

The New Liberia: From Conflict to Recovery

Remarks by

**H.E. Ellen Johnson Sirleaf
President of the Republic of Liberia**

at the

**Center for Global Development
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Thank you for coming out this morning. It is wonderful to see so many supporters of Liberia here to wish us well! We are grateful for your support.

I'd like to especially thank Congressman Jackson for being here and for standing shoulder-to-shoulder with us in Liberia. His remarks this morning were right on target. He was instrumental in helping secure \$50 million for Liberia in last year's supplemental budget bill, and we are hoping he will help lead the charge again this year! It meant so much to me that I was able to visit him in Illinois last March. Now I want to invite him to come to Monrovia so the people of Liberia can thank him in person for his continuing support.

I would also like to thank the Center for Global Development and the Mortara Center for hosting this event. We have many good friends in both places. Carol Lancaster has been a strong supporter for many years.

Nancy Birdsall has been good to us and I cannot say enough for what Steve Radelet has contributed to our achievements to date.

I am very pleased to welcome Belinda Stronach, a distinguished Member of Parliament in Canada and a co-founder of the "Spread the Net" Foundation that distributes vitally-needed bed nets throughout Africa. We are very pleased that you have traveled so far to be with us this morning.

And I want to give special warm greetings to Ed Scott, the co-founder and Chairman of the Board of CGD. I am very pleased to announce today that Mr. Scott and his family have agreed to generously donate \$1 million dollars to assist Liberia by establishing the Scott Family Liberia Fellowships. The Fellowships, which will be managed with the help of CGD, will provide the opportunity over the next 2 to 3 years for approximately 15 well-trained young professionals to work in Liberia for one year and assist some of our most senior government officials. This is just the kind of support we need from our friends. I am very grateful to you and your family for your generous support. I know that CGD worries a lot about aid effectiveness, so we'll make sure we use this support as effectively as possible!

This is a big week for us. We have been working towards our Partners' Forum for many months. While I think we are fully prepared, there is one thing we did not count on – all this snow that is expected!

But snow or not, we are here for serious business. As you all know, Liberia was nearly destroyed by a senseless and violent war. Hundreds of thousands of people were killed, and hundreds of thousands more fled their homes. Families were uprooted, and communities were destroyed. Our infrastructure was left in ruins. Children have spent more time in war than in school. The war lords used violence and intimidation to loot our national assets, demolish our economic foundation, and wipe out our systems of governance and social order.

But the Liberian people would not quit. With the help of the United Nations, the United States, and the international community, we have a chance to start anew. The peaceful and democratic elections of 2005 were a watershed event in our history. And now, one year after the inauguration of my government in January of 2006, we have come to Washington to tell the world that **WE ARE ON THE WAY BACK.**

Slowly but steadily we are making progress. Enormous challenges lie ahead. But we are absolutely determined, and with your continued support, we know can create a new, peaceful, open, and prosperous Liberia.

We are working hard to build a strong economy built on the traditional engines of our growth – rubber, timber, mining, and cash crops. We want to establish firms that are competitive in global markets in manufacturing and services.

And we have already begun to attract significant new investment. I am proud to report that we recently reached agreement with Arcelor Mittal Steel for a major iron ore concession that will provide investments of \$1 billion over seven years. We were very pleased that the largest steel manufacturer in the world sees that Liberia is back.

We are also determined to restore basic human rights, and do away with the divisions, marginalization and exclusion of the past. We wish to build an inclusive democracy in which rights are respected; people are engaged in the governance process; decisions are based on the rule of law rather than the whims of dictators, and national resources are used for the benefit of all.

Achieving these goals will not be easy. There are many countries around the world that are trying to emerge from conflict and build democratic, accountable governments, with peace and security and economic opportunities for all. As you all know, many of these countries are struggling, and the international community has not always been successful in supporting them.

We believe that Liberia can be an example to the West African region, to the continent, and to the world that war-torn dictatorships can turn around and become responsible members of the international community. So we are here to say to the international community that we are willing and ready to make the hard decisions, adopt the right policies, put in the right systems, if you are willing to support us with political, analytical, and financial support.

We are already making significant progress in the right direction. As many of you know, we are basing our reconstruction and development on four basic pillars:

- First, Enhancing Peace and Security
- Second, Revitalizing the Economy

- Third, Strengthening Governance and the Rule of Law, and
- Fourth, Rehabilitating Infrastructure and Delivering Basic Services.

Our strategy itself, however, does not mean much to the people of Liberia. As Nancy Birdsall and her team at CGD always remind us, it is all about results, results, results! So one of our key messages to our Partners this week is that we are ALREADY achieving clear, tangible results. Let me give you just a few examples.

First, in terms of peace and security, working closely with our partners

- We have completed the deactivation of 17,000 members of the old security forces,
- We have begun recruit new security forces, and their training is now in full swing.
- We have placed more than 75,000 ex-combatants in reintegration programs.
- We have facilitated the return of well over 100,000 refugees and IDPs in the last year alone.

