

NATIONAL REVENUE AUTHORITY

ANNUAL REPORT 2024

**Prepared by:**

**MONITORING, RESEARCH AND PLANNING DEPARTMENT**

**APRIL 2025**

**Table of Contents**

[List of Tables 3](#_Toc198043899)

[List of Figures 4](#_Toc198043900)

[List of Acronyms 5](#_Toc198043901)

[FOREWORD BY THE COMMISSIONER-GENERAL 7](#_Toc198043902)

[EXECUTIVE SUMMARY 8](#_Toc198043903)

[**CHAPTER ONE 11**](#_Toc198043904)

[**1.0 INTRODUCTION 11**](#_Toc198043905)

[1.1 NRA CORPORATE STATEMENT 12](#_Toc198043906)

[1.2 GOVERNANCE STRUCTURE 13](#_Toc198043907)

[1.3 MACROECONOMIC OUTLOOK FOR 2024 15](#_Toc198043908)

[1.4 NRA STRATEGIC PLAN 2023-2027 16](#_Toc198043909)

[1.5 PROGRESS REPORT ON THE IMPLEMENTATION OF THE 2024 NRA OPERATIONAL PLAN 17](#_Toc198043910)

[**CHAPTER TWO 20**](#_Toc198043911)

[**2.0 REVENUE AND DUTY-WAIVER PERFORMANCE 20**](#_Toc198043912)

[2.1 OVERVIEW OF REVENUE TARGETS IN 2024 21](#_Toc198043913)

[2.2 REVENUE PERFORMANCE IN 2024 21](#_Toc198043914)

[2.2.1 Revenue Performance in 2024 Compared to 2023 21](#_Toc198043915)

[2.2.2 Quarterly Trend in 2024 Revenue Collection 23](#_Toc198043916)

[2.2.3 Revenue Performance in 2024 Relative to Target 24](#_Toc198043917)

[2.2.4 Reasons for Good Revenue Outcome in 2024 25](#_Toc198043918)

[2.2.5 Challenges of Revenue Mobilisation in 2024 26](#_Toc198043919)

[2.2.6 Historic Revenue Performance (2020 – 2024) 27](#_Toc198043920)

[2.3 COMPARATIVE DUTY WAIVER PERFORMANCE, 2024 AND 2023 28](#_Toc198043921)

[**CHAPTER THREE 31**](#_Toc198043922)

[**3.0 KEY NON-REVENUE ACHIEVEMENTS 31**](#_Toc198043923)

[3.1 HUMAN RESOURCE AND STAFF WELFARE MANAGEMENT 31](#_Toc198043924)

[3.1.1 Staff Strength 31](#_Toc198043925)

[3.1.2 Staff Separation 32](#_Toc198043926)

[3.1.3 Staff Recruitment, Confirmation, Promotion and Engagement 34](#_Toc198043927)

[3.1.4 Capacity Building and Staff Development 34](#_Toc198043928)

[3.1.5 Biometric Attendance Management 35](#_Toc198043929)

[3.1.6 Management of Sick Leave and Death Benefits 36](#_Toc198043930)

[3.2 UPDATE ON REVENUE INTELLIGENCE AND INVESTIGATIONS 36](#_Toc198043931)

[3.3 STRENGTHENING NON-TAX REVENUE MOBILISATION 37](#_Toc198043932)

[3.4 ICT ACTIVITIES UPDATE 38](#_Toc198043933)

[**CHAPTER FOUR 40**](#_Toc198043934)

[**4.0 SPECIAL RELEVANCE STATISTICS 40**](#_Toc198043935)

[4.1 UPDATE ON TAXPAYER REGISTRATION 40](#_Toc198043936)

[4.2 TAX COMPLIANCE (FILING ANALYSIS) AND ENFORCEMENT 42](#_Toc198043937)

[4.3 DTD PLANNED AND COMPLETED TAX AUDIT 44](#_Toc198043938)

[4.3.1 LTO Completed Tax Audit and Liability, 2024 and 2023 45](#_Toc198043939)

[4.3.2 SMTO Completed Tax Audit and Liability, 2024 and 2023 45](#_Toc198043940)

[4.3.3 EIRU Completed Tax Audit and Liability, 2024 and 2023 46](#_Toc198043941)

[4.4 CSD POST CLEARANCE AUDIT ACTIVITIES IN 2024 47](#_Toc198043942)

[4.5 DTD ARREARS STATUS UPDATE AND RECOVERY 47](#_Toc198043943)

[4.6 CUSTOMS DEBT RECOVERY AND MANAGEMENT 48](#_Toc198043944)

[4.7 UPDATE ON CUSTOMS RISK MANAGEMENT ACTIVITIES 48](#_Toc198043945)

[4.7.1 RMU Risk Profiling 48](#_Toc198043946)

[4.7.2 Additional Revenue Generated through RMU Interventions 49](#_Toc198043947)

[4.8 CUSTOMS VALUATION, GOODS CLASSIFICATION, AND TAX ASSESSMENT 50](#_Toc198043948)

[4.9 CUSTOMS RECOVERIES FROM ADJUSTMENTS AND AMENDMENTS 50](#_Toc198043949)

[4.10 IMPORT STATISTICS (2024 AND 2023) 51](#_Toc198043950)

[4.11 CONTAINER INSPECTION/EXAMINATION UNIT 54](#_Toc198043951)

[4.12 PORT BAGGAGE UNIT 55](#_Toc198043952)

[4.13 VEHICLE CLEARANCE UNIT 55](#_Toc198043953)

[4.14 CUSTOMS BOARDING UNIT 56](#_Toc198043954)

[4.15 REVENUE PERFORMANCE OF CUSTOMS OUTSTATIONS / BORDER POSTS 57](#_Toc198043955)

[**CHAPTER FIVE 58**](#_Toc198043956)

[**5.0 PROSPECTS AND CHALLENGES/RISKS FOR 2025 58**](#_Toc198043957)

[5.1 2025 Domestic Revenue Target 58](#_Toc198043958)

[5.2 Measures to Improve Revenue in 2025 59](#_Toc198043959)

[5.3 Measures to Improve Compliance in 2025 59](#_Toc198043960)

[5.4 Revenue Administration Reforms for 2025 60](#_Toc198043961)

# List of Tables

[Table 1: 2024 NRA Operational Plan Activities Analysis 18](#_Toc198044019)

[Table 2: Departmental Analysis of the 2024 Operational Plan 19](#_Toc198044020)

[Table 3: Domestic Revenue Collection: 2024 versus 2023 (NLe Thousand) 23](#_Toc198044021)

[Table 4: 2024 Domestic Revenue Collection Relative to Budget Target (NLe Thousand) 25](#_Toc198044022)

[Table 5: Duty Waiver by Category of Exemption, 2023 and 2022 (NLe Million) 29](#_Toc198044023)

[Table 6: Duty Waiver for 2024 and 2023 by Sector Analysis in (NLe Million) 30](#_Toc198044024)

[Table 7: Staff Strength by Gender 2024 and 2023 32](#_Toc198044025)

[Table 8: Staff Separation by Department, 2024 and 2023 33](#_Toc198044026)

[Table 9: Staff Recruitment, Confirmation and Promotion, 2024 34](#_Toc198044027)

[Table 10: Number of Training Participants by Department 2024 35](#_Toc198044028)

[Table 11: Number of TIN Issued by Tax Office in 2024 and 2023 40](#_Toc198044029)

[Table 12: Average Filing Rate by Tax Office, 2024 and 2023 42](#_Toc198044030)

[Table 13: Annual Filing Rate by Tax Office and Tax Type, 2024 43](#_Toc198044031)

[Table 14: DTD Planned Tax Audit 2024 44](#_Toc198044032)

[Table 15: LTO Tax Audit Liability 2024 and 2023 in NLe 45](#_Toc198044033)

[Table 16: SMTO Tax Audit Liability 2024 and 2023 in NLe 46](#_Toc198044034)

[Table 17: EIRU Tax Audit Liability (2024 and 2023) in NLe and USD 46](#_Toc198044035)

[Table 18: DTD Arrears by Tax Type and Office, 2024 47](#_Toc198044036)

[Table 19: Number of profiled Importers by Selectivity Lane in 2024 49](#_Toc198044037)

[Table 20: Revenue Raised by the Risk Management Unit, 2024 49](#_Toc198044038)

[Table 21: Dutiable Imports CIF Value 2024 and 2023 (NLe) 52](#_Toc198044039)

[Table 22: Non-Dutiable Imports CIF Value 2024 and 2023 (NLe) 53](#_Toc198044040)

[Table 23: Major Imports Origin\* 2024 and 2023 (NLe) 54](#_Toc198044041)

[Table 24: Containers Examined and Released 2024 and 2023 by the Container Unit 54](#_Toc198044042)

[Table 25: Number of Containers Examined and Released in 2024 and 2023 by the Baggage Unit 55](#_Toc198044043)

[Table 26: Number of Declarations and Revenue Collection by the Vehicle Unit in 2024 and 2023 (NLe) 56](#_Toc198044044)

[Table 27: Domestic Revenue Target for 2025 (NLe Thousand) 58](#_Toc198044045)

# List of Figures

[Figure 1: The Vision, Mission, and Mandate of the NRA 13](#_Toc198044047)

[Figure 2: NRA’s Core Values 13](#_Toc198044048)

[Figure 3: NRA Organogram 15](#_Toc198044049)

[Figure 4: Quarterly Trend of 2024 Domestic Revenue (NLe Million) 24](#_Toc198044050)

[Figure 5: Revenue Performance in the Past Five Years 28](#_Toc198044051)

[Figure 6: Staff Separations by Category, 2024 and 2023 33](#_Toc198044052)

[Figure 7: TIN Issuance by Tax Type in 2024 and 2023 41](#_Toc198044053)

[Figure 8: Purpose for TIN Issuance in 2024 41](#_Toc198044054)

[Figure 9: Annual Compliance Rate by Tax Type in 2024 and 2023 44](#_Toc198044055)

[Figure 10: Monthly Uplift revenue (NLe Thousand) by the Trade and Tariff Unit, 2024 50](#_Toc198044056)

[Figure 11: Monthly Number of Vessels 2024 and 2023 56](#_Toc198044057)

[Figure 12: Collection from Three Key Customs Outstations, 2024 57](#_Toc198044058)

# **List of Acronyms**

|  |  |  |
| --- | --- | --- |
| ASU | Anti-Smuggling Unit  |  |
| ASYCUDA | Automated System for Customs Data |
| BCM | Border Controls and Management |
| BSL | Bank of Sierra Leone |
| C&FA | Clearing and Forwarding Agencies  |
| CG | Commissioner-General |
| CIF | Cost, Insurance and Freight |  |
| CIT | Corporate Income Tax |
| CSD | Customs Services Department |
| D&M | Design and Monitoring  |
| DCG | Deputy Commissioner-General |
| DMU | Debt Management Unit  |
| DTD | Domestic Taxes Department |
| ECF | Extended Credit Facility |
| ECOWAS | Economic Community of West African States |
| ECR | Electronic Cash Register |
| EDSA | Electricity Distribution and Supply Authority  |
| EGTC | Electricity Generation and Transmission Company |
| EIRU | Extractive Industry Revenue Unit |
| F&B | Finance and Budget |
| FIU | Financial Intelligence Unit |
| FOB | Free on Board |
| GST | Goods and Services Tax |
| HRD | Human Resource Department  |
| HS | Harmonized System |
| IAU | Internal Affairs Unit |
| ICA | Internal Controls and Audit |  |
| ICT | Information, Communication Technology  |
| IMF | International Monetary Fund  |
| ITAS | Integrated Tax Administration System |  |
| L&CS | Legal and Corporate Services |
| LTO | Large Taxpayers Office |
| MDAs | Ministries, Departments and Agencies |  |
| MNO | Mobile Network Operators  |  |
| MoF | Ministry of Finance |
| MRP | Monitoring, Research and Planning |
| MTNDP | Medium-term National Development Plan  |
| MTO | Medium Taxpayers Office  |
| MTRS | Medium-Term Revenue Strategy |
| NASSIT | National Social Security and Insurance Trust |
| NaTCA | National Telecommunications Authority  |
| NCRA | National Civil Registration Authority |
| NRA | National Revenue Authority |  |
| NTR | Non-Tax Revenue  |
| ONS | Office of National Security |
| PAYE | Pay-As-You-Earn |
| PCA | Post Clearance Audit |
| PIOs | Public International Organisations  |
| PIT | Personal Income Tax |  |
| RIID | Revenue Intelligence and Investigations Department |
| RMC | Risk Management Committee  |
| RUC | Road User Charges |
| SDGs | Sustainable Development Goals  |
| SICPA | Société Industrielle et Commerciale de Produits Alimentaires  |
| SLCB  | Sierra Leone Commercial Bank  |  |
| SLRSA | Sierra Leone Road Safety Authority  |  |
| SMT | Senior Management Team  |
| SMTO | Small and Medium Taxpayers Office |  |
| SOE | State Owned Enterprise |
| SRL | Sierra Rutile Limited |  |
| TIN | Taxpayer Identification Number  |
| TSA | Treasury Single Account  |
| UNCTAD | United Nations Conference on Trade and Development |
| VIPS | VAT Integrated Processing System |
| WAMA | West African Monetary Agency Building  |
| WCO | World Customs Organisation |  |
|  |  |

# **FOREWORD BY THE COMMISSIONER-GENERAL**

It is with great honour that I present the 2024 Annual Report of the National Revenue Authority (NRA). This report reflects the collective work of all operational and support departments within the Authority and provides a detailed account of our performance over the year. It outlines the strategies we have implemented, the outcomes we have achieved, the challenges we have faced, and the steps taken to address them. The report reaffirms our commitment to transparency and accountability in delivering on our mandate.

The NRA is responsible for mobilising domestic revenue and facilitating international trade through Customs. Over the years, we have made notable progress in enhancing revenue collection and expanding fiscal space to support government spending and service delivery. At the same time, we have taken meaningful steps to simplify Customs procedures, reduce clearance times, and improve the business environment.

In 2024, the NRA collected a total of NLe 14.560 billion in domestic revenue, which was broadly on target, being short by merely 0.9%. This collection represents a significant year-on-year growth of 44.2% compared to the NLe 10.100 billion collected in 2023.

Guided by the 2023–2027 Strategic Plan, the Authority has continued to modernise its operations by expanding the use of integrated digital systems, automating key processes, and leveraging data analytics to improve compliance and service delivery. We have also strengthened collaboration with key stakeholders to promote a culture of integrity, cooperation, and continuous improvement.

Despite these achievements, the year was not without its challenges. Non-operational status of major mining companies and low compliance by State-Owned Enterprises affected our ability to mobilise additional revenue. Broader economic pressures, including high inflation and currency depreciation, further impacted government finances. Nonetheless, the dedication and resilience of our staff enabled us to meet these challenges and stay focused on our goals.

Looking ahead, the NRA will build on the progress made in 2024 to further enhance revenue mobilisation, improve taxpayer services, and support national development.

