere with him relationship and love. In spite of difference of soil and climate, of language and manners, of laws and customs: in spite of things silently gone out of mind, and things violently destroyed, the poet binds together by passion and knowledge the vast empire of human society, as it is spread over the whole earth, and over all time. Adewale's collections, thus significantly, represents a full package of social heritage, with all the knowledge and skills

vital to survival and reproduction of African history.

Thematic Analysis and Review of the Collections

The Collection titled *Unbroken Rhythms: A Song for the Diaspora* has a plethora of sub-titles such as "The Seed in the Wind", "Roots in Deep Water", "The Tongue

in the Diaspora. The poet explores the complexity of African diaspora aesthetics as involved the shared experiences of cultural hybridity and resistance to systemic oppression leading to a unique form of Adewale's artistic expressions in the poetry.

Adewale blends traditional elements with the contemporary art forms to create new meanings and challenge dominant cultural narratives through shared memories and experience of displacement, racial grief and neocolonial future.

The poet explores the complexity of African diaspora aesthetics as involved the shared experiences of cultural hybridity and resistance to systemic oppression leading to a unique form of Adewale's artistic expressions in the poetry

Remembered", "Market Day in a Foreign Land", "The Return (Coming Home to Myself)" and "Author Feedback & Reflection".

There are a few more that all thematically focus of a myriad of motifs that invites reflection on survival, identity and adjustment of the Africans

The poet-personae, for instance, says unequivocally in "Roots in Deep Water":

They say the river forgets its sources when it meets the sea,

But we are the river that carries the forest in its memory'

Over the centuries, the image of river is

often used by the established poets such as the Caribbean-born African renowned writer Edward Braithwaite to symbolically represents African people who were migrated across the Atlantic ocean into the new world as slaves. River as used by Adewale is a metaphorical reminiscence of such transition. The poem, like similar others of its kind in the collections, reinvents the theme of a Diaspora discourse as it reflects the new self-identification and solidarities.

As at today, the African Diaspora is one of the most active communities of citizens outside of their countries. Different institutions and African nations are calling them more and more in their attempt to gather forces to foster human development and capacity building in Africa. Pan-Africanism unifies the cultural and political world of African Diaspora and the self-determination of people. It is in this perspective that Adewale's collections can be seen as a poetic exercise that reflects the double consciousness often felt by the Diasporas. Several metaphors like seeds, roots and rivers are concrete images deploy to capture the cultural icons known in African story telling.

Resilience Rising

By Ibrahim Mansaray

When shadows lengthen, and the soul takes flight,

Do you not question where the lost lights roam?

We stand at the precipice, in darkest night,

A tapestry of tears, far from our home.

Each heart a vessel, bearing burdens deep,

A phoenix's ashes, scattered on the breeze.

What strength is found, when promises we keep,

While Sisyphean toils bring us to our knees?

The chasm yawns, a silence so profound,

Where echoes whisper of a life undone.

But from the dust, a spirit can be found,

A stubborn oak, where new life has begun.

For in the crucible, where sorrow's fires gleam,

A diamond

hardens, though the pressure's vast.

Do you not see, beyond a fractured dream,

The resilient soul, forever meant to last?

Though tempest-tossed, and battered by the storm,

We learn to navigate, with courage as our guide.

Does not each scar, a story to perform,

Remind us of the battles fought inside?

So look within, where inner fortitudes reside,

For even in despair, a hope springs eternal, bright.

This ever onward, where our spirits stride,

Emerging Beyond the Veil, into the pure sunlight.

