

**Speech of the Commissioner General of the Gambia Revenue Authority
On the occasion of the official Inauguration of Revenue House
During the July 22 Celebrations 2008**

Your Excellency the President of the Republic
Your Excellency the Vice President
Hon. Speaker of the National Assembly
My Lord the Chief Justice
Secretaries of State here present
Members of the National Assembly
Service Chiefs
Members of the Diplomatic Corps
World Bank Representative
CBEMP Project Director
GRA board members
Venerable religious leaders
Distinguished guests
Members of the media
Staff
Distinguished ladies and gentlemen,

Introduction

Today is a very significant day in the history of the Gambia as we set the foundations for yet another major national institution in inaugurating Revenue House as the head office of the Gambia Revenue Authority in this very historic compound and street. I feel deeply honoured and privileged, and certainly very pleased to preside over the unfolding of this history and I wish to express the commitment and the dedication of not only myself, but on behalf of the entire staff and management of the Authority that we shall endeavour and succeed in meeting the objectives of this noble institution and live up to the expectations of the Government.

The creation of the Gambia Revenue Authority by the Government of the Gambia is not only in the right direction, but it also corresponds to the changing realities across the world. Revenue collection is one of the major sources of income for a government in order to meet the demands and aspirations of its people. The institutions which used to run that function, Customs and Excise and Income Tax Departments have been merged to form the Authority in order to not only maximize revenue collection but also to harmonize the revenue collection system and tax administration, as well as enhancing service provision.

The construction of Revenue House under the auspices of the CBEMP project is a major milestone in the actualization and success of the Authority. It has centred all senior managers under one roof which has contributed greatly to facilitate coordination and communication and the management of the operations of the Authority all over the country. Revenue House is equipped with modern office tools and facilities which will be replicated in all border posts and branch offices around the country. To ensure an effective and efficient revenue collection system, there is a need to empower the staff by providing good working conditions.

Achievements

Since its inception, GRA has been in the process of putting in place the necessary human and materials resources to enable it execute its functions effectively and efficiently. We have been engaged in a massive recruitment process which has now been completed. The recruitment process was thorough and transparent and had set high standards of criteria for selection. We have been able to absorb the best from both Customs and Domestic Taxes departments who have been blended with another set of high calibre professionals from outside. We have a staff complement of 413. With the completion of the head office which was handed over to us in May many of the staff who should occupy the building have done so. The necessary office equipment has also been fitted so as to create a conducive working environment.

Your Excellency, distinguished guests,

At this junction I wish to assure the Gambian public that GRA is committed to meet its obligations for which it has been set up in the first place. We wish to live up to our corporate vision and mission by optimizing revenue collection. In this venture we deemed it necessary that the authority needs to thrive on professionalism and international standards and upholding the values of equity, transparency and integrity. With the support of our able Board of Directors, we have an established Code of Conduct and Service Rules which stipulate in no uncertain terms the need for staff to exhibit professionalism of the highest standard in the execution of their duties. Furthermore, we have developed a staff appraisal system which will ensure that members of staff identify their targets and objectives on a periodic basis in order to track performance and development. The system will help us to identify capacity gaps and training needs of staff in order to increase performance. The objectives of these instruments are to institutionalize professionalism and a sound management programme, which is being guided by a three year Corporate Plan 2008 to 2010. This Plan, which has been jointly developed with the Board on a broad-based consultative process, outlines the intentions and objectives, and the resource requirements for the attainment of the vision and mission of GRA. The Plan further requires that all Units and

Departments of the Authority develop their specific strategic plans which are being monitored by the Policy Planning and Research Unit under the Directorate of Technical Services.

Since its inception a little over a year ago, GRA continues to not only meet its monthly and annual obligations to government but we have been surpassing the target in revenue collection. We recognize and appreciate the support that the Government is providing, as well as the level of cooperation that we are getting from the private sector and taxpayers in general. We will embark on robust programmes to educate the people about the role and function of GRA.