I wish to express my sincere appreciation to the Ministry of Finance, the NRA Board of Directors, Senior Management Team of the NRA, the hardworking staff of the NRA, our development partners, and all stakeholders for their continued support. With one team and one vision, we will continue to strengthen revenue administration and contribute to a more prosperous Sierra Leone.

**Sincerely,**
*Mrs. Jeneba J. Bangura*

*Commissioner-General*
*National Revenue Authority*

# **EXECUTIVE SUMMARY**

The 2024 Annual Report provides a comprehensive overview of the National Revenue Authority’s (NRA) operations, highlighting key achievements, revenue performance, compliance levels, challenges, and strategic priorities for the coming year. It is a valuable resource for policymakers, taxpayers, government partners, and the general public who seek to understand the Authority’s work in mobilising domestic resources and strengthening the tax system to support Sierra Leone’s development.

**Implementation of the 2024 Operational Plan**

The NRA’s 2024 Operational Plan consisted of 234 activities under six strategic goals. By year-end:

* 92 activities (40%) were fully completed
* 83 activities (36%) were partially completed
* 56 activities (24%) were not implemented and have been carried over to 2025

Out of 53 Key Performance Indicators (KPIs), 24 were fully met, 16 saw notable progress, while 5 were not achieved. Both internal and external factors contributed to delays in implementation, underscoring the need for better coordination and improved resource mobilisation.

**Revenue Performance**

Despite a slight shortfall in meeting the annual target, revenue collection in 2024 demonstrated strong growth:

* Total domestic revenue collected amounted to NLe 14.560 billion, a 44.2% increase from the NLe 10.100 billion collected in 2023.
* This collection was broadly on target as it only fell short by 0.9% of the revised annual target of NLe 14.690 billion.
* Key gains were recorded in petroleum excise duties, income tax, and non-tax revenue.
* Duty waivers rose by 22.6% to NLe 1.294 billion, reducing the taxable base and revenue potential.

**Tax Compliance**

Improving taxpayer compliance remains a core focus. Filing compliance improved in several tax offices:

* The Large Taxpayers Office increased compliance from 79.3% (2023) to 83.3% (2024).
* Medium Taxpayers Office compliance rose from 54.6% to 66.2%.
* Corporate and Personal Income Taxes recorded average compliance rates of 79.8% and 78.2%, respectively.
* PAYE averaged 67.6%, while Withholding Tax (WHT) lagged at 34.1%, highlighting the need for targeted enforcement.

**ICT and Systems Enhancements**

The NRA continued to improve its digital infrastructure:

* Implemented the 2022 HS Tariff in ASYCUDA World.
* Integrated mobile payment applications and configured tax systems in line with the Finance Acts of 2023 and 2024.
* Developed a new NRA website and configured the hosting server.
* Finalised a new financial reconciliation system and reviewed ITAS–Bank integration across all commercial banks.
* Implemented Fuel Marking scheme and Product tracing system to prevent smuggling of fuel of exercisable goods respectively.
* Automated the vehicle circulation levy collection and payment of income tax by commercial vehicle operators.

**Key Challenges in 2024**

Several issues limited the Authority’s ability to meet revenue targets:

* Increase in tax and customs exemptions reduced the tax base.
* Falling global prices for minerals, especially diamonds, impacted revenue from the extractive sector.
* Non-compliance by key State-Owned Enterprises (SOEs) affected expected collections.
* Several mining companies remained non-operational or underperformed.
* Delays in reversing Sierra Rutile Limited concession agreements, and
* Delay in enforcing compliance hindered potential revenue gains.

**2025 Revenue and Compliance Outlook**

The domestic revenue target for 2025 is set at NLe 18.9 billion, a 30% increase compared to the actual collection in 2024. To achieve this, the NRA will implement several reforms and strategic measures:

**Key Revenue Measures**

* Broaden the Minimum Alternate Tax (MAT) to all sectors and enforce taxation of digital services.
* Enforce upfront GST collection from EDSA.
* Introduce safe harbor pricing for iron ore exports starting February 2025.
* Launch a Customs Revenue Taskforce and increase NRA presence at mining sites.
* Collect arrears from key taxpayers and conclude pending audits.

**Compliance Improvement Plans**

* Enforce new compliance provisions under the Finance Act 2025.
* Use data analytics for risk-based audits.
* Develop specific compliance strategies for GST, large taxpayers, and high-net-worth individuals.
* Expand taxpayer education and outreach programmes.
* Establish regional taxpayer service centres and a dedicated tax court.
* Undertake block registration of informal businesses in regional cities.

**Planned Reforms in Revenue Administration**

* Acquire more sophisticated and tested Electronic Fiscal Devices to improve GST compliance.
* Upgrade ASYCUDA to version 4.4 and automate all manual Customs processes.
* Fully implement the Electronic Single Window and SIGMAT system for real-time tracking of cross-border trade.
* Phase out income tax concessions and strengthen enforcement of existing agreements.
* Expand data sources and data warehouse by integrating external platforms such as Business Registration System, E-procurement platforms, Land Information System, IFMIS, and NASSIT.

**Conclusion**

The NRA remains focused on consolidating gains made in 2024 and pursuing a more ambitious reform agenda in 2025. By increasing revenue, promoting compliance, and modernising tax systems, the Authority aims to play a central role in strengthening Sierra Leone’s fiscal position and supporting national development.

Through digital transformation, stronger partnerships, and a renewed focus on service delivery and transparency, the NRA is committed to building a fair, efficient, and resilient revenue administration system that empowers the country’s future.

# **CHAPTER ONE**

# **1.0 INTRODUCTION**

In pursuit of its mandate to strengthen domestic resource mobilisation and support national development, the National Revenue Authority (NRA) has continued to evolve as a modern, technology-driven institution. Established in 2002 under the National Revenue Authority Act—amended in 2022 to reflect current administrative needs—the NRA serves as the institution responsible for assessing, collecting, and enforcing tax and non-tax revenues on behalf of the Government of Sierra Leone.

For over two decades, the NRA has remained committed to building a robust and transparent revenue system anchored in integrity, compliance, and innovation. The Authority’s responsibilities extend beyond revenue collection to include the promotion of voluntary compliance, facilitating legitimate trade, and safeguarding Sierra Leone’s economic borders.

The year 2024 represents a critical phase in the implementation of the NRA’s Strategic Plan (2023–2027)—a blueprint that underscores the use of digital solutions and data-driven decision-making to enhance efficiency and accountability across all revenue streams. Informed by national and global development frameworks, including the MTNDP, SDGs, and the MTRS, this Strategic Plan articulates a forward-looking vision of institutional transformation.

Building on foundational reforms implemented during the 2018–2022 period, the NRA has deepened the use of integrated digital platforms such as ASYCUDA World, ITAS, Customs Electronic Single Window, Electronic Cash Registers, and Mobile Payment App. These tools have improved operational efficiency, expanded the taxpayer base, and enhanced service delivery to citizens and businesses.

In 2024, the Authority focused on consolidating gains from recent reforms, improving taxpayer services, and strengthening compliance monitoring. This Annual Report reflects both the progress made and the challenges faced during the year, offering insights into how the Authority is positioning itself to respond to evolving domestic and global economic dynamics.

The report is organised into five chapters:

* **Chapter 1** outlines the institutional context, including governance, strategic direction, and organisational structure;
* **Chapters 2 and 3** examine revenue and non-revenue performance outcomes;
* **Chapter 4** presents statistical and operational highlights; and
* **Chapter 5** explores forward-looking strategies to enhance revenue mobilisation and fiscal sustainability in 2025.

Through this report, the NRA reaffirms its commitment to transparency, innovation, and service excellence in support of Sierra Leone’s national development goals.

## **1.1 NRA CORPORATE STATEMENT**

The vision, mission, and mandate of the NRA are expressed in Figure 1.

**Figure 1: The Vision, Mission, and Mandate of the NRA**

The efficient and sustainable administration of revenue and trade facilitation to enhance Government fiscal space for national development.

The assessment and collection of national revenue, amendment and enforcement of specific laws relating to revenue, trade facilitation, and the modernisation of the tax administration.

To be a modern institution of excellence and global reference in public and revenue Administration

**OUR MANDATE**

**OUR VISION**

**OUR MISSION STATEMENT**

The activities of the NRA are guided by the following core values highlighted in Figure 2.

**Figure 2: NRA’s Core Values**

## **1.2 GOVERNANCE STRUCTURE**

The governance of the NRA is based on the principles of accountability, oversight, and strategic leadership. The Authority operates under the supervisory purview of the Ministry of Finance, with policy and strategic direction provided by a Board of Directors as established under the NRA Act of 2002, as amended in 2022.

The Board plays a central role in guiding the Authority’s vision and ensuring strong corporate governance. It is chaired by an appointed Chairperson and includes the following members:

* The **Financial Secretary**
* The **Governor of the Bank of Sierra Leone**
* The **Commissioner-General of the NRA**
* The **Permanent Secretary, Ministry of Trade and Industry**
* One **tax expert**
* One **economist**
* One **legal practitioner**

While the Financial Secretary, the Bank Governor, the Commissioner-General, and the Permanent Secretary are statutory members, the remaining appointments are made by the President of the Republic of Sierra Leone. Appointed members serve a three-year term, renewable once, in line with the provisions of the amended NRA Act.

Operational management of the NRA is entrusted to the Commissioner-General, who leads a Senior Management Team (SMT) comprising:

* Two **Deputy Commissioner-Generals**
* **Commissioners and Directors**, along with their **Deputies**
* Advisors to the Commissioner-General and Deputy Commissioner-Generals
* Executive Assistant to the Office of the Commissioner-General

The Board appoints the Deputy Commissioner-Generals, while other senior positions are filled by the Commissioner-General, subject to Board approval.

This governance framework ensures that the NRA operates with a balance of autonomy and oversight, enabling it to efficiently deliver on its mandate while aligning with national policy objectives.

**Figure 3: NRA Organogram**

**Board of Directors**

***Board***

**Board Secretariat**

**Commission-General (CG)**

**Internal Audit**

***CGs Office***

**Anti-Smuggling**

**Deputy Commission-General (DCG) 1&2**

**Internal Affairs**

**Procurement**

***Operations***

**Non-Tax Revenue Department (NTRD)**

**Domestic Tax Department (DTD)**

**Customs Services Department (CSD)**

**ICT**

**Monitoring, Research & Planning**

**Legal & Corporate Services**

**Finance & Budget**

***Support***

**Welfare**

**Modernisation**

**Human Resource**

**Revenue Intelligence & Investigations**

**Admin**

As depicted in Figure 3, there is an Office of the Commissioner-General (that comprises three units), three operational departments primarily engaged in domestic revenue collection, and eleven support departments, which include Internal Controls and Audit. The functions of the Internal Controls and Audit Department are overseen by the Board.

## **1.3 MACROECONOMIC OUTLOOK FOR 2024**

Sierra Leone’s macroeconomic landscape in 2024 has been marked by a mixture of structural adjustments, inflation control, and moderated economic growth amidst evolving global and domestic challenges. Notably, the rebasing of the country's Gross Domestic Product (GDP) by Statistics Sierra Leone represents a key development in the year’s economic narrative. This rebasing exercise, which updated the GDP base year from 2006 to 2018, significantly revised the size and structure of the economy. The GDP doubled from US$4.0 billion to US$8.0 billion, while per capita income increased from US$492 to US$857. This rebasing has highlighted a shift in economic composition—agriculture's contribution to GDP has fallen from 60% to 34%, while services now account for 43% and industry for 21%, up from 7% (Ministry of Finance, 2024).

The updated GDP figures have notable macroeconomic implications. The debt-to-GDP ratio saw a marked improvement, falling from 94% to 54% in 2022 and further to 53.4% in 2023. Similarly, the domestic revenue-to-GDP ratio, though initially declining from 12.4% to 7.2% in 2022, improved modestly to 7.9% in 2023. These shifts suggest a greater potential for expanding domestic revenue mobilisation relative to the now larger economy (Ministry of Finance, 2024).

Real GDP growth, however, moderated to an estimated 4.0% in 2024 from 5.7% in 2023, largely due to falling global iron ore prices and reduced mining output. While mining constitutes only about 7% of GDP, it was the largest contributor to growth. Modest recovery in services and slower agricultural performance—impacted by flash floods—further shaped the growth trajectory. High import growth and slower mineral exports widened the fiscal deficit to 4.8% of GDP, exceeding budget targets and financed predominantly through costly short-term domestic securities. Average domestic debt interest rates increased to 40%, underscoring rising debt servicing costs and continued risks of debt distress (World Bank, 2024).

On a positive note, the inflation rate significantly declined from 52.2% in December 2023 to 13.8% by the end of 2024, supported by tighter monetary policy, improved food production, and lower international prices. The exchange rate remained relatively stable, appreciating by 1.2% between January and September 2024, reflecting enhanced trade performance and prudent monetary management. Gross international reserves, however, declined to 2 months of import cover by June 2024, down from 2.6 months at the end of 2023, primarily due to increased debt service obligations (Ministry of Finance, 2024).

Looking ahead, the economy is projected to grow by 4.5% in 2025, with medium-term prospects averaging 4.7% through 2027. Growth is expected to be supported by continued investments in mining, agricultural productivity gains, and policy-driven initiatives such as ‘Feed Salone’. Inflation is forecasted to ease further in 2025 and to a single digit by 2027. Fiscal consolidation is expected to improve, aided by better revenue collection and rationalisation of expenditure, particularly on wages and subsidies (World Bank and Ministry of Finance, 2024).

Nonetheless, this positive outlook remains vulnerable to both domestic and external risks, including global commodity price volatility, persistent fiscal overruns, weather-related shocks, reduced donor support, and geopolitical uncertainties. In this context, sustained fiscal consolidation, enhanced public financial management, and strengthened domestic revenue mobilisation will be critical to preserving macroeconomic stability and achieving long-term development goals.

## **1.4 NRA STRATEGIC PLAN 2023-2027**

The year under review marks the second year of the commencement of the NRA's five-year strategic plan. The 2023-2027 Strategic Plan is rooted in the Authority's pivotal role in aligning with national policy objectives such as the MTNDP and MTRS, global agendas such as SDGs, and the previous 2018-2022 Strategic Plan. This strategic framework highlights six primary goals:

1. Sustainable mobilisation of revenue to strengthen government fiscal capacity.
2. Maintenance of a professional workforce and the development of institutional capacity.
3. Enhancement of trade facilitation and border management.
4. Establishment of fully digitalized, integrated, and sustainable business processes and procedures.
5. Improvement of public trust and credibility, and
6. Enhanced taxpayer services and education.

In addition, the 2023-2027 Strategic Plan outlines seventeen strategic objectives aimed at attaining these overarching goals:

1. Maximizing revenue collection.
2. Strengthening tax compliance and enforcement.
3. Expanding the tax base.
4. Sustaining active involvement in tax policy formulation and implementation.
5. Attracting, developing, and retaining top talents.
6. Implementing a results-based governance model.
7. Modernizing and expanding infrastructure.
8. Securing funding and optimizing resource allocation.
9. Strengthening trade facilitation and border management.
10. Enhancing security and efficiency in the international flow of goods and individuals.
11. Modernizing, sustaining, and integrating ICT infrastructure and business systems.
12. Optimizing business processes and procedures.
13. Enhancing the institutional image.
14. Improving internal controls, institutional risk management, and integrity mechanisms.
15. Expanding tax education and taxpayer services.
16. Reinforcing communication and institutional relations.
17. Cultivating a culture conducive to change.