NEWS



A group of Turkish investors at the Sierra Leone Parliament here with Ambassador Dr. Francess Anderson (3rd from the right), Hon Segepoh Thomas (4th from right), Speaker of the parliament. On his immediate right is Mr Al

Maritime Pact With Philippines

Continues on PAGE 3
 issued a statement following the signing, highlighting that this partnership "underscores the growing maritime partnership between the two countries and reinforces the Philippines' standing as the world's leading provider of highly skilled seafarers." The agreement was signed during MSC 111, one of the IMO's most consequential maritime safety gatherings, drawing high-level delegates from member states and international shipping organizations. The event was attended by maritime officials from both nations,

IMO secretariat representatives, and delegates from other member states observing the committee proceedings. The aim of the agreement is to advance maritime training and certification standards between both administrations in full compliance with the STCW Convention as amended. For the Philippines, the partnership is part of ongoing efforts to strengthen international maritime cooperation and expand employment opportunities for maritime workforce, and maintaining global safety and competency standards

The Director of the Public Sector Reform Unit in the Office of the President, Mr. Sulayman Forimusa, has issued a strong appeal for deeper regional cooperation, policy harmonisation, and market integration as essential drivers for achieving the African Union's Agenda 2063. Speaking in an exclusive interview with the Ethiopian News Agency (ENA), Forimusa warned that Africa's long-term development ambitions will remain out of reach unless countries move beyond fragmented national strategies and embrace coordinated, continent-wide action. Forimusa stressed that the continent's aspirations—ranging from economic transformation to social progress—require a unified and disciplined approach among member states.

Governance Chief Calls for Stronger Regional Unity

"Collective efforts from African countries, oneness, being together, being disciplined and purposeful, can help us drive those agendas," he said, underscoring the urgency of shared responsibility. He cautioned that uncoordinated national policies risk undermining the AU's flagship development blueprint, which envisions a prosperous, integrated, and peaceful Africa by 2063. A central theme of Forimusa's remarks was the need for African governments to ensure that national budgets, development plans, and policy frameworks are fully aligned with both Agenda 2063 and the Sustainable Development Goals (SDGs). He noted that

SIGNATURE CONNECT
 Unlimited Internet Data

- 10Mbps Kombara NLe700/mo
- 20Mbps Family NLe900/mo
- 20Mbps Booster NLe1,250/mo

The ideal **Ultra Rapid** Internet for you!

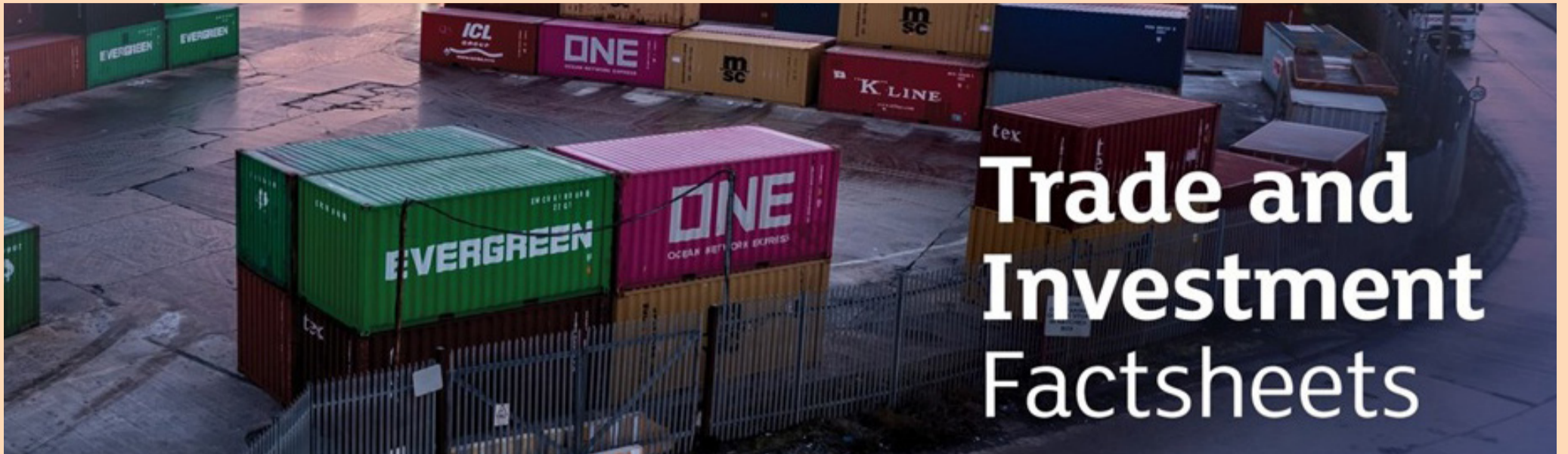
Signature Connect
 92 Regent Road, Hill Station Freetown
 +232 92239230 +232 72388290 +232 30888178 +232 73088368
 info@signature-connect.com https://signature-connect.com