We are all aware that taxation enables a country to be self reliant so that the Government can finance its development initiatives without relying on external help alone. Considering that Gambia Revenue Authority collects about 90% of the total government revenue, we wish to particularly cooperate quite well with the private sector and the taxpaying public. GRA cannot possibly make any headway without the full and voluntary compliance of taxpayers. As I told the business community during the business forum last year, the Authority is investing in high calibre manpower, the latest technologies, and is planning to adopt the best operating systems in line with international best practice. The modernization programme is ongoing, and several innovative measures have been undertaken.

An income tax automated system, GAMDAXNET has been installed which is more robust than the earlier version. It is from this system that we are generating the new and permanent Taxpayer Identification Number (TIN); which the taxpayer will hold throughout his or her lifetime and will use in all financial and other service transactions with government, banks, and other institutions. The TIN is intended to enable effective tax compliance through the sharing of information between the various Departments of State and public corporations and the Authority.

Under the Customs operations, we also have an automated system which has been upgraded to ASYCUDA++ which is a higher version that allows for direct trader input (DTI) and therefore minimizes the staff/taxpayer interface and increases efficiency.

In addition to Revenue House, GRA is putting up new office structures while renovating old ones intended to bring tax services closer to the people. For example a new office complex is under construction in Kanifing/Bakau area near the Independence Stadium which will house our Bakau and Serre Kunda branches. This new office is very essential given the growth of business in the Kanifing Municipality.

In terms of policy and legislation to regulate and facilitate our operations, we have a new Income & Sales Tax Act which came into force in August 2004. This new Act has

introduced the self-assessment regime since January 2006. It is a system that requires all eligible taxpayers to assess themselves and pay their taxes in four equal installments due in March, June, September and December and payable on or before the 15th day of the following month. This is intended to ease the burden on the taxpayer where he/she has hitherto been expected to settle his assessed tax all at ago in January of each year. Let me take this opportunity to inform taxpayers that the next self-assessment return for 2008 year of income is due on 31st March 2009 and any eligible taxpayer who fails to submit a return or furnishes it late will have an automatic penalty of D5, 000. The purpose of these strategies is intended to address revenue leakages, enhance compliance and generally create an enabling environment for those who are faithful in meeting their tax obligations. It is expected that these measures will see GRA meet and hopefully exceed its target for the current Financial Year.

In the area of customs regulations, there is currently a review of the Customs Act 1955 which we hope to finalize soon. The new act will bring customs operations in line with modern trends around the world and respond to the demands of the market.

We have also embarked on efforts to inventorize taxpaying entities in order to expand the tax base so as to raise revenue collection. This would also require that the business community undertake deliberate efforts to modernize their operations and financial management and register with GRA.

At the sub-regional and international levels, GRA is also engaging and working closely with other revenue agencies and institutions around the world for the purpose of contributing to better facilitation of world trade. Within the subregion we are involved in discussions and negotiations with sister organizations under the auspices of ECOWAS on how to harmonize laws, technology and operations of revenue institutions in order to give practical meaning to sub-regional protocols on the free movement of persons, goods and services. For example we have participated in a highly technical meeting on ECOWAS regional customs computer systems interconnection project held in Abidjan, where GRA was represented by our Deputy Commissioner for Technical Services and IT Experts. The whole objective of the meeting was to see how to facilitate a smooth trading system in the subregion by ensuring the development of a harmonized computerized system. Similarly we also had bilateral meetings here in Banjul with our counterparts in Senegal on how to ease trade barriers between the two countries. That meeting is part of an ongoing series of bilaterals which the two organizations hold on a periodic basis.

We have also participated in the Customs Executive Seminar under Japan Customs Technical Co-operation program. The Commissioner for Customs and Excise represented GRA in that meeting whose aim is engage in reforms and modernization of Customs operations of African Customs institution.