## **1.5 PROGRESS REPORT ON THE IMPLEMENTATION OF THE 2024 NRA OPERATIONAL PLAN**

The annual operational plan functions as a detailed implementation roadmap, aligning fiscal-year priorities with the overarching goals of the Strategic Plan. It guides the execution of key activities while providing a framework for regular monitoring, evaluation, and reviews, thereby enabling the NRA to stay responsive and aligned with its strategic direction. The activities set out in the operational plan are drawn from the Strategic Plan’s Monitoring and Evaluation (M&E) Framework and are scheduled annually up to the final year of implementation.

An evaluation of the 2024 operational plan, presented in Table 1, shows a total of 231 planned activities across six strategic goals. Of these, 92 activities (40%) were fully completed, 83 (36%) were partially completed, and 56 (24%) were not implemented. Activities that were not completed during the year have been carried forward to the 2025 fiscal year for further action.

**Table 1: 2024 NRA Operational Plan Activities Analysis**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Activity Status | Goal 1 | Goal 2 | Goal 3 | Goal 4 | Goal 5 | Goal 6 | Total | Share |
| Completed Activities | 34 | 23 | 5 | 9 | 4 | 17 | 92 | 40% |
| Partially achieved/Ongoing | 20 | 27 | 9 | 5 | 8 | 14 | 83 | 36% |
| Not Done  | 8 | 13 | 8 | 3 | 5 | 19 | 56 | 24% |
| TOTAL | **62** | **63** | **22** | **17** | **17** | **50** | **231** | **100%** |

*Source: MRP Department*

Table 2 provides a breakdown of performance by department, highlighting variability in implementation rates. The Monitoring, Research and Planning (MRP) Department recorded the highest completion rate (full and partial completion) at 92%, with notable performance by NTRD at 89%, Revenue Intelligence and Investigations Department (RIID) at 87%, the Human Resource Department (HRD) at 86%, the Internal Controls and Audit (ICA) Department at 86% and the Domestic Tax Department (DTD) at 84%. It is important to note that several activities required cross-departmental collaboration, which explains why the number of departmental activities listed in Table 2 (304) exceeds the overall number of activities in Table 1 (231). The distribution of planned activities across departments was uneven. The Legal and Corporate Services Department (LCSD) had the highest number of planned activities (44), followed closely by the CSD (41 activities), MRPD (39 activities), and DTD (38 activities).

**Table 2: Departmental Analysis of the 2024 Operational Plan**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Department | Planned Activities | Completed Activities | Partially Completed | Not Achieved | Percentage Completion |
| MRPD | 39 | 21 | 15 | 3 | 92% |
| DTD | 38 | 20 | 12 | 6 | 84% |
| NTRD | 19 | 11 | 6 | 2 | 89% |
| CSD | 41 | 11 | 17 | 13 | 68% |
| LCSD | 44 | 10 | 17 | 17 | 61% |
| RIID | 15 | 10 | 3 | 2 | 87% |
| HRD | 28 | 9 | 15 | 4 | 86% |
| ICTD | 19 | 9 | 6 | 4 | 79% |
| ICA | 14 | 7 | 5 | 2 | 86% |
| Admin | 18 | 5 | 5 | 8 | 56% |
| SWD | 11 | 4 | 3 | 4 | 64% |
| Modernisation | 10 | 5 | 1 | 4 | 60% |
| IAU | 8 | 2 | 3 | 3 | 63% |
| TOTAL | **304** | **124** | **108** | **72** | **76%** |

*Source: MRP Department*

Evaluation of the KPIs for 2024 reveals that while the Authority met 24 KPIs and made progress on 16, it missed out on 5. However, updates on 8 KPIs (15.1% of the total) were unavailable.

Numerous obstacles, stemming from both internal NRA dynamics and external factors, impeded the seamless implementation of the Strategic Plan.

Internally, several factors hindered implementation. Staff capacity limitations emerged as a recurring issue, affecting not only the technical proficiency needed for modern reforms but also the ability to implement complex initiatives. The non-approval of departmental organograms and lower comparative remuneration impacted staff morale and retention—particularly in key technical areas such as ICT and legal functions. High staff turnover, especially in critical departments, further reduced institutional memory and disrupted workflow continuity.

The limited availability of essential tools and resources—including insufficient computers, outdated network infrastructure, inadequate office space, and logistical shortfalls—further constrained operational efficiency. Budget constraints also negatively affected the roll-out of IT projects, procurement of essential supplies, infrastructure development, and tax education initiatives.

Administrative delays, particularly in the procurement process and in securing approvals from senior management and oversight structures (e.g., NPPA and the Board), led to missed implementation timelines. Paper-based financial systems, the lack of reconciliation software, and delays in audit response and internal reporting processes highlighted the continued need for digitisation and strengthening of internal control.

On the external front, the NRA faced systemic barriers that hindered collaboration with key stakeholders. Limited infrastructure and connectivity issues at partner institutions such as the National Social Security and Insurance Trust (NASSIT), the Bank of Sierra Leone (BSL), and the National Civil Registration Authority (NCRA) delayed the integration of external interfaces and restricted access to critical third-party data. This limited the full operationalisation of core systems like ITAS and ASYCUDA World. Additionally, challenges in collecting and analysing third-party data, and the lack of post-implementation support from key technical partners, such as the United Nations Trade and Development (UNCTAD) and the suspension of technical assistance from the World Customs Organisation (WCO) due to unpaid membership fees, affected ongoing system optimisation and reform efforts.

Policy and legislative challenges also played a significant role. These included delays in reviewing and implementing Finance Act measures, the non-operationalisation of the revenue court, the limited capacity for legal drafting and international tax negotiations, and limited capacity for reform management undermined progress in key reform areas.

Finally, public engagement challenges affected stakeholder buy-in. Limited media outreach, the absence of a tax education strategy, and the slow implementation of the Authority’s communication strategy weakened public awareness—particularly at a time when taxpayer cooperation and voluntary compliance are crucial.

# **CHAPTER TWO**

# **2.0 REVENUE AND DUTY-WAIVER PERFORMANCE**

In this chapter, the performance of revenue and duty waivers is examined, covering various aspects. A comparative analysis of revenue performance between 2023 and 2024 is conducted, alongside an examination of quarterly revenue collection trends throughout the fiscal year. Additionally, the evaluation of revenue performance against targets and the exploration of challenges faced in revenue mobilisation aim to unveil the underlying reasons for the observed performance.

Furthermore, this chapter delves into a comparative analysis of duty-free performance between 2023 and 2024, identifying shifts and trends. To provide a comprehensive understanding, the 2024 revenue performance is contextualised within a broader historical perspective, assessing revenue performance over the past five years.

## **2.1 OVERVIEW OF REVENUE TARGETS IN 2024**

The initial 2024 national budget projected an annual revenue target of NLe 14.972 billion. Following the preliminary discussions in April 2024 regarding a new Extended Credit Facility (ECF) for Sierra Leone, the target was slightly revised downward to NLe 14.595 billion—a reduction of NLe 377 million, or approximately 3%.

Subsequently, during the September 2024 ECF discussions, the revenue target was modestly adjusted upward to NLe 14.690 billion. This represents a net reduction of NLe 282 million, or about 2%, from the original target.

It should be noted that certain revenue categories experienced upward revisions in their annual targets, including Petroleum Excise, Mining Royalties and Licences, Parastatal Dividends, and Treasury Single Account (TSA) receipts. Conversely, downward adjustments were made to the targets for Goods and Services Tax (GST), Import Duty, Import Excise, and Fisheries revenue.

## **2.2 REVENUE PERFORMANCE IN 2024**

### **2.2.1 Revenue Performance in 2024 Compared to 2023**

The 2024 revenue performance shows robust overall growth across most revenue streams, with particularly strong gains in petroleum excise, income tax, and non-tax revenues. While Import GST and Parastatal Dividends declined slightly, their impact was offset by strong performance in nearly all other categories.

Total domestic revenue collected in 2024 amounted to Le 14.560 billion, reflecting an increase of Le 4.460 billion compared to the Le 10.100 billion recorded in 2023. This represents a strong year-on-year growth of 44.2%.

A notable contributor to this performance was the Le 1.743 billion increase in Income Tax, which rose from Le 3.991 billion in 2023 to Le 5.734 billion in 2024, representing a growth rate of 43.7%. This was complemented by a Le 233.570 million increase in Domestic GST, which recorded a growth of 23.6% over the previous year. Import GST, however, declined slightly by Le 22.438 million, moving from Le 1.106 billion in 2023 to Le 1.083 billion in 2024, showing a -2.0% change. Despite this drop, overall GST revenue still grew by 10.1%, with a total increase of Le 211.131 million.

Another significant increase was recorded in Excise on Petroleum, which grew by Le 1.197 billion—a rise from Le 466.284 million in 2023 to Le 1.663 billion in 2024, representing a remarkable growth of 256.7%. Other Excise revenue also increased by Le 45.917 million, a 44.7% growth rate. Import Duties rose by Le 254.355 million, from Le 1.195 billion to Le 1.449 billion, representing 21.3% growth. Combined, the revenue from import taxes showed notable improvement over 2023 figures, excluding Import GST.

In the area of non-tax revenue, there was a Le 1.001 billion increase, from Le 2.042 billion to Le 3.043 billion, representing a 49.0% growth. Within this, revenue from the Mines sector increased by Le 304.078 million, a 45.3% increase. Revenues from Other Departments rose sharply by Le 696.446 million, increasing from Le 1.371 billion to Le 2.067 billion (a 50.8% growth). Meanwhile, Royalty on Fisheries increased by Le 26.619 million (a 22.5% increase), but Parastatal Dividends declined slightly by Le 22.314 million, recording a -7.1% contraction. There was also strong performance in “Other Revenues”, which increased by Le 692.141 million or 73.6%, with TSA revenues up by Le 584.001 million (70.6%), Timber up by Le 11.340 million (63.5%), and Other MDAs more than doubling their contribution by Le 96.800 million (101.6%). Road User Charges (RUC) saw a marginal increase of Le 7.493 million, representing 3.6% growth over the previous year.

**Table 3: Domestic Revenue Collection: 2024 versus 2023 (NLe Thousand)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | 2024 Actual | 2023 Actual | Variance | % Variance |
| TOTAL DOMESTIC REVENUE | **14,560,237** | **10,100,463** | **4,459,774** | **44.2%** |
| DOMESTIC TAX DEPARTMENT | **8,042,068** | **6,087,739** | **1,954,328** | **32.1%** |
| Income Tax  | 5,734,321 | 3,991,124 | 1,743,197 | 43.7% |
| Goods and Services Tax (GST) | 2,307,747 | 2,096,615 | 211,131 | 10.1% |
| *Import GST* | 1,083,487 | 1,105,926 | -22,438 | -2.0% |
| *Domestic GST* | 1,224,259 | 990,689 | 233,570 | 23.6% |
| CUSTOMS SERVICE DEPARTMENT (CSD) | **3,261,249** | **1,763,821** | **1,497,428** | **84.9%** |
|  *Import Duties* | 1,449,083 | 1,194,727 | 254,355 | 21.3% |
| *Excise on Petroleum* | 1,663,439 | 466,284 | 1,197,155 | 256.7% |
| *Other Excise* | 148,727 | 102,810 | 45,917 | 44.7% |
| NON-TAX REVENUE DEPARTMENT (NTR) | **3,042,758** | **2,042,234** | **1,000,524** | **49.0%** |
| Mines Revenue | **975,550** | **671,472** | **304,078** | **45.3%** |
| Other Departments | **2,067,207** | **1,370,761** | **696,446** | **50.8%** |
|  *Royalty on Fisheries etc.* | 144,771 | 118,151 | 26,619 | 22.5% |
| *Parastatals Dividend* | 290,086 | 312,400 | -22,314 | -7.10% |
| Other Revenues | **1,632,351** | **940,210** | **692,141** | **73.6%** |
| *o/w TSA* | 1,411,109 | 827,107 | 584,001 | 70.6% |
| *o/w Timber* | 29,197 | 17,858 | 11,340 | 63.5% |
| *o/w Other MDAs* | 192,045 | 95,245 | 96,800 | 101.6% |
| RUC | **214,162** | **206,669** | **7,493** | **3.6%** |

*Source: MRP Department*

### **2.2.2 Quarterly Trend in 2024 Revenue Collection**

**Figure 4 illustrates the quarterly revenue performance for 2024.** Revenue peaked in the second quarter at NLe 3.918 billion, reflecting strong performance largely driven by seasonal factors and improved collection efficiency. However, revenue declined in the third quarter to NLe 3.263 billion, likely due to economic slowdown and reduced tax inflows associated with the peak of the rainy season. Historically, third-quarter collections tend to be the lowest of the year, primarily because economic activity slows during this period of heavy rainfall. Revenue increased in the fourth quarter, signaling a recovery from the decline in quarter three. The increase in quarter four from quarter three can be attributed to (among other factors) increased import activity and domestic consumption due to festivities during this period.

**Figure 4: Quarterly Trend of 2024 Domestic Revenue (NLe Million)**

*Source: MRP Department*

### **2.2.3 Revenue Performance in 2024 Relative to Target**

Total domestic revenue collected by the NRA in 2024 amounted to NLe 14.560 billion, falling short of the revised annual target of NLe 14.690 billion by NLe 129.687 million, representing a slight underperformance of 0.9%. While the overall deviation appears marginal, a closer look at the individual components reveals mixed results with significant variances.

DTD revenue exceeded its target by 1.5%, largely driven by strong performance in Corporate Income Tax (CIT), which surpassed its target by 21.6%, and Personal Income Tax (PIT), which came close to meeting expectations, missing the target by only 1.9%. Income Tax collections as a whole performed well, with an overall surplus of 6.7%. However, the Goods and Services Tax (GST) underperformed, falling short by 9.6%. The decline was mainly attributed to weak performance in Import GST, which was 20.4% below target. This shortfall was partially offset by Domestic GST, which exceeded its target by 2.9%.

Customs and Excise collections were generally on target, with Import Duties and Petroleum Excise slightly exceeding targets, although Other Excise declined marginally by 3.4%. On the other hand, NTR posted the largest underperformance, missing its target by NLe 314.294 million or 9.4%. This was primarily due to lower-than-expected revenue from mining and other government departments, which fell short by 13.4% and 7.3%, respectively. Road User Charges (RUC) exceeded target by 8.2%.