INFLATION REBOUNDS TO 10.83% AS NON-FOOD PRICES DRIVE UP COST

HEADLINE INFLATION (Y-O-Y)	MONTHLY INFLATION (M-O-M)	FOOD INFLATION (Y-O-Y)	NON-FOOD INFLATION (Y-O-Y)
10.83%	1.37%	3.56%	16.62%
APR 2026	APR 2026	APR 2026	APR 2026
MAR 2026: 10.24%	MAR 2026: 2.28%	MAR 2026: 4.58%	MAR 2026: 14.68%

Annual inflation rises to 10.83% in April 2026, driven by sharp increases in housing, utilities and transport costs. © DatalyticLab

INTERNATIONAL TRADE



Trade and Investment Factsheets

Sierra Leone-UK Trade: A Relationship Running on Empty

Terry Fade Adewale



Editorial Advisor

The latest UK–Sierra Leone trade figures should unsettle anyone who still believes this bilateral relationship is on a path to meaningful economic partnership. At £99 million in total trade for the four quarters to Q4 2025—a marginal 2% decline from the previous year—Sierra Leone ranks as the UK’s 158th trading partner, accounting for less than 0.1% of Britain’s global trade. These are not the numbers of a strategic relationship. They are the numbers of a partnership stuck in neutral.

The breakdown is revealing:

- UK exports to Sierra Leone fell by 2.6%, dropping to £75 million.
- UK imports from Sierra Leone barely moved, stuck at £24 million.
- Sierra Leone’s FDI into the UK collapsed by 50%, down to a symbolic £1 million.
- UK FDI stock in Sierra

Leone is not even published, due to disclosure limitations—usually a sign of extremely low or highly concentrated investment.

This is not a trade relationship; it is a transactional trickle.

Sierra Leone’s export

with minimal value addition and limited competitiveness in higher-value markets. The UK, meanwhile, has not expanded its commercial footprint beyond traditional sectors. There is no surge of British investment in agribusiness, tourism, renewable energy, or digital infrastructure—sectors where Sierra Leone has clear comparative potential.

The result is predictable: imports dominate, exports stagnate, and the trade gap widens.

Foreign direct investment is the engine of structural transformation. Yet:

- UK investment in Sierra Leone is so low it cannot be publicly disclosed.

- Sierra Leone’s investment in the UK is

no diversification, and no pathway to export competitiveness. The absence of FDI is not a footnote—it is the central failure of this bilateral relationship.

Sierra Leone’s development ambitions—industrialisation, value addition, export diversification—cannot be achieved with a trade relationship this anaemic. A country of Sierra Leone’s potential should not be trading at levels comparable to microstates. Nor should it accept a static relationship with a major global economy that has historical ties, a large diaspora, and significant development influence.

The current numbers reflect a deeper truth: Sierra Leone is not yet positioned as an investment-ready, export-capable partner in the eyes of UK businesses.

For Britain, the data exposes a gap between rhetoric and reality. Post-Brexit, the UK has repeatedly promised a renewed economic partnership with Africa. Yet the Sierra Leone figures show no evidence of strategic engagement, no commercial ambition, and no meaningful investment push.

If the UK intends to be a serious development and trade partner, it cannot allow its engagement with countries like Sierra Leone to remain frozen in the past. Both countries need a reset—one grounded in strategy, not sentiment.