In the course of our one year of existence, GRA has also registered immense success at the corporate and public affairs level. Not only have we endeavoured to project ourselves out, but we have also actually participated in major public activities and earned considerable achievements. Last year, we participated in May Day sports for the first time and came out with the Most Disciplined Team trophy. As a mark of our dedication and determination, this year GRA went all out to maintain the Most Disciplined Team Trophy and even won the second position in the May Day sports jamboree. In the 2007 Trade Fair organized by the Gambia Chamber of Commerce and Industry, we participated in full force and reports indicate that our stall became one of the most popular in the entire trade fair. Furthermore, we continue to demonstrate our patriotism and strong conviction in the ideals of the nation by actively participating in the July 22 Celebrations. In fact this year, we are fielding not only Customs Officers, but also Domestic Tax female officers as part of our parade contingent. All of these are geared towards strengthening bonding and togetherness among staff.

Challenges

Your Excellency, distinguished guests, we recognize the fact that GRA is a new institution founded on longstanding and reputable civil service institutions. As is common anywhere, mergers and change always pose challenges of bonding, teamwork and performance. We are aware of this reality and conscious efforts have been undertaken to ensure that we embark on change management programmes that will facilitate the merging of not only materials and physical structures and systems, but more importantly also of the bonding of the minds and hearts of staff to become one big family working for one institution for national development. Thus we have had a staff bonding picnic recently, and we are in the process of creating a staff association to further cement ties of friendship and esprit de corps among our staff.

The challenge we face is therefore how do we create a major national institution that is thriving on international standards of professionalism with its own unique identity and brand; that which is not overshadowed by either Customs or Income Tax departments, but absorbs the best values and resources of the two institutions in order to create a model Authority that goes to meets its objectives. We believe we can achieve this and am happy to report to Your Excellency and distinguished guests that conscious efforts are already being undertaken to realize this objective. It will certainly be a daunting task but we have no choice other than to succeed, and by the Grace of God we shall succeed.

Having said that, let me use this opportunity to also highlight some of the basic needs that may be required in order to create a conducive working environment to facilitate the full actualization of GRA. First we require more resources in order to cater for the needs and welfare of the staff. A staff bus would be very instrumental in this case to

ease the transportation difficulty our staffs face in the Greater Banjul Area. In the case of our branch offices and border posts, there is a need to provide them with complete utility and communications facilities such as water and electricity supply, telephones and faxes and computers as well as vehicles. We can only meet international professional standards and increase performance when we empower the staff with tools and incentives that will bring about a favorable working condition and therefore raise their morale and commitment.

Furthermore, we have plans to engage in massive taxpayer education using the mass media. There is no better institution to use than the Gambia Radio and Television Services particularly. In this vein we would request from GRTS concessions to enable us to undertake this initiative to reach the populace.

Observations and Recommendations

The Gambia Revenue Authority is a huge institution that is using immense human and material resources including utilities and several other facilities. Currently we receive subvention from the Government to run our operational needs. While we appreciate the support that is being provided, in the long run we are of the view that this arrangement may not be sustainable as operational costs will continue to increase. What is peculiar with revenue authorities internationally in terms of funding operational costs is that a percentage of revenue collected is retained by the authority to meet its running costs. This is not only found to be sustainable, but also removes immense burden on the government as it allows the government to use its limited resources to cater for other areas, while the authority funds itself. Furthermore such arrangement also places an obligation on the authority to ensure that revenue collection is either maintained or increased for their sustenance also depends on the amount of revenue collected.

Taxation is essential and necessary for any country, and it has direct bearing on the economy of a nation. The objective of taxation is two-fold. Primarily it is to collect all legitimate revenue for the government. But also taxation should contribute to promoting and building trade and investment as well as facilitate entrepreneurial development. Thus the role and position of a revenue authority is central in the economic management and development of a nation. GRA recognizes and appreciates the trends that this government is taking to support trade and investment which is manifested in the number of investors that have poured into the country over the last few years, and the growing number of Gambian-owned businesses. In this regard, GRA wishes to engage in more consultation with the government and as well as the Gambia Investment Promotion and Free Trade Zone Agency (GIPFZA) on such issues as tax holidays, duty waivers among others in order to ensure that favorable conditions are

created to attract investors and promote trade as well as make sure revenue is maximized.