**Table 4: 2024 Domestic Revenue Collection Relative to Budget Target (NLe Thousand)**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|   | 2024 First Half Actual  | 2024 Second Half Actual  | 2024 Actual | 2024 Target  | Var | % Var |
| TOTAL DOMESTIC REVENUE | 7,498,443 | 7,061,793 | 14,560,237 | 14,689,924 | -129,687 | -0.9% |
| DTD | 3,909,632 | 4,132,435 | 8,042,068 | 7,926,754 | 115,314 | 1.5% |
| Income Tax  | 2,682,330 | 3,051,991 | 5,734,321 | 5,375,000 | 359,321 | 6.7% |
| *CIT* | 1,058,802 | 1,335,746 | 2,394,548 | 1,970,000 | 424,548 | 21.6% |
| *PIT* | 1,623,528 | 1,716,244 | 3,339,773 | 3,405,000 | -65,227 | -1.9% |
| Goods and Services Tax (GST) | 1,227,302 | 1,080,444 | 2,307,747 | 2,551,754 | -244,007 | -9.6% |
| *Import GST* | 566,636 | 516,851 | 1,083,487 | 1,361,976 | -278,489 | -20.4% |
| *Domestic GST* | 660,666 | 563,594 | 1,224,259 | 1,189,778 | 34,481 | 2.9% |
| CSD | 1,700,977 | 1,560,272 | 3,261,249 | 3,208,259 | 52,990 | 1.7% |
|  *Import Duties* | 758,712 | 690,370 | 1,449,083 | 1,406,500 | 42,583 | 3.0% |
| *Excise on Petroleum* | 874,951 | 788,489 | 1,663,439 | 1,647,736 | 15,703 | 1.0% |
| *Other Excise* | 67,314 | 81,413 | 148,727 | 154,023 | -5,296 | -3.4% |
| NTR | 1,783,145 | 1,259,613 | 3,042,758 | 3,357,052 | -314,294 | -9.4% |
| Mines Revenue | 567,551 | 408,000 | 975,550 | 1,126,875 | -151,324 | -13.4% |
| Other Departments | 1,215,594 | 851,613 | 2,067,207 | 2,230,177 | -162,970 | -7.3% |
| *Royalty on Fisheries etc.* | 72,474 | 72,298 | 144,771 | 144,177 | 593 | 0.4% |
| *Parastatals Dividend* | 238,434 | 51,653 | 290,086 | 302,281 | -12,195 | -4.0% |
| Other Revenues | 904,687 | 727,664 | 1,632,351 | 1,783,719 | -151,368 | -8.5% |
| *o/w TSA* | 798,549 | 612,560 | 1,411,109 | 1,461,350 | -50,242 | -3.4% |
| *o/w Timber* | 19,844 | 9,353 | 29,197 | 17,670 | 11,527 | 65.2% |
| *o/w Other MDAs* | 86,294 | 105,751 | 192,045 | 304,698 | -112,653 | -37.0% |
| RUC | 104,689 | 109,474 | 214,162 | 197,860 | 16,303 | 8.2% |

*Source: MRP Department*

### **2.2.4 Reasons for Good Revenue Outcome in 2024**

Although the Authority narrowly missed its overall revenue target for 2024, the performance remains commendable, with several notable achievements contributing to the relatively strong outturn. A combination of administrative actions, policy measures, and one-off payments supported this positive performance.

Key contributors to the improved performance included intensified compliance tracking and enforcement efforts, such as data matching and close monitoring of non-compliant taxpayers, many of whom responded positively and fulfilled their obligations. Significant arrears were also recovered from the operational departments.

Additionally, the upgrade to the HS2022 tariff schedule led to an increase in the value of dutiable imports. Upfront payments on bulk cement and tobacco imports, as well as a considerable volume of rice imports, also contributed positively.

Payment of Capital Gains Tax by Access Bank amounting to USD 1.136 million, and audit recoveries—USD 2 million from Leone Rock and NLe 6.1 million from Mobile Network Operators (MNOs). The Authority also successfully enforced the collection of the fifth installment of deferred payments from key taxpayers in June.

Efforts to track outstanding licence payments in sectors such as mining, telecommunications, and marine operations yielded results, further supported by the increased licence fee for large-scale mining taxpayers—from USD 500,000 to USD 1 million—which took effect in May and June 2024.

Several revenue-enhancing reforms were implemented, including the introduction of SICPA, which led to a more than twofold increase in domestic excise collections since March; N-Soft, which resulted in a near doubling of GST collections from mobile companies; and the use of mobile payment app to facilitate payments of vehicle circulation levy and income tax, both of which recorded substantial gains.

In addition, policy measures under the Finance Act 2024 were fully implemented, covering import duties on rice, iron rod, cement, and cooking gas, harmonised withholding tax rates, education levy, vehicle circulation levy, stamp duty, and new licence rates for selected MDAs, as well as new import rates and domestic excise tax.

Finally, one-off payments significantly boosted revenue, including a dividend payment of NLe 89 million from Freetown Terminal Limited and signature bonus of NLe 180 million for oil exploration.

### **2.2.5 Challenges of Revenue Mobilisation in 2024**

Revenue mobilisation efforts in 2024 were constrained by several challenges including the following:

1. **Too many Tax Exemptions**

A significant rise in exemptions continued to undermine the revenue base, particularly from Customs, where exemptions increased by 22.6% to NLe1.294 billion. Exemptions across domestic taxes also remained substantial, limiting potential gains from a growing tax base.

1. **Decline in International Mineral Prices**

The collapse in global mineral prices, especially for diamonds, adversely impacted associated tax revenues.

1. **Delay in Reversing Sierra Rutile Limited (SRL) Concessions**

Prolonged decision-making process regarding the reversal of concession agreements granted to SRL impeded efforts to restore potential revenue inflows.

1. **Non-Operational Mining Companies**

Key mining entities such as VIMETCO and CTC Mining remained non-operational, resulting in revenue losses from anticipated royalties, and associated taxes and fees.

1. **Underperformance in Mineral Production**

A good number of active mining companies recorded production levels below expectations, leading to lower-than-projected tax and non-tax contributions.

1. **Limited Cooperation During Audits and Investigations**

Several major taxpayers demonstrated inadequate cooperation in responding to audit and investigative obligations.

1. **Non-Compliance by State-Owned Enterprises (SOEs)**

SOEs, including the Electricity Distribution and Supply Authority (EDSA) and the Electricity Generation and Transmission Company (EGTC), failed to comply with their tax obligations. EDSA alone had an outstanding GST liability of NLe162 million for 2024.

1. **Non-Payment of Parastatal Dividends**

The Sierra Leone Commercial Bank (SLCB) did not remit the expected dividend payment of NLe27 million in 2024, although they argued that they had prepaid this amount in 2022, thereby reducing anticipated non-tax revenue.

### **2.2.6 Historic Revenue Performance (2020 – 2024)**

Figure 5 presents the trend in domestic revenue collection from 2020 to 2024, shown in nominal terms. The data reveals a steady upward trajectory in total domestic revenue since 2020. Except for 2020 and 2022, each year recorded an annual increase exceeding NLe 1 billion, with the most substantial growth occurring in 2024—an increase of NLe 4.5 billion, equivalent to a 44.2% rise. The relatively modest increases observed in 2020 and 2022 are primarily attributable to the economic disruptions caused by the COVID-19 pandemic and the Russia-Ukraine conflict, respectively.

**Figure 5: Revenue Performance in the Past Five Years**

*Source: MRP Department*

A closer look at Figure 5 indicates that DTD has consistently been the dominant contributor to total domestic revenue, accounting for more than half of total collections each year and exceeding 60% in both 2022 and 2023. Furthermore, between 2021 and 2023, the Non-Tax Revenue (NTR) Department emerged as the second-largest contributor, overtaking the Customs Services Department (CSD). During this period, NTR accounted for over one-fifth of total domestic revenue, partly due to significant inflows from the Treasury Single Account (TSA). In addition, both CSD and NTR revenues experienced a decline in 2022, with CSD revenue also contracting in 2020. In contrast, revenue collected by the DTD has demonstrated consistent growth throughout the period from 2020 to 2024, reinforcing its role as the primary driver of domestic revenue performance.

## **2.3 COMPARATIVE DUTY WAIVER PERFORMANCE, 2024 AND 2023**

In this section, "duty waiver" encompasses both import duty and import GST exemptions. The analysis is structured around six primary categories: Government, Private Sector, Non-Governmental Organisations (NGOs), Mining, Embassies/High Commissions, and Public International Organisations (PIOs). All sectors that received duty waivers during the review period are included in this section. These waivers are granted under applicable legal provisions, which may stem from general legislation or specific fiscal clauses within individual agreements with the Government of Sierra Leone. The principal legal framework guiding the processing of duty and tax waivers is the Tax and Duty Exemption Act of 2023. This Act provides comprehensive coverage of tax and duty waiver exemptions, except for certain investment incentives stipulated in agreements between the Government and private investment entities.

In 2024, the total value of duty waivers granted by the Government of Sierra Leone amounted to Le1.294 billion, representing a significant increase of Le238.854 million or 22.6% compared to the Le1.055 billion granted in 2023. The data shows an increase across all beneficiary categories, with notable variations in the growth rate.

All donor-funded projects executed by various government MDAs received the highest waiver amount in 2024, totaling Le514.002 million, which reflects a substantial increase of Le99.401 million or 24.0% from the previous year. The Private sector followed closely with waivers amounting to Le470.427 million, an increase of Le66.087 million or 16.3%. These figures suggest increased government activities and sustained support to private sector operations through fiscal concessions. The category with the most significant percentage increase was the Mining sector, which experienced a remarkable 114.2% rise—from Le21.182 million in 2023 to Le45.378 million in 2024. This sharp increase indicates a surge in mining-related imports and the implementation of new or expanded agreements granting duty relief to companies in the sector. Public International Organisations (PIOs) also saw a notable increase in duty waivers, rising by Le29.158 million or 27.0%, reflecting possibly greater operational activity or increased donor-supported imports. Embassies and NGOs also experienced increases in duty waivers by 20.1% and 18.2%, respectively.

This surge in duty waivers carries significant implications for government revenue, representing a potential loss that could have been allocated to more productive projects. Had these waivers not been granted, total domestic revenue might have demonstrated higher performance levels than what was reported for 2024.

**Table 5: Duty Waiver by Category of Exemption, 2023 and 2022 (NLe Million)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| CATEGORY | 2024 | 2023 | Variance | % Variance |
| Embassy | 37,294 | 31,062 | 6,232 | 20.1% |
| Government | 514,002 | 414,602 | 99,401 | 24.0% |
| Mining | 45,378 | 21,182 | 24,196 | 114.2% |
| NGO | 89,630 | 75,850 | 13,780 | 18.2% |
| PIO | 137,254 | 108,096 | 29,158 | 27.0% |
| Private | 470,427 | 404,340 | 66,087 | 16.3% |
| TOTAL | **1,293,985** | **1,055,132** | **238,854** | **22.6%** |

*Source: MRP Department*

Analysing the sectoral distribution of waivers (Table 6), it reveals that the Manufacturing and Energy sectors were the largest beneficiaries, receiving Le329.458 million and Le326.822 million respectively. These sectors alone accounted for over half of the total waivers granted, with significant year-on-year increases of 39.5% for Manufacturing and 25.3% for Energy, indicating increased industrial activity and energy-related investments.

The Health sector also saw a substantial increase of Le45.789 million or 31.7%, suggesting continued emphasis on strengthening healthcare delivery. Similarly, the Mineral sector recorded a 120.3% rise in waivers, underscoring expanded operations and new incentives in mining. Other sectors that saw significant percentage increases include Communication (140.1%), Construction (46.8%), Sports (60.1%), and Tourism (69.7%), pointing to broader sectoral support through fiscal incentives.

Conversely, some sectors experienced declines. Trade, Transport, Water Resources, Fishery, Oil, and Financial sectors all recorded significant reductions in waivers, with few recording no exemptions.

**Table 6: Duty Waiver for 2024 and 2023 by Sector Analysis in (NLe Million)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Sector  | 2024 | 2023 |  VARIANCE  |  % VARIANCE  |
|  Agricultural  |  83,768  |  83,586  |  182  | 0.2% |
|  Central Bank  |  166  |  -  |  166  |   |
|  Civil Registration  |  -  |  13,606  |  (13,606) | -100.0% |
|  Communication  |  11,999  |  4,998  |  7,001  | 140.1% |
|  Construction  |  52,940  |  36,064  |  16,876  | 46.8% |
|  Diplomatic  |  43,176  |  36,665  |  6,510  | 17.8% |
|  Education  |  5,875  |  4,228  |  1,647  | 39.0% |
|  Energy  |  326,822  |  260,754  |  66,068  | 25.3% |
|  Environment  |  608  |  282  |  326  | 115.6% |
|  Financial  |  -  |  237  |  (237) | -100.0% |
|  Fishery  |  161  |  1,048  |  (886) | -84.5% |
|  Health  |  190,094  |  144,305  |  45,789  | 31.7% |
|  Internal Affairs  |  1,927  |  102  |  1,825  | 1789.2% |
|  Manufacturing  |  329,458  |  236,113  |  93,345  | 39.5% |
|  Mineral  |  46,211  |  20,973  |  25,238  | 120.3% |
|  Minister  |  365  |  171  |  194  | 113.5% |
|  Office Of the President  |  8,942  |  18,582  |  (9,640) | -51.9% |
|  Oil  |  479  |  13,624  |  (13,144) | -96.5% |
|  Parliament  |  2,319  |  304  |  2,015  | 662.8% |
|  Security  |  303  |  3,307  |  (3,004) | -90.8% |
|  Social Welfare  |  38,700  |  35,953  |  2,748  | 7.6% |
|  Sports  |  36,492  |  22,787  |  13,706  | 60.1% |
|  Tourism  |  751  |  442  |  308  | 69.7% |
|  Trade  |  643  |  3,362  |  (2,719) | -80.9% |
|  Transport  |  10,889  |  13,821  |  (2,932) | -21.2% |
|  Un Agency  |  98,888  |  96,176  |  2,712  | 2.8% |
|  Water Resources  |  1,587  |  3,645  |  (2,057) | -56.4% |
|  Wide life  |  422  |  -  |  422  |   |
|  Total  |  **1,293,986**  |  **1,055,132**  |  **238,853**  | **22.6%** |

*Source: MRP Department*

# **CHAPTER THREE**

# **3.0 KEY NON-REVENUE ACHIEVEMENTS**

This chapter provides an update of non-revenue achievements in 2024, spanning multiple functional areas such as revenue intelligence and investigations, corporate governance, human resources management, staff integrity, business facilitation, risk management, ICT, NTRD revenue mobilisation drive, and other modernisation reforms.

## **3.1 HUMAN RESOURCE AND STAFF WELFARE MANAGEMENT**

The Human Resources Department (HRD) plays a critical role in advancing the Authority’s institutional objectives by aligning its human capital strategy with the overall goals outlined in the Strategic Plan 2023–2027. Working under the supervision of the Commissioner-General and in close coordination with the Board of Directors and the Senior Management Team (SMT), the HRD is responsible for formulating and implementing human resource policies that promote efficiency, professionalism, and organisational growth.

Core functions of the department include the recruitment, development, training, and retention of staff across all operational areas. To effectively deliver on these mandates, the HRD operates through three specialised units:

* Recruitment and Staff Appraisal Unit
* Salary Administration and Records Management Unit
* Training, Manpower Planning, and Capacity Development Unit

In 2021, the Staff Welfare Unit was upgraded to a full-fledged Staff Welfare Department, reflecting the Authority’s renewed commitment to strengthening the well-being and support systems for its workforce. This strategic shift has enabled more focused and comprehensive management of staff welfare initiatives.