Sierra Leone must:

- Expand export capacity beyond raw commodities.
- Strengthen standards, certification, and market readiness for UK/EU markets.
- Use ATIDI membership and investment guarantees to de-risk British investment.
- Build targeted investment promotion pipelines for UK firms.

The UK must:

- Prioritise Sierra Leone within its Developing Countries Trading Scheme (DCTS).
- Deploy blended finance to support value-addition industries.
- Encourage British companies to explore opportunities in energy,

mining services, tourism, and digital infrastructure.

- Rebuild investor confidence through predictable, transparent engagement.

The UK and Sierra Leone share history, people, and values. But history cannot substitute for strategy. The current £99 million trade relationship is not just small—it is unacceptably small for two countries with such deep ties.

If both governments fail to act, this partnership will continue to drift. But if they choose to act—boldly and deliberately—Sierra Leone and the UK can transform a stagnant relationship into a genuine engine of shared prosperity.

Sierra Leone’s export profile remains dangerously narrow. The country continues to rely on a handful of primary commodities, with minimal value addition and limited competitiveness in higher value markets. The UK, meanwhile, has not expanded its commercial footprint beyond traditional sectors.

profile remains dangerously narrow. The country continues to rely on a handful of primary commodities,

negligible and shrinking.

Without investment, there is no technology transfer, no job creation,



Humanity First We exist to make a difference

EXECUTIVE SUITE

Taxing Matters

RHODA METCALFE

SEPTEMBER 2025



Stefanie Stantcheva explains how policymakers can raise taxes without scaring off innovators

Public resistance to new policies often leaves policymakers scratching their heads. Stefanie Stantcheva's multidisciplinary approach to research digs deep into the minds of people at the receiving end to help design better policies. Stantcheva sat down with journalist Rhoda Metcalfe to discuss how tax policy impacts innovation. The Internal Revenue Service building in Washington, DC, has its *rais d'être* etched in stone across its facade: "Taxes are what we pay for civilized society." That quote is from Oliver Wendell Holmes Jr., a Supreme Court justice in the early 1900s, but some prominent modern-day Americans, such as Steve Jobs, argue that it is innovation that truly allows societies to evolve: "Innovation distinguishes between a leader and a follower," Jobs said. So what happens when those two things work against each other...when taxes start to weigh on innovation? Stefanie Stantcheva wants to know how tax policy can make or break

the innovative spirit, a subject she studies at Harvard University's Social Economics Lab, which she founded. Her fascination with economics began when she was a young girl growing up in Bulgaria in the 1990s amid bouts of hyperinflation. She later moved to France and East Germany, where she found more economic puzzles to solve. Stantcheva was destined to become an economist and has been doing remarkable research ever since.

Her work on taxation and innovation won her the 2025 John Bates Clark Medal—known as the Baby Nobel—awarded for the most significant contributions to economic thought and knowledge by an economist under age 40. Stantcheva's youthful approach has shed light on trends such as zero-sum thinking, which challenges conventional wisdom on growth and, she says, helps explain the reasoning behind the perception of economic policies among younger generations.

Stantcheva, the

Nathaniel Ropes Professor of Political Economy at Harvard, discussed old and new thinking in economic policy with F&D contributor Rhoda Metcalfe.

You've been involved in many thought-provoking studies, but your work on taxation and innovation has received a lot of attention. What's the connection?

SS: There's an important connection.

Who likes taxes, right? But they affect so many aspects of our lives. Well-designed tax system can encourage growth and equality and provide great infrastructure and public services.

Innovators and inventors are economic agents, like everyone else, and they care about economic incentives and rewards. Our studies show the effect of taxation on inventors in the United States all the

way back to the 1930s. We wanted to understand how taxes shaped the quantity of innovation, where it happened across different states, and its quality. We found that taxation has a negative effect on innovation, both in terms of the quantity, as measured by the number of patents, and the location. States with higher personal—and especially higher corporate income taxes—lost out to lower-income-tax states in

terms of innovation.

So if a state wants more innovation, more start-ups, all it has to do is lower taxes?

SS: It's more complicated, because taxation exists for a good reason.