Second, to begin to revitalize our economy,

- We balanced our budget in just four months;
- We have increased revenues by 48 percent in just one year!
- We passed a new Forest Reform Act to strengthen oversight and regulation of the forestry sector. We are very pleased that the UN Security Council has lifted the international sanctions on timber.
- We have activated some Agricultural Research Center, distributed over 40,000 tools and 20 metric tons of rice seed to some 33,000 farmers throughout the country.
- We are very pleased that the US government has announced that we are now eligible for the benefits of the Africa Growth and Opportunity Act, the Overseas Private investment Corporation, and the Generalized System of Preferences, and we are looking forward to meeting with Mr. Mosbacher and others at OPIC on Thursday.

To begin to strengthen governance and the rule of law,

- We have insisted that all senior officials, beginning with me, publicly declare their assets, and we have submitted to Parliament a new Code of Conduct for all public officials.
- We have developed a comprehensive anti-corruption policy and strategy;
- We have inaugurated the Truth and Reconciliation Commission;
- We have appointed County Superintendents and established County Support Teams in all 15 counties as a first step towards decentralizing our institutions of governance.
- We are restructuring the civil service and have dropped 17,000 ghost workers from the payroll.

To begin to rebuild infrastructure and basic services, we have

- Begun to rehabilitate four major highways and many smaller roads and bridges;
- we reestablished electricity and water supplies to parts of Monrovia for the first time in 15 years.
- We abolished fees for primary schools and significantly reduced fees for secondary schools. As a result, we have increased school enrolments BY 40 PERCENT IN JUST ONE YEAR! The kids just want to go to school. I say: let's make sure they can.
- We have reorganized and enhanced operations at the JFK referral hospital and reactivated ___ hospitals and clinics throughout the country.
- In just the last few months, we immunized over 97% of children under five years old against measles.
- Over the past year, we distributed over 125,000 mosquito nets, and in conjunction with the measles vaccination campaign, we distributed another 300,000 nets in the last few weeks. With Belinda Stronach's help, we hope to soon distribute many more!

We have not achieved everything we wanted to achieve, but I think you will agree with me that this is a pretty good start!

But there is much more to be done, and this week is a critical next step. The purpose of our meetings this week is to discuss with our partners the strengths and weaknesses of our approach so far, the areas where both the government AND the partners have done well, the areas where we have NOT done so well, and how we can all strengthen our efforts going forward. Our main goal is to obtain a clear endorsement of our overall approach, and to gain strong financial, political, and analytical commitments to support our program. The decisions reached this week will have a major impact on the course of our progress for the next year and beyond.

As we go into the meetings, overall I am pleased with our progress and potential. But I will note several concerns.

First, I am a little concerned that as the news from Liberia improves, the attention of some in the international community will begin to turn elsewhere. The truth is that although we have made progress, our recovery is still fragile, and if we do not all redouble our efforts, our ultimate success is not yet assured. Now that we have been in government for one year, now that we are beginning to put our systems in place, NOW is the time to accelerate our efforts to ensure peace, security, and stability in Liberia. Now is not the time to level off our assistance.

Second, I am concerned that certain critical elements of our program are not yet fully funded. Let me mention two in particular: rebuilding our security forces and rebuilding our roads. Both of these are central to everything from keeping the peace, to revitalizing the economy, to delivering better health and education services. But our security training program is not yet fully funded, and our partners still do not put as high of a priority on building roads as I would like to see.

Third, the pace of disbursing funds and implementing programs is too slow in many cases. Sometimes this is because of weak capacity and bottlenecks on the government side, but just as often it is because of weak capacity and unnecessary bureaucracy with our partners. Both sides need to focus much more attention on delivering on our promises more quickly.

Fourth, our budget resources are tiny. While we are proud to have increased revenue by 48 percent, our budget this year is less than \$130 million, only about \$40 per Liberian. We are hopeful that more of our partners will provide some funding directly to support our budget, and work in tandem with us as we continue to strengthen our financial controls and procurements systems.

Fifth, we are facing a problem in the transition from emergency programs to development programs, particularly for health. Some partners that focus exclusively on emergency assistance, and that have done great work in the last few years, are beginning to pull out, and other programs are not yet in place to fill the gap. I hope this week we can come up with a strategy to fill this gap and ensure that critical services continue to be delivered.

Finally, we have a huge debt burden, amounting to \$3.7 billion, equal to over 3,000 percent of our exports! This debt is mostly from loans that creditors unwisely lent to past governments but we are stuck with the bill. I thank the Jubilee Group which sent strong messages that IT IS TIME TO DROP THE DEBT! In particular, we need the shareholders of the IMF, the World Bank, and the African Development Bank to agree on a plan for debt relief. To the maximum extent possible, we need them to

use internal resources to finance debt relief, so that new funding is not diverted from schools and roads to go back to these institutions. There has been much discussion on this topic in the last few weeks, but now it is time to move forward!

Ladies and gentlemen, Liberia is on the way back. The struggle has been difficult, and it is not going to get any easier. But we are determined to succeed. With your continued help, I know we can make it. Thank you very much for your kind attention.