The activities undertaken by the HRD and the Staff Welfare Department during the reporting period are guided by Goal 2 of the Strategic Plan, which emphasises the "Maintenance of a professional workforce and the development of institutional capacity."

### **3.1.1 Staff Strength**

As presented in **Table 7**, a year-on-year comparison of staff strength by gender shows that the total workforce decreased by **20 employees—**from **837 in 2023 to 817 in 2024**. A breakdown reveals that the number of **male staff declined by 15**, while **female staff decreased by 5**. In 2023, male employees represented **74.8%** of the workforce, while female employees accounted for **25.2%.** The figures for 2024 reflect a similar gender distribution, underscoring the need for continued efforts to promote gender balance across the Authority.

**Table 7: Staff Strength by Gender 2024 and 2023**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| DEPARTMENT | 2024 | 2023 |  | 2024 | 2023 |  |
| **MALE** | **MALE** | **VARIANCE** | **FEMALE** | **FEMALE** | **VARIANCE** |
| CG’s OFFICE | 12 | 10 | 2 | 14 | 13 | 1 |
| RIID | 7 | 8 | -1 | 7 | 7 | 0 |
| HUMAN RESOURCE | 8 | 11 | -3 | 25 | 25 | 0 |
| STAFF WELFARE | 4 | 3 | 1 | 2 | 2 | 0 |
| ADMIN | 147 | 150 | -3 | 7 | 6 | 1 |
| CUSTOMS | 158 | 162 | -4 | 46 | 47 | -1 |
| NTR | 31 | 35 | -4 | 20 | 22 | -2 |
| F & B | 13 | 13 | 0 | 8 | 9 | -1 |
| MRP | 16 | 12 | 4 | 0 | 0 | 0 |
| ICT | 27 | 26 | 1 | 3 | 3 | 0 |
| ICA | 7 | 9 | -2 | 3 | 4 | -1 |
| L&CS | 9 | 10 | -1 | 6 | 6 | 0 |
| BOARD SECRETARIAT | 2 | 2 | 0 | 0 | 0 | 0 |
| MODERNIZATION | 18 | 15 | 3 | 3 | 3 | 0 |
| DTD | 152 | 160 | -8 | 62 | 64 | -2 |
| TOTAL | **611** | **626** | **-15** | **206** | **211** | **-5** |

*Source: HRD*

### **3.1.2 Staff Separation**

Table 8 provides a breakdown of staff separations by department for the years 2023 and 2024, while Figure 5 illustrates separations by category. In 2024, a total of 45 staff members exited the Authority for various reasons, representing an increase from 32 separations recorded in 2023.

The Administrative Department recorded the highest number of staff separations in 2024, with 11 exits, followed by the CSD and the DTD, with 9 and 8 separations, respectively. This trend mirrors that of 2023, during which the Administrative Department also led with 8 separations, while both the CSD and DTD reported 7 departures each.

**Table 8: Staff Separation by Department, 2024 and 2023**

|  |  |  |
| --- | --- | --- |
| DEPARTMENT | 2024 | 2023 |
| ADMIN | 11 | 8 |
| CGO | 1 | 2 |
| CSD | 9 | 7 |
| NTR | 6 | 2 |
| F & B | 2 | 2 |
| ICT | 2 | 1 |
| ICA | 1 |   |
| HRD | 4 |   |
| DTD | 8 | 7 |
| MOD | 1 |   |
| MRP |   | 1 |
| STAFF WELFARE |   | 1 |
| BOARD |   | 1 |
| TOTAL | **45** | **32** |

*Source: HRD*

An analysis of Figure 6 highlights that the leading causes of staff separation in 2024 were resignation (17 cases), retirement, and termination (9 cases each), and death (8 cases). These trends are consistent with those observed in 2023, where retirement and resignation each accounted for 11 staff separations.

**Figure 6: Staff Separations by Category, 2024 and 2023**

*Source: HRD*

### **3.1.3 Staff Recruitment, Confirmation, Promotion and Engagement**

In 2024, the National Revenue Authority continued its commitment to strengthening institutional capacity through targeted recruitment and staff development initiatives. A total of 17 new staff members were recruited during the year, with the Admin Department accounting for the highest number of hires (6 staff), followed by the HRD and Finance and Budget (F&B) departments, which each welcomed 3 recruits.

In recognition of exceptional performance and commitment, the Authority promoted 8 staff members across various departments to higher positions during the reporting period. Further, 84 staff members were confirmed in their respective roles following the successful completion of their probationary periods. The Admin Department again recorded the highest number of confirmations (28 staff), followed by DTD with 17, and the CSD with 13 confirmations.

To support its operations and create opportunities for professional development, the Authority also engaged a total of 64 individuals, including 38 contracted staff, 21 interns, and 5 National Youth Service Corps members deployed by the National Youth Commission.

**Table 9: Staff Recruitment, Confirmation and Promotion, 2024**

|  |  |  |  |
| --- | --- | --- | --- |
| Department | Recruitment | Promotion  | Confirmation  |
| CG’s OFFICE | 1 |   | 7 |
| RIID |   |   | 1 |
| HRD | 3 |   | 5 |
| STAFF WELFARE |   |   |   |
| ADMIN | 6 | 1 | 28 |
| CSD | 2 | 1 | 13 |
| NTR |   |   | 2 |
| F & B | 3 |   | 8 |
| MRP |   |   |   |
| ICT |   |   | 2 |
| ICA | 1 | 5 |   |
| L&CA |   |   |   |
| BOARD SECRETARIAT |   |   | 1 |
| MODERNIZATION |   |   |   |
| DTD | 1 | 1 | 17 |
| TOTAL | **17** | **8** | **84** |

*Source: HRD*

### **3.1.4 Capacity Building and Staff Development**

The National Revenue Authority remains committed to advancing the professional development of its workforce by attracting, nurturing, and retaining highly skilled personnel. As part of this ongoing effort, the Human Resources Department facilitated 17 internal and 21 external training programmes in 2024, reaching a total of 704 participants. It is important to note that this figure includes individuals who participated in multiple training sessions throughout the year.

Of the 704 training beneficiaries, 489 (69.5%) were male and 215 (30.5%) were female, reflecting the Authority’s inclusive approach to capacity building across gender lines. In terms of training modality, 636 staff members benefited from internal or locally delivered training, while 68 participated in external programmes, highlighting a balanced emphasis on both in-house development and exposure to broader learning environments.

As shown in Table 10, CSD recorded the highest number of training participants (169 staff), followed by DTD with 149 staff, and NTR with 75 staff. These figures are broadly consistent with the relative size and operational demands of the respective departments.

**Table 10: Number of Training Participants by Department 2024**

|  |  |
| --- | --- |
| DEPARTMENT | NO. OF PARTICIPANTS |
| CG’s OFFICE | 34 |
| RIID | 23 |
| HUMAN RESOURCE | 37 |
| STAFF WELFARE | 3 |
| ADMIN | 49 |
| CSD | 169 |
| NTR | 75 |
| F & B | 19 |
| MRP | 30 |
| ICT | 48 |
| ICA | 24 |
| L&CS | 23 |
| MODERNIZATION | 19 |
| DTD | 149 |
| BOARD | 2 |
| TOTAL | **704** |

*Source: HRD*

### **3.1.5 Biometric Attendance Management**

As part of efforts to promote effective time management and improve workplace productivity, the Staff Welfare Department in 2024 continued to oversee the maintenance of biometric attendance devices installed across NRA offices in both the Western Area and provincial locations.

To further strengthen attendance monitoring, new biometric devices were deployed to several outstation offices during the year. However, installations were not completed in Kailahun, Jendema, and Lungi due to specific operational challenges. In Kailahun and Jendema, the absence of reliable internet connectivity hindered installation efforts. Meanwhile, in Lungi, installation could not proceed due to space allocation constraints imposed by the Airport Management.

### **3.1.6 Management of Sick Leave and Death Benefits**

In its continued commitment to employee wellbeing, the Staff Welfare Department in 2024 processed a total of twenty-five (25) medical sick leave requests submitted by staff across various departments. These approvals were granted to allow affected employees to undergo necessary medical treatment within the period specified in their respective medical leave applications.

Additionally, during the reporting year, the Department facilitated the disbursement of bereavement support purses to the families of eight (8) deceased staff members. These contributions, in line with the provisions of the Revised NRA Terms and Conditions of Service (TACOS), were intended to support funeral-related expenses and provide some financial relief to bereaved families.

## **3.2 UPDATE ON REVENUE INTELLIGENCE AND INVESTIGATIONS**

The Revenue Intelligence and Investigations Department (RIID) remains dedicated to enhancing compliance to optimise revenue collection. Central to its responsibilities are information gathering, intelligence processing, and investigations. The Department's reports and findings serve as pivotal resources for revenue recovery, identification of irregularities, disciplinary measures, and, when necessary, legal actions. Additionally, RIID plays a crucial role in integrity management and the detection of tax fraud, both internally and externally. Legislative responsibilities of licensing of Customs Clearing and Forwarding Agencies (C&FAs) also fall within the purview of this Department, which works in tandem with operational departments to enforce tax regulations.

The RIID operates through two distinct units: the Investigations Unit and the Intelligence Gathering and Analysis Unit. Throughout 2024, the Department engaged in numerous intelligence operations, risk assessments, and investigations, often collaborating with other Departments. Furthermore, enforcement activities were executed by a specialised task force within the Department known as the Enforcement Task Force.

Outlined below are the key initiatives undertaken by RIID in 2024:

1. **Foreign Currency Declarations**

Collaboration with NRA/Customs personnel at Lungi International Airport facilitated the collection and subsequent submission of foreign currency declaration data to the Financial Intelligence Unit (FIU) monthly.

1. **Issuance of Clearing and Forwarding Licenses**

The Director of this Department serves as the Chair of the C&FA License Committee, and in 2024, licences were issued to a total of 155 C&F agencies.

1. **Completed Investigations**

On the revenue investigations front, a total of five (5) investigations were concluded in 2024, including a customs credit analysis. These efforts led to the recovery of NLe 19.07 million, of which NLe 17.3 million was attributed to the customs credit analysis.

1. **Analysis and Recovery under Customs Suspended Regimes**

The department analysed customs suspended regimes, focusing on both warehousing and customs credit arrangements. In collaboration with CSD, it participated in the recovery of arrears identified during these analyses. As a result of the customs credit analysis carried out, a total of Le17.3 million was recovered.

1. **Intelligence Verification**

The department carried out an intelligence verification exercise at various provincial wharves across the country. The primary objectives of this exercise were to:

* Gather and document firsthand information on the activities typically conducted at the visited wharves.
* Conduct an overt verification of intelligence reports received from the Office of National Security (ONS).
* Determine whether key stakeholders, including the NRA, have any official representation at these locations.
* Provide policy recommendations to the Commissioner-General’s Office for the effective monitoring and management of these wharves.
1. **Carryover Activities**

The following activities were not completed in 2024 and have been rolled over into the Fiscal Year 2025 work plan:

* GST Returns and Payment Analysis
* Monthly ECR Back-end Analysis
* Quarterly Outstation Revenue Investigation Drive
* Monthly Customs Manifest Analysis
* Implementation of Whistleblower Policies

## **3.3 STRENGTHENING NON-TAX REVENUE MOBILISATION**

In 2024, the Non-Tax Revenue Department intensified efforts to enhance the mobilisation of non-tax revenues by shifting the Department's focus from a traditional cashier-based model to a more comprehensive approach that incorporates monitoring of assessments, debt collection, and improved accountability in revenue reporting.

**Monitoring of Assessments and Revenue Drives**

To ensure the accuracy and completeness of NTR assessments across MDAs, the NTR Department undertook targeted monitoring and verification exercises. Key initiatives included:

* A field monitoring exercise in Port Loko District and the Western Area, focusing on quarry operations. This led to the identification and inclusion of additional quarries into the NTR database, thereby boosting NTR collections for the Ministry of Works.
* Joint revenue mobilisation and verification activities were conducted in collaboration with the Sierra Leone Standards Bureau across provincial and Western Area locations.
* A coordinated monitoring exercise with the ONS targeting private security companies, ensuring compliance with NTR obligations.

**Implementation of the Non-Tax Revenue Mobile Payment App**

The Non-Tax Revenue Mobile Payment App is designed to automate the collection of NTRs and enhance compliance. This digital platform links revenue-generating MDAs to a centralised payment module, significantly improving the efficiency, transparency, and auditability of NTR transactions. The App has been successfully deployed in several MDAs. Preparations are at an advanced stage for rolling out the App to the remaining MDAs, including:

* Ministry of Fisheries and Marine Resources
* Ministry of Labour and Social Security
* Ministry of Works and Public Assets

## **3.4 ICT ACTIVITIES UPDATE**

The ICT Department, as a vital support Department of the Authority, is entrusted with the crucial task of delivering responsive, effective, and efficient ICT services to the NRA and its stakeholders in fulfillment of the NRA’s core mandate of domestic revenue mobilisation and collection. The following are the key achievements of the department during the fiscal year 2024:

1. Successfully implemented the HS Tariff 2022 within the ASYCUDA World system, with technical assistance from ECOWAS.
2. Configured key business systems—ITAS, ASYCUDA, ECR, and NTRS—in alignment with the provisions of the 2023 and 2024 Finance Acts.
3. Provided technical support for the roll-out of the Non-Tax Revenue Mobile Payment Application to the Sierra Leone Road Safety Authority (SLRSA), the Small Arms Commission, and the Pharmacy Board.
4. Integrated the Non-Tax Revenue Mobile Payment Application into the NRA Data Warehouse to enhance data management and reporting capabilities.
5. Completed a comprehensive review and assessment of the ITAS-Bank interface across all fourteen (14) commercial banks.
6. Finalised the development of the new NRA website and configured the Virtual Private Server (VPS) for its hosting.
7. Synchronised the internal Active Directory with Microsoft Azure through the Microsoft 365 platform to enable single sign-on functionality.
8. Established connectivity with the ECOWAS regional centre in Lomé, Togo, to facilitate operations of the SIGMAT Transit System.
9. Conducted both functional and technical training sessions for staff on the ECOWAS SIGMAT Transit System.
10. Delivered introductory training in Talend Studio, SQL, and Power BI to the Data Analytics Team at the MRP Department to strengthen capacity in data analysis and visualisation.
11. Completed the development of an internal Leave Application System for the Human Resources Department.
12. Finalised the development of a Reconciliation System for the Finance Department of the NRA.
13. Defined system requirements for the standardisation of the taxpayer registration interface within the ITAS platform.
14. Undertook a review of the NRA’s IT infrastructure, including VPN and internet services, and provided recommendations to enhance efficiency and performance.
15. Completed the installation and configuration of the Local Area Network (LAN) and VPN connectivity for the newly rented floors at Bathurst Street (former Maersk Line office).
16. Carried out routine system administration and maintenance across all core IT business systems, including ITAS, ASYCUDA World, ECR, Microsoft Dynamics GP, Microsoft 365, the NTR Mobile Payment App, and broader ICT infrastructure.