We need to raise revenue to finance important public spending. If a state has a lot of amenities—measured, for instance, by the number of inventors located there already, or by its research infrastructure—this dampens the effects of higher taxes. California, for example, has relatively high taxes. Yet innovators still want to move there because there is so much innovation there already and because of the many amenities, which are partly financed by high taxes. And this is also true in other major patenting countries, in western Europe and Canada, for instance. Superstar inventors are highly mobile and sensitive to taxes. Migration effects are powerful for highly qualified inventors. The policy conclusion is that because taxes are needed for lots of reasons, it's important to dampen their negative economic effects. The way revenues are spent is critical. Revenues that foster research and innovation infrastructure, that make a location attractive, allow a state or a country to sustain higher taxes without

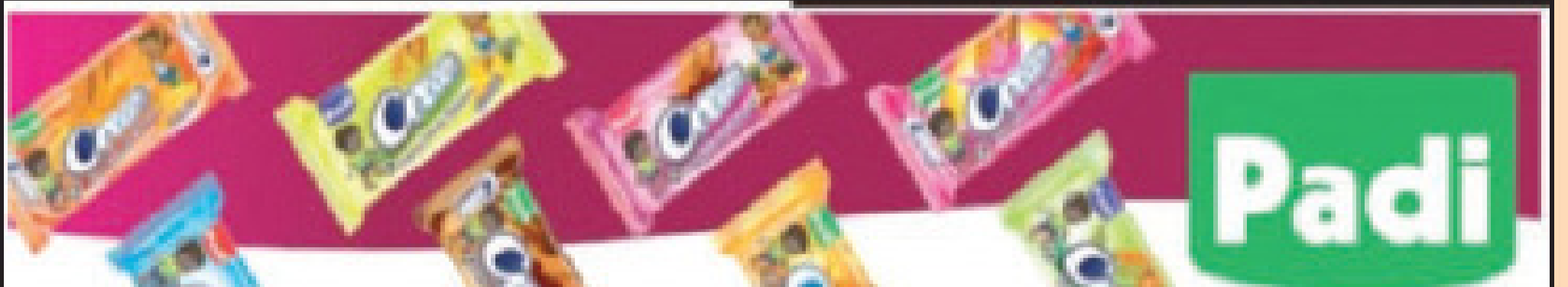
losing all innovative capacity.

Taxation is a recurring theme in your research. What makes it so interesting?

SS: Who likes taxes, right? But they affect so many aspects of our lives. Well-designed tax system can encourage growth and equality and provide great infrastructure and public services. But a poorly designed tax system can have terrible cascading effects that hamper economic development. Taxation is such a powerful tool that it's important to study it and get it right.