Your Excellency,

Having said the above, it is therefore quite clear that the Gambia Revenue Authority is a very important and strategic national institution. However, the success of the Authority depends largely also on the cooperation and support of the general public, our partners and indeed with the government. On this auspicious occasion, I would therefore like to take this opportunity to commend all taxpayers who have been diligent in paying their installment taxes on time and would encourage them to continue doing so in future. However, I am also concerned that some taxpayers have not been diligent in settling their tax liabilities in a timely manner. I wish to advise all those delinquent taxpayers that the Authority will vigorously enforce the penalties and interest on late payments to the extent permitted by law, because the Government must get its time value of money. The Gambia Revenue Authority plays a very important role in the Gambian economy in implementing fiscal policy, facilitating global trade, and protecting the citizenry against the importation of illicit and restricted goods. Its importance in the economic balance of The Gambia cannot therefore be over-emphasized. We will continue to implement strategies to expand the tax base and bring more taxpayers within the tax net. It is only through enhanced compliance that the tax burden on a few enterprises or persons will be eased without adversely affecting the revenue collections. The Gambian economy continues to register formidable growth characterized by expanding foreign direct investment and growing business enterprises. GRA welcomes this development and is committed to playing a complementary role with the private sector in strengthening a culture of accountability and responsibility on the corporate landscape of The Gambia.

In conclusion Mr. President, distinguished guests, ladies and gentlemen, the creation and development of GRA did not come as easy as a child's play. Serious and formidable efforts were undertaken by a number of players in both the public and private sectors, for which we want to express our gratitude and thanks, and to assure all that we shall continue to collaborate with all of you. We wish to express special thanks to the World Bank and the Capacity Building and Economic Management Project (CBEMP) which facilitated the development of GRA and the construction and furnishing of this magnificent building. Of course we are all aware of the fact that this great initiative was in the first place conceived and approved by the Government for which we want to also express our profound thanks and gratitude to the President and his Cabinet and the National Assembly for the decisions and policies taken that gave birth to this model institution. We also wish to single out our Board of Directors under the able leadership of Mr. Rene-Geoffrey M. Renner for the sober and thoughtful guidance they have provided in delivering the GRA. The Board has consistently supported the Management

and staff by making the right decisions and policies in order to chart a way forward for GRA. In this same vein, I wish to express our appreciation and gratitude to the first Commissioner-General-Designate of GRA, Mr. John Msafari, who has now been re-designated as Advisor to the Commissioner General. Mr. Msafari has a wealth of knowledge and experience as an administrator and on revenue matters in particular having served as the head of the Kenya Revenue Authority among many institutions in East Africa. Since his arrival in this country and in GRA he continues to work hard with dedication for the success of the Authority.

I would also wish to express our thanks and appreciation to our partners in the public and private enterprises and the development partners including PriceWaterHouseCoopers which helped us develop the staff performance appraisal system and QuantunNet for the development of GAMTAXNET. Similar thanks also go to Unique Solutions for the development of internet services within the building. We also want to thank the Gambia Chamber of Commerce and Industry for their cooperation. Special thanks also go to Gambia Ports Authority, NAWEC, Gamtel, Banjul City Council, the hotels especially Paradise Suites Hotel, our contractors Alco Ltd., the Gambia Police Force and Band, the Kabakel cultural troupe and Champion DJ Lamin Cham for their contributions at different levels in the development and success of GRA, Revenue House and of course for the success of this event right now. Thank you and we appreciate your support.

Lastly but not the least we wish to express our gratitude and appreciation to the general public especially the taxpayers for their cooperation and understanding. I wish to assure everyone that GRA is here to stay and we have embarked on major efforts to institutionalize professionalism in order to provide quality services and products in the most conducive and amicable environments.

I thank you for your kind attention.