# **CHAPTER FOUR**

# **4.0 SPECIAL RELEVANCE STATISTICS**

This chapter provides a comprehensive examination of relevant statistics, offering critical insights into fundamental aspects of tax administration and revenue management. It commences with a focus on updates regarding taxpayer registration to demonstrate efforts to broaden the taxpayer base. Additionally, another section is dedicated to an analysis of planned and completed tax and customs audits, as well as tax compliance and enforcement statistics, to provide valuable insights into compliance status. Updates on tax and revenue arrears shed light on outstanding liabilities. Furthermore, a comparative analysis between 2023 and 2024 is then conducted to unveil trends in import dynamics, declaration statistics by lane, and container and vehicle statistics, facilitating an understanding of trade dynamics.

## **4.1 UPDATE ON TAXPAYER REGISTRATION**

Taxpayers are required to register with the NRA for taxation purposes, receiving a unique identifier called a Taxpayer Identification Number (TIN). However, not all TINs are designated for business purposes. In the reviewed year, 12,542 TINs were issued, a decrease from 14,499 in 2023. The distribution of TINs by tax office in 2024 and 2023 is detailed in Table 11. Freetown Central tax office issued the highest number of TINs in 2024, followed by the WAMA building tax office and then the Freetown West tax office, while in the previous year, the Medium Taxpayers Office (MTO) issued the highest number of TINs, followed by the WAMA building tax office, and the Freetown Central Office. TINs issued from the CSD office are primarily for import and export purposes.

**Table 11: Number of TIN Issued by Tax Office in 2024 and 2023**

|  |  |  |
| --- | --- | --- |
| Tax Office | 2024 | 2023 |
|  Freetown Central  | 3,217 | 2,262 |
|  WAMA Individual Taxpayer  | 2,430 | 3,473 |
|  Freetown West  | 2,233 | 619 |
|  Freetown East  | 1,587 | 267 |
|  Makeni Taxpayers Office  | 944 | 940 |
|  Bo Taxpayers Office  | 725 | 531 |
|  CSD Importers and Brokers  | 455 | 838 |
|  Kenema Taxpayers Office  | 358 | 556 |
|  Kono Taxpayers Office  | 286 | 287 |
|  Medium Taxpayers Office  | 169 | 4,674 |
| New Registration Office (NRO) | 105 | - |
|  Extractive Industry Revenue Unit  | 22 | 44 |
|  Large Taxpayers Office  | 6 | 8 |
| (blank) | 5 | - |
| TOTAL | **12,542** | **14,499** |

*Source: ITAS*

Figure 7 illustrates the breakdown of the percentage of TINs issued by tax type in 2024 and 2023. More than half of the TINs were issued for Personal Income Tax (PIT) in both years, with other tax categories each comprising less than 10.0% of the total issued TINs, except for Corporate Income Tax (CIT), and Withholding Tax (WHT) which accounted for 15.1% and 11.1% respectively of the total TINs issued in 2024.

**Figure 7: TIN Issuance by Tax Type in 2024 and 2023**

*Source: ITAS*

Furthermore, Figure 8 presents the share of TINs by application purpose for the top ten categories, revealing that over half (58.9%) of the TINs were issued for business/trading purposes.

**Figure 8: Purpose for TIN Issuance in 2024**

*Source: ITAS*

## **4.2 TAX COMPLIANCE (FILING ANALYSIS) AND ENFORCEMENT**

Table 12 shows the average filing compliance rates by tax office for the years 2024 and 2023. Filing compliance rate refers to the proportion of taxpayers who file their tax returns on time among the total active taxpayers. The average filing compliance rates across tax offices in 2024 show a generally positive trend when compared to 2023, with notable improvements in several key offices. The Large Taxpayers Office continues to lead in compliance, increasing from 79.3% in 2023 to 83.3% in 2024, reflecting consistent engagement from major taxpayers. The Medium Taxpayers Office also recorded a significant improvement, rising from 54.6% to 66.2%, suggesting enhanced outreach or enforcement measures. Kono Taxpayers' Office showed a significant increase, jumping from 35.2% in 2023 to 47.4% in 2024, indicating progress in previously low-performing regions. However, Freetown East saw a notable decline from 43.1% to 37.4%. Overall, while most offices experienced either stability or gains in compliance, a few declines suggest that targeted interventions remain necessary to ensure consistent progress nationwide.

**Table 12: Average Filing Rate by Tax Office, 2024 and 2023**

|  |  |  |
| --- | --- | --- |
| TAX OFFICE | 2024 | 2023 |
| Bo Taxpayers Office | 50.6% | 52.5% |
| Extractive Industry Revenue Unit | 53.0% | 51.7% |
| Freetown Central | 44.5% | 42.1% |
| Freetown East | 37.4% | 43.1% |
| Freetown West | 43.5% | 41.0% |
| Kenema Taxpayers Office | 49.5% | 49.3% |
| Kono Taxpayers Office | 47.4% | 35.2% |
| Large Taxpayers Office | 83.3% | 79.3% |
| Makeni Taxpayers Office | 60.7% | 60.2% |
| Medium Taxpayers Office | 66.2% | 54.9% |
| WAMA Individual Taxpayer Office | 31.1% | 23.8% |

*Source: ITAS*

The 2024 filing compliance rates by tax office and tax type (Table 13) reveal notable variations across both dimensions. CIT and PIT generally recorded the highest compliance rates, with averages of 79.8% and 78.2% respectively, indicating strong performance in these tax types across most offices. Pay-As-You-Earn (PAYE) also performed well, averaging 67.6%, with particularly high rates in the Large, Makeni, and Kono Taxpayer Offices.

In contrast, WHT had the lowest average compliance at 34.1%, with several offices—such as Freetown East, New Registration Office, and WAMA—reporting significantly low filing rates, highlighting a persistent area of weakness that may require focused enforcement or taxpayer education. GST compliance, averaging 63.4%, showed mixed performance, with the Large and Medium Taxpayer Offices leading at nearly 90% and 82% respectively, while others, including Kono and WAMA, trailed behind.

Overall, the data suggests that while compliance with CIT, PIT, and Pay-As-You-Earn (PAYE) is relatively strong and improving, WHT and GST remain key challenges in several offices, warranting targeted compliance improvement strategies to boost overall tax administration effectiveness.

**Table 13: Annual Filing Rate by Tax Office and Tax Type, 2024**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| TAX OFFICE | PAYE | WHT | CIT | PIT | GST |
| Bo Taxpayers Office | 59.8% | 26.0% | 86.9% | 92.4% | 66.0% |
| Extractive Industry Revenue Unit | 64.8% | 50.5% | 82.1% | 100.0% | 43.6% |
| Freetown Central | 57.5% | 29.8% | 77.0% | 74.1% | 46.0% |
| Freetown East | 50.5% | 15.3% | 76.5% | 81.0% | 46.6% |
| Freetown West | 48.5% | 32.0% | 72.6% | 67.8% | 50.0% |
| Kenema Taxpayers Office | 65.3% | 30.4% | 83.8% | 93.7% | 52.8% |
| Kono Taxpayers Office | 71.1% | 36.8% | 93.3% | 93.4% | 34.3% |
| Large Taxpayers Office | 91.7% | 68.4% | 89.1% | 91.7% | 89.8% |
| Makeni Taxpayers Office | 74.5% | 37.9% | 81.9% | 93.6% | 69.8% |
| Medium Taxpayers Office | 73.5% | 43.6% | 84.3% | 79.5% | 81.7% |
| New Registration Office (NRO) | 45.5% | 15.7% | 33.3% | 3.9% |   |
| WAMA Individual Taxpayer Office | 50.3% | 9.8% | 90.2% | 28.8% | 33.1% |
| Annual Filing Rate | **67.6%** | **34.1%** | **79.8%** | **78.2%** | **63.4%** |

*Source: ITAS*

Figure 9 compares the average filing compliance rate across three tax types in 2024 and 2023. The filing rate shows a mixed trend between 2023 and 2024. GST maintained a consistent compliance rate of 63% across both years, indicating no significant improvement or decline in taxpayer behavior in this category. PAYE showed a notable increase in compliance, rising from 61% in 2023 to 68% in 2024, suggesting improved employer adherence to their tax obligations. In contrast, Withholding Tax compliance experienced a slight decline, dropping from 36% in 2023 to 34% in 2024, which may reflect persistent challenges in enforcement or taxpayer understanding of this tax type. Overall, while PAYE compliance improved, the stagnation in GST and decline in Withholding Tax point to the need for targeted interventions to boost compliance across all tax types.

**Figure 9: Annual Compliance Rate by Tax Type in 2024 and 2023**

*Source: ITAS*

## **4.3 DTD PLANNED AND COMPLETED TAX AUDIT**

The DTD conducts three categories of tax audits, targeting large taxpayers, medium taxpayers, and entities in the extractive industry. These audits are conducted through field audits, desk audits, or a combination of both approaches. The Design and Monitoring (D&M) Unit within the DTD assumes the responsibility of risk profiling and formulating an audit plan, which delineates the selection of taxpayers subject to audit by respective units within the DTD.

Table 14 outlines the number of planned DTD audits for the fiscal year 2024. A total of 599 audits were scheduled, comprising 508 field audits and 91 desk audits or issue-specific audits. Notably, the MTO was tasked with auditing the largest number of taxpayers, amounting to 360 entities. The actual number of audits completed in 2023 amounted to 577, reflecting a 3.8% variance from the planned audits for 2024.

**Table 14: DTD Planned Tax Audit 2024**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| AUDIT | LTO | MTO | EIRU | TOTAL |
| Number of field audits to be completed  | 154 | 310 | 44 | 508 |
| Desk audit or specific audit  | 25 | 50 | 16 | 91 |
| Total audit to be completed in 2024 | **179** | **360** | **60** | **599** |
| Total field audit completed in 2023 | 166 | 352 | 59 | 577 |

*Source: DTD*

### **4.3.1 LTO Completed Tax Audit and Liability, 2024 and 2023**

Table 15 illustrates the tax audit liabilities of the Large Taxpayer Office (LTO) categorised by tax type, along with the number of audits conducted and taxpayers audited in 2024 and 2023. In 2024, a total of 120 audits were completed, involving 109 taxpayers, as opposed to 96 completed audits and 88 audited taxpayers in 2023. The number of completed audits in 2024 fell short of the targeted audits by 59 and show a decrease of 21 taxpayers audited compared to the previous year. The LTO Audit Unit identified a total combined tax liability of NLe 59.626 million for 2024, in contrast to NLe 42.558 million recorded in 2023 (excluding interest and penalty). In 2024, GST accounted for the highest tax amount, followed by withholding tax and PAYE. In contrast, in 2023, GST also topped the list but was followed by corporation tax.

**Table 15: LTO Tax Audit Liability 2024 and 2023 in NLe**

|  |  |  |
| --- | --- | --- |
| LTO Audit Liability | 2024 | 2023 |
| Corporation Tax | 7,141,512 | 14,551,735 |
| Personal Income Tax | 214,182 | 545,438 |
| Withholding Tax | 17,166,494 | 8,546,000 |
| PAYE | 14,909,676 | 3,886,594 |
| Payroll Tax | 208,500 | 220,000 |
| GST | 19,985,608 | 14,807,931 |
| TOTAL  | **59,625,972** | **42,557,698** |
| No. of taxpayers  | 109 | 88 |
| No. of completed audits  | 120 | 96 |

*Source: LTO, DTD*

### **4.3.2 SMTO Completed Tax Audit and Liability, 2024 and 2023**

Table 16 displays the tax audit liability of the Small and Medium Taxpayer Office (SMTO) by tax category, alongside the number of audits conducted and taxpayers audited in 2024 and 2023. In 2024, there were a total of 69 completed audits involving 68 taxpayers, whereas in 2023, there were 124 audits finalised, involving 111 taxpayers. The completed audits in 2024 fell short of the targeted audits by 291 and shows a decrease of 43 audited taxpayers compared to the preceding year. The SMTO Audit Unit identified a combined tax liability of NLe 9.538 million for 2024, compared to NLe 10.062 million in 2023. Corporation/Trades tax accounted for the highest sum in 2024, followed by withholding tax and then PAYE.

**Table 16: SMTO Tax Audit Liability 2024 and 2023 in NLe**

|  |  |  |
| --- | --- | --- |
| Tax Type | 2024 | 2023 |
| Corporation /Trades Tax  | 6,797,343 | 3,778,565 |
| GST | (2,651,960) | 2,145,316 |
| Withholding Tax | 3,881,045 | 1,772,060 |
| PAYE | 1,114,160 | 479,044 |
| PAYROLL | 397,500 | 465,000 |
|  Penalty |  | 1,421,524 |
| TOTAL  | **9,538,088** | **10,061,509** |
| No. of taxpayers  | 68 | 111 |
| Total completed audits  | 69 | 124 |

*Source: SMTO, DTD*

### **4.3.3 EIRU Completed Tax Audit and Liability, 2024 and 2023**

In 2024, the Extractive Industry Revenue Unit (EIRU) concluded a total of 15 tax audits, falling short of the targeted number by 45 but recording an increase of 6 audits compared to the previous year's total completed audits. Among the audits conducted in 2024, the EIRU identified a combined tax liability amounting to NLe 49.412 million and USD 5.353 million within the mining sector, in contrast to NLe 2.596 million and USD 69.962 thousand recorded in 2023. Notably, tax liabilities stemming from PAYE obligations and penalties accounted for the highest liability in local currency and deemed dividend in USD in 2024. PAYE also accounted for the highest liability in the previous year, both in local currency and in USD.

**Table 17: EIRU Tax Audit Liability (2024 and 2023) in NLe and USD**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Tax Type | 2024 | 2023 |  |  |
| **Currency** | **Currency** | **Difference** |
| **NLe** | **USD** | **NLe** | **USD** | **NLe** | **USD** |
| PAYE | 32,307,181 | 706,073 | 1,247,476 | 49,088 | 31,059,705 | 656,985 |
| Payroll Tax | 368,500 | 426 | 295,000 | 2,500 | 73,500 | (2,074) |
| Withholding Tax | 2,951,951 | 204,935 | 714,500 | 12,014 | 2,237,451 | 192,921 |
| Corporation Tax | 3,533,825 | 1,310,412 | 114,061 | - | 3,419,764 |  |
| Royalty |  | 290,606 |  | - | - |  |
| Capital Gains Tax |  |  |  | - | - |  |
| GST | 418,397 |  |  | - | 418,397 |  |
| GST Overclaim | 2,199,957 |  |  |  |  |  |
| Deemed Dividend | 793,347 | 2,195,151 |  | - | 793,347 |  |
| Penalty | 6,838,445 | 645,288 | 225,065 | 6,360 | 6,613,380 | 638,928 |
| TOTAL | **49,411,603** | **5,352,891** | **2,596,102** | **69,962** | **46,815,501** | **5,282,929** |

*Source: EIRU, DTD*

## **4.4 CSD POST CLEARANCE AUDIT ACTIVITIES IN 2024**

The primary function of Post Clearance Audit (PCA) is to perform audits, to verify the accuracy of import documentation, including customs declarations, accounting records, trader records, physical stocks, and other pertinent commercial data maintained by individuals or entities involved in cross-border trade, either directly or indirectly. These activities are characteristic of modern customs administration and are designed to enhance customs revenue collection and expedite processing times by minimising intrusive inspections through a risk-based audit approach.