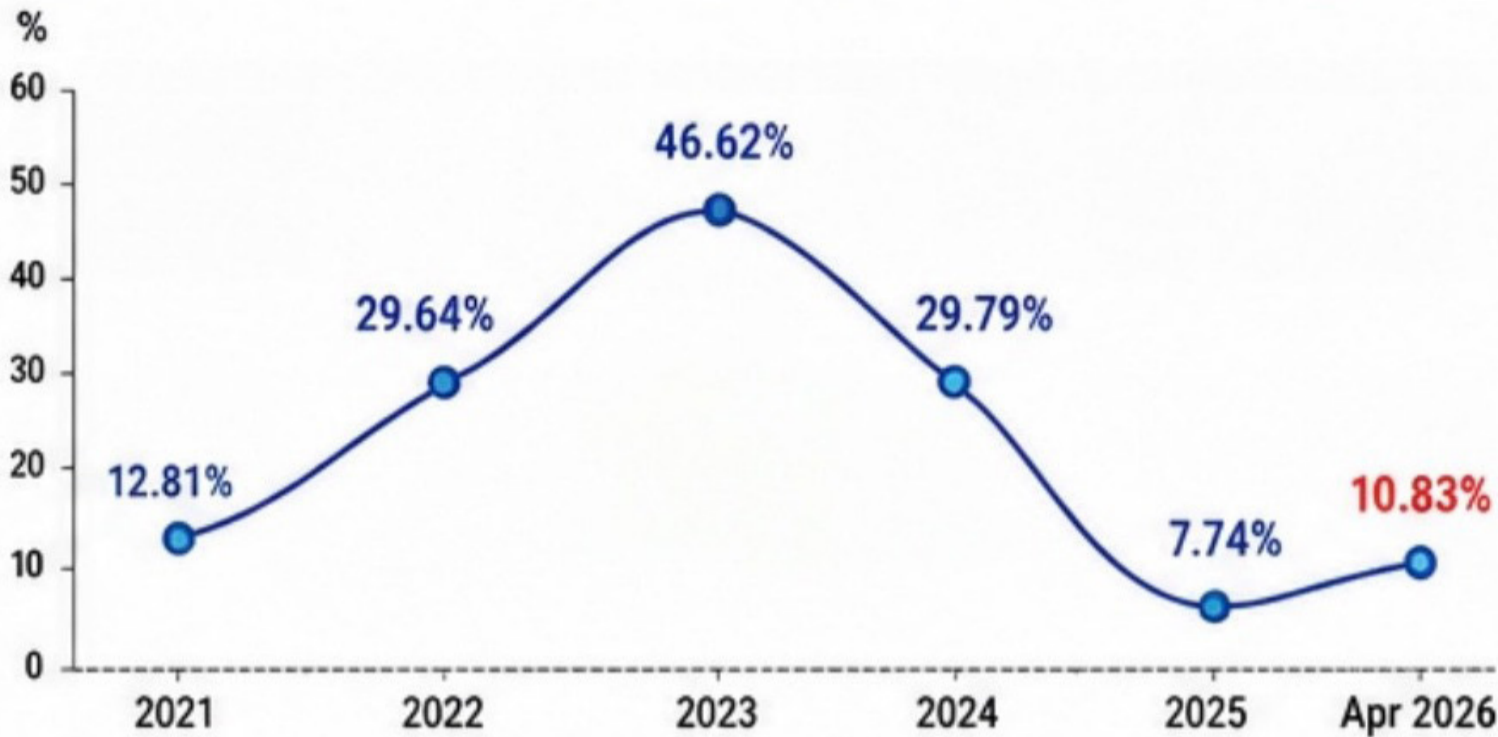
One thing that sets your research apart is the way you use surveys, which are not new, but your approach is a little different. Can you explain.

SS: Surveys have been around for a very long time in economics, but there are things that remain completely invisible in data, no matter how good it is—things like people's reasoning, perceptions, beliefs, attitudes. This is why the surveys we do at the Social Economics Lab are so important.



STATISTICAL SIERRA LEONE

NATIONAL INFLATION TREND (YEAR-ON-YEAR % CHANGE)



 Inflation eased significantly from the 2023 crisis peak, but has rebounded into double digits in April 2026.

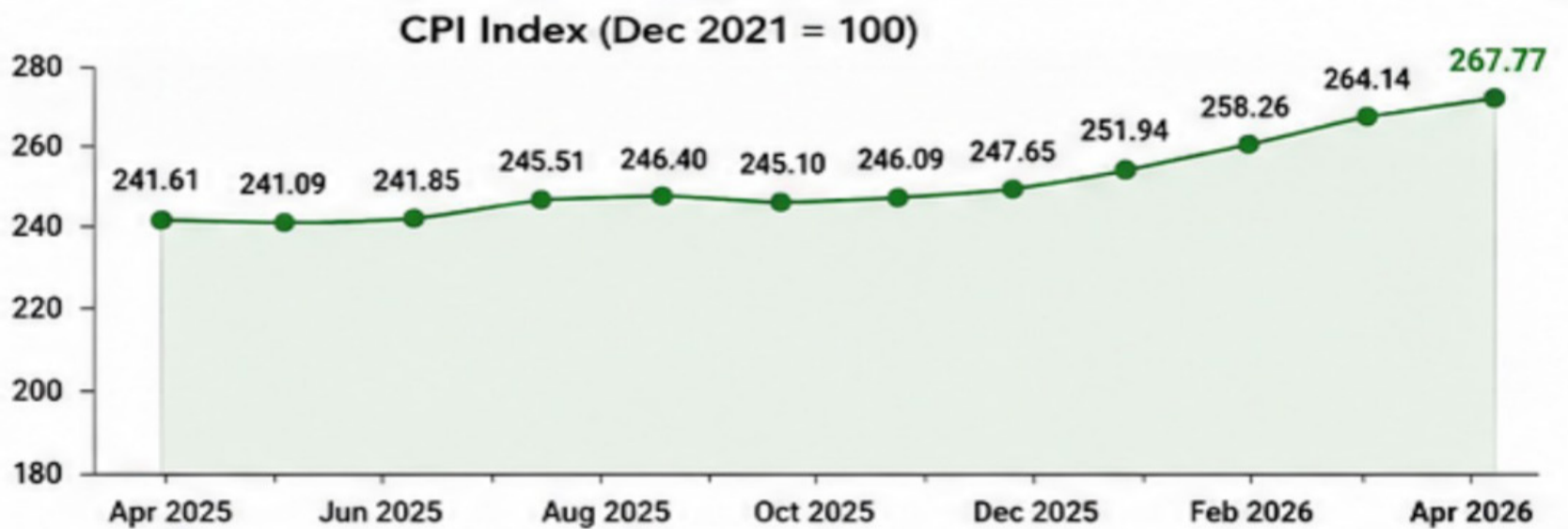
© DatalyticLab


Source: Statistics Sierra Leone - CPI Press Release, April 2026

NATIONAL CPI INDEX MOVEMENT

APR 2025
241.61
APR 2026
267.77

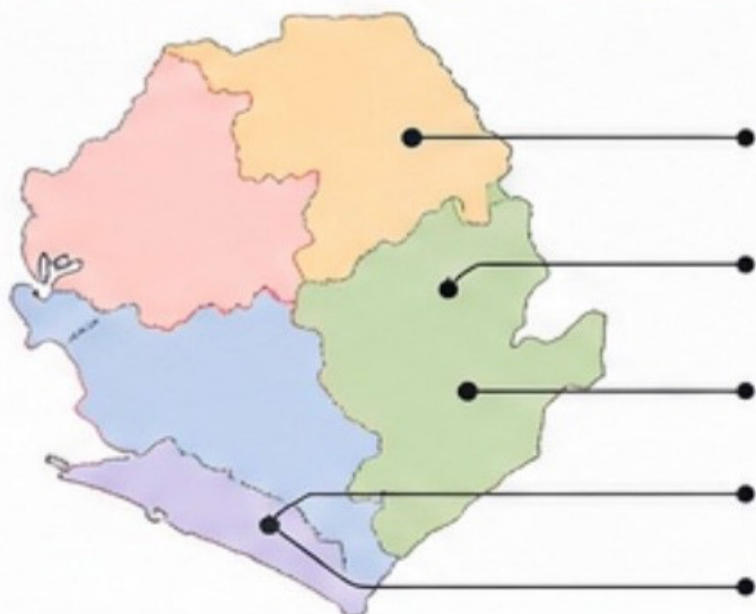
Annual Increase
26.16
Index Points



 The CPI index increased by 26.16 points (10.83%) over the past year.

© DatalyticLab

REGIONAL INFLATION SNAPSHOT (APRIL 2026)



Region	Y-O-Y Inflation	M-O-M Inflation
Western Area (Highest)	15.94%	3.19%
Northern Region (2nd Highest)	15.30%	-0.27%
Eastern Region	4.28%	3.22%
Southern Region	5.04%	1.55%
North-West Region (Lowest)	1.54%	-0.96%

 Inflation disparities persist: Western Area inflation is more than 10 times higher than the North-West Region.

© DatalyticLab