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PRESS RELEASE

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PARLIAMENT DOLES OUT FIVE (5) BILLION LEONES TO LOCAL RICE PRODUCING FARMERS

A Five Billion Leones loan agreement for the procurement and supply of locally produced rice to the military, police, prisons and fire force personnel has been ratified by Parliament on Tuesday 07th March, 2017. The aim of the loan, which is interest free and repayable over a period of 24-Months, is to support local rice producing farmers through the implementation of the local content policy and institutional support.

Presenting the loan prior to ratification, the Minister of State, Ministry of Finance and Economic Development, Momoh Vandi said among other things that the loan is in line with President Koroma's recovery priorities that 10% of institutional feeding for the security sector should come from our locally produced rice, without interest. He also said that the loan agreement which is among the Ministries of Finance and Trade and the Sierra Leone Produce Marketing Company is geared towards the procurement and distribution of locally produced rice for the security sector to the tune of Le 5 Billion. He furthered that the loan will only come into force after parliamentary approval, and that the Ministry of Trade and Industry has responsibility to monitor and oversee the successful implementation of the loan scheme. He averred that the Ministry of Trade and Industry had secured an executive clearance in respect of the loan, with a repayment of over Le 600 Million per month.

Responding to concerns raised by MPs, the Minister said that the SLPKC has already supplied over 2000 bags of locally produced rice to the security sector to demonstrate its commitment and that it has the capacity to repay the loan. He also said that this agreement will neither result in "shortages of rice" nor "starvation" of the people.

Contributing to the debate, Hon. Bashiru Silikie said that the loan does not have any collateral, even though the SLPKC has the capacity to repay. He called on MoFED to either increase their budgetary allocation or better still, give them a subsidy to do their work.

Reacting, Hon. Leonard Fofanah, Deputy Majority Leader of the House referred to the loan as the most excellent performance by Government, whilst describing Hon. Silikie's

contribution as “blowing hot and cold”. He also said that the 5 Billion Leones loan will support SLPMC to do her work and that it will be difficult to obtain a loan of that magnitude from the commercial banks.

Hon. Francis A. Kai-Samba described the loan as a fine tripartite agreement with the Ministry of Trade being the moral guarantor, having sought executive clearance from President Koroma. He cautioned that the loan is untenable until it is ratified by Parliament.

Hon. Ibrahim Ben Kargbo described the loan as non-controversial and one that it will be managed by a limited liability company which has an agricultural component. He also said that the loan will promote agriculture with the view of enhancing the livelihood of the people, and fulfilling the local content policy, whilst noting job creation and the need for auditing the loan to ascertain its effective utilization.

Hon. Komba E. Kodoeyoma, as the Acting Minority Leader described the loan as a good one. However, he expressed fears that the 10% of locally produced rice for the security sector may result in its scarcity, thus an increase in the price of imported rice, saying that our local farmers are unable to feed the nation. Therefore, he called on our farmers to do more in respect of local rice production.

In concluding the debate, Hon. Ibrahim Bundu, Majority Leader of the House said that it is preferable to give a loan than a grant to any Government entity. He also said that the 10% is good for a start and challenged our local rice producing farmers to up their productivity and sell their surpluses to the SLPMC, which has a ready market for their product. He furthered that this laudable initiative will put to rest dubious contracts that had been entered into by certain Government agencies, whilst calling on colleague MPs to tell their constituents to sell their rice surpluses to the SLPMC.