The PCA Unit works in collaboration with the CSD Risk Management Unit (RMU) to develop an annual Risk Register for profiling purposes and provides feedback to the Trade and Tariff Unit. Its activities encompass both desk and field audits, as well as joint examinations with the ASU and Risk Management Units.

The PCA set an audit target of 120 for 2024. By year-end, it had completed 121 audits, leading to the recovery of NLe 4.301 million. This marks an improvement over the previous year, when 138 audits resulted in a recovery of NLe 3.836 million.

## **4.5 DTD ARREARS STATUS UPDATE AND RECOVERY**

In 2024, total DTD arrears amounted to NLe 90.941 million. PAYE from the LTO accounted for the largest share at 37.0%, totalling NLe 33.642 million. This was followed by Withholding Tax from LTO, which contributed 30.5% (NLe 27.751 million). Combined, these two categories represent over two-thirds of total arrears, indicating significant compliance challenges among large taxpayers regarding WHT and PAYE. MTO arrears were relatively lower, with PAYE and Withholding Tax accounting for 10.9% and 11.2% respectively, while CIT from both LTO and MTO contributed a combined 10.4%.

The data suggests that enhanced enforcement and collection efforts could yield substantial improvements in arrears recovery.

**Table 18: DTD Arrears by Tax Type and Office, 2024**

|  |  |  |
| --- | --- | --- |
| Tax Type/Unit | Amount (NLe) | % Share of Total |
| Corporate Income Tax-LTO | 5,700,730.93 | 6.3% |
| Witholding Tax- LTO | 27,751,768.61 | 30.5% |
| Pay-As-You-Earn- LTO | 33,642,454.70 | 37.0% |
| Corporate Income Tax-MTO | 3,742,257.13 | 4.1% |
| Witholding Tax- MTO | 10,185,090.40 | 11.2% |
| Pay-As-You-Earn- MTO | 9,919,477.73 | 10.9% |
|  TOTAL | **90,941,779.50** |  |

*Source: DTD*

## **4.6 CUSTOMS DEBT RECOVERY AND MANAGEMENT**

The CSD Debt Management Unit (DMU) is tasked with overseeing all credits by handling their processing, monitoring, and ensuring timely repayment for individuals or entities involved in import trade. Requests for such credits are submitted and approved through the Commissioner-General’s Office or its authorised representatives.

In 2024, the Debt Management Unit (DMU) processed 17 credit requests through the Commissioner-General’s Office, up from 15 in 2023. Of these, 12 creditors fully settled their liabilities, while 5 remain on payment plans. The total liability for CSD credits processed in 2024 was NLe 107.889 million, with an outstanding balance of NLe 1.912 million. This reflects a significant improvement compared to 2023, when the total liability stood at NLe 200.898 million and the outstanding balance was much higher at NLe 170.714 million.

The DMU employed various strategies to recover Customs debts, including reminding debtors of their obligations through phone calls and written correspondence. Additionally, the Unit conducted joint operations, particularly with the ASU, to recover Customs debts, which sometimes involved issuing strong warnings to defaulters or even sealing off their business premises. These operations yielded largely positive results in debt recovery.

## **4.7 UPDATE ON CUSTOMS RISK MANAGEMENT ACTIVITIES**

Effective risk detection and management play a pivotal role in customs operations, which is why the creation of the Risk Management Unit (RMU) was imperative. The RMU's primary objective is to identify risks and propose measures to mitigate them, ensuring declarants comply with customs obligations. Unit personnel are tasked with continuously monitoring all declarations in real-time to pinpoint 'High Risk' declarations related to valuation, classification, currency codes, CVC inputs, and general documentation, among others, and promptly notify operational units for corrective actions.

### **4.7.1 RMU Risk Profiling**

Another vital task undertaken by the RMU is Risk Profiling, which involves categorising importers and brokers based on the risks they pose to revenue and the supply chain. This process contributes to trade facilitation and enables effective risk analysis. Profiling occurs quarterly and utilises data generated by ASYCUDA, Post Clearance Audit (PCA) activities and reports, Anti-Smuggling Unit (ASU) interdictions and penalties, and information from the Query and Amendment Unit. This data is analysed to evaluate importers' and brokers' compliance levels, determining their placement into one of three selective lanes: red, blue, or yellow. The results of profiling are then submitted to the Risk Management Committee for management approval.

As shown in Table 19, during the period under review, a total of218 importers were profiled. Among them, 213 importers (93.1%) were recommended for the Blue Lane, 8 importers (3.7%) for the Yellow Lane, and 7 importers (3.2%) for the Red Lane.

**Table 19: Number of profiled Importers by Selectivity Lane in 2024**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Quarter** | **Blue Lane Importers** | **Yellow Lane Importers** | **Red Lane Importers** | **Total** |
| **Q1** | 60 | 3 | 1 | 64 |
| **Q2** | 54 | 2 | 1 | 57 |
| **Q3** | 42 | 2 | 0 | 44 |
| **Q4** | 47 | 1 | 5 | 64 |
| **TOTALS** | **203** | **8** | **7** | **218** |

*Source: CSD*

Furthermore, the unit completed the profiling of 33 declarants/brokers during the same period. Of these, 12 brokers (33.4%) were considered compliant (Blue Lane), 15 (45.5%) were categorised as moderately compliant (Yellow Lane), and 6 brokers (18.2%) were identified as non-compliant (Red Lane).

### **4.7.2 Additional Revenue Generated through RMU Interventions**

In the reporting period, a total of 43 declarations were flagged as 'High Risk' for potential revenue loss. Vigilant monitoring and proactive measures led to the generation of additional revenue totaling NLe 3.793 million. Table 20 provides a breakdown of the additional revenue generated along with the corresponding risk factors. According to the table, the largest portion of additional revenue resulted from incorrect declaration of commodity values, accounting for 47.0%, followed by inaccurate CVC input at 19.9%.

**Table 20: Revenue Raised by the Risk Management Unit, 2024**

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Suspected Risk  | Additional Revenue | % Share |
| 1 | Value Issues | 1,783,004.71 | 47.0% |
| 2 | Wrong CVC Input | 756,229.06 | 19.9% |
| 3 | Wrong Excise | 612,518.00 | 16.1% |
| 4 | Wrong HS Code | 268,413.82 | 7.1% |
| 5 | Freight Infringement | 372,812.05 | 9.8% |
|   | **TOTAL** | **3,792,977.64** |  |

*Source: CSD*

## **4.8 CUSTOMS VALUATION, GOODS CLASSIFICATION, AND TAX ASSESSMENT**

The Trade and Tariff Unit within the CSD is responsible for conducting customs valuation, goods classification, and documentary verification to ensure accurate tax assessment. Its activities are geared towards ensuring that import assessments are calculated based on transaction value and that correct commodity descriptions and applicable rates are applied. The Unit handles the processing and assessment of IM4 (import for home consumption), IM7 (imports for warehousing), and IM8 (transit and transshipment) declarations flagged for inspection in the Red and Yellow Lanes. Figure 10 illustrates the monthly additional revenue generated by the Trade and Tariff Unit through adjustments made to the values provided by the Integrated Trade Services (ITS), the government-authorized valuator, during the reporting period. A total of NLe 9.122 million was collected during the review period following the Unit’s verification of the accurate value of imported goods. This marks an increase from the NLe 5.158 million recovered as additional revenue in 2023.

**Figure 10: Monthly Uplift revenue (NLe Thousand) by the Trade and Tariff Unit, 2024**

*Source: CSD*

## **4.9 CUSTOMS RECOVERIES FROM ADJUSTMENTS AND AMENDMENTS**

The Query and Amendment Unit provides essential support to the Trade and Tariff Unit in rectifying violations. This Unit manages assessments leading to alterations in monetary value and necessary corrections.

During the reporting period, 1,956 declarations were flagged in the system. Of these, 1,359 were non-revenue related, while 258 led to revenue recoveries. These queries resulted in the recovery of NLe 20.783 million. In comparison, 2023 saw 3,892 declarations flagged for various customs-related infractions, which were subsequently amended, yielding a recovery of NLe 12.817 million.

The most frequent issues included incomplete declarations, incorrect quantities, short collections, undervaluation, incorrect freight charges, application of the wrong foreign exchange rate, miscalculated excise duties, and incorrect tariff classifications. The type of goods that posed the highest revenue risks in 2024 were telecommunications equipment, mixed goods, auto spare parts, and factory raw materials.

## **4.10 IMPORT STATISTICS (2024 AND 2023)**

Statistics on dutiable and non-dutiable imports were extracted from ASYCUDA World and are presented in Tables 21 and 22 respectively. Total imports in 2024 increased by Le 8.120 billion (an increase of 23.2%). Of the total imports in 2024, dutiable imports accounted for 83.7%, experiencing an increase of 33.1% from Le 27.128 billion in 2023, while total non-dutiable imports decreased in 2024 by 10.8% from Le 7.907 billion in 2023.

As shown in Table 21, the highest growth was observed in Section 3 – Mineral Fuels, Lubricants and Related Materials, which more than doubled (up by 100.3%) from NLe 9.16 billion in 2023 to NLe 18.35 billion in 2024. This category alone accounted for the majority of the overall increase, highlighting its growing share in the import structure and indicating rising fuel demand and/or higher international fuel prices.

Other notable increases include:

* **Section 0 – Food and Live Animals**, which rose by 10.6% (NLe 544.9 million), reflecting increased food imports.
* **Section 1A – Beverages**, with a significant jump of 50.4%.
* **Other Items**, which surged by 214.1%.

Conversely, several key import categories saw declines:

* **Section 7 – Machinery and Transport Equipment** dropped by 10.3.
* **Section 6 – Manufactured Goods** and **Section 5 – Chemicals** fell by 7.5% and 10.9% respectively, while **Tobacco** imports decreased by 13.9%.

**Table 21: Dutiable Imports CIF Value 2024 and 2023 (NLe)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| *SITC CATEGORY* | *2024* | *2023* | *VARIANCE* | *% VAR*  |
| SECTION 1B - TOBACCO | 250,108,117 | 290,493,047 | -40,384,930 | -13.9% |
| SECTION 0 - FOOD AND LIVE ANIMALS | 5,706,844,011 | 5,161,943,978 | 544,900,033 | 10.6% |
| SECTION 7 - MACHINERY AND TRANSPORT EQUIPMENT | 4,949,032,650 | 5,514,299,723 | -565,267,073 | -10.3% |
| SECTION 8 - MISCELLANEOUS MANUFACTURED ARTICLES | 1,685,302,116 | 1,728,910,357 | -43,608,241 | -2.5% |
| SECTION 1A - BEVERAGES | 116,433,480 | 77,404,390 | 39,029,090 | 50.4% |
| OTHER ITEMS | 399,428,180 | 127,175,257 | 272,252,923 | 214.1% |
| SECTION 4 - ANIMAL AND VEGETABLE OILS, FATS AND WAXES | 5,453,463 | 5,175,458 | 278,005 | 5.4% |
| SECTION 2 - CRUDE MATERIALS, INEDIBLE, EXCEPT FUELS | 240,189,896 | 246,356,143 | -6,166,247 | -2.5% |
| SECTION 6 - MANUFACTURED GOODS CLASSIFIED CHIEFLY BY MATERIAL | 3,076,318,591 | 3,327,259,404 | -250,940,813 | -7.5% |
| SECTION 5 - CHEMICALS AND RELATED PRODUCTS, N.E.S. | 1,325,308,648 | 1,487,933,800 | -162,625,152 | -10.9% |
| SECTION 3 - MINERAL FUELS, LUBRICANTS AND RELATED MATERIALS | 18,350,379,483 | 9,160,572,726 | 9,189,806,757 | 100.3% |
| TOTAL | **36,104,798,635** | **27,127,524,283** | **8,977,274,352** | **33.09%** |

*Source: ASYCUDA World*

Analysis of Table 22 reveals that, despite the overall drop in non-dutiable imports, the main contributors in 2024 were **Machinery and Transport Equipment** (NLe 2.050 billion), **Chemicals and Related Products** (NLe 1.303 billion), **Miscellaneous Manufactured Articles** (NLe 1.016 billion), and **Mineral Fuels** (NLe 1.118 billion). Together, these four categories accounted for over 75% of the total non-dutiable import value. Most categories saw declines, and modest increase in fuel imports and the sharp rise in the “Other Items” category (up by 601.2%).

**Table 22: Non-Dutiable Imports CIF Value 2024 and 2023 (NLe)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  SITC CATEGORY | 2024 | 2023 | VARIANCE | % VAR  |
| SECTION 1B - TOBACCO | 0 | 61,878 | -61,878 | -100.0% |
| SECTION 0 - FOOD AND LIVE ANIMALS | 252,741,928 | 346,577,692 | -93,835,764 | -27.1% |
| SECTION 7 - MACHINERY AND TRANSPORT EQUIPMENT | 2,049,980,615 | 2,094,592,801 | -44,612,186 | -2.1% |
| SECTION 8 - MISCELLANEOUS MANUFACTURED ARTICLES | 1,016,180,888 | 1,760,376,428 | -744,195,540 | -42.3% |
| SECTION 1A - BEVERAGES | 13,009,064 | 17,228,893 | -4,219,829 | -24.5% |
| OTHER ITEMS | 222,382,155 | 31,714,711 | 190,667,444 | 601.2% |
| SECTION 4 - ANIMAL AND VEGETABLE OILS, FATS AND WAXES | 81,974,989 | 177,782,906 | -95,807,917 | -53.9% |
| SECTION 2 - CRUDE MATERIALS, INEDIBLE, EXCEPT FUELS | 46,404,683 | 104,144,732 | -57,740,049 | -55.4% |
| SECTION 6 - MANUFACTURED GOODS CLASSIFIED CHIEFLY BY MATERIAL | 945,753,790 | 1,160,351,258 | -214,597,468 | -18.5% |
| SECTION 5 - CHEMICALS AND RELATED PRODUCTS, N.E.S. | 1,303,486,535 | 1,357,660,094 | -54,173,559 | -4.0% |
| SECTION 3 - MINERAL FUELS, LUBRICANTS AND RELATED MATERIALS | 1,117,610,429 | 856,529,757 | 261,080,672 | 30.5% |
| TOTAL | **7,049,525,075** | **7,907,021,150** | **-857,496,075** | -**10.8%** |

*Source: ASYCUDA World*

Table 23 provides an overview of the top ten exporting countries to Sierra Leone based on CIF value. In 2024, Sierra Leone’s imports from its top 10 trading partners showed significant shifts compared to 2023, with the total import value from these countries increasing substantially. Switzerland remained the dominant source, with imports rising by over 68%, from NLe 7.781 billion in 2023 to NLe 13.113 billion in 2024, largely driven by mineral fuel imports. China also saw a notable increase of 28.3%, maintaining its position as the second-largest source of imports, reflecting its strong presence in electronics, and manufactured goods.

While India retained its third-place ranking, its import value slightly declined by 9.4%, indicating a reduction in rice imports. France and Spain emerged among the top five in 2024, replacing the United Kingdom and France's 2023 rankings.

Countries like Belgium, Senegal, Egypt, and Brazil entered the top 10, replacing the United States, South Africa, and Turkey, which dropped off the list. This reflects a redirection of import sources, possibly influenced by pricing advantages or changes in supply chains. Overall, the data suggests increased diversification and realignment of Sierra Leone’s import partnerships in 2024.

**Table 23: Major Imports Origin\* 2024 and 2023 (NLe)**

|  |  |  |
| --- | --- | --- |
| NO. | 2024 | 2023 |
|   | **ORIGINCITY** |  **CIF VALUE**  |  **ORIGIN COUNTRY**  |  **CIF VALUE**  |
| 1 | SWITZERLAND |  13,113,223,036.59  | SWITZERLAND  |  7,781,654,841.00  |
| 2 | CHINA |  6,905,582,328.84  | CHINA  |  5,380,794,641.00  |
| 3 | INDIA |  4,138,115,530.80  | INDIA  |  4,569,618,843.00  |
| 4 | FRANCE |  3,685,568,508.22  | UNITED KINGDOM  |  1,783,055,690.00  |
| 5 | SPAIN |  2,494,436,186.44  | FRANCE  |  1,771,147,772.00  |
| 6 | UNITED ARAB EMIRATES |  1,627,209,614.68  | UNITED ARAB EMIRATES  |  1,731,925,101.00  |
| 7 | BELGIUM |  1,435,962,796.81  | UNITED STATES  |  1,580,351,787.00  |
| 8 | SENEGAL |  1,124,795,679.53  | BELGIUM  |  1,453,966,182.00  |
| 9 | EGYPT |  976,587,379.29  | REPUBLIC OF SOUTH AFRICA  |  1,416,797,088.00  |
| 10 | BRAZIL |  853,820,412.85  | TURKEY  |  1,196,027,856.00  |

***\*****IM4 (Imports for home consumption), SD4 (Simplified Declaration), PP4 (Percel Post), and PB4 (Passenger Baggage). Source: ASYCUDA World*

## **4.11 CONTAINER INSPECTION/EXAMINATION UNIT**

In 2024, the Container Unit processed and cleared a total of 10,351 declarations, marking a notable decrease of 26.0% compared to the previous year's figure of 13,979. Notably, in 2024, 98.5% of these declarations underwent processing under the Red Selectivity Lane, a rise from 96.0% observed in 2023. In addition, the total number of containers examined and cleared also experienced a decrease in 2024, with a decrease of 4,880 from 26,881 reported in 2023.

It is worth mentioning that while conducting physical inspections and verification procedures, the Container Unit identified discrepancies leading to the recovery of additional revenues amounting to NLe 1,294 million. This figure represents an increase of 12.6% compared to the NLe 1,149 million recovered in the previous year.

**Table 24: Containers Examined and Released 2024 and 2023 by the Container Unit**

|  |  |  |  |
| --- | --- | --- | --- |
| Category | 2024 | 2023 | Variance |
| TOTAL SCDs PROCESSED | **10,351** | **13,979** | **-3,628** |
| Red Lane | 10,195 | 13,421 | -3,226 |
| Green Lane |  |  |  |
| Blue Lane |  |  |  |
| Yellow Lane | 156 | 558 | -402 |
| TOTAL CONTAINERS | **22,001** | **24,000** | **-4,880** |
| RECOVERY | **1,293,569** | **1,148,988** | **144,581** |

*Source: CSD*

## **4.12 PORT BAGGAGE UNIT**

Table 25 provides a comparative summary of the total declarations, containers, and packages processed and released by the Baggage Unit in 2024 and 2023. In 2024, the number of declarations processed declined by 1,961, totaling 5,487. The Unit examined and cleared 4,781 containers, of which 97.6% were 40-foot containers and 98.9% contained dutiable consignments. This represents a reduction of 102 containers compared to the 4,883 processed in 2023. Additionally, 1,206 packages or pallets were examined and released in 2024, with 47.9% classified as dutiable.

Through physical inspections and verification, the Baggage Unit identified discrepancies that led to the recovery of NLe 186.721 thousand in additional revenue. This reflects a decline from the NLe 323.663 thousand recovered in 2023.

**Table 25: Number of Containers Examined and Released in 2024 and 2023 by the Baggage Unit**

|  |  |  |  |
| --- | --- | --- | --- |
| CATEGORY | 2024 | 2023 | VARIANCE |
| Total SCDs Processed | **5,487** | **7,448** | -1,961 |
| Total Containers | **4,781** | **4,883** | -102 |
| 40’ft Conts. | 4,668 | 4,741 | -73 |
| 20’ft Conts. | 113 | 142 | -29 |
| Total Packages | **1,206** | **1,849** | -643 |
| Dutiable | 578 | 1,397 | 3,332 |
| Duty-Free | 628 | 452 | -400 |

*Source: CSD*

## **4.13 VEHICLE CLEARANCE UNIT**

The Vehicles Valuation Unit is tasked with evaluating the values of imported vehicles, motorcycles, machinery, and boats. During the year under review, the Unit processed a total of 9,768 declarations, higher than the 9,522 declarations processed in 2023. The Unit generated revenue of NLe 413.825million from various vehicle types, compared to the NLe 357,276 million collected in 2023, as indicated in Table 26.

**Table 26: Number of Declarations and Revenue Collection by the Vehicle Unit in 2024 and 2023 (NLe)**

|  |  |  |
| --- | --- | --- |
| Description | 2024 | 2023 |
| **No. Of Declarations** | **Revenue Collected** | **No. Of Declarations** | **Revenue Collected** |
| Cars | 1,299 | 34,694,800.76 | 2,910 | 29,391,242.00 |
| Jeeps | 5,120 | 69,590,917.36 | 4,283 | 49,254,500.00 |
| Vans | 1,689 | 35,288,640.25 | 1,712 | 18,318,400.00 |
| Buses | 63 | 1,169,640.04 | 102 | 1,122,347.00 |
| Motorcycles | 225 | 125,583,500.80 | 114 | 112,410,124.00 |
| Machines | 425 | 38,476,500.85 | 248 | 145,242,130.00 |
| Trucks | 763 | 29,432,429.54 |  |  |
| Boats | 4 | 114,650.40 | 1 | 32,150.76 |
| Trailer Tails | 54 | 440,800.32 | 42 | 294,230.00 |
| Trailers | 4 | 120,520.85 | 110 | 1,210,450.23 |
| Tricycles | 122 | 78,912,410.13 |  |  |
| TOTAL | **9,768** | **413,824,811** | **9,522** | **357,275,573.99** |

*Source: CSD*

## **4.14 CUSTOMS BOARDING UNIT**

The Boarding Unit oversees the inspection of all commercial cargo ships within Sierra Leone's territorial waters. Figure 11 illustrates the number of ships that docked in 2024 and 2023. According to the ship rotation data, 373 vessels arrived in 2024 compared to 399 in 2023, indicating a decrease of 26 vessels. However, despite the lower number of arrivals in 2024, the import revenue in 2024 surpassed that of 2023. This increase can be attributed to the higher value of the shipments, higher exchange rate, implementation of revenue enhancement provisions in the 2024 Finance Acts, and the commercial nature of the vessels.

**Figure 11: Monthly Number of Vessels 2024 and 2023**

*Source: CSD*

## **4.15 REVENUE PERFORMANCE OF CUSTOMS OUTSTATIONS / BORDER POSTS**

In addition to the main Freetown Customs post, Sierra Leone maintains several strategically positioned outstation posts across the country. Among these, the three largest are located at Lungi Terminal, Gbalamuya (on the Guinea border), and Jendema (on the Liberia border). These outstation posts play a significant role in the overall collection of Customs revenue. Additionally, smaller posts such as Bo/Kenema, Gbagbatok, Kono, Dogolia, Kailahun, Makeni, Susans Bay, and Port Loko are strategically situated to combat smuggling and prevent the illicit importation/exportation of contraband and drugs.

Figure 11 illustrates the annual revenue performance of the three largest Customs offices. A total of NLe 128.721 million was collected from Customs outstation offices, with the Lungi CSD post contributing over half (57.6%) of the total collection. The Gbalamuya Customs post accounted for 38.6% of the revenue, while Jendema contributed the least (3.2%) to the total collection.

**Figure 12: Collection from Three Key Customs Outstations, 2024**

*Source: CSD*

# **CHAPTER FIVE**

# **5.0 PROSPECTS AND CHALLENGES/RISKS FOR 2025**

## **5.1 2025 Domestic Revenue Target**

The domestic Revenue Target for FY2025 is set at NLe18.9 billion, representing 30% increase compared to the actual collection in FY2024 (Table 27). This increase is based on the following assumptions:

* Nominal GDP growth of 17.1%
* Implementation of remaining provisions in Finance Act 2024
* Full implementation of Finance Act 2025
* Implementation of selected tax administration reforms
* Other revenue mobilisation measures
* Stable global economy leading to increased and steady import volumes.

**Table 27: Domestic Revenue Target for 2025 (NLe Thousand)**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | 2024 Estimate | 2025 Target IMF | Increase | % Growth |
| TOTAL DOMESTIC REVENUE | **14,560,234** | **18,908,844** | **4,348,610** | 30% |
| DOMESTIC TAX DEPARTMENT | **8,042,068** | **11,060,403** | **3,018,336** | 38% |
| Income Tax  | **5,734,321** | **6,749,304** | **1,014,982** | 18% |
| Goods and Services Tax (GST) | **2,307,747** | **4,311,100** | **2,003,353** | 87% |
| *Import GST* | **1,083,487** | **1,941,976** | **858,489** | 79% |
| *Domestic GST* | **1,224,259** | **2,369,123** | **1,144,864** | 94% |
| CUSTOMS SERVICE DEPARTMENT (CSD) | **3,261,249** | **4,076,005** | **814,756** | 25% |
|  Import Duties | **1,449,083** | **1,937,500** | **488,417** | 34% |
| Excise on Petroleum | **1,663,439** | **1,931,190** | **267,751** | 16% |
| Other Excise | **148,727** | **207,315** | **58,588** | 39% |
| NON TAX REVENUE DEPARTMENT (NTR) | **3,042,755** | **3,523,348** | **480,593** | 16% |
| Mines Revenue | **975,547** | **1,106,318** | **130,770** | 13% |
| Other Departments | **2,067,207** | **2,417,030** | **349,823** | 17% |
| Royalty on Fisheries etc | **144,771** | **171,674** | **26,903** | 19% |
| Parastatals Dividend | **290,086** | **395,952** | **105,866** | 36% |
| Other Revenues | **1,632,351** | **1,849,405** | **217,054** | 13% |
| *o/w TSA* | **1,411,109** | **1,510,347** | **99,238** | 7% |
| *o/w Timber* | **29,197** | **-** | **(29,197)** | -100% |
| *o/w Other MDAs* | **192,045** | **339,058** | **147,014** | 77% |
| RUC | **214,162** | **249,087** | **34,925** | 16% |

*Source: MRP Department*

The Domestic Tax Department (DTD) is targeted to collect NLe11.0 billion (representing 58%), Customs Service Department (CSD) to collect NLe4.2 billion (representing 23%), and NTR to collect NLe3.5 billion (representing 19%) of the total 2025 Domestic Revenue Target.

## **5.2 Measures to Improve Revenue in 2025**

The National Revenue Authority has outlined a series of strategic measures for 2025 aimed at boosting revenue collection, improving taxpayer compliance, and enhancing the efficiency of revenue administration. These efforts are critical for supporting the government’s development agenda and ensuring fiscal sustainability.

To increase domestic revenue collection in 2025, the NRA will focus on implementing key tax policy measures and operational reforms, including:

* Expanding the Minimum Alternate Tax (MAT) to cover all sectors and enforcing the taxation of digital services, as provided for in the 2024 Finance Act.
* Operationalising the safe harbor pricing mechanism for iron ore exports starting February 2025, to ensure fair and transparent valuation.
* Enforcing the upfront collection of Goods and Services Tax (GST) from EDSA, which, although budgeted, was not collected in 2024.
* Conducting a comprehensive survey of mining operations across the country and maintaining NRA presence at mining export points to address underreporting and underassessment issues.
* Establishing a dedicated Customs Revenue Taskforce to address leakages and enforce compliance.
* Strengthening efforts to collect arrears owed by mining companies and other key companies.
* Concluding key audits initiated or ongoing in 2024 to recover additional revenues.

## **5.3 Measures to Improve Compliance in 2025**

Improving taxpayer compliance is essential for expanding the tax base and ensuring fairness in the tax system. For 2025, the NRA will focus on:

* Enforcing the compliance enhancement provisions introduced in the Finance Act 2025.
* Strengthening data analytics capabilities to detect compliance risks and support risk-based auditing.
* Developing Compliance Improvement Plans for GST, LTO, and High Net-Worth Individuals (HNWI).
* Designing and rolling out robust and sustainable tax education programmes to increase public awareness and voluntary compliance.
* Automating all NRA processes and continuously upgrading systems to resolve technical issues that affect efficiency.
* Establishing taxpayer service centres to provide timely and effective support to taxpayers.
* Setting up and operationalising a tax court to handle tax-related disputes and improve enforcement.
* Conducting a regional block registration drive in the regional cities to register informal and unregistered businesses, thereby expanding the tax base and improving compliance.

## **5.4 Revenue Administration Reforms for 2025**

The NRA is committed to modernising its operations through the following reforms in 2025:

* Acquiring Rwanda’s EBM2 system to enhance GST compliance by improving the reporting of taxable sales.
* Using N-Soft technology to enforce excise taxes on online gambling and other digital services.
* Upgrading the ASYCUDA system to version 4.4 and automating remaining manual Customs processes to reduce discretion and under-valuation.
* Fully integrating key revenue systems (SICPA, ORAS, ITAS, ECR, AW) to improve data sharing and taxpayer risk profiling.
* Fully operationalising the Electronic Single Window (ESW) to minimise leakages, curb under-valuation, and speed up the clearance process at Customs.
* Completing the implementation of the SIGMAT transit monitoring system to track cross-border goods in real time.
* Stopping income tax concessions in new agreements and phasing out those due for review in line with the Finance Act 2025.
* Conducting a thorough analysis of existing concessional agreements with private sector companies to ensure compliance with tax obligations.
* Implementing a Safe Harbor Framework for the pricing of all mineral exports, starting with iron ore in 2025.
* Undertaking tax audits of high-risk taxpayers, especially in the extractive, financial, manufacturing, and telecommunications sectors.
* Expanding the data warehouse by sourcing third-party data from systems such as the Business Registry System (BRS), E-procurement platforms, Land Information System, IFMIS, and NASSIT.

The NRA's outlook for 2025 is focused on consolidating gains made in previous years while intensifying efforts to increase revenue, strengthen compliance, and modernise tax administration. Through the implementation of these strategic measures, the Authority aims to contribute significantly to national development and support the government’s broader economic